WILLIAM J. CLINTON PRESIDENTIAL HISTORY PROJECT

INTERVIEW WITH RICHARD W. RILEY

August 30-31, 2004
Charlottesville, Virginia

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Patrick McGuinn
Joseph A. Pika

Also present
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TRANSCRIPT

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Riley: This is the Richard Riley interview as a part of the Clinton Presidential History Project. I want to thank all of you, especially Governor Riley and Mrs. Riley, for joining us. Probably one of the first things that I should say for historical purposes is that to the best of my knowledge Governor Riley and I are not related.

Governor Riley: The same Irish clan.

Riley: Exactly. We may very well share a common relation two or three hundred years ago but we haven't been able to track that down this morning. The first thing that I want to do as a formal part of the interview is to remind everybody of the ground rules. The interview is being conducted under a strict veil of confidentiality. Those of us who are conducting the interview are free to repeat nothing outside the confines of the interview. We've never had any kind of breach of confidentiality so I can make you assurances that this won't go anyplace else. You'll have an opportunity to review the transcript later, and that will become the authoritative record of the interview. Both the assurance of the confidentiality and the review of the transcript are to give you certainty of the level of confidence that you can have with respect to the confidentiality.

The other thing that we do at the beginning of the interview is a voice identification to help the transcriptionist. That's going to be quite a challenge this time, but some of us do have more distinctive voices than others so that will be a help.

Governor Riley: That would be slowly from the South.

Riley: Just identify yourself and say a word or two so that the transcriptionist can pick up the tone of your voice. I'm Russell Riley and I'm the head of the Clinton Presidential History Project here at the Miller Center.

Governor Riley: I'm Dick Riley, former U.S. Secretary of Education and Governor of South Carolina.

Holleman: I'm Frank Holleman and I was Secretary Riley's Deputy and Chief of Staff at different times.

Cohen: I'm Mike Cohen and I served in three different positions in the administration in the Education Department and in the White House.

Peterson: I'm Terry Peterson. I was counselor to the Secretary in the eight years we were in the Department of Education. I'm a Senior Fellow at the University of South Carolina.

Shanklin-Peterson: I'm Scott Shanklin-Peterson and I was the Senior Deputy Chairman at the National Endowment for the Arts and currently the Director of the Arts Management program at the College of Charleston in South Carolina.

Abraham: I'm Jill Abraham, a research assistant here at the Miller Center.

Mrs. Riley: I'm "Tunky" Riley, Ann Riley, wife of Secretary Riley.

McGuinn: I'm Patrick McGuinn, member of the interview team from the Government Department at Colby College.

Pika: I'm Joe Pika from the Political Science Department in Delaware, fighting a cold, so it should be easy to identify this voice.

Riley: One of the things that we typically do at the beginning is to trace the political interests and the political career of the people that we're interviewing. Your career is so long and eminent that it would be difficult for us to get all of that in a single interview. I wonder, maybe as a way of refining this, if I could ask you about your first experience in Washington politics? Could you tell us a little bit about when you first went to Washington and then how you became involved in Washington politics? Then we'll sort of trace from there.

Governor Riley: Of course, as Governor I had a Washington office. There were a lot of federal issues interacting with state issues. I chaired the Jimmy Carter campaign when he ran for President and South Carolina went for Jimmy Carter by not a whole lot. Before that, my father had chaired Jack [John F.] Kennedy's campaign in '60 and the state went for Kennedy. Other than when my father had Jack Kennedy's campaign and I headed Carter's campaign, we'd gone Republican. So the word is to get a Riley to handle your campaign.

I was very much involved with Jimmy Carter. Then Bill Clinton and I were elected on the same day as Governors and we met in Washington when the Governors met in January or February. You asked me about my first impression. I'll tell you this: He was a young guy then, had a nice head of hair, and I went to this meeting with the Governors and we had a very interesting discussion. I was a new Governor and excited about that in Washington. I came home and told Tunky, "This young Governor from Arkansas is a very interesting person." And he was. All of the issues that were up, it was very clear he was very perceptive. He had an enormous background of knowledge and was a charismatic figure.

He and I became friends that day and we've been strong friends ever since. That was in Washington, but our connection was as Governors. We had similar states, southern states, large African-American populations, weak in education performance and we both felt strongly about fairness for all people. He and I were both very concerned about those kinds of issues, so we had a real strong connection right off and we worked together very closely on education and other matters.

Then I was involved in his Presidential transition. I was on his executive committee when he ran for President, and I came to Washington a number of times, meeting with the key people of the Clinton campaign.

Riley: Can we go back just a second and ask you a question about your time when you were both Governors? Did Clinton come to South Carolina on any occasions to see you?

Governor Riley: Yes, we met several times. He spoke at one of our [Thomas] Jefferson-[Andrew] Jackson Democratic dinners. We met at several conventions and conferences and we would always end up having a very serious conversation. I remember when we in South Carolina were getting involved in all the Education Improvement Act efforts. The Clinton folks were fascinated by what we were doing. I remember Bill Clinton telling me that one of his complications in Arkansas was he had so many school districts—he had something like 350, in a very small state—and how complicated it was to make reform work with so many school districts.

We had differences, but we had so many similarities. It was fascinating. In his book, *My Life*, he says he thought Arkansas did more on education reform during those years, the '80s, than any other state *except* South Carolina, so I'm very proud. But we had a real close relationship and we were kind of into it before they were, so he talked with us a lot about how to proceed in education. Then he got beat after two years, but came back two years later.

Riley: Did you have contact with him after that loss in 1980?

Governor Riley: Yes, and I had contact with him before his loss. He was discussing with me in detail his concern about an auto tax that was causing him all kinds of trouble, especially in rural Arkansas. I remember telling him—I was his senior, and I could give him some fatherly advice—that the people will tolerate a difference with you on, if they perceive it to be on principle. An auto tax is not a principle issue. It turned out that was pretty good fatherly advice, because that was a big issue in his campaign and he was beaten. We had that kind of relationship.

T. Peterson: Didn't he come over to visit South Carolina right after you both got elected? I remember when you came back from meeting him you told us in a staff meeting that you just met this incredible young Governor. He was articulate, bright—we thought *uh-huh*—and he was going to come over and visit us. We thought, *We've seen this all before*. I think he came. It's hard to remember, because a number of us went back and forth between South Carolina and Arkansas. We were consulting with each other, both on the substance of education reform and how to pass reform laws, how to get something funded. But I still remember thinking, *This is*

kind of a flash in the pan. Then we all met him and said, "Wow, yes, I think that's right, he is incredible."

Riley: That is why the question about the reaction of the Arkansans in 1980 is so important. Everybody can see that this guy was so promising and yet after two years he gets turned out of office. Was there a sense that maybe it was a flash in the pan?

Governor Riley: No, but I think he talks about that. He had to mature politically, and he did. As he says, that defeat for him was probably the best thing that ever happened to him because he was moving quickly and he had always been very successful. This really stopped him in his tracks to assess where he was, what kind of contribution he could make—the politics of it all.

He was in a rural state, in a southern state. He had to engage people in a different way than the leaders he knew in Washington. He knew that. He had a good sense for politics and he enjoyed people. He enjoyed politics. That was a very interesting two-year period. When he came out of that, he was a much stronger leader.

Riley: And you were consulting with him occasionally during that period when he was out of office?

Governor Riley: As I recall, we talked from time to time.

Riley: There was something in one of the briefing book articles that mentioned a long walk on the beach that you and Mrs. Riley had with Bill and Hillary.

McGuinn: Renaissance Weekend, yes.

Mrs. Riley: What Dick said about losing an election—I remember Hillary expressing the thought that using her own name, Hillary Rodham was not accepted at all in Arkansas, and they had to really sit down and figure out what they wanted to do—whether they were going to go their way or they were going to try to mend their mistakes, as Arkansas people saw it. She became Hillary Clinton.

Governor Riley: Hillary *Rodham* Clinton.

Mrs. Riley: She said *Clinton*. *Now* she's Hillary Rodham Clinton. But they were very aware of that, and that was a conscious decision. If they were going to continue in public life and live in Arkansas, then they would do what Arkansas wanted them to do. So they did.

Riley: Do you remember this walk on the beach?

Mrs. Riley: I remember that conversation; I don't remember whether it was on the beach.

T. Peterson: All of us were heavily involved in the Southern Regional Education Board and there was a meeting in Florida, right in Boca Raton—

Governor Riley: That's where it was.

T. Peterson: You were out of office but chairing the Southern Regional Education Board effort to set education goals for the South. Bill Clinton was still Governor. Hillary Rodham Clinton was on the Southern Regional Education Board and goal setting panel, too. after one of the sessions at the SREB meeting in Boca Raton we sat at the pool. Scott was along and Tunky was there. It seemed like hours later we were still discussing various education ideas and the politics of passing reforms. We were at the pool, on the beach, back, and it was like Education Policy and Politics 101 in the real world, how you can move a whole state forward.

Riley: This would have been about what year?

Governor Riley: That was later when he's talking about.

T. Peterson: Eighty-seven or '88. We can actually find out. It was the SREB meeting if you need to know.

We had passed our reforms in South Carolina and he had worked on his. The question is how do you move it next? How do you deal with all the things you're talking about? In fact the August 14, 1989, issue of *Time* featured both Arkansas and South Carolina's reforms.

Governor Riley: I don't remember the meeting or what it was but we were on the South Carolina beaches early and I do remember philosophizing with him. He's a great conversationalist.

Mrs. Riley: It might have been Renaissance.

Governor Riley: It could have been Hilton Head. I bet that's where it was because they were there and we were there.

Riley: And you started doing that about when?

Governor Riley: We started when Renaissance started—what was the first year?

Holleman: I bet it was—Phil Lader was defeated for Governor in '86 and he started those.

Governor Riley: Well before that.

Riley: It was clear that he wasn't giving up on a political career.

Governor Riley: Oh yes, he was a political person.

Riley: Did you have discussions with him about Washington politics as opposed to state politics? He had at one point run for Congress.

Governor Riley: The interesting thing about having a conversation with Bill Clinton is he was interested in every level of everything. He could talk with you about what was happening in Ecuador as much as the UK. It was amazing to talk with him. Yes, he was very much into national politics, what was happening in South Carolina, the South, Arkansas of course. He was a multidimensional person. It was not like he was a small thinker. He always was talking about other things in a very interesting way.

Pika: He had contemplated running for President in '88. Had you been involved in any discussions with him—

Governor Riley: I met with him in Little Rock in '87. I went out of the Governor's office in January of '87. I went to some kind of meeting in Little Rock. It seems like it was a large black audience and Rep. McKinley Washington was with me. He was a black leader in South Carolina. We had a group from South Carolina. As I recall, I spoke, and Clinton spoke. Then he and I met after that session. I had a couple of South Carolina leaders with me and he was talking then about making a decision about running for President. He was very serious. It was a very serious discussion.

We were interested in that also. A couple of months after that, he withdrew his interest, but yes, he was very interested in taking a look.

Riley: Just to clarify, when you said, "We were interested in that also," you were interested in Clinton's running, or you were interested, yourself, in running for President?

Governor Riley: No, no. I was interested in Clinton. I would have been for him. I did have a conversation with him. It was a little early, in my judgment, to run for President and I probably reflected that in our conversation, but indicated I would probably be for him.

Riley: One other preliminary question and that again goes back to this period of time when he's serving as Governor. Did you ever get the sense that he was contemplating going to Washington, as opposed to being Governor? In other words, you probably had a sense fairly early on that this was a guy who's looking at the national scene. Was it fairly clear in your discussions with him that he felt that the Governor's route was the best way to do that, as opposed to him being in the United States Senate or going to Congress?

Governor Riley: Well, he was certainly a leader among the Governors. There was no question about that. He ended up being chairman of the National Governors Association. He always was interested in everybody else's issues. He always participated in it. When the Governors would meet in Washington, we would have people over from the White House and we'd meet with the President and all that. He was always very much in the middle of those conversations.

There's no question that he had a broader view of things. I don't know about his political motivation in moving in the state as opposed to the Senate, or whatever. A lot of that had to do probably with Arkansas. I do know he was a visionary person who thought about a lot of different things. After that defeat, his priority clearly was Arkansas and he spoke about Arkansas

a lot wherever he was. He was called upon to speak in other states a lot and he was perceived to be a future national figure.

McGuinn: One of his earliest forays onto the national political spotlight would probably have been in ’89, here in Charlottesville at the education summit where you both were leaders. Could you describe your participation in that event?

Governor Riley: I was not here for that, though I was very much involved in education reform in my state, and clearly was a leader in education reform. The Rand Corporation said that we had the broadest, most comprehensive reform of any of the states. I was in the middle of all of that and was in touch with a lot of the different people who were doing that. I went out in January of ’87; this was in ’89. However, they’ve invited me to come back whenever they’re having [Gerald] Jerry Baliles. They’ve put the heat on me to come back because it is going to be here, right? Is that still on? Is that sometime in November?

Riley: Yes.

Governor Riley: Anyhow, I was not a participant in the summit here because I was not still the Governor that year, but I was very much involved in education reform in the South and in the country. Mike Cohen was a key person and probably had more to do with drafting the goals than anyone else. I had been involved in that, as Terry Peterson mentioned, with SREB. We, with SREB, struggled with how we were going to sustain the education progress. We had all this reform taking place in the South and in the country, which really emanated from the South. It was not all Democrats. Lamar Alexander was a close colleague of ours in Tennessee. Clinton was involved in all that. Jim Hunt came in and Jay Rockefeller and Bob Graham from Florida. It was a very exciting time. Bill Winter, Mississippi.

I chaired an SREB group that struggled with figuring out the best way to sustain the progress. We were afraid we’d go up and then right back down. And so we developed goals and a publication—I think there’s some reference to it here—that listed goals for the Southern regional area. The goals that were adopted at the education summit in 1989 are very similar to those goals we developed for the Southern region. We think that we had something to do with kicking that idea off. That’s probably right. Mike, you might comment.

Cohen: Clinton was the lead Democratic Governor for education for NGA [National Governors Association] when the summit was held here and he rapidly became the lead Governor overall. He was really the driving force among the Governors for the agreement that was reached here.

Riley: Mike, your position at the time was?

Cohen: I was the Education Policy Director at NGA. There were four Governors in formal leadership roles: Terry Branstad from Iowa, who was the Chair of NGA; Booth Gardner from Washington, who was a vice-chair; and then Clinton and Carroll Campbell, Riley’s successor, two education task force chairs. It was clear that Clinton was the lead of all four of them. He was the one who pushed the [George H.W.] Bush administration, when Bush first called the summit.

His idea was to get the Governors together and talk about what they're doing around four ideas that Bush ran on— excellence and accountability, and two others I don't recall.

Clinton rallied the Governors and said, "Actually we use the National Governors Association to have those kinds of conversations. If we're coming to a summit with the President, we want to talk about both what we're doing and what the federal government is going to do to help us." That's in part where he introduced the idea of national goals that both the federal government and the states would have responsibility for achieving. He pushed for greater flexibility in how states can use federal resources. He pushed for the federal government to take what had been separate categorical programs targeting individual, separate, discrete categories of students—he pushed to begin to change those so that they were more connected with what the states were trying to do. He pushed the administration to think not just about K-through-12 education, but lifelong learning.

If you look at the statement that came out of the summit here, there's as much talk about early childhood and preschool and about apprenticeships and college access and workforce development as there is about K-to-12. Clinton basically came here with that set of ideas in mind. We started drafting them the night before the summit began. Actually, he dictated and I wrote, which is significant because that's usually not the way it worked at NGA. Usually it's the other way around. The staff wrote and said, "Isn't this what you mean, sir?" But he clearly had done a lot of consulting with people prior to arriving here and had a very good sense of what he wanted to see come out of it. He basically worked the Governors throughout the 24 or 48 hours, however long the summit was, to get them all lined up.

Riley: And he was successful in doing this. How was the dynamic with some of these other Governors? Clearly there were some people there who also had White House aspirations, and I'm wondering, as somebody who's watching this, if you could describe for us what that looked like.

Cohen: There was, first of all, one set of dynamics among the Democrats, where the discussion was how much of a victory at what price would we permit the Bush administration to get out of this? That debate quickly centered on money. Will we somehow insist on a commitment to funding in order to secure Democratic Governors' participation in whatever else came out of the summit? There were also discussions to that effect with Democratic congressional leaders around that. Clinton actually argued it would have been a mistake to make this all about money. It would perfectly fit the tax-and-spend image that Democrats had at the time.

He and most of the other Governors kind of resisted going in that direction. There was a very pointed exchange at the last private session between Clinton and [Mario] Cuomo, who were probably the most vocal in this, and Bush, in which the basic message was, *Okay, Democrats are saying, "We're not here arguing about federal money," but this "Read my lips" stuff is really making it hard for Governors of both parties at the state level to raise the revenue they need for education. You need to change that message.* That was a fairly testy exchange, as I recall, at the end. I don't think either Bush or [John] Sununu was particularly happy with that part of the discussion.

The Republican Governors by the time we were getting to the summit—in a manner that Republican administrations seem to be able to do far more effectively than Democratic administrations, the Bush administration had gotten the Governors in line behind whatever it wanted, so the dynamic was not Governors on one side of the table and the administration on the other, although to the outside world it looked like that. It was basically the Democratic Governors on one side and Republican Governors lined up with the Bush administration on the other, but that was pretty early in the process among Governors.

You began to see some partisan splits on education. A few years before that, you could sit in an NGA meeting with Riley and Lamar Alexander around the table and you wouldn't know who was a Democrat and who was a Republican. I'd been at NGA for three or four years prior to the summit and I was for the first time beginning to see—but you really could tell who was a Democrat and who was a Republican when these discussions came up.

Pika: I just want to move this chronologically up a little bit. As we approach the '92 campaign and education plays really a central place in "Putting People First," how did that evolve? Did you have any role, for example, in helping to define the education agenda of that '92 campaign? Was it a natural follow-up from the conference? From the education summit? What transpired between those two events?

Cohen: I could tell you what it looked like from my point of view. The one thing that I was pretty clear of, even before that, is that Clinton talked with so many people about these issues that it would be almost impossible to know what the source of them was. But by the time it got to the '92 campaign I'd left NGA, was working elsewhere, and was sort of an informal education issues policy advisor for the campaign, which, when it came to the platform in "Putting People First," mainly meant looking at what somebody else had transcribed from a series of conversations with Clinton about what he wanted and trying to clean up the language, because I understood what he wanted from previous conversations better than whoever the campaign staff was.

By the time I saw it, most of the stuff that was in "Putting People First" had come forth from Clinton, as best as I could tell. Some of it reflected what was in the summit. The business about national standards and a national examination system came partly out of that, partly out of conversations with Marc Tucker of the National Center on Education and the Economy. Hillary had been on that organization's board and that was an issue that they were working on.

There is brief language about apprenticeships in "Putting People First" that was not quite what we wound up doing with the School-to-Work program, because it read like, *Well, if you're not going to college you should take an apprenticeship program*. In fact, it turned out to be, when enacted, something that connected high school, post-secondary institutions, and employers. So it was somewhat more complicated, more headed towards post-secondary. Early childhood was in there. That was something that both he and Hillary had worked on for a long time. The short version, I guess, is they'd figured out most of this stuff long before the '92 campaign started.

Governor Riley: Going into his campaign for President he knew those issues better than anyone else and he would discuss them with people. He knew where he was on all of that. He had been

in it ten years-plus in a serious way. I was one of the original members of the Democratic Leadership Council when I was Governor, and so was Bob Graham, and so was Bill Clinton. Al From and his group also were involved in all of those policy issues dealing with Bill Clinton. But as Mike pointed out, he didn't need to get a whole lot of help, because people were coming to him for help. He had his own ideas about education.

T. Peterson: Like you said, he really was active in all the key groups that influenced education nationwide and in states, like the Southern Regional Education Board, as was Hillary, the Education Commissions of the States, the NGA, and the Democratic Leadership Council. When you go to those meetings, most people sit there and chime in when it's something that's relevant only to their state. But Bill Clinton would get involved in all the discussions and then go home and try to do it in his own state. Really, like you said, he was the best person to figure out the "big picture" of education nationwide because he'd been engaged from so many perspectives, which always made it interesting.

Riley: You had indicated that when you were in Charlottesville there was a sense about—Let me rephrase the question: Was there any indication that the Republicans were concerned about handing Clinton a political victory on this? The Democrats were concerned about—

Cohen: Only after it was over. They said, "How did Clinton come out looking so good at that?"

Riley: But he wasn't really a threat on the horizon?

Cohen: Well, I don't know. He had considered running in '88 and that was widely known. I was less likely to hear the internal political talk among the Republicans but it wouldn't have been difficult for them to figure out that if he was thinking about running in '88 and chose not to, '92 would be another opportunity. So they must have had that idea in mind.

Pika: Although, thinking back to '92, he was embedded in kind of the second tier of candidates. If you remember, in '92, most people thought—The big guns in the Democratic Party pulled out, decided it couldn't be won, so Clinton distinguished himself among all the others who were willing to make the challenge. He wasn't actually considered a top-tier threat.

Cohen: But remember, back in '89, that was before the Iraq war, before Bush's poll ratings were sky high, so I think it was too soon for anyone to know who else would be in the field and what the tiers would look like. If you think about what [John] Kerry said about how much Clinton had done on education, how deeply connected he was to the sort of intellectual and policy circles there, I don't think, frankly, either the Democratic or the Republican Governors had any choice about Clinton shining there. He just outgunned them all. He knew more than anyone. He'd worked harder at it. He had the sort of presence that helped, as well. Once they put him in the leadership team, I don't think anyone could have orchestrated the summit so that he would have not played a significant role. And if he hadn't played a significant role, then there wouldn't have been much to show for the summit.

Riley: So he sort of pops up on the radar screen and after Charlottesville is somebody who they've got to keep an eye on, if he wasn't in that league before.

Cohen: Certainly on education. If they hadn't figured it out by then—

T. Peterson: You think by then—Well, how long had they been in office?

Cohen: '78 to '89 with a two-year hole.

T. Peterson: The buzz was that we were working hard on education in the South—When I'd go to national meetings, people wanted to know what southern states were doing in education reform because, as the Secretary said, we were way behind, but there were a lot of southern states trying a lot of different things. At that time, almost all that original cadre of people who led these efforts that you mentioned, except for Clinton, were out of office. Was Hunt back in yet? Because of his tenure and involvement, Democrats and Republicans all sort of looked to him because he'd been out there doing and talking and trying to do it in a bipartisan way.

Riley: Did you have early conversations with him in '90 and '91 about a run for the Presidency in '92?

Pika: You said you were on the Executive Committee.

Governor Riley: Yes.

Pika: I assume that means you were consulted in this.

Governor Riley: I was, and I would generally go to the meetings in Washington and discuss all the issues of the campaign. We had some difficult issues jump up, and the Executive Committee deals with a lot of those, rather than with the specifics of his education program. But it was always part of it. Part of "Putting People First" was education, a big part of it.

Riley: My question was more along the lines of his decision-making process going in, reaching ultimately to the conclusion that he would run and whether at some very early stages he was touching base with you or not, whether it was a wise decision, given the political environment in 1990 and '91, to make the jump.

Governor Riley: Well, I'm sure he did. I don't recall specifically. I know he came to South Carolina rather early in the campaign and I introduced him and there was a big crowd every day. I assume we had a lot of discussion but I just don't recall specific discussions. But I was part of his campaign. I was his South Carolina person.

Holleman: We had an early meeting, remember, at a boardroom somewhere in '91, when he came and met with about 20 people.

Governor Riley: It was at my law firm.

Holleman: Yes, we met with 20 or 25 people. Remember that?

Governor Riley: I remember he spoke that night.

Holleman: That's right. That was in '91.

Riley: And by that point you got the impression that he had already made the decision to make the jump? What I'm trying to get a sense about is his thought process as he's reaching the conclusion to—

Holleman: By then he had decided to run.

Governor Riley: We were raising money. I'm not sure if that was a fundraiser or not. It might have been.

Holleman: I can time it if you all are studying this. There was a *Wall Street Journal* profile of each of the candidates and there was one of him where they asked each candidate on the Democratic side, "Who is your favorite conservative in the world?" "Who's your favorite Republican in America?" They asked them a series of these questions. It was within a month of that article. I remember that. He said his favorite Republican was Carroll Campbell. That's how I remember.

T. Peterson: That's because they worked together at the summit.

Holleman: Right.

T. Peterson: We were trying to think—At Renaissance Weekend, had he announced then? He started to, or he at least put feelers out, because when he came to Columbia he was making—I was wondering if that's when he came. Was that '91?

Mrs. Riley: Could be.

Holleman: Renaissance would have been January of '91.

T. Peterson: But he campaigned after that, like back to Arkansas to tour or something, like he was testing the water, but he obviously must have decided, right? We had teenage daughters and we dragged them to this little event in Columbia, South Carolina in January '91—they got dragged to political events for a long time—and I said, "You're going to meet the next President of the United States." At that time they had no interest. This was early on. They said, "Sure." Then they saw him, and they said, "Wow, maybe for once you're right, Dad." [laughter]

Shanklin-Peterson: I'm not sure he had announced then.

T. Peterson: But you could tell he was about to. That was right after Renaissance in '91.

Riley: That's easily traceable in the written documentation. What I was interested in is the kinds of feelers that he's putting out at the time as to whether to make a decision. I would think, given your relationship with him—By this point you are looking at the post-war environment in which

the Bush numbers are skyrocketing. I would have imagined that probably there were a lot of people who had counseled him that this was not the right time.

Governor Riley: I can't remember without looking at something else to refresh my memory. We were very close. We would talk about all kinds of issues—personal issues, political issues, his future, my future less. We did have that kind of relationship, and have since 1979. That was a very important period for Clinton. He was talking to a lot of people at lots of times and I'm sure I was one of those people that he talked to.

He'd come to South Carolina at certain times. I don't remember the exact dates. He liked South Carolina because it was very similar to the politics in Arkansas. He felt very comfortable there and he went over well there. Big audiences, big crowds. He knew how to talk to southerners. He knew how to talk to African-American audiences. I remember when he came, he actually kicked off his campaign at the Darlington 500. That was the next year and he did that in South Carolina. We went to church together.

Holleman: That's when we had the rally on the Capitol steps.

Governor Riley: That's right.

Holleman: He went from there to Darlington.

Governor Riley: He was there and he spent the night with us. We watched the football game on television. We had a barbecued turkey and he ate about half of it. [laughter] It was delicious. We watched—Arkansas was playing or something. We of course had been campaigning all day long. We had a condominium in Columbia. We had dinner and watched the game and so forth.

The next morning we went to church at Shandon Methodist. He's a Methodist. No, he's a Baptist; she's a Methodist. We went to church and he and I sang together. He's a real singer in church.

Riley: Does he have a good voice?

Governor Riley: He has a great voice, a powerful voice.

Riley: And he probably knows his hymns.

Governor Riley: He knows all the hymns. He occasionally looked down at the book, but not often.

Riley: Third or fourth verse.

Governor Riley: We went to church together and then the Darlington 500 was that afternoon. We all went in a caravan to Darlington, riding in our car, and then he kicked off his campaign.

Riley: I want to date that. This is fall of '91 or fall of '92?

Holleman: This would be in summer of ’92, late summer ’92.

Riley: Okay. You mentioned a football game and I wasn’t sure.

Mrs. Riley: Well, the Darlington starts on Labor Day.

Riley: Okay, so this would have been the kickoff for the general election.

Governor Riley: Oh, yes.

Riley: Was South Carolina at all contested during the primaries?

Governor Riley: Yes.

Riley: Who was his toughest competition in South Carolina?

Holleman: Well, when we started out, the biggest concern was Doug Wilder. You may remember, he was going to be in the race, we thought at first. Then Doug Wilder didn’t run, but we had this boomlet for [Paul] Tsongas in the Northeast, so South Carolina played not as important a role as in the Republican primary but was a key—they called it a firewall. If anything got out of control, we were one of the stops from the Northeast. Tsongas got about 25 percent of the vote in the state.

Governor Riley: There was [Ross] Perot.

Holleman: We got about 65 percent in the primary and that was the first time South Carolina had ever had a Democratic presidential primary. This year was the second time.

Riley: Did you go to the convention?

Governor Riley: Yes. That was the next one. No, that was Jimmy Carter (1980). When he was running again for President I headed up the Platform Drafting Subcommittee, which was a difficult job. Issues like Tel Aviv being the capital of Israel—moved from Jerusalem. [laughter] We had, in that year—I was trying to think, was that in San Francisco?

Holleman: New York was Clinton’s first convention.

Governor Riley: New York. I chaired the South Carolina delegation and was very much involved. We went to all the in-house stuff and were included in all the things. I remember New York and how exciting that was, the giant crowds of people who couldn’t believe a Southern Governor was having all the New Yorkers pour out.

Mrs. Riley: I know, I was embarrassed about my accent. [laughter]

Riley: That was the convention to be at then.

Mrs. Riley: It was.

Riley: With a Southern accent. It proved that you were—

Mrs. Riley: I guess that was Carter and I was shy about that.

Riley: Did you go out—

Mrs. Riley: We all talked like this by then.

Governor Riley: As I recall, the main speech—

Holleman: It was Zell Miller.'92 was Zell Miller.

Holleman: Cuomo did the '84 convention keynote, Clinton did '88, and Zell Miller did '92.

Riley: Did you go out on the campaign trail with the President outside your home state?

Governor Riley: I'm sure we did and I don't recall exactly what we did. It was mostly in South Carolina, I'm sure. Again, I would meet with them in Washington, generally. I got to be friendly with all his folks.

Riley: Is there political money to be raised in South Carolina?

Governor Riley: Not much, but we did what we could.

Riley: Who would have been the biggest backers of the campaign in South Carolina?

Holleman: As a group, well—

Governor Riley: That would be African-Americans in South Carolina—

Holleman: You mean political support?

Governor Riley: Political, but not money.

Holleman: We had one key supporter of his. In addition to the Secretary, we had two or three in South Carolina. One was Bishop [Frederick Calhoun] James, who had been the AME [African Methodist Episcopal] bishop of South Africa and then of Arkansas and was then in South Carolina. He was at the AME church, one of the largest denominations in the country. It's certainly big in the South. Then Phil Lader, who was at Renaissance, was a South Carolinian and was a close friend of the Clintons from Renaissance, too. You'd have to look at the financial reports to see who really contributed significant amounts. South Carolina is not a big political money state.

Governor Riley: We were very much involved, with people like Sam Tenenbaum and Inez [Tenenbaum]. They weren't married at that time, but they were big supporters of Clinton and had been for Carter.

Holleman: Inez was. Sam was for Tsongas.

Mrs. Riley: Yes, Sam was Tsongas.

Riley: He probably doesn't brag about that much. How did Clinton do with white voters in South Carolina? Did he do reasonably well or was that just a hard sell?

Governor Riley: Most all of the Democrats were for him. I would say the majority of the white voters in the general election were Republican. But we always had college professors—I used to say we're strong with college professors who knew the issues, and preachers. That wasn't necessarily based on any absolute facts but—

Pika: Hard to tell them apart. [laughter]

Governor Riley: Very similar crowd.

Pika: Let me ask two campaign-related questions. One is, did you have any conversations with Clinton about his selection of a Vice-Presidential nominee? [Al] Gore was also a DLC'er [Democratic Leadership Council], someone you must have known from that era.

Governor Riley: Madeleine Kunin was a close friend of mine when she was Governor, and Vernon Jordan was a close friend and I had introduced him in South Carolina in a large meeting of the House and Senate. I knew all of that group well. I knew Warren Christopher not as well but I got to know him very well and we're very close friends now. Of course they came up with Gore. Al Gore had strong connections in South Carolina and we were very pleased with that. I don't remember them speaking to me about that, but I was talking to those folks a lot, all through that period.

I would have been, if anybody had asked me—and I'm sure they probably did—a strong supporter of Gore. I felt that was an interesting choice, the state right next to Arkansas and two kind of similar, moderate Democrats. It turned out to be a grand choice. It was a really strong combination of leaders. I was very supportive of that and very pleased with that. We had Gore come to South Carolina and he was very well received. Then, of course, I was called into the transition thing after the election.

Pika: I was about to move in that direction.

Governor Riley: We're about there.

Pika: The controversies of the transition and your observations about how it worked and things that could have been improved upon. We have a chapter from a book, a collection that actually is comparing transitions across administrations.

Governor Riley: We used what previous people had done and I met all of them. They pulled me in a little late. I was at a Kaiser Foundation [Henry J. Kaiser Family Foundation] task force on healthcare in Menlo Park. Someone tapped me on the shoulder and said, "You have a telephone call." I said, "They've got all these charts up here. I'm trying to figure out all this—Take the number and I'll call back." They said, "Well, it's the President." The newly-elected President. I said, "Well, I'll take that."

That was when Clinton asked me to head up selection of the sub-Cabinet, which is a very complicated thing—complicated for a number of reasons. One is the Cabinet. You've got a Cabinet and they ought to have something to say about it. The President wanted all the sub-Cabinet people to understand that he was the one who chose them, though they might have been recommended by someone who had been picked. He and his White House group were going to deal with the Cabinet itself.

Then I went home to get my affairs straight. I had to move to Washington for two or three months. I stayed two or three months and eight years. But that was a very complicated procedure because the Democrats really had not been in office, except for the four years of Carter, and he was anti-Washington and brought a lot of Georgians up there.

There was a tremendous reservoir of bright young people and older people who really were excited about the Clinton administration and really wanted to come to Washington and be involved. We would get an average of three thousand résumés a day during that period when they started really coming in. We had 40 or 50 lawyers who were vetting people, volunteers. We had 40 or 50 headhunters and professional people, all in this building on Vermont Avenue. We had a whole building in D.C.

Billy [William M., IV] Webster was my Chief of Staff . He was a White House Fellow and came to work for me. We were close friends. He did a grand job. He put together a balanced committee to get final approval of the names and we did books on people. We had to narrow down this tremendous number of résumés. We were determined to try to consider everybody and we would narrow it down to a hundred and then to 20 and then usually we would go before this committee with 12 to 15 names for a position in whatever agency or department it was. Then we would choose three or four names to go to the President, with a complete book on each of them, having been vetted and the whole deal. All of them were capable, quality people ready to be approved.

That process, I thought, went very well. I was involved with going to Little Rock a lot, meeting with the President a lot, and Hillary a lot, and Warren Christopher and Vernon and others who were involved in the transition. Mack McLarty was involved. We would talk about a lot of things. I remember one night at the Governor's Mansion in Little Rock talking about how the President would sign his name. My recommendation was for him to use his whole name in official documents and follow the Jimmy Carter years. From Bill to William Jefferson and William J. and whatever. We had that kind of discussion. It was a fascinating time. Everybody in the world was going to watch what was happening around there.

One night we were there in Little Rock and they came in and gave the President a handwritten note. He passed it around. It was a note from Richard Nixon saying he admired him, what a difficult time he had in getting things underway, and any way he could be helpful—it was that kind of—

Pika: Didn't have his résumé attached? [laughter]

Governor Riley: I thought that was a very thoughtful thing to do.

Pika: Would he have cleared vetting?

Governor Riley: Then of course they talked to me about being in the Cabinet. They wanted me in the Cabinet. Education was the only thing I was interested in. He had talked to me about a lot of things, Chief of Staff or whatever, but I was not a seriously considered person. I just had a very good relationship with the Clintons and they wanted to get me involved in the inner circle there and Education was the thing. So I accepted it.

Somebody said that when I left and went to Education, things got into disarray. I'm sure there was a lot of frustration. A lot of people we spent our time turning down aren't people who then compliment you on your work. But I felt we had a very good organization. We had good people. We had done all the work. We had a say on all these professional people who were really analyzing things.

You have an enormous number of complications. You have somebody that you really want in a serious way, maybe the Cabinet person has been chosen and that person wants this person to head this division. These sub-Cabinet positions—that is the government. Those are the division heads. They're really like corporate CEOs of the various divisions of the government. Then you would come up with a driving-under-the-influence charge thirty years ago, or something about having a maid once a week who was not a citizen. All this stuff was jumping up and everybody was nervous. You had to wade through all that. Then the President would look to us and say, "Is this something that ought to exclude this person or not?" Or, "How should we handle it?" It's not an easy job. We had a real time squeeze.

When I was chosen for Education and went to Little Rock and had the announcement, there was no question about it, I was getting Education then and trying to maintain some semblance of leadership over what was happening. By then the Cabinet officers were mostly chosen. When they were chosen, the whole dynamics of transition in the sub-Cabinet changed because then the President wanted to consult with the Cabinet officer. To keep our organization in place, that person needed to know it was the President's choice. The Cabinet council might have recommended him, might prefer them, but he wanted everybody in the government to understand it was his government, and that made good sense to me. I was part of that decision. I felt that was the right way to handle it.

As far as I was concerned, it was a fairly good organization. Then other things began to take place. You move over to the White House eventually and then a lot of tough things had to be decided by people there. I have heard people say, and I believe Bill Clinton says it in his book,

that if he had it to do again he would probably do the White House staff differently. There was very little organization in how he arrived at—although he had some good people. But that was something he observed.

We did have a thorough organization. We catalogued all the résumés, people we knew, jobs, and went through them, every one. We would weed out ones that were obviously not qualified, and then for those that were, we had a process of winnowing down to let them have the final decision. I thought that went very well.

We had a computer glitch at one point. We had a scanner that was supposed to be the hottest thing in creation and we had all these thousands of résumés coming through. The scanner worked for some and not for others. Obviously we couldn't have that, so we had to do away with that. Tunky and volunteers took on those résumés to catalog them. Is this an Environmental person or Interior, or was this a person in Education or the Court? Then Frank went to the Justice Department before he came to Education.

T. Peterson: Mike and I were on the transition Education team, not necessarily the personnel part, but then I got involved in the personnel part when it looked like the Secretary was going to become Secretary. So I watched. I had just chaired the search committee for a university president to find a replacement when Phil Lader had left Winthrop. It reminded me, the search process they put in, of a university presidential search, which normally takes about a year. They were doing basically 15 college president searches in each Cabinet office in a few weeks. They were trying to do a combination of *outside*, independent people, many of whom had not been involved in the campaign, or no one knew about them, with inside people from the campaign. There might be a diamond in the rough. At the same time, the search was making sure the top candidates were tuned in to the policies and were loyal to the President and could work with the Cabinet officer who may or may not have been chosen yet.

It was interesting how the list—and then going through all the vetting, how complicated it was. We were trying, in Education particularly, to get a team that would be top-notch, that would vary in background and in age so it really would reflect America and also all these other dynamics. It really takes time to do that. The presidential college search is usually a year. Lots of things have little glitches. It really was amazing how—I mean, we really ended up with just a terrific team in Education in a relatively short time.

In fact, one of the things on our regular transition team, we were told by other people from other administrations that turnover is a year-and-a-half for Assistant Secretaries. In our work in states—and Mike had worked with a lot of the states—even at a state level you're talking five years at a minimum to make a difference in state education reforms. It takes eight years at a minimum to make a difference at the national level. So if you're turning over everybody, you might have some great policies but really, they won't get implemented. That was a dynamic we really worried about. I don't know about the other Cabinet officers. I'm sure the big transition team worried about it too. How do you not only get the people and get them confirmed, but also keep them?

Pika: Did you talk with the Education candidates about that, about the need to stay longer than their colleagues in other Departments may typically have done?

T. Peterson: I think we did once it got that far, but just putting a slate together of good candidates was the first challenge. In Education we learned from our efforts to create commissions in South Carolina where you can pick everybody at once. That is such a great thing if you really think of it. Rather than think of it as overwhelming, think of the ability to select a whole team at once. So we could think of a whole team—where they're coming from, what are their backgrounds, and really put together a composite. Because of that in one fell swoop, you pick your ultimate top staff. There's almost no other job where the person coming into office can do that. Because we had the same connections as President Clinton, SREB, ECS [Education Commission of the States], NGA. Another group that supplied us with excellent candidates was the board of the Center for Policy and Research in Education, which is a federally-funded policy center. Both Dick and I were on that. Mike Smith, one of key staff and a key person in the transition, was a leader in this center. Mike Smith—

Cohen: Created it.

Governor Riley: Let me tell you, we had the very best education people in the country. I don't believe there was anyone we invited to come to the administration that didn't come. It was a very exciting time for education. Like [Marshall S.] Mike Smith, who was the Dean of Education at Stanford. Mike Smith was one of the people who created the idea of standards and it's his writings and a colleague of his—and we were into standards. Mike came with us.

And of course I got Madeleine Kunin, who had been a Governor and a strong leader and very much into education. We had Tom Payzant, who was on anybody's list of the top two or three superintendents in America. He was in San Diego then, and had been in several other places. Everybody said, "You'll never get Tom Payzant." "You'll never get Mike Smith." Ray Cortines was from San Francisco and he had been several other places. On anybody's list of three, you had Ray Cortines and Tom Payzant. I think anybody would say that. So we got Ray and he came.

These people, when you talk about sustained progress, they are into that, you know what I mean? It wasn't like we had to get a policy. These were the people we attracted and it was just a wonderful, wonderful team of people.

Riley: I want to ask a couple more questions more generally about the transition process before we get full steam into putting together the Education team. One is you mentioned the business of the Cabinet and the government looking like America. That was one of the promises that the President had made, that this would be a Cabinet and government that looked like America, the implication being that there would be a great deal of diversity. How did that play into your considerations as you were going through and making decisions about proceeding on people?

Governor Riley: That was a very easy thing for me to do because that's the way I always had handled my own leadership in South Carolina, and everybody knew that. When Bill Clinton got me heading up important sub-Cabinet positions, he didn't have to tell me that. That's where I

am. It was an easy thing because we had enormously capable people who fit all the different categories.

Of course, I had dealt with large African-American populations in South Carolina in a very serious way. That was very important for education because they had really been denied a fair education over the centuries. The same with Hispanic children. I was into that. I got all into it in the campaign. We had wonderful black and Hispanic people around in the transition. The group I had to give the final winnowing down of these names was representative in itself. And everything else was, because that's the way I think. That's the way Bill Clinton thinks. It's not some artificial deal with us, because it's natural. Yes we did that. That was what he talked about on the campaign and it was the right thing to do.

Riley: Was it the case that as you were sending names up that there was a conscious effort to make sure that there was a certain kind of diversity in the working list that you were submitting to the White House?

Governor Riley: There was, and that was a natural thing for us to do.

Riley: Do you remember any specific instances where the search for diversity in these positions became problematic? You couldn't find a candidate that had particular characteristics that you might have wanted in one of the agencies?

Governor Riley: I don't recall that happening. We had thousands of candidates who might be lawyers to fill a legal slot, and of those numbers we had so many qualified people. We, in substance, advertised so people could send their résumés in. That's another reason that so many came in. We wanted it to be wide open. We wanted everybody out there to get their résumé in. That was just part of it. I don't recall that ever happening.

Again, I tried to set the tone there. That's where I was, where Bill Clinton was, and it was where we were going to be. We just proceeded and very little was ever said about it. It was the natural way of handling those issues.

Riley: There was another part of the transition effort that was issue-based as opposed to personnel-based, right?

Pika: That's what you worked on?

Riley: This is the very large—was there much interaction between the personnel and the issue area or not?

Cohen: I can tell you from my perception because I, along with a woman named Gloria Cabe, who was Clinton's Arkansas-based education advisor, we were the education issues team. There was a third part of the transition that was a larger group of people called in to review the agency. Gloria and I actually figured out that our lives would be miserable if we didn't make sure that the people who were involved in the agency review were somehow connected to the policy world and outlook that Clinton had, and that we had been involved in.

We actually sat down with Mark Gearan and worked through the leadership of that group. One of the first names we put on it was Terry Peterson. Mike Smith was another one. So we actually worked with that side to get one large group that would cover both the agency and the policy in fairly consistent fashion. That was at the beginning, I think, before you were named as Secretary, but it was fortuitous that once you were, we already had the connection there. I would bet, if you looked at the Education transition from personnel, policy, agency-review, and confirmation, it looked pretty seamless.

Riley: Joe, you've done work on this. This sounds to me to be a bit unusual even in this transition. Most of the testimony that we've gotten indicates that the personnel operation was apart from this large policy review apparatus.

Pika: Aligning those pieces together is an incredible challenge when you're doing it under these time constraints. You were tapped, as you pointed out, at a very late point, and you have to ramp up a system after the election has already been held, already been conducted. One of the criticisms is, in fact, that there wasn't quite enough of that planning preceding it to get all these pieces in alignment, including the personnel piece, and getting that started at an earlier point in time.

Cohen: But in Education, partly because of Clinton's long involvement, there was this whole network of people who had both been connected to each other and, independently in some ways connected directly or indirectly with him, who very quickly were able to come together, many of whom then started out in the administration right away. It was a much more coherent group of people who could work together, who had the same general policy outlook.

Early in the administration, people would comment that you could hear Terry give a speech, or me, or the Secretary, or Mike Smith, or Tom Payzant give a speech, and we all had the same message. They thought it was because we spent lots of time planning, but the fact of the matter is we just came there with the same—I mean, we did plan, but we came there with a fairly common outlook and it didn't take much work to get that level of consistency very quickly.

Pika: And it helps getting good people when they're confident that something is going to happen. They know the President's personal commitment. He's had this long-term involvement. They know him from all the networks, so it makes it a lot easier to attract the top caliber.

Governor Riley: I mentioned three people, two who are here, Terry Peterson and Mike Cohen in the same category. I just took them for granted since they're sitting here. Terry Peterson and I have been together from the word "go" when I was elected Governor. Then I asked him to come to Washington when I went there and he was my counselor there. Mike Cohen really was the person working with Governors who knew more about the standards movement, where it was, where it could go, than anybody in Washington or anywhere else. I was very fortunate to have these two and many of the others. All our people were good people.

T. Peterson: We made a connection with Mike, actually, with the Education Commission of the States, who were working on our South Carolina reforms in '83. Again, we had a rare blank

slate. We created a blank slate. We were able to do the reforms with high standards and the opportunity and the funding all in one package, which is just a rarity. That's why a lot of reforms don't work, because you've got to do little pieces and then time goes by. We needed Mike's help and we went to one of his workshops at an Education Commission of the States meeting, but he didn't show up at the workshop, so that was our connection. We were dying to meet this guy who had these high ideas, but he never showed up. It was kind of a weird way to get connected. It started in '83.

Cohen: Yes '83. This was a five-hour layover in Chicago that prevented me from getting to the ECS meeting in Denver until midway through the session. I came in for Q and A. These two came up to me afterwards and said, "Can you do the same thing in South Carolina?" I wasn't sure if "the same thing" meant give the speech, show up late, or what.

T. Peterson: Even the location of the transition was interesting. Our offices in the building on Vermont Avenue, the Education transition office, was just below the President's Personnel office where Governor Riley was working out of. Since we knew Governor Riley well, even though he was swamped with the whole personnel situation he would squeeze us in. We would go up and test ideas off him. And also, when we got into the personnel thing, we would have slates. I remember at Christmas going to visit my relatives in Wisconsin, so it would have been December—

Holleman: Ninety-two. The election is in even years.

T. Peterson: I know. My family has a small construction company—there were faxes flying back and forth with slates of people or we were developing the slate. My older brother would read everything before he would give it to me. He said, "Boy, this is really interesting. You've got people from all over the country, every kind of position." Because we in the Education Transition Team were physically located one floor below the Presidential Personnel Team and had this kind of camaraderie, we were able to do the linkage, which I think would be really tough to put together in that timeframe unless you had some prior knowledge and working relationship with a wide range of people.

Riley: I think the absence of that shows in some of the other areas outside education.

A couple more questions, then we'll take a break. You mentioned the Carter people. You said the Carter Presidency had relied on a lot of people from outside Washington. We've heard other testimony that indicated that there was a kind of reluctance on the part of some of the Clinton people actually to go out and accept people who had Carter administration experience back into this team. Does that sound right to you?

Governor Riley: No. I've read some of that too. If there was any of that, I don't know it. No one ever told me that. But Clinton had pulled in at the White House young, bright, visionary groups and they were their own thing. He was such a force in any meeting. He was the person that was making a movement. I can see this young crowd coming in not reaching back into [Michael] Dukakis or [Walter] Mondale or Carter or whomever. They wanted their own thing and I could see that. As I indicated to you, I was very close to Jimmy Carter and I still am. We see each other

from time to time on occasion but we have a very close relationship. I have tremendous respect for his people. I saw Hamilton Jordan at the cancer fundraiser in Columbia and we had dinner. We were very close. I still have a good relationship with all those people. Certainly that wasn't my interpretation.

Riley: The last thing is that you had mentioned that you had been approached about the Chief of Staff's job.

Governor Riley: You know, when I say "approached," I was in these conversations where we would talk about what kind of people for the Chief of Staff. On occasion somebody would ask me, "Are you interested?" And I'd say, "Absolutely not." And I wasn't. No one ever offered me that position. That was the kind of conversation, reaching out, trying to figure out whoever—and of course Mack McLarty was a very close friend of mine and that's who Clinton knew best. He knew Clinton best. He's a very well-organized person. He was going to make the decision, probably with Clinton. Either it would be himself or it would be the two of them picking somebody else, with probably Vernon Jordan and Warren Christopher, who were making those decisions.

Riley: You're focused mostly on sub-Cabinet appointments. Were you also having ongoing communications with the people who were responsible for the Cabinet level positions as well as the White House personnel?

Governor Riley: Some, but not official. I'm sure we would get calls all the time. I would get three or four hundred calls by noon every day. We were trying to put all that together. But if the Speaker of the House called, I would call him back. I had good people who would respond to all that and try to keep all that in tow. In the process I'm sure from time to time I would talk to White House people and they would ask, "What's happening with this person?" "Have you looked at this one in Kansas?" I would check it out and call them back.

McGuinn: My next question gets more to the legislative agenda.

Riley: Why don't we take a five or ten-minute break now and then we'll get you into the Education Department.

[BREAK]

Riley: Who approached you to be Secretary? Was it the President who made the offer to become Secretary and took your acceptance?

Governor Riley: Yes, as I recall, it was. Then we had these announcements in Little Rock and I flew to Little Rock for the announcement. They put me in an office, in a room, and said for me to

prepare an announcement statement, which I did. Warren Christopher was the one in charge and he was telling me that.

Then I showed that statement to Bill Clinton. It was a couple of pages long. He took his left hand, and he wrote something in the margin on the first page and something in the margin on the second page and handed it back to me. In about four or five seconds he made two very good suggestions. That's how interesting it was to work with him. He had this ability to look at a page and tell you exactly what was on it. His writing was impossible to read. He had to decipher it for me. Then I re-drew the statement to put his suggestions in there and we came out and met the press. The same day they brought in Hazel O'Leary in Energy, and they announced us at the same time.

Pika: Did you have conditions to accept the job or was there an understanding about what your role was likely to be, your access to him, for example? Were any of those things discussed up front?

Governor Riley: I don't remember any discussion of that, but we had had a very good relationship over the years. He'd always listened when I spoke, I always listened when he spoke, and we had that kind of relationship. I was very comfortable with that and I'd say that's the way it was.

It's very difficult for some Cabinet officers who don't have that kind of relationship with the President. It's a natural complication for a lot of them, because you have a White House that's going in a direction, and then you're out running an agency. I didn't belabor them with constant memos, but when I sent a memo over there, or when I appeared before the President or in the Cabinet meeting, I don't ever recall him turning me down. We might have had to work out some details. But we were together on education. We'd worked on education for years and years and years and knew where we wanted to go.

Of course, we had the [Newton] Gingrich years, which shifted things, shifted money all around, and changed how we handled everything during those couple of years. That was part of it. Then after his reelection, we came back out again. We had this wonderful relationship and I was loyal to him and he was supportive of everything we tried to do, within reason.

Riley: Had any of the sub-Cabinet appointments in education been made when you took—or been decided? They wouldn't have been made, but had they been decided?

Governor Riley: They could have been made. Well, I guess you're right. We had had conversations about all of that. But I don't think—probably not.

T. Peterson: As soon as you were picked, or right before, but you didn't want to jump the gun, you had asked several of us to start putting together the slate, which we worked on. That's when it became evident that it would really be good to have Madeleine Kunin be our first Deputy Secretary of Education, and that entailed moving quickly after you were asked to be Secretary of Education, because she was about to become Ambassador to Canada.. You had to talk Warren Christopher and her out of that.

Riley: Is that right? Can you tell us about that?

Governor Riley: Well, just as Terry said, that's right. She was going to be, as far as we knew, Ambassador to Canada. But she's a real action-oriented person. Actually, Tunky suggested to me that I call her and talk to her about the number two position. We didn't think she'd like being Ambassador as much as she would like being in Washington where the action was, and where Clinton was so into education, and she was too. I called her up and she said, "You know, they're talking to me about *this*." I said, "Yes, I know, but I want to talk to you about *this*." She said, "Are you going to be in Washington tomorrow?" I said, "Yes." She said, "I'll be down." She flew down that next day and she was very interested. She was very good, too. We had a great relationship.

T. Peterson: It was interesting. This is where having parallel tracks in close proximity in the same building was important—because we needed to brief her on what the transition team was looking at, and on what Mike's policy group that had been working on the campaign was, without having everybody know she was being considered. You know, in those early days everybody is trying to find out who are going to be deputies. She kind of holed up in Governor Riley's office in the Personnel offices for half a day or two days. We'd rush up there and tell her where we're going, trying to see if that would all match with what her policies and interests were. That was kind of an interesting time.

Pika: She stayed for how long? I missed that.

Governor Riley: She then was made Ambassador to Switzerland after four years.

Riley: That's a promotion.

Governor Riley: Some say yes—

Riley: I mean from Canada—Excuse me! From Canada to Switzerland is an improvement.

Governor Riley: She was Swiss.

Holleman: She emigrated from Switzerland so that was a nice—

Mrs. Riley: It turned out to be terrible, just when all that controversy with the banks and the Jews. She was caught in the middle of that.

Governor Riley: Her family was one that had a big bank account there.

T. Peterson: Things that seem simple aren't necessarily so.

Riley: I'm sure we had our disputes with Canada over something—

Holleman: But you know, it was important symbolism. For her, a Jewish émigré, to return as the United States Ambassador to the country. That's a pretty spine-tingling thing.

Governor Riley: I'll tell you an interesting story. Jesse Helms had a problem in one of his areas in North Carolina that involved the Department of Education. I talked to him a couple of times about it and sent our top guy down there to have a look at it and all that was in the paper. He really appreciated that. Of course, we didn't get along in many things, and he said, "Dick, I really appreciate your sending that person down. He did a good job. I owe you one." That was two or three years before this.

Madeleine, when her name was sent over for Switzerland, they were holding up everybody—it would be six months or maybe never. I called Jesse Helms up and I said, "Senator, remember back—" and he said, "Yes." "You said you owed me one." He said, "That's exactly right. What can I do for you?" I said, "My Deputy, Madeleine Kunin, former Governor of Vermont. Her name is being sent over for Switzerland." He said, "She'll be confirmed next week." I said—what else can you say? I said, "Well, thank you."

Pika: And you said, "And my second request is—"

Governor Riley: No, that was it. The second one he would have cut me off. But he flat did it. A guy called her up, and she came and said, "Dick, they're going to take it up in committee tomorrow and the next day." I said, "That's what they should do." But that's Washington. Welcome to Washington.

Riley: In the making of your other senior appointments, Joe had asked the question about arrangements with the White House. Did you have any understandings about whether you were going to have a free hand to put together the remainder of the team, or was it just going to be this continued collaborative effort?

Governor Riley: That's what it was. They eventually approved whoever. I didn't have a free rein to do that at all. I did the same process as everybody else. But did we cut off the process when I went to Education? I would say that was not the case. We still had the same committee process and the same people. We had the same volunteers. It was getting harder and harder. You'd get all the Cabinet people in there and they'd all come in with their person that they wanted. The President might not like this particular person as much as another one. So it gets harder and harder and harder the further you go.

Getting it all in place was one thing, but then you get down to some very tough decisions. You get down to where the President has to call up a former Governor friend of his and say, "We've chosen someone else." That's hard, especially for Bill Clinton. He loves personal relationships and loyalty and it really is hard for him. I tried to help him with that as far as his positions were concerned.

Pika: You phased out of the transition? Or did you, once you were named, kind of realize, *I've got to get the Department up and running*?

Governor Riley: It was both, but as I said, I had the transition going. Then we had some people come in. We got Madeleine Kunin, we got Mike Smith, we had Terry. Then they were over there meeting with the career people.

One thing that I did and I was determined to do—we urged all of our people to do it in every agency—was to really respect the career people who were there. They're not Democrats or Republicans. They're independents, they're education people. I had a grand relationship with Lamar. Of course I started meeting with him. Then we were in the process of shifting transition over to the Executive Office Building next to the White House. We were shifting out of transition. I was still involved, but spending more and more time in Education, that's true.

Riley: Sandy, did you have something you wanted to say?

Rinck: I just wanted to say that, in connection with the ability to attract people, Secretary Riley has talked about these top education folks that nobody ever thought would leave their posts and come. The situation was this. For the first time in a long time, we had a President who had education high on his agenda. Others talked about having education high on the agenda, but this President had actually done it. He not only talked about it, he did it. Then he selected someone to be his Secretary of Education who also not only talked about it but had done it, and had done it successfully and had this very long record of successful education improvement in his state.

So he was well known all around the country in the education world for his success, as well as his being a nice person and of high integrity with this passion for improving education. I think that made it a lot easier to attract to the Department of Education all of these very high-ranking people. They were willing—not only willing, they were anxious in many instances. Frank was the Chief of Staff. He saw this a lot. Terry was there from the beginning. Because of President Clinton's record, and then choosing Secretary Riley to lead the Department, Education was very high on everyone's agenda and everyone in that world was anxious to come and be a part of it because they thought something was actually going to get done. It turned out that they were right.

Riley: That certainly is a key piece of evidence. It's remarkable that at the deputy level in this administration how supremely qualified people were convinced to come in and take these deputy positions. I think of somebody like Alice Rivlin at OMB [Office of Management and Budget]. I think there are other examples, too. These were not people you would think of as naturally gravitating to their positions as deputies and yet somehow or another there was something about this administration.

Governor Riley: That's true. And those people who came into those deputy positions usually ended up in the number one position there or in another number one position in the administration.

McGuinn: Secretary Riley, you and Mike have mentioned that the education team of the Clinton administration was very unified in its perspective on where you wanted to go on education reform. The Democratic Party more generally, though, didn't seem to be as united at that time. Obviously we'll talk about specific pieces of the legislation and such as we go forward. I

wondered, as Mike began to develop the agenda, as your team began to develop the proposals and where you were going to take the Department, how you saw the differences between the Clinton team, your Department and where you wanted to go, and where the Democratic Party, most particularly liberal Democrats in Congress—how you planned to address that going forward.

Governor Riley: I hope Mike gets back in here during this discussion. Why don't we look just a little bit at where the education world was when we got there. If you look back in the '80s, and we discussed that, a lot went on in the states. I was involved in that and so was Bill Clinton, and so were a lot of other people. That was an exciting time, especially in the South. In the South we had the African-American situation, and Hispanics had been treated unfairly, and a lot of us were trying to correct some of those mistakes of history.

But all the '80s had a lot of action going on. "A Nation at Risk" came out in '83 and '84. That then got the nation really in touch with education as an absolute priority. That was amazing how that had such an impact on the thousands of studies that go on. It helped me. I was in the middle of education reform in South Carolina when they came out with "A Nation at Risk." It made my constituency in South Carolina say, "This is bigger than even we thought it was. This is a nation at risk." We were in the middle of our thing and it gave us a boost. It helped us. We had a major tax increase and all that.

We came out of all that. Then going into '89, the Governors come together with President Bush and set up national goals. It was kind of an interesting thing because, again, states had always had the key responsibility in this system under our Constitution.

Riley: And he's a Republican.

Governor Riley: He's a Republican. After that, I'm sure we would differ with the Republicans as to what was happening. It looked to us, the Democrats—I'm sure we're biased in some ways—it looked to us like there was no headway being made on the standards movement, and that was part of it. Again, I wish we had Mike in here because he was so much in the middle of all that. Is he just outside?

Riley: He had to go make a phone call.

T. Peterson: I can pick up on one of those things. Lamar had an agenda called "America 2000," which was designed to try to get local communities and states and the business community interested in education reform. We didn't actually have any problems with the general idea. We probably had some difference with our own Democrats on that, also, because we found, when Dick was Governor, that you've got to have policies but you also have to have pretty strong alliances with all the education groups and the business community. You've got to bring them along and you've got to go out into the field and you have to bring the field along. That's how you switch either your opponents or your own party. It has to come not only from you, persuasively, but you've got to start hearing from the education groups, "This doesn't necessarily—We weren't thinking this way, but—"

You've also got to get out in the field and talk to people and build an understanding, and ownership in the field. We had to do that in South Carolina because the Governorship there is very weak. We couldn't pass a reform package without massive public support. We had Democrats in control of both houses, but in a poll in the fall of '83, before we took our package to them in the legislature, I think we had 24 votes out of 124. The only way we were successful was by going to the people and bringing the education and business associations and their lobbying groups along.

So as well as developing an agenda in the transition team, now the Department of Education could reach out across America. And part of our transition team was telling us, "The Department is not connected to the education associations or groups at all. They are not seen out in the field as having a coherent agenda or concerned about what's happening in local schools or districts or colleges."

In addition to having the policies, we really began putting in place a concerted effort to start to convince the education and other association national leadership that we had an agenda worth their consideration. Also, not just relying on them, we also went out constantly in the field, speaking to groups, using their meetings to lay out our agenda. I think that helped. To get to your issue, we had to convince Democrats that this was a new way of doing business, but also keep the associations from saying, "We like those new guys over there, or gals, but they're just kind of way off base." We had to do all three or four things at once and use the bully pulpit of the President too.

Governor Riley: And we were a new kind of Democrat. It was not the same old deal. How I had described that period before as far as standards—I was into standards. We thought you had to get your arms around education to be able to improve it. To do that you had to have standards. You had to have assessment that was fair and supported and was challenging. And that's where we were. We were deep into that.

Mike, come in here, son.

T. Peterson: It couldn't be a better time. We were setting you up.

Governor Riley: We were talking about coming out of "A Nation at Risk" and going into Washington. What I have said is that the standards movement was moving in fits and starts but it was no real, on-the-ground movement. A lot of the rhetoric we agreed with and thought was helpful. It might have been a good first stage of getting something done, but it was primarily, in my judgment, rhetoric. Mixed with that was strong opposition support for vouchers for private schools. Those issues absolutely turned off most of the education world that Terry just described us working with—all the education groups—like we had done in South Carolina.

So when we came in—I mentioned the Democratic Leadership Council—we were really moderate Democrats. The standards movement is a conservative movement. It is not a liberal kind of a thing. The word "standards," itself, is a conservative term.

We came in. Clinton was very popular with the House and the Senate and the education world. Then we had to try to move what we considered to be more rhetorical right words into action. That's kind of the Democratic way of doing things. That was a big job and that was, of course, "Goals 2000." We picked up the goals that had been adopted by the Governors and President Bush and substantially went forward with them. We added, I think, foreign language. We added arts, civics.

What else? Was that it? Anyway, we added a couple of things we thought were of real importance and then we went forward with it. The Democrats did not receive that well at all. We were friendly with them, and they were good friends and we worked closely with them in trying to get to know them and going to their functions. They knew a lot of our top people who, back in their states, were well known to them. I remember, not long after we had "Goals 2000" out there, Bill Goodling—am I in the right timeframe?

It was the Democratic caucus. I had a lot going with Bill Goodling later. It was Bill Ford, who was a real powerful chairman of the Education Committee in the House. He said, "My people are all upset. Why don't you come in here, just close the door"—to the Democratic caucus. I went in there. Were you with me?

T. Peterson: Oh, yes.

Governor Riley: Anyhow, we had three or four people. They tore me up. I mean, I was not used to that. Everything was going so well. But they just went around the table and said, "You have lost touch with our people," and so on.

I tried to respond and said, "You know, the people you're worried about are the very people I'm worried about, and we're making some difference in South Carolina. But to do it we've got to have standards. You've got to have poor kids have the same standards as rich kids. You've got to have black kids and Hispanic kids have those same high standards and then you've got to get the schools around all that." We talked and talked and talked. It was a rough, rough afternoon. I think when we came out of there, though, we did some good.

Cohen: To stay in the room was doing good, as I recall. [laughter] It was the best move we made that day.

Governor Riley: You want to go ahead on comment on that? That was a real turning point for getting right to what you said. We came in as Democrats. We were all together, but here we were laying out a very conservative, moderate, middle-of-the-road concept that those representing poor kids and minorities were very dubious about.

Riley: What is the timeframe of this?

Cohen: Probably no later than March of '93.

T. Peterson: It was a very short honeymoon.

Cohen: Terry, I was telling the Secretary this. I remember the day the honeymoon ended for you and me, when Kay Casstevens took us to meet the House Democratic Committee staff.

T. Peterson: Oh, that's right.

Cohen: She was our Assistant Secretary for Congressional Affairs and had worked on the Senate side. This was just a sort of get-to-know-you meeting. We were just beginning to talk. I don't think we even had the name "Goals 2000" yet.

Riley: In February?

Cohen: Something like that. Kay introduced us. I'd worked for the Governors Association. I'd worked with many of the Governors in the states. Anyone I hadn't worked with, Terry had surely worked with. Between the two of us, we'd covered all the Governors. Governors were not the favorite constituency for House Democrats. I think our stock plummeted from that point on.

In that meeting, which was probably a month or two later, with their bosses, basically, when they had the bill in front of them—first it became very clear that they saw Goals 2000 as not much more than warmed over America 2000, which they didn't like. In the Bush administration, when Bush introduced America 2000, the Democrats came up with an alternative bill that really was standards-based reform and we drew heavily on it. In fact, they drew heavily from folks at CEPRI [Council for Education Policy Research and Improvement] to draft that bill.

It turns out they didn't really mean it. I remember [John F.] Jack Reed, at a meeting you and I had with him, said, "Oh, that was just a press release masquerading as a bill." At the time, these guys didn't buy the idea that if you raise standards for all kids, that's the first step to giving them a first-rate education. They looked at what we had done as kind of warmed-over Bush, which was not exactly what they thought they were getting as a result of the election. I'm not sure how many zeroes they had in mind for what our budget proposal ought to be, but what they clearly thought they were getting with the Clinton administration was a lot more money into the programs that were already there. So between those two things—we didn't give the money and they thought we gave them what Bush tried to give them—it was a rocky start.

Governor Riley: They were for what they called "opportunity to learn" standards and you can make a very good argument for that. We accepted that. That is to say, you've got to put those things out there, give kids the opportunity with quality teachers and class size and buildings and whatever, before you put standards on them and embarrass them. We had just the opposite view—that you had to get standards out there and then that was going to bring about opportunity to learn.

I would say quickly that Jack Reed ended up being one of the strongest supporters for the standards movement and very knowledgeable in the Senate on this subject. A lot of them did. They turned out to be our strongest supporters. They went back home during those months and people liked it. I mean, even big minority audiences.

Pika: But that conversion didn't happen overnight.

T. Peterson: In fact, [John F.] Jack Jennings, who was Ford's person, and I were talking after that meeting that hadn't gone so well—about where I was going to live. So it was very early in the first year of the first term. It must have been February. Jack said, "Don't buy anything. Most people in your position only last a year and a half." I'd known him for years. I thought, *Wow, this is not going well*.

McGuinn: And you all made the very important tactical decision to push Goals 2000 and the reform plan prior to bringing up the ESEA [Elementary and Secondary Education Act] reauthorization. Can you talk a little bit about that?

Governor Riley: Well, we were working on all of that at one time and we went with Goals 2000 and a couple of other things, but it was the main thing early. When you talk about the Goals, you talk about achievement, and Goals 2000, if we passed it by such-and-such a date, you'd have a hundred million dollars to go out to the states so they could be able to put their standards and assessments in place. We got that done and that was one year from then, right?

Cohen: Initially, we thought that by separating the two we would accomplish a couple of things. We knew that ESEA historically takes a long time. The reauthorization takes a long time. So we thought if we separated Goals 2000 out and made a big deal out of that, we could pass it quickly, get money out to the states, and get the states moving on standards. We knew that we would write ESEA so it would fit within the framework of Goals 2000. We didn't know—at least I didn't know, maybe you did—that it was going to take almost as long to pass Goals 2000 as it took to pass ESEA, so the sort of jump-start didn't quite happen in the same way.

The other thing is, we knew first of all we needed the Governors to stay engaged in this. Governors at that time didn't know much about Title I. It was just some federal program someplace in the education bureaucracy. It had no relevance to them. But this set of ideas did. They were playing a critical role in it. We thought a separate bill that focused on this set of issues, most of which came out of the framework that the summit created, would keep the Governors engaged in ways that we would not be able to do if we rolled all this into Title I. We set up sort of a governing structure for every state that got money to appoint some sort of commission or task force. The Governor had to play a role in appointing the people. We wanted to create a role for the Governor in this that just wouldn't have been conceivable in Title I.

Governor Riley: It was built around partnership. That was a big thing with us. We had to try to sell the members of Congress on it. Everything we did was in partnership with the states and in some cases school districts. What Mike is talking about Title I is just the way you reach out, especially to disadvantaged kids, but you really reach everybody through Title I. So if you're going to have reform on the federal level, you have to use Title I.

Of course, "No Child Left Behind" does that, too. But, as Mike pointed out, you have what the [Dwight D.] Eisenhower Program that dealt with professional development had, and through this process, states have a lot of that going on. We didn't want to get up here and start saying, "You comply with our way, and then you can get your money." We worked in a real partnership way with the states and their way of handling professional development and reform methods. We

would try to enhance that and provide help with it, but it was their way that we fit into our system. It was a unique thing, something that people on the outside would not have seen. The Congress was very dubious about that.

Pika: How did you convert them?

Governor Riley: It was a process. The first part of the process was Goals 2000. Once we got them into that, then we were moving into the reauthorization. In the reauthorization was a lot more than Title I. That's the point Mike and I were making. We tried to get all of that as part of a partnership and the Congress went along with it and funded it. Then, of course, the big thing—there were several big things, if you want to get into Title I and the reauthorization—was all about the same standards for all children. That was a big change.

The Democrats were very dubious about that at first. In the end they were the strongest supporters of it. I talked about it all over the country, and Bill Clinton did, to big black audiences. I would get up and say, "You know, when we got to Washington, there was substandard testing for disadvantaged kids, largely minority kids. We did away with that. Challenging testing the same for Title I children as with all other children. Standards are standards. There's no such thing as a watered-down standard for poor minority kids." They would scream and holler. I mean they loved it. They didn't like the substandard testing, basically math and reading, that their children were having. That was a big piece of it.

Pika: So you went outside in order to influence Congress?

Governor Riley: A lot.

Cohen: There were two or three things that went on. First of all, we worked the Congress one member at a time. We used to go traipsing around—

Governor Riley: Democrats and Republicans.

Cohen: Yes, and just lots of conversation about what were the ideas behind this, and how were they supposed to work, and why were they good ideas. In the process, that helped quite a bit. The Secretary's credibility helped enormously. Even people who didn't like the idea just kind of listened and those conversations made a huge difference. In the process of that, as the bill moved along, there were some things that got changed that might not have been exactly the way we would have done it, but that built some ownership.

Secondly, some of the civil rights groups played a huge role in this. They actually bought this idea. So you couldn't quite brand it just as warmed-over Bush when you've got Bill Taylor. Which group was his?

Pika: Citizens' Commission on Civil Rights.

Cohen: You just couldn't dismiss that there was a real civil rights angle to this, which reinforced what the Secretary was talking about. The other thing is, as time went on, there was a point at

which the Democrats decided they actually needed to pass the bill, politically. The alternative, not passing it, was really disastrous all the way around. All those things, plus going outside and letting them see that it wasn't just us who thought these were good ideas, all mattered. Once the bill passed, they owned it. Then they had an interest in protecting it and they had a commitment to keeping this idea of standards-based reform. So when we came back for Title I, when we came back for IDEA [Individuals with Disabilities Education Act], all of which was fitting in the same framework, this was now their agenda.

T. Peterson: I don't remember specifically any instances when key education leaders didn't try to work with us on our agenda. It wasn't unusual for us to set up on very short notice meetings with key leaders in education from the president of the NEA [National Education Association] to the executive director of the School Board Association or university associations. They would not hesitate to engage in a frank but very respectful dialogue with Secretary Riley because of his and the President's past track record in education and the close relationship with those groups in South Carolina and Arkansas. Some of those associations had presidents or officers who were from South Carolina, so going to their conferences and conventions was almost like a revival. The Secretary—I mean, teachers love him. They still do, because he connects with people in education, so you can lay out a fairly different agenda if it's principled. They're willing to maybe disagree, but they'll go along.

So we really worked individually and personally with members of Congress and also with all the key national association heads—and we also worked their staff through a lot of different meetings, as well as going outside into the communities across America. It took all that to bring people around and build buy-in and ownership.

Shanklin-Peterson: You were also doing those teleconferences.

Cohen: Yes, a lot of teleconferences.

McGuinn: And when you couldn't convert them, what were the kinds of compromises that were necessary to make? I know you started to allude, Terry, to the teachers' unions as well as liberal Democrats in Congress. What were the things you would like to have had in Goals 2000 or with the '94 changes to ESEA that ultimately weren't able to go through and get passed into law? What were the things that had to go by the wayside? What were things that got put in that perhaps you would rather not?

Cohen: We didn't lose much from the original proposal, from the Goals 2000 bill. The opportunity to learn standards—Ultimately when you look at the final law that was passed, it said in the states' plan for reforming their school system that they had to have "opportunity to learn" standards or strategies. Somehow that distinction made all the difference in the world. The fact that you could either have a strategy or a standard somehow kept the right and the left happy in ways that I always found a little bit confusing. The fight was more of a problem than anything that we gained or lost. It just made the whole process really difficult and it made the standards debate more complicated than it needed to be.

Governor Riley: We had the term "opportunity to learn" standards in the Goals 2000 bill and that went a long way to placate what they were saying. However, we absolutely supported a strategy to get those "opportunity to learn" standards met, once you had the standards in place.

Cohen: If you look over the course of the eight years, an awful lot of our agenda, whether it was technology, or small classes, or after school programs, were all designed to provide more opportunities. This was not a debate about providing opportunities; it was a debate about whether the mechanism for encouraging those opportunities was properly placed in a set of what were seen as federally defined standards, or whether there were some other ways to do it. The debate was a diversion from what really needed to happen, at least that's my take on it.

T. Peterson: I think the budget deficit really hurt us in this effort initially because we were trying to toe the line with the budget. It probably would have been easier to sell if we had had some new money early on. Maybe not only have the standards but actually fund some of the strategies that we were able to fund later. It just wasn't to be at the beginning.

Plus, we were concerned, as Mike said, that while states were working on this we were hearing back from states saying, "Yes, we want to do the new standards. We want new assessments, but do you know how much they cost? We can't get the money." That's a harder thing to sell in some states, because just like Congress wants programs provided for kids, so do legislators, and spending big bucks on having teams come together to define what the standards are in the state and then having all kinds of new assessments. You sort of have to have all of that in place, logically and logistically. But to many folks, that's a long process. The budget deficit in the first term, in retrospect, hampered us a lot.

Riley: This is part of the problem that you're confronting in these early meetings, right? That was what I was trying to get a sense of. If I understand correctly, you're encountering resistance not just because they have problems with the specific policy area that you're pushing, but more generally because they had been led to believe that at last we've got a Democrat in the White House. The faucet's going to get turned on and run again.

In fact, I guess the President, during the campaign, had indicated that there would be more money, right? This is a case where the economic forecast changed fairly dramatically from the campaign period until inauguration. What you're saying confirms this—that the economics is creating problems for you on Capitol Hill in a way that compounds the problems that you've got on the specific issue.

Cohen: I think that's right.

T. Peterson: The assumption was for the Democrats, "We have a deficit. So?" [laughter] "You've had a deficit all along, spending on stuff we didn't want to spend it on."

Pika: That's a bipartisan attitude.

T. Peterson: So why not throw in $10 billion, $20 billion new for education? I guess a lot of us, because we come from a state orientation—Mike working with the Governors—we were used to

and expected to work within a balanced budget. Deficit spending was just a little bit foreign to us on the Clinton/Riley team. Even though we weren't on the economic team, it just wasn't automatic that we thought you spend a lot of money we didn't have.

Riley: I don't want to get too far from this but, Governor, you were involved in meetings in these early stages after you had become Secretary. On budget issues, I assume. Can you tell us what it was like in these meetings as you were getting these new numbers?

Governor Riley: Well, I would say in regard to your previous discussion, we tried to convince Democrats that if you were interested in having quality teachers, this was the way to do it. As I indicated earlier, we would talk freely with them about it. This is going to do more for education, not less. That's a pretty good Democratic argument—that this was a way to go about it. It makes sense. You had your arms around it. You'd be doing the right thing for children.

When we got into the budget discussions, of course, I appeared before the part of the House Appropriations Committee that handled our budget. We had strong allies in there. Again, the Democrats were the majority and we were very favorably received, generally. We would always get tough questions about vouchers, and was this working? Was that working? Why are you doing this? Why are you doing that? Generally, those were very comfortable settings for us the first two years. We had strong, outspoken supporters—Steny Hoyer and Nita Lowey and Jack Reed in the House. Those were very positive, comfortable hearings.

Pika: How about the conversations within the administration, as well—OMB and with the White House? Presumably there was a small amount of money, a modest amount of money that was going to come forward with Goals 2000, right? Certainly they knew that if they put some new money on the table, that would make life a lot easier for you.

Governor Riley: That's what happened.

Pika: That's what they did.

Cohen: Early on, if memory serves me well, the administration's request for Goals 2000 funding, even before it was passed, was far higher than we ever got from Congress. Ultimately the program settled in somewhere about $400 to $500 million. I think we asked for about $400 million the first year. We got $100 million. Our requests from the states were coming in close to a billion. We just weren't getting it out of Congress.

Governor Riley: States were interested. Interest was coming in.

T. Peterson: The first complication was that—it was a big shocker to us on the transition team when we were told that the Pell Grant, which is the bread-and-butter foundation in student financial aid for college students, was running a two billion dollar deficit. The first thing we heard from our transition team who looked at all the budgets was, "You've got to find two billion dollars." Everything was already squished to deal with Pell.

Governor Riley: That was a big problem.

T. Peterson: That was a big problem, because that obviously flows over into this reform effort, where we were trying to get money. That added to the complexity right away, having a lid in general on spending—

Governor Riley: And that's mandatory funding.

T. Peterson: That's a huge hole.

Holleman: One thing, Terry and Mike, it might be worthwhile you guys' mentioning, if this is accurate. This happened before I was there. I recall an important thing being that, not only was the federal government under budget stress, state governments were, and the kind of funding that came out of Goals 2000, particularly initially, was to pay for the kind of things Terry talked about, which are the first things you cut at a state level when you're under budget pressure in education. You try not to cut teachers' salaries and classroom things. You cut these things first. So in terms of getting the standards movement going in future years—what we look back on now—this initial federal source of funding, the kind of funding the states find it the hardest to appropriate, was essential to have a real, valid operating standards movement in all the states. That was really a critical thing to get in place.

Cohen: Plus, about 90 percent or so of the Goals 2000 money had to be given out in grants to local districts. It was, on the one hand, clearly different money than districts already had. It wasn't a few more bucks thrown into the Title I pipeline to be spent the same way that Title I was being spent. It was given out competitively as opposed to on a formula basis, which meant states had to think about what they wanted done with their money. Districts had to think about how they would use it. But it was highly flexible in its use, which meant there was a real opportunity at both the state and local level to use that money to jump-start things, not only at the state level with standards and tests, but with some local action as well. So it created a very different context for the reform discussions and it was one of the only real sources of flexible money that could go down to school superintendents and principals and the like. Over time, that helped change the climate.

There's one other thing—it's not a money issue but it hits me as important in the big picture of how we got the standards movement going on a national basis. First of all, we not only had some resistance on the Democratic side—

McGuinn: That's my next question. [laughter]

Cohen: There were one or two Republicans who hadn't warmed up to this idea.

McGuinn: Including the Secretary's good friend, Jesse Helms.

Cohen: He was not our strongest supporter. But there were two or three things that made a real difference on that side. One is, this was a conservative policy in a sense, and for the moderate Republicans that was about as commonsense an approach to improving education as you'd find. We had some natural allies there.

Secondly, there was a fair amount in this that Republicans liked that they'd never been able to get themselves. The provisions that gave the Secretary the ability to waive federal requirements if they interfered with state or local reform strategies. The Ed-Flex provisions e sent a very powerful signal to those folks, that this was not traditional Democratic policy. This was, in fact, things that they agreed with.

The other thing—When Terry talks about partnerships, one of the strongest partnerships we built was with the business community. They were among the staunchest supporters of Goals 2000 and worked very hard to get Republican votes lined up for this, and Democrats as well. Obviously we counted on them more for that side of the aisle.

McGuinn: Nonetheless, Goals 2000 ignites kind of a firestorm on the right in a lot of ways, both during the legislative negotiations and then even after it's passed. Some of the states—California, Virginia, I think New Hampshire—initially refused to take the money, and then there were a lot of negotiations. Can you talk a little bit about all of that?

Cohen: Yes, a couple of things come to mind.

T. Peterson: Mike was just as well received there as he was with the bureaucrats.

Cohen: At some point we should get to the story about how I got thrown out of Alabama.

Riley: Alabama?

Cohen: Where were you when I needed you?

Holleman: He was cast into exile, across the state line.

Governor Riley: Tell them about your Alabama experience. I think they'd be interested in it.

Cohen: I forget who was Governor—

Riley: What was the year?

Cohen: This would have been somewhere around '94.

Riley: [Forrest Hood, Jr.] Fob James?

Cohen: Yes, it was Fob James.

Riley: He would throw you out. A former football player.

Cohen: There was a long-running debate in Alabama over whether they would either ask for the money or—I think they already had asked for it and gotten it but hadn't spent it. The debate was, "Should we send it back because of all these strings attached?" Our stance in every one of those

cases was, "Just tell us which strings bother you so we can figure out how to deal with it." We had these incredible conversations and debates about it.

Somehow the Alabama State Board President, or more likely the Vice President, and the Chief asked me to come down and meet with them and the conservative opposition to go through all of the issues that they had and see if we couldn't help them understand what you could and couldn't do under the law. I must have spent four or five hours at the end of a day. I think the meeting started at four and it probably ended at eight o'clock at night. The Governor never actually showed, but his Chief of Staff, his political advisors, his education advisor, and six other people were there. We went through every issue they had. I answered them, I thought pretty well, although it was also clear to me in all of these conversations that the issues that they were raising with me were not really what was driving them. Nonetheless, I went through four or five hours, answered all the questions, and they said, "We'll talk to the Governor and we'll let you know what our decision is."

I went back to the hotel. I had an eight o'clock flight the next morning and picked up the newspapers on the way to the airport, both of which said, "Governor Decides to Reject Federal Money." The education advisor there was quoted in two articles. In one he said something to the effect of, "We didn't think there were many strings attached to this program, but then this guy Cohen came down from Washington and explained it to us and, boy, we could never do this." The other quote was something to the effect of, "He told us there were no strings attached, but we've heard that from the feds before." So by the time I got back to Washington I had two articles and a somewhat sad story to share with my colleagues.

Governor Riley: We liked it when one of them said something about, "We don't need him back down here." [laughter]

Cohen: Yes, I kind of forgot that part.

Governor Riley: We never did send him back to Alabama.

T. Peterson: As you know, several very conservative groups really took this on as a fundraiser and really became—What was the story about the sex queen?

Rinck: Sex slave.

Governor Riley: She testified before the legislature in Montana and they were trying to keep it out there.

T. Peterson: She said Goals 2000 caused her to be a "sex slave."

McGuinn: But it became a big issue then and in the '94 election in the Contract with America. Then you had to deal with the repercussions of the fights to abolish the Department of Education.

Cohen: This was the leading edge of that fight.

McGuinn: Attempts to cut funding, block grants, all of that tied together. What then transpires with all of that?

T. Peterson: It's interesting. Celinda Lake did a lot of polling for Democrats but she also does polling for some Republicans on education, which is bipartisan. She told us about some findings when we were trying to figure out what in the world was going on with all this negative reaction to Goals 2000. We could understand a policy disagreement if a state didn't want to do standards. But it just became a visceral issue. She said in some polling she was doing in Michigan she found the word, "outcome" was very negatively perceived around 1994.

So Phyllis Schlafly was calling Goals 2000 this "outcome-based education." She picked up that the word "outcome" is for some reason perceived as very negative when people talk about government programs. They apparently take it to mean that government is prescribing how they and their kids should think. So she labeled it with a very powerful negative word, "*outcome*-based education." That really became a huge issue in fundraisers for the opposition.

In fact, my wife Scott [Peterson], who worked for the National Endowment for the Arts, and I used to come home and—the National Endowment for the Arts was first on the list she wanted to get rid of. The second was Goals 2000. The third was the Department of Education. A number of organizations made that their calling, to get rid of those three things.

Governor Riley: Prior to all that, in the '80s—before the Department of Education was hammered by this idea that someday it might be eliminated—when I was Governor, "A Nation at Risk" came out and [Terrel] Ted Bell was the Secretary of Education. He and I worked closely together and he came to South Carolina a lot. We met together. He also was strongly into the standards movement. He'd quote South Carolina everywhere he would go. When he died, his family asked me to give the eulogy at his funeral. There were all those Republican Secretaries and they asked me. I was very honored to do that in Utah.

The Department of Education—this wasn't the first time we had been attacked. All during the '80s, during the Reagan years. I never did feel like Reagan was that hot on it, but he had surrounded himself with people whose big push was to do away with the Department of Education. If we hadn't had Ted Bell in there, there's no telling what would have happened in the '80s. Then when we came in, the Department itself had been somewhat shaky over those years and we had an awful lot to do in terms of technology and things. As I recall, we still had dial phones. We had an awful lot of things to do in recovering from that period of neglect.

T. Peterson: We were telling yesterday that I was on a commission in the U.S. Department of Education, before working there, that was a statewide education reform, shared accountability group. It must have been right before the election, something like '91 or something. We wrapped up our group's work by having a press conference in the U.S. Department of Education's building about the report. I went to make a call after the press conference and there were still rotary phones in the Department. There were very few computers or other technology, when we got there. It gets to be a real challenge to bring these internal operations up to speed and also have a policy agenda, and an outreach agenda, and then you get caught in this kind of political buzz saw just when you get your feet wet.

Pika: Was it passage of Goals 2000 that the actual coming to a vote—is that where a cloture vote was necessary?

Cohen: Yes, that was the Jesse Helms filibuster that needed to be ended.

Riley: There must be some good stories associated with that.

Pika: Before we jump to that, to try to do away with the Department, bring closure to the story of a legislative process of getting the Goals 2000 actually passed.

Cohen: I'll be happy to help do that if you can remind me—Where did we leave off?

Riley: Let's go back to the winter and spring of '94. You've already indicated that you made a lot of door-to-door visits on Capitol Hill. You've been working diligently with the interest groups, you've been making public presentations, including teleconferencing and so forth. You're trying to generate this popular enthusiasm for the program and the thing is working its way on Capitol Hill. What we'd like to do is hear a bit of the story about how that bill becomes a law.

Pika: It sounds like you create a false deadline, or you created a deadline with the money, right? If the bill wasn't passed by April 1st—

Cohen: We didn't create it, the appropriators did. Yes, that helped.

Governor Riley: We passed it on the last night.

Cohen: I'm a little fuzzy on these details, but there was a point at which, when the bill passed out of committee in the House, it had quite a few things that we weren't happy with. They changed the composition of the Goals panel. They did something to the standards council. There were a bunch of things, the cumulative effect of which made it a far less of a new Democratic bill than we had sent up there. I remember meeting in your office [Secretary Riley's] and we were trying to decide, *What do we do now?* We knew that, as unhappy as we were with some of the compromises that had been made, there was even more discomfort in the White House with some of them. The question of, *What's our public posture toward this bill that the House*—It was either the House, or, I guess it was the committee had passed it.

The appropriate thing to do when the committee passes your bill is to issue a statement saying we're just thrilled. We were having a hard time working up the enthusiasm for that. Dick, we were meeting in your office and Congressman Dale Kildee called and basically said, "If you're having trouble here, we could probably work out some of these issues," and opened the door to going back to members and seeing if they would essentially agree to make some modifications to the amendments they just handed us as we went to the floor. We had a list of about eight or ten of those. You made a bunch of calls and visits. We really worked those members one at a time to see if we could get the bill closer to what we had submitted, and we were basically successful at that.

McGuinn: Secretary Riley, in a couple of pieces that you've written, you've mentioned that President Clinton himself intervened at a couple of crucial junctures with congressional Democrats. Can you talk a little bit about that?

Governor Riley: I do remember that. Again, we had had a constant working relationship with his Congressional people. If we had a meeting with staff people over there or something—[Asst. Sec. for Legislative Affairs] Kay Casstevens and her people just worked hand in glove with the White House folks. If the time came that we needed some real boosting up of anybody, whether it was [Sen. Edward] Kennedy or whomever, that would get back to me or get back to the President and we would do it. On a number of occasions he made a crucial call, and then I did too. We had some key people who really put the thing together and it came out in very good shape.

T. Peterson: This is where having those kind of dual appointments pays off, where the White House signs off on the Secretary for your top people, because a lot of our people knew the top people in the White House, either the congressional staff or the policy advisors. Mike, didn't you get some other folks in the White House to weigh in? I can't remember what it was, specifically, they did. In other words, it wasn't just the President and Congressional staff. It seems like there were a number of other people not typically involved in education weighing in. Then the ability to discuss things got bigger with members of Congress, more than just Goals 2000. That was really important here because it was in a critical state.

Cohen: I don't remember the specific members, but I know that there were a handful of cases where we had done about all we could do to resolve whatever issues we had around their amendments and all that we could do wasn't sufficient. I know the President had some calls and some other folks in the White House had some calls that they made in which—I never knew what the details were, but I know that they didn't have to confine themselves to the four walls of this bill in order to work out some deals. That just turned out to be really important.

Once we got through that, then we had a bill that could go to the floor. We were for it. The Democrats were for it. We were able to maintain enough moderate Republican support. I would guess that it was in the fall of '93 that it passed in the House. I don't remember for sure. I remember working on the amendments while I was on summer vacation. I know it hadn't happened before then, so it must have been sometime that fall.

The Senate wasn't nearly as contentious as I recall. Kennedy and [Nancy] Kassebaum worked pretty well together, though I can't remember if she ultimately voted for the bill or not. There was just a much more bipartisan process in the Senate, a stronger center. The bill that moved through the Senate looked a lot more conservative, if you will. It had fewer requirements, more flexibility. There was a whole set of provisions that described what a state had to do in its Goals 2000 plan, where in the House it said in fairly typical language, "The State shall do…." "A plan shall address each of the following…."

In the Senate it said, "The plan *may* address each of the following…." It was just that kind of stuff that gave it a very different feel and it moved pretty easily—not easily, but I don't remember any real challenges in getting it passed in the Senate.

Riley: Was it a close vote?

Cohen: In the Senate?

Mrs. Riley: Middle of the night we were flying back in—

T. Peterson: That was for the cloture vote. We knew where every Senator was in America and who could stop by to pick up somebody if they had to. It was down to that. That was the cloture vote.

Governor Riley: [Patrick] Leahy was at a funeral in Vermont and left early and flew back.

Cohen: Gore came back with Leahy and [John] Chafee. He stopped in Rhode Island and picked up Chafee. There was this remarkable effort to round up—this was just before the Easter recess. Most had gone home already. It was midnight on Friday night that this bill came for a vote. Most folks had left town. It was amazing how many people were focused on rounding up Senators and getting them back.

T. Peterson: And finding them. Some of them weren't so eager to come back. We had to use friends of friends who said, "No, he's really not in this town, he's over in this town."

Riley: I want to ask you a more general question about your relationship with the White House. You are indicating here clearly that there was a great deal of cooperation at the Legislative Affairs operation. Was that typical of your time at the Education Department? Did you find that the White House congressional affairs people were good to work with and accessible, or did it vary from person to person or issue to issue?

Governor Riley: As far as I recall they were all good to work with and very accessible. Mike ended up in the White House—

Cohen: We had an excellent relationship. [laughter]

Holleman: So much of our agenda after '94 was purely a matter of the final budget deal. Really it wasn't rounding up votes. It was just what the President was going to negotiate with in the final deal.

Governor Riley: We had some differences with OMB. We would send our proposals over there and it would always be twisting and turning to get money for whatever. But usually we had to appeal them and go before Clinton. He just about always was with us, not 100 percent, but almost.

Riley: Was that true the first two years as well as the last six?

Governor Riley: It was more in the second term, because that's when he started getting some big dollars for education after we got the standards process in place.

T. Peterson: We sort of knew. It built up. I don't know if it was done strategically or by accident. I could say strategically—

Cohen: I'm sure it was.

T. Peterson: We certainly had a couple of our top people who knew people at OMB. We know well a couple of people in Vice President Gore's office. We knew a couple of people who knew well the First Lady's people. Secretary Riley, Mike and Frank knew the President and his staff people personally and the domestic policy advisor, the economic policy advisor, etc. So if things weren't just falling we knew to intercede quickly. A lot of time it wasn't necessarily differences but you get on different pages or the timing isn't right, or you have a problem where you really need to rally everyone and it takes working through the staff. It takes the principal players in the White House. When it comes to budgets at the end of a Congressional session particularly, it became more important for us to be able to connect with all those players to move something.

Governor Riley: Carol Rasco, who was Clinton's domestic policy person, came to us and ended up coming to the Education Department with us.

Pika: This question that Russell asks, it varies from administration to administration. For example, on a top priority legislative goal, a program like Goals 2000, whether the White House takes the lead or whether the Department takes the lead in working the bill and exactly how you work together. Just listening to this discussion, it sounds as though the Department took the lead in working the bill. When you needed help, when you needed the big artillery to be called in and you needed to have something other than reason in solving the problems that someone may have had, then you had to turn to the White House for that assistance to kind of up the ante.

Cohen: I think that's a fair assessment.

Governor Riley: Maybe it's a fair assessment, but we were in communications with the White House all along. It wasn't as if we were over here doing something and when we got in trouble we'd come to them. We were talking to them back and forth. "Why don't you do *this*?" "Why don't you *that?"* We'd say, "Well, why don't you all do *this*?" It was a constant communication. I think it gave us the charge to try to get something done and they would talk to us about it.

Pika: This is also the period that the consensus evaluation is that the White House wasn't the most smoothly running operation. In '93 and until [Leon] Panetta really came in and kind of imposed order, there is a strong consensus that it wasn't always operating at full efficiency and effectiveness. That's being fairly kind.

I'm curious—that's why we're kind of probing here a little bit to get a sense of who took the lead and how in fact did it all work out. Certainly it worked out in the end, because you were

successful in getting the votes you needed when you needed them, and having this kind of support that you needed at the critical point.

Cohen: I think you've actually got it about right, that is, we got a lot done in the first two years and we did have a lead on most of the education bills, at least so far as I can remember. We sort of worked them. You've got an accurate sense that we kept in close touch with the White House, but we used them when we couldn't get it done ourselves, basically. They were also trying to get Healthcare passed. They had a couple of other things to worry about.

Holleman: Budget.

Cohen: Yes, budget.

Governor Riley: But you had people in the White House who were strong in education and the main one was Bill Clinton, and Hillary. They were into it. Gene Sperling, when you look at GEAR UP [Gaining Early Awareness and Readiness for Undergraduate Programs]. That was kind of his thing. He saw to it that it was funded. He was always talking to Bill Clinton and to us, and we became great supporters of GEAR UP all over the country and would meet at colleges and schools to get them connected up. But there were some real strong supporters of different things coming out of the White House.

Riley: It seems to me that in this particular area, you've got an unusual situation where the two principals in the White House, if you put Hillary in the mix, have a long history in this area and a strong commitment, and that the Secretary—you have a strong commitment. Evidently you are communicating with them—

McGuinn: And a close personal relationship.

Riley: —on a relatively frequent basis. But the fact is that there is an enormous level of trust between the Secretary and the White House and that means that the staff-to-staff communication doesn't take on the same gravity that it would in an instance where that doesn't prevail. Does that resonate with you?

Cohen: I would say it slightly differently, mainly from my experience when I did get to the White House later on. The staff-to-staff communication occurred in a context in which people, both in the White House and in the Department, first of all knew that the Secretary and the President talked to each other and had a ton of trust and respect for each other. Secondly, we had pretty good collegial relationships ourselves. When I got to the White House, I found out how contentious the relationships could be between the White House staff and Cabinet agencies.

Riley: What was your position in the White House?

Cohen: Special Assistant to the President for Education in the Domestic Policy Council.

Riley: You were Domestic Policy and you were working under Bruce [Reed]?

Cohen: Carol Rasco first. I got there the last half of '96 under Carol, but then Bruce. I can remember when I first got there and we'd be in meetings on education issues. This is the point at which we were developing a set of proposals for the campaign. I remember just how frequently I'd hear someone from the White House—We'd be kicking around some ideas. "Would this work? Would that work? What would the Secretary think about it?" The general view was, "Well, if the Secretary is not going to like it, the President is not going to go for it." There was a sense that those two were on the same page, trusted each other, respected each other, and communicated enough so that those on the White House staff or the Education Department staff just had to work together. There weren't back doors, there just wasn't anything like that.

Riley: In this particular instance.

Cohen: In this instance, in education policy.

Pika: It's not the same everywhere else.

Cohen: There were frequent conversations in the White House on different initiatives about just rolling the Cabinet agency. Those conversations never occurred in education.

Riley: Who would have been the White House point person on education policy the first couple of years?

Cohen: Bill Galston.

Governor Riley: Bruce Reed and Carol Rasco, but Galston was kind of a focal—Bruce Reed was in the middle on that team, right?

Cohen: Yes. Bruce was also—The Domestic Policy Council had a complicated structure. Bruce operated part of DPC, independent of DPC, so this might fall into the not perfectly well organized description you had in mind. It was Bill most of the time, in my experience, Bruce, Carol. Starting in '94 when education was essentially a big budget issue, Gene Sperling played a huge roll in that. Who was the other guy I worked with? Paul Dimond, who worked for the NEC [National Economic Council]. That was it.

Governor Riley: You were talking about staff. Bill Clinton was hard to staff.

Riley: Why?

Governor Riley: Because of the way he functions. He's not a one-two-three-four guy. He's more one-nine-four-seven-back to two—and it's fascinating to work with him. But the plugger-type staff person who wants to do things systematically—you sit down at a meeting with Bill Clinton and the next thing you find yourself thinking about something you'd dreamed about. Then he would settle in on where he was going and he would focus, really focus. But he was very difficult. Don't you think that's a fair statement? Because you'd be there for two or three minutes and he'd be—

Cohen: Someplace else. I don't know what it was like in the other policy areas, but to go back to our earlier conversation, he knew a lot about this stuff. It wasn't as if you came to a meeting with him on education where you were confident that you knew more than he did.

Governor Riley: Or that you had to bring him up to date….

Cohen: Right, it was sort of a humbling experience. He generally saw—actually my experience constantly was when he would ask me questions about a proposal, it was generally a question I hadn't thought about before. We had a pretty good process for putting together policy issues by the time they got to him, but he often had questions that hadn't been thought about or were at a level of detail that you just wouldn't expect the President to worry about. But when he asked them, you realized that they were the right questions to ask. *Why didn't we think about this before?* And he also saw connections between whatever you were working on and lots of other things in ways that I just found remarkable. It was always an experience.

T. Peterson: He sensed that on education, because of how he is, but also being Governor of a smaller state, it's not just policies and budgets, although they're very important. It was a values issue. Some of these things like school uniforms and religious expression, and other things like that could come up, because he just knew the country was expecting us to do something and you can't always legislate things. You might legislate things in a school district but not on the federal level on school uniforms. Because the President was out there so much before and during his Presidency, he not only would go one to nine, he might go a, b, to z. You might not see why he was doing this, but the public has to be confident you're working on something that is important. It's not always passing some bill, or money, because that's not where they are. You have to build their confidence and trust.

McGuinn: One of the things that struck me—in reading your speeches and the President's speeches on education from the campaign and then the administration, and also regarding policy initiatives—is that the rhetoric of education really seems to shift with the Clinton administration. Education is linked explicitly and frequently to economic issues and economic development. Of course, this is occurring in the context of the end of the Cold War and global economic competition rising to the fore. Japan is the big competitor—it seems distant now to say that—but not the Soviet Union. I wonder if you could talk a little about that, because that seems to be an important development in the history of education, of how the education initiatives shaped up within the administration and also affected the political side of it as well.

Governor Riley: I think that came out of South Carolina and Arkansas. It was very clear that the South, as Roosevelt said in the '30s, was the major economic problem in the country. That was connected to the African-American population, which was systematically undereducated. The way we could sell education to everyone in South Carolina was jobs and economic development, and I know a lot of that is out there if you just get our people educated. Bill Clinton was making that same speech all over Arkansas a lot, and effectively.

We got to Washington and that was just part of our makeup. We did a lot of that in Washington and it was the big way to pull in lots of people who otherwise would have been skeptical of parts of what we were doing. At some point in time, I started making speeches. I did a lot of policy out

of speeches. All the people who worked with me, if it was a particular area, we would do hours and hours of talking before the speech was written. I never made a speech where I didn't try to accomplish something. Sometimes it was accomplishing something within the party, but I think that's very important.

At one point, we were into connecting up education and economics, which was very important and certainly salable in Congress and everywhere else. I started saying we need to start talking more about education for education's sake, as a quality of life for an individual. We were so used to saying, "We've got to do this for better jobs," or for so and so. I felt we had to kind of shift from that, so in some of my later speeches I started talking more about the value of education, getting into the arts and music and whatever.

T. Peterson: The publication we put out, "Helping Your Child Prepare for College," leads off with—I've probably got it in my briefcase here. But it really began to strike us, particularly after the '90 recession, we started looking at the trend-lines of income differentials between those with high school diplomas and some college, and those who drop out. At first we thought, *There's a delay in the data. The first 20 years are maybe a fluke.* But when you start seeing 30-year trend-lines that just get bigger and bigger and the unemployment rates based on whether you have a high school diploma and some education—the gaps are just getting bigger, and they still are. When the President said we have to make a high school diploma plus two years of college as common as a high school diploma used to be, that comes out of that.

Maybe we underestimated—we were seeing it, but some of us were sensing that people out in communities, particularly low-income communities, didn't really sense that. As a clue, that little publication—when we came to the Department, publishing 5,000 of something was a major trauma. They'd send things out to leadership groups but not to the general public. We eventually published a million of these, "Helping Your Child Prepare for College."

It was around some recognition that we had in a lot of low-income communities. It was a real mystery to people what was happening in the economy. People talked about education but it wasn't in terms you could understand. It's true, you should finish high school but, okay, then what happens? You should go on to college. That then fits in with why you've got to do something about K-through-12 education as well as access to college. Eventually we were working on all those fronts at once.

I think we knew that when we were out in the field. I remember one time, Mr. Secretary, you were speaking in Los Angeles where the riots were, with a member of Congress. That would have been '97 or '98. It was a largely African-American audience, maybe a leadership group. They were talking about how, after the riots, the business community promised a thousand-dollar scholarship to every student in that area. You were sitting up there thinking, our Pell grant is worth $3,000 or $3,500 and nobody here, in that audience, connected that. Then you talked about that some. You also talked about financial aid, but that didn't register with anyone. Because of that, we did some polling afterward and found that in low-income communities the words "financial aid" mean loans. It doesn't mean need-based scholarship.

That's a long way to get your answer, but we were starting to realize we weren't connecting with people. We knew all these trends, we just put them together, but low-income people didn't know the formula, which we who have gone to college think is so simple. What do you do to prepare your kid for college? What courses do you take? There's financial aid. That is a total mystery. Gene Sperling and the folks on the economic team—they were really into that. They developed the GEAR UP program and appropriations and other things. So we started getting much more aggressive in reaching out to people and with new initiatives.

Riley: One of the things that you pick up in the briefing book is you do a fair amount of stuff early on with Bob Reich at the Labor Department that must patch directly into this. I think we ought to break now for lunch but maybe we'll pick up after lunch and talk about your relationship with other members of the Cabinet and get your sense about the value of Cabinet meetings.

[BREAK]

Riley: How did the President use his Cabinet as a group? Was there much value added in formal Cabinet meetings and, if so, what purpose did they serve?

Governor Riley: The Cabinet was very loyal to the President. At these meetings we had [Richard] Neustadt, I know, at the White House. After about four years, five years, all the Cabinet was there and the President said to us that it looked like through the years of Cabinets this Cabinet had been more loyal and supportive of the President than most any in American history. That was right. After the troubles that the President later got into, personal problems, the Cabinet basically stuck with him. They didn't like all of that, nor did he, but they basically stuck with him and that was really important to Clinton and his success, especially over the latter few years of his Presidency.

The meetings of the Cabinet—we had a large Cabinet—naturally had to be rather formal. We had certain subjects that would be discussed. For example, I would get a call from the White House that would say, "The President wants to discuss fourth grade reading tests and eighth grade math tests. Would you speak to that at the Cabinet meeting?" At a lot of Cabinet meetings I was called on to say something. As I say, education was a big subject, always.

One thing that bothers me, looking back at some of the President's themes, is that education doesn't seem to have that prominent a place for people who are observing what took place. Anybody who looked at his State of the Union messages or his speeches—many of his speeches were education speeches, and that was a lot of them. A great many of his speeches were made in schools, K-through-12, colleges, universities, community colleges.

But the Cabinet meetings themselves had to be rather formal, structured. The President sits on one side and the Vice President faces him and then all the Cabinet around and then staff around

that. Probably the more productive meetings were when we would meet, like the domestic group meetings—Education and EPA, maybe, and Housing, Justice. Those meetings were very productive because we really were talking about our things and they were all related. You'd get into the Cabinet and you were talking about Bosnia, whatever. Fascinating thing. It was all so very interesting to me; I don't know if it was to anybody else—how the administration was moving in this direction or that direction. But those smaller meetings were a lot more constructive.

Pika: I had the same reaction that Russell did in looking through the briefing materials. It looked as though there were a couple of Secretaries that you had more interaction with and that would be obviously the case. Robert Reich certainly turned up frequently, especially in the beginning, '93, '94. It seemed that he was appearing with you on a couple of occasions to announce new initiatives. There was the School-to-Work initiative. [Donna] Shalala's name came up at least once, and Janet Reno a couple of times.

Governor Riley: Janet Reno and I did a number of things together but more toward the second term. The School-to-Work thing did come up early and we had several joint meetings with Bob Reich in Labor. Then when the bill was signed, we had a big thing at the White House and all of us made speeches. The President made a speech. That was related to a particular subject. We worked together on AmeriCorps. That was not under the Department of Education but it was something we were very much a part of and interested in. I do recall a number of meetings on the School-to-Work issue, specifically with Bob Reich. I had known him at that semester at Harvard. I went to the Institute of Politics at the Kennedy School and he was there. We would have breakfast together frequently. We knew we were both Clinton folks. That was in 1990. He was a friend of mine. I knew him well.

Clinton had meetings also of a political nature. We were getting up toward the time he was going to run again, and usually Bob Reich was there and I was usually there, Henry Cisneros, and Ron Brown. Those were the kind of people he listened to as to what the public was saying and what we were picking up out there.

I had a good relationship with all the Cabinet—certainly Mack McLarty, Al Gore and his people. I had great respect for Al Gore. In my judgment, he has not been treated fairly in terms of history. He was very much a part of the Clinton administration. He had very strong convictions about things that were really important to him. He would make those known and Clinton always honored them. Clinton had great respect for Al Gore. He was always an important part of the Cabinet meetings.

Riley: What is it that Gore brought to Clinton? They're both Southern politicians with a particular kind of viewpoint. What is it that Gore brought to Clinton as a complement?

Governor Riley: Of course Clinton came up through the state system and Gore came up through the federal system and he knew that system very well and had served in a number of capacities on the Hill. Gore had a special expertise in environmental issues and those were very important to Clinton. Clinton, as knowledgeable as he was about education, looked to Gore for being the

knowledgeable person on the environment. Clinton was very much into the environment. Carol Browner, another friend of mine, was a Gore person. She was EPA.

Gore then took a very difficult job in the reorganization of the government. He liked that sort of thing. He was very good at it. He was a very well-organized person. Clinton, with all his strengths, was not as well organized and he leaned on Gore for those kinds of things. He actually let Gore run with the management thing completely. I think we had a wonderful record in what was accomplished in the reorganization of government. Probably we ended up with fewer people in the Department when we went out after eight years than we had when we came in. We were very proud of that. The elimination of regulations, two-thirds of all of our regulations—all of that was under the general rubric of government reorganization and building partnerships rather than regulations.

T. Peterson: Also in education, Gore and his staff were key in promoting technology access, both in terms of programming early on and then later on with the E-Rate. It would have been very tough to get, particularly the E-Rate, through. The Secretary, Gore, Jay Rockefeller, and Olympia Snow were the only four people who thought the E-Rate would ever happen. Every time it came up, it passed by about one vote. That has turned out to be very important to access technology in rural and poor areas. But that was a lot of Gore's doing.

Governor Riley: When we went in, something like 30 percent of the schools were connected to the Internet.

Cohen: Fewer than that, I think.

Governor Riley: And there were about 3 percent of the classrooms. After the E-Rate, it was 100 percent of the schools and 70-something percent of the classrooms. It really made quite a difference in education. Gore was a big supporter of that. He and I didn't back up. I appeared before the FCC [Federal Communications Commission] three times, and every time it was very political. The FCC was divided. We pushed for a big E-Rate and then they would say, well how about so-and-so? No, not so-and-so, a whole lot less. I kept hanging in there for strong support for poorer facilities.

And Gore had the—he was on the phone. He had very close relationships with the chairman of the FCC [Reed Hundt] and he pushed for the legislation.

T. Peterson: And given the funding constraints, you couldn't do a two billion dollar new program through regular channels, so thinking of the Universal Service Fund as an avenue to fund it was really a good idea. Early on the Republicans made it known, "When you run, Mr. Gore, we're going to call it the Gore tax."

Governor Riley: Gore said, "That will be my honor." Gore was strong.

Holleman: I don't remember all the ins and outs but I remember at least at one point the telecommunications companies had serious doubts. If you think about that, in that battle, all the money, power, lobbyists are on one side of that table. They were not on the other side. So it was

purely the elected and appointed officials who were standing on the other side of that table and they don't have an army of lobbyists behind them. It had to have that kind of lift or it couldn't have made it.

Governor Riley: The E-Rate was schools and libraries. That's another point. Jill, you might take a look. It seems to me you refer to schools a lot in here but it was schools and public libraries, which was important for poor kids who could go to the library and get something but didn't have a computer at home.

Holleman: Go to any public library now and you'll see all these people on the Internet there, average folks.

Riley: Were there any detectable fissures in the Cabinet?

Governor Riley: I don't remember any. It was a very loyal Cabinet. The Cabinet members were not only part of the government, we were friends. We'd see each other socially and in other ways, culturally. We were just a close group.

Riley: We were about to get into the '94 election cycle and deal with that. I wonder, is it the case that during the first two years you were entirely focused on educational issues? Or were you also being asked for your advice about the major policy initiatives of the administration, which went from budgetary politics in '93, and then there were a couple of pivotal decisions that had to be made. What was going to come on the end of that? Was it going to be NAFTA [North American Free Trade Agreement] or Healthcare or welfare reform? Do you remember being involved in discussions about what the major administration priorities ought to be? How did you weigh in on that?

Governor Riley: I don't think that I was a major participant in those discussions; however, I traveled with the President a lot, I talked to him a lot about everything, and was with members of the Cabinet all the time and certainly shared my view on those subjects. They were important, and they would impact education in a way. We were off dealing with a subject that was difficult, and when I had something in education with the same group, committee and Congress, it was not uncommon for me to say, "How about backing off? Let's see if we can get our thing done and we'll help you with yours." That kind of thing.

I discussed all those issues with members of the Cabinet. Traveling with the President, if you ever got to experience that, it was something. There were just fascinating conversations. He would see a sign or something about abortion and that's not a direct education issue, but we could have a fascinating discussion about abortion. That really worried him. Abortion worried him. Of all the so-called cutting issues out there, he was very sympathetic to people who were concerned about abortion. Of course he was for choice and all of that, but to have a conversation—we had a very in-depth conversation about that subject. We arrived in Pennsylvania, I remember, and saw signs and stopped and he talked to some people and tried to let them know that, "I have a position, but I want you to know I care about this subject and it really does bother me."

Riley: You traveled with him a lot. Do you play hearts?

Governor Riley: Played hearts. I was a defensive hearts player and he was aggressive. [laughter] That's true. He would lose himself in a hearts game. I was always trying to win. We kept score, not in money. He was not a drinker. People would be having beer, or whatever. I don't know if he ever did. Even I had a half a beer or something—

Cohen: I've never seen him drink.

Governor Riley: He was intense about hearts. He would just come out of a speech. He'd speak for an hour and twenty minutes, be ringing wet and everybody screaming and hollering, and he'd come out of that and meeting the press and all that stuff. He'd get on there and sit down and I mean he would throw himself into a hearts game. About every fourth hand he would try to shoot the moon, get all of the trumps and fail in that. [laughter] That really killed you. I'm a conservative player. I just let him kind of run with it, and I generally did very well. He was quite an interesting—there was a group of about five or six of us. It was known that when the plane took off, you get back into that conference room and get with the hearts game.

Riley: Always hearts? No poker?

Governor Riley: I don't remember poker. I probably can play poker better than I can hearts. I might get you to strike that. It was generally hearts and we always kept score. He was very interested in what the score was. We'd sometimes go two or three days and we'd be flying around. He was very interested in that. I'd get up and we'd be having a press conference in Brazil or whatever, and I'd say, "I just beat the President in hearts." He always took that in a good-natured way. He was a much better player than I was. I described our tactics.

Riley: He was competitive.

Governor Riley: Very competitive. He remembered every card that had ever been played.

Riley: Books?

Governor Riley: Yes, he was always reading something. He could read a book in a morning. He'd get up real early. Everybody knew we were going into wherever. They'd say something and he'd say, "Yes, I just read that." It was amazing how he kept up with reading. He was quite a reader.

Pika: You mentioned your travel with the President, but a number of the materials that we looked at suggested that you made a point of traveling at least one day every week to schools, to professional associations, to meetings. It wasn't always with the President. It struck me that you had transferred some of the same kind of outreach activities that you had used so extensively in South Carolina in selling the education programs to the national level. You were trying to do much the same thing or use the same strategy. Was that the case? Were you consciously doing that?

Governor Riley: I think that's a fair statement. I mentioned my speeches earlier. We really made a strong effort to get out. We really worked on issues. We had a satellite town meeting. This was something Lamar started, but we really went after it. Once a month we had a satellite town meeting and we would go out and we had hundreds of groups all around the country that would participate. It was a two-way satellite. We'd have interesting speakers. I had Janet Reno and whoever on there on the issues of the day. All those were ways to try to reach people and get them involved. That's more important in education than most any other agency.

People used to ask me about the size of the Department of Education and I used to say we're probably, if not the smallest, one of the smallest agencies, but we have connections with more people in America than anybody, with the possible exception of the military. It's amazing the connections with all the colleges and universities, serious connections. We will get into that when we discuss student loans and all those connections.

Then schools and parents. We were very big in parent involvement. When we first got underway, we had 40 groups that joined our Partnership for Family Involvement in Education. When we left, we had over 7,000 groups. It's amazing. Every time we'd go into a community somebody would become a partner and we'd announce that. We were all there and they would participate in the satellite town meeting. Then more people would get involved in the network.

One of our best networkers was our connection with teachers, Terry Dozier, who was the 1986 National Teacher of the Year and from South Carolina. I was Governor when she got that award. She received it in the Rose Garden. She was a wonderful teacher and I brought her to my department as my Special Advisor on Teaching. She sat in on a lot of my major decisions and provided input from the practitioner's perspective. She was a tremendous help to us in developing policy and whatever we did.

She had a network of Teachers of the Year in all 50 states. Over eight years, you end up with a lot of teachers. In the network were national board-certified teachers and others. She had this enormous network. We would have some issue come up and we would want to reach teachers and it was like punching it into the computer and it was done. These were the best teachers in America, six or seven hundred of them. So yes, we did spend a lot of time on outreach.

Pika: What about your annual State of Education speech? Was that something that you initiated or had that been done before?

Governor Riley: No, it hadn't been done. We initiated it. We didn't have it the first year, '93, but we started it in '94. That, we really worked on. We would have sessions with all my different agency heads, really thinking about budget, where we were, what was out there, what we could accomplish, what we couldn't accomplish. We had enormous discussions on that. We'd have seven or eight drafts of the speech, thinking all those issues out. We'd use that as a method of really thinking out what we were going to do for the next year. That was a very important speech for us. The first one I did at Georgetown University.

They finally became big things. One of the last ones we did was in Durham, North Carolina. Governor Jim Hunt was with me. He's a good friend of mine. It was a mob. It was a big,

predominantly black high school. They got to be very big things. People from all over the country would come. The one before that was in Long Beach, that was one of them. We talked about teachers, teacher contracts, teacher preparation, what are we going to do to have excellent teachers.

Long Beach, part of the California State system, is the biggest teacher preparation system in the world—it's like two or three major universities and every one of them has an enormous number of teachers. I talked directly to teachers and really charged them with some serious stuff and it wasn't a hundred percent popular with them. But we had an enormous crowd. After that, we had a special meeting with the California State people and they had four or five hundred people who would come to it. They'd play my speech over the loudspeaker in another hall and then we would talk to them for an hour or so. That was a very important speech. We really focused in on a theme that was going to be the theme for the President and for us during that year.

T. Peterson: We tried to couple all those activities with a main speech and then usually some other meeting with local or state core people. It took us a while to figure out the science of it. A speech can be motivating; it might raise some new ideas. But it is important to have somebody on the ground there who is going to do something after the Secretary leaves after the speech. After a while, for some other speeches that weren't as big, we'd do the same routine. We'd visit a school or college, get some press there that would model everything we were trying to show, like the use of good technology, or good reading, or whatever it is, or family involvement.

The speech would be kind of an insulated event, but we then tried to capture some press around it like in Long Beach and other places. Then, to somebody on the ground we said, "You're here to get our crowd motivated and excited." We'd meet with them afterwards in a small leadership group. Those extra meetings really took a lot of energy from the Secretary after a major speech. I don't know how you did it, Mr. Secretary. It's hard getting up for a speech and then we'd say, "Oh, by the way, after you give this big speech, Mr. Secretary, you are going to meet with all the California State University presidents for two hours and take questions and answers about what they should do. But that extra time and effort really paid off because the word of mouth among educators about whether somebody is credible—you can't trump it with anything else. That's the only way you can build confidence over time. They have to say to each other, "I just went to this thing with Secretary Riley and it was terrific." You can write articles and you've got to do that. You've got to have research. But the word of mouth that you're into the right thing and the credibility of the Secretary or President on education are invaluable in a federal system of education.

Riley: Did you vet these speeches through the White House?

Governor Riley: I don't know if we always did. I don't remember.

Cohen: Not a whole lot.

Holleman: Early on we did more of that.

Cohen: When I was in the White House, you used to show me the speech, but there wasn't a good vetting process for it.

Governor Riley: And there wasn't a big vetting process, for me, with my folks. It's quite different now. I hear that all around from the Department people. There's a real hold on what they say, do, write. It was wide open with us. I had total trust in my people. Somebody would make a speech to some group on whatever and it was not vetted with me. I'd always have a copy of it and I generally had questions about things. Everybody knew about it, but everybody had freedom and I liked that. I wanted them to be creative and do their own thing and they did.

Cohen: But it's also the case that most of the senior people in the Department in one way or another were involved in discussions with the Secretary about his major speeches. So you had been there.

Holleman: Reviewed them. For the State of American Education speech, we had the drafts reviewed.

Riley: But that was all an internal review, rather than sending it to the White House.

Cohen: That's right.

Governor Riley: If we had something that we were going to put in a speech that we knew was different, new, I would contact the White House and they would come back and say, "Yes, we like that," or, "Don't make it quite that strong," or, "Make it stronger," or whatever. We would talk to them about something that we thought was new or different.

Pika: I had one more internal question. The Department of Education came in for lots of criticism from the GAO [General Accounting Office] about its management. You had referred to this before, to some of the difficulties that the Department had. Certainly that it had been managed by a group that was not particularly interested in education. Benign neglect might not capture the right spirit of some of the pre-Clinton groups. I'm curious. Was that primarily the charge of the deputy, of Madeleine Kunin, to get the Department into shape, bring in the new technology, address some of the budgetary issues that the GAO had raised?

Governor Riley: The GAO, and you all can comment on this too, when we first got there, they said that our Department was probably the worst in the whole federal government in terms of accountability and management structure. I'm telling you, we had old out-of-date everything. Part of that was that there was no enthusiastic support for the Department for several years. We had great interest in attempting to bring that around. Then we had money problems and we were working on that. We had Gore's group that was really into all of that.

One of our big issues after two or three years was integrating a computer system, which for that period was a massive job, very complicated. We had all these thousands and thousands of systems out there. We had three big systems that were totally not connected and we wanted them connected. The technology was there to do it but it was very complicated. We decided to go after that and we did and it was the right thing to do. The company we got—there are "approved"

companies that had the technology people. The approved company came in, they got on the job and they could put all of it together except one part, which was not enough. When you're integrating something, you've got to integrate it. That was a real problem. That caused us not to be able to have a complete audit for two or three years.

Frank, I know you were in the middle of some of that and you know more than I do about that. We then had to get rid of that company and brought in Oracle, as I recall, which was about the only company that could do that high-level work. It was complicated work and we recognized that it was not easy. They came in and over a period of 18 months put it in. It's there now and it works well. When we left, I was totally comfortable with that. Do you all want to speak to that? You're all familiar with it.

Holleman: The way the management generally was run at the beginning was that Madeleine Kunin had sort of a team, including the Secretary's Chief of Staff, the CFO, the head of the Office of Management, and Mike Smith, who was the Under Secretary. And Judy Winston, who was the general counsel. It met, and then I came in as Chief of Staff and took Billy's role in that.

Then when Madeleine left, Mike took on the principal management role. When Mike left, I took on the principal management role. So we did have some level of continuity, even though there was discontinuity. At least it was some of the same key leadership throughout. The way I look at the management challenges of the Department, there are the ones that affect real significant dollars, and then there are the management issues that were important but were more a matter of systems and reporting than really the big hard dollars. The big, tremendous management challenge the Department faced when he came in was that the student financial aid system was basically in disarray and disrepute.

It was in disarray and disrepute primarily because of the near-management collapse of the student loan program. The student loan default rate had reached 22.4 percent. Senator [Sam] Nunn could basically hold a hearing and just throw a rock and hit some scandal. He had one hearing after another in the late '80s and early '90s on the student loan program. It wasn't hard. The fundamental reason for that problem, the underlying reason, was that in the student loan program were a large number of for-profit, proprietary schools and a lot of them were bad. I can explain what bad means, but just as shorthand, and they were producing the high default rates and the scandals, by and large. They had very good lawyers, very good lobbyists, and a very cumbersome legal system they had carefully lobbied into law that made it hard for the Department to administer.

Well, we decided we were going to administer it. We did, and cleared up a huge backlog of these so-called appeals. Before you could throw high-default-rate schools out of the program, they had to have three consecutive years at a high rate and each year they could appeal their rate. So until you cleared up each appeal for each year, you could not act. This huge backlog developed and they could appeal for free and stay in the program. We did that and administered other of our powers and, by the end of his [Gov. Riley's] tenure, we had removed a thousand for-profit trade schools from the program through one means or another.

Governor Riley: Which closed them down.

Holleman: At the time, it was a horrible fight. In retrospect, the trade school people would say it strengthened their industry because it got rid of a lot of the scandals and bad guys.

Governor Riley: Some of them were corrupt. Others just weren't schools at all and they were out trying to get poor kids' Pell grants and all.

Holleman: That was worth billions of dollars to taxpayers, huge dollars. The second leg of the stool—there are three legs to the stool—the second leg was advancing the collection on defaulted loans that were in the system and making it true—sending the message, "If you do default, we will collect this somehow to the best of our ability." There were ways that people who were having true financial distress and wanted to play by the rules could avoid default and we liberalized those rules to take care of the real cases. The bad cases we were collecting using a whole wide range of tools and the Congress gave us some more tools.

The third leg of that stool was direct lending. As you may know, the student loan program is basically a series of guaranteed subsidies to participants in the program, like banks and servicers and other entities. The direct loan program eliminated a lot of those, and since the government was guaranteeing the loans, the government got the interest. All those things added together, in our estimate, saved the taxpayers $18 billion. It also saved students a lot of money because the direct loan program generated budgetary savings that OMB would recognize. It allowed us to lower the cost on student loans.

When I say "us," this is one area the President, Gene Sperling, and OMB had intense interest in because, as you might remember, the President ran on direct loans. That was one thing he talked about.

Governor Riley: Yes, a lot.

Holleman: Direct loans was part of that original budget deal that passed by one vote. Budget savings from direct loans allowed the President to lower the student loan origination fee from 8 percent to 4 percent in one fell swoop, and through other mechanisms through the years we lowered it another percent. Then, in the last year, we gave students a repayment incentive. If they made a certain number of payments, they got another percent off. So we were constantly lowering the cost of student loans, the interest rate, through these mechanisms. The President and his White House staff were intimately involved.

Then there is this whole other side of the systems issue and the accounting issues. During his tenure, we got the first clean audit of the Department in its history. I think it was fiscal year '97. It might have been fiscal year '96. As the Secretary says, we were implementing this great new computer system that was going to make it so much easier to audit our books and the system failed. So we did not have a clean audit the next two years but in the last year we signed a contract for the new system and implemented it. It was fully implemented the next year and the Department got a clean audit.

Of course, it occurred on their [Bush Administration] watch, so I guess they get credit for it, but still, we took the action that was necessary to make sure it happened. The Department now is able to secure clean audits through the use of that reconciliation. All this internal government accounting is one of the most complex, bizarre systems you can imagine. It was reconciling all these accounts. The first set of reforms really saved huge bucks for students and the taxpayers.

Pika: This built your credibility on Capitol Hill, presumably.

Holleman: This is a little unusual, but for a number of years, the President of the United States had announced the student loan default rate. I don't know if you all remember this. Occasionally it would be front page of the *New York Times.* The President, himself. Not the Secretary. Not the Assistant Secretary for Post Secondary Education, who you would think might do it. The President of the United States announced the student loan default rate is now below 10 percent for the first time ever. It is now below 6 percent each year. So it did build the credibility of the system. We were able to secure—the President was, and the Secretary—significant increases in student aid. If we had had broken-down, scandal-ridden systems like we had at first, it would have been very hard to do.

Governor Riley: The year 2000 was supposed to be a big issue, especially for education, because every school was connected. If the school was not in conformity, it would screw up our whole deal. We were connected up to every school and university. We got into the year 2000 with the Y2K issue and I said, "This is going to be a mess in education." Mike Smith is the one who took that over, as I recall, and just didn't do anything else. We really worked on that and every two days they would try things out and then work—

The first grade we got was a D or an F. We kept saying we're getting everything in place. We knew it didn't work now but we were a year out before Y2K. When it came around, we didn't have one glitch and the grade came out an A. So we went from an F all the way to A and we got that job done. We got that computer system working. That was a little success story.

McGuinn: Can I get us back to Capitol Hill a little bit? You were just segueing there a little bit. We talked a lot about Goals 2000, and I think we left off at the end of the momentous struggle with you guys exhausted after leaving the floor of the Senate at the end of the filibuster. We wake up the next morning and ESEA discussions had already started in Congress by that point, so you now have to turn your attention to that. Could you tell us a little bit about how ESEA amendments differed and were also designed to supplement and be compatible with Goals 2000? And how that went forward with the legislative process and the negotiations involved, I guess with three different factions, if you want to think about it that way— the moderates, the left, and the right—and how that all played out.

Governor Riley: Well, I'll say a word and then Mike will want to say some words about it. The design we had for pre-Title I, Improve the American Schools Act, we called it, was reauthorization of the Elementary and Secondary Education Act. We had a system setting up from Goals 2000 to this—a standards system, state-driven, federal dollars with federal help and supervision, but state-driven.

We required one test in elementary school, one test in middle school, and one test in high school. With "No Child Left Behind" there's a test every year from third through eighth grades. You can argue that either way; I don't know that our system was best. They were very similar. But we had one state test to look at how you were doing and then the state would decide. Then in the third grade, fifth grade, whatever. One in middle, one in high school. The big thing that I mentioned earlier was all kids had the same tests, the same standards. Before that, since 1965, Title I kids had watered-down tests and watered-down standards. Everybody else was up here; they were down here. The Title I test was a simplified test. We raised it all up to the same level. It was driven mainly by the state. The state would set their own standards. There was some effort for voluntary national standards that was underway. We continued that. All that was voluntary. There were kind of mixed views.

Mike, do you want to pick up on that? That was a couple of the big designs, but all of that fit right with Goals 2000. Then, as we said earlier, in the ESEA, we took all the other programs through the mechanism that Mike discussed, and made them fit the state system. Not us telling the state, "You have to comply with this, and this, and this." It was a whole new way of doing things.

Cohen: Let me just sort of underscore and add to that. Goals 2000 provided the basic framework—standards, assessments, accountability, curriculum, aligned with professional development, et cetera. We basically said to the states, "You guys figure out how to do that. Just put them in place and create an aligned system." ESEA got more specific in some areas. As the Secretary said, you've got to have standards, we were leading in math, and there have to be the same standards for all kids. If you participate in Goals 2000 it has to be those standards. If you're not going to participate in Goals 2000, then develop the same standards for all kids anyway.

So we got the standards piece there. The assessment requirements in ESEA were more specific as to the grade levels in which you needed to test. The accountability mechanism, what you now think of as AYP [adequate yearly progress], is also in Improving America's Schools Act. That was more specific than Goals 2000 but not terribly so and not terribly clear, specific or swift, compared to what we had proposed. I don't recall the details, but there was a long phase-in period for both the assessments and the accountability mechanism in Title I.

When I was Assistant Secretary at the end of the administration, I was first reviewing and approving things that were required under the '94 law. They got the yearly part pretty clear, but the definition of "adequate" and "progress" was remarkably vague in the Title I that passed compared to what we had proposed. So that was an area where it didn't quite come out as cleanly and clearly and specifically as it might have. Nonetheless, the basic deal was for Title I, you've got to have a standards-based system in place that parallels and builds on what you've created in Goals 2000.

We also had some additional things that fit the same framework but were specific to Title I. We expanded access to school-wide projects. In the old law, if I remember correctly, you had to have 75 percent poor kids in order to use the money on a school-wide basis rather than target it to individual kids. We knocked that down to 50 percent. We got somewhat more targeting of Title I funds in the preauthorization. It had previously been the case but it came in layers so it was a

battle every year as to which piece of the formula the money would go into and how targeted it would be. These federal programs were all part of our unified state approach. We had this idea of a consolidated plan for all of your ESEA programs, Title I, the Eisenhower Professional Development Program, Safe and Drug-Free Schools and on down the line.

The idea was, rather than writing separate plans and proposals for each categorical program, the state would have the opportunity to submit one coherent plan for how it was going to administer federal funds, and that that plan ideally would be lined up with a plan that had to develop into Goals 2000. Essentially it would be a state reform plan. So we're trying to create opportunities for states to think in an integrated and coherent fashion around all these different state and local efforts and still maintain some semblance of the requirements in federal law, that if you get federal funds, you give us some clue as to what you're going to do with the money and how you spend it and how we tell whether you're making any progress or not.

Pika: Just to reassure you, that still exists.

Cohen: Yes.

Pika: We have to do a consolidated plan every year. That process is still in place. It may not be mandated, but it's still in place, at least in my state.

Cohen: In general, I think it's a case that once the federal government requires something it takes five or six years for people to actually comply but you can count on them doing it—

Pika: Forever.

Cohen: —for another 20, whether or not it's still required.

McGuinn: What was the political landscape like in terms of responding to the proposals that you offered and as it played its way through the Congress? We haven't talked too much yet about teachers' unions and I'm curious to hear where they were. The general sense is that they were opposed to a lot of the more rigorous reforms that you proposed regarding standards and accountability, and assessments that later on posed some choice, some teacher-quality things. They're one of the major constituent groups in the Democratic coalition, so how does this play out, particularly in the context of the ESEA?

Cohen: Just one quick answer to the general question of how the ESEA reauthorization moved politically. My recollection is somewhat fuzzy and I focused more on Goals 2000 and getting the rest of it passed. Mike Smith, and Terry, you were involved in that. Others probably have a richer base of information and personal experience with it.

My sense is that there were two or three different kinds of politics around ESEA. One was a reprise of the Goals 2000 politics around standards-based reform. Whatever battle we fought last month—except that it wasn't quite as bad, because once the issue had been resolved, no one had the stomach to go through it again. So whatever compromise we reached on one bill, we'll just transport into the other. In fact, whenever the "opportunity-to-learn" resolution moved—as it

moved through the House, as it moved through the Senate—wherever that ended up they just went back and put it in ESEA so you didn't have to fight it all over again. Those kinds of compromises tended to just carry forward.

There tended to be much more idiosyncratic politics around each of the categorical programs, if you can imagine the migrant aid community or the Eisenhower Professional Development community, a bunch of very program-specific issues, generally about who controlled the money or how it got allocated. There was a set of issues around each of those. They were not major political issues but they had to be resolved in order for the bill to move forward.

In terms of the legislative politics in getting the Improving America's Schools Act passed, my recollection is that there weren't additional huge political issues around that. More so than Goals 2000, that was very clearly a must-pass bill.

Holleman: That was a lot of money.

Cohen: A lot more money, a longer history, traditionally bipartisan and that probably dampened the level of conflict that might have otherwise occurred.

T. Peterson: That's right. [Albert] Al Shanker of the American Federation of Teachers had been all along for high standards so that really helped. And then the Secretary's past connections with the NEA, just having been in South Carolina with NEA helped, in having been through that battle before. That made it the issues around each program, so much more than the whole bill.

Governor Riley: One of the top people in the previous administration came to see me. He was a good friend of mine, and he said, "You know, you and Lamar are trying to do the same thing—the standards and the assessments to get education improved." This was confidential. I'm not going to say who he is. He said, "I think you'll have an easier time going further with it because teachers and principals trust you in regard to vouchers and other issues. We could only go so far. I really do think you will have a chance to do more with the standards than we were able to do," which was a very interesting observation. I think that the teachers did trust us. We had been working with Al Shanker for years, and he was a very strong force, very strong for standards, and very close to Clinton.

Bob Chase came along later and was a very thoughtful head of the NEA. All of them worked with us and wanted us to be successful. They realized that we were putting a lot more money into education programs and that the standards movement was there and it wasn't going to go away. We had, frankly, good support for what we wanted to do in the Elementary and Secondary Education Act from the teachers. In South Carolina we were getting the EIA [Education Improvement Act] passed and we had some tough stuff in there for teachers. We had a major pay increase and other things they really liked. I had a meeting with four or five hundred of them, a meeting with SCEAs [South Carolina Education Association]. It's not a powerful union with the right to contract or to negotiate but it's a very big political group.

They said they weren't going to go along with us and I said to that group, "That's fine. You all don't want to go along with it. You can just decide." Then we left. They had a big vote—twelve,

one, two o'clock in the morning, screaming and hollering about it. They unanimously went along with the EIA, which had some very tough stuff that the teachers at one point didn't like. They supported those issues in the debate. Even though they were against it, they would fight like the devil for it because they committed to it. It was a partnership.

People asked me all the time about teachers and I always said I think the teaching profession is probably the most wonderful profession in the world. This is an education era. I always called it an education era, not an information era. I am pro-quality teacher. I don't care if they belong to one organization or the other, or no organization. That did not matter to me one bit. I was pro-quality teachers, period. As long as they're doing things that are going to help children, I would push for it and generally the teachers would support us. They certainly did on the Elementary and Secondary Act.

I'll tell you one person who gets a lot of credit—actually I was in the hospital right at the end with a prostate cancer operation. So I was laid out over in Johns Hopkins the last two or three days of the session. The session was ending and we were looking at the Gingrich crisis, which was afoot. George Mitchell—I talked to him and others and said, "We've got to have this thing pass. If we don't, we'll never get it passed." He really went after it and he was very effective on the floor in the Senate. They put that together and two or three other things, OERI [Office of Educational Research and Improvement—

Cohen: That was attached to Goals 2000.

Governor Riley: But a couple of other things we got passed right at that same time, right? The last two or three days of the session, I remember calling you—

Holleman: Safe and Drug-Free Schools was passed during those first two years.

Governor Riley: Part of that was Clinton. Clinton told Mitchell—they sat down and talked about, "What's important to you, Mr. President?" "This is important." No question about that. George Mitchell went after it and so did the some of the Democratic leadership, and they got it done.

Cohen: One or two quick thoughts on that. As we've been talking, I've been trying to think through NEA and AFT [American Federation of Teachers] on both Goals 2000 and Improving America's Schools. Shanker was the head of AFT at the time,

T. Peterson: More reform-oriented, traditional.

Cohen: The most telling thing that I can think back on—two things. One is when we needed to pull together our hard-core supporters on Goals 2000 to figure out what to do now to move the bill forward. AFT was always one of the groups there. Business Roundtable was one of the groups, and two or three others. They were really solid on this. The other thing is I do remember one or two conversations with Bill Galston, whose job on Goals 2000 was to make sure it didn't wander too far from the DLC stance. He called about concerns as the bill was moving forward,

concerns that were identical to the concerns that Shanker had. Al's job and Galston's job was to make sure we didn't wander too far to the left on this.

That was not necessarily how the NEA viewed it, but AFT was really quite solid in the center on this. Even the NEA, when I met with their lobbyists throughout the process, there were no big substantive issues that they took exception to. They were more likely to worry about whether the participants in a committee included teachers' organization representatives. It was that level of concern. On the big agenda they were there. The same was largely true on the Improving America's Schools Act, although the AFT was much more wildly enthusiastic about the charter school program in ESEA than the NEA was. I don't recall other issues or proposals of ours on those bills that were really important to us that we had major differences with them on.

McGuinn: Can I ask one follow-up about implementation of ESEA? The Department was in an interesting position because clearly one of the major purposes of Goals 2000 and ESEA was to create additional flexibility. You've talked about taking great pride in the fact that there weren't additional mandates and that other regulations were stripped down, that sort of thing. That participation was voluntary on a lot of these things. That said, what levers did you have to push the states in the direction that you did want them to go, and how successful were you then, looking back at the end of the administration in terms of compliance with the ESEA in particular? What tactics did you use to further that goal?

Cohen: The enforcement of the Title I standards, testing and accountability requirements fell to me at the end of the administration. Actually I have a report someplace with me that we did on that, which I'll give you if you want the actual numbers. The gist of it was this: We actually did a very good job of getting states to put standards in place. We did a very good job of getting states to put assessments in place. We, or the states, were somewhat less successful in meeting all of the assessment requirements. That is, states did less well making sure they had strategies for including both limited English-proficient and special ed kids. We generally had to push the states on that. They were slow to actually disaggregate data for reporting purposes, even though they were required to do it. That all came to a head in the last six months or so of the administration as we were reviewing state plans.

Those were the areas where states had the greatest difficulty complying. I think that was for a couple of reasons. One is there was a five-year period to actually meet some of those requirements. The law didn't create a sense of urgency in the states, not only to get started, but to finish implementing these funds. I'd be curious to know how this played in Delaware. But one was there was not a huge sense of urgency because of the timelines.

Secondly, there were a couple of moves that we did that I'm convinced were the right thing to do but may have been read differently by states. One example, I forget the exact years, but the law basically gave states one year or two years to get their contents standards in place, so we didn't get mass standards in place. We gave them another year or so to get the performance standards in place. How much do you need to know in order to be proficient? Then we gave them a year after that to get the assessments in place. That was the structure of the requirements, except that the way you actually do this in reality is first you get your standards, then you develop and implement assessments. Once you have the assessments in place, you set a cut score to decide

where is proficient. So the law was un-implementable in the fashion in which it was written. You could not meet those timelines. You couldn't do the second step until you had done the third step.

What we did, basically, was waive the timeline for meeting the deadline for the second step. That, plus the way we administered Goals 2000, probably led some folks in states to think that we'd never hold them accountable for anything. We had no choice but to do what we did and they took that perhaps more liberally than it was intended.

The other thing was, in between the time IASA [Improving America's Schools Act] passed and the time that all these requirements had to be met, we did have this slight problem of protecting the Department and its budget. It's very difficult to be in tough-minded enforcement mode when you've got the majority in both the House and the Senate arguing that you shouldn't exist in the first place.

T. Peterson: Because they felt the Department was already too intrusive.

Cohen: Yes, because they thought you were intrusive. The final thing I discovered when we began to enforce the testing requirements and we asked states to produce evidence that they had met all the requirements. In order to do that, you would have to get some of the implementation evidence from the state testing director, some from the Title I director, some from the bilingual director, some from the special ed director, and probably some from the curriculum director. Don't think that those folks meet regularly, and had created for themselves even a sort of coherent description in one place that says here's how we do testing in the state that meets all these things. So there were huge capacity problems in state education departments that made it difficult for them to know if they complied, and if they knew, to then amass the evidence that was necessary to convince reasonably independent, hard-nosed reviewers of that.

Governor Riley: One of the good things that we did in implementing all of that was to have these annual IASA conferences—Improving America's Schools conferences. We would bring in these people from all 50 states. We'd have them in different regions and they got to know each other. They had two or three days of discussions about how they were working, how they were going to improve what they were doing, meeting these guidelines. I would usually address at least one of them, sometimes two of them. We had the most favorable comments coming back. These were federal and state people discussing how, in the states, they were putting these programs in place, coming together and talking to them about the problems. What they were doing and why couldn't they do this? We would come out with more valuable things out of those meetings, didn't you think so?

Cohen: Yes.

T. Peterson: What was happening before is that each program within the Elementary and Secondary Education Act and others would have their own separate conference. There would be a national Title I Conference, a national Migrant Education Conference, a national Eisenhower conference. Even though it sounds simple to pull off, you had to convince all those groups that they should throw in together, which really was a theme of a coherent education reform agenda.

The first year or so, it was hard to convince people they should do that, but then they really saw value.

Governor Riley: Mike, after he went in the White House, came back and headed up Elementary and Secondary. It lasted a couple of years?

Cohen: It seemed that long but it was just a little over a year.

Two other things on the compliance end for a second. One is that if you look program by program, where we could figure out really appropriate indicators of whether a state was compliant with the core requirements of the law, it was pretty easy to tell if they were and to give them helpful feedback about what they needed to do to come into compliance. The Safe and Drug-Free Schools program—I no longer remember what the requirements were, but there were two or three very straightforward questions you could ask the state and know pretty quickly whether they were doing what they were supposed to, targeting the money to districts with the worst problems of safety or drug abuse. "Are you doing that? How do you know where the places with greatest need are? How is the money getting there?" You could find out.

Where the requirements were even more numerous or technical, they were not easily translated into performance indicators to monitor compliance. For example, every Title I school is required to have a parent compact. The idea was this would be an agreement worked out between the school and parents over what their mutual expectations were. Good idea. Checking to see if there was a parent compact someplace in the files in the school wasn't a really effective way to promote parent involvement. Where there were things you could monitor from a distance, and they were meaningful, you could constructively move states. Where the requirements didn't meet those standards, it was a little bit more difficult to use a compliance-monitoring strategy to get states to do something that they were otherwise not inclined to do.

One other thought, which I began to discover when I became Assistant Secretary—states had to submit a set of performance indicators every year to show how they were doing on Title I. Of course, on all the programs, but Title I was the most important. We could tell you how many schools were participating, how many kids were participating, how many schools had been identified as needing improvement, and a handful of other indicators. The last state, in any given year, generally submitted the performance indicators twelve months after they were due, because they had a hard time producing that information. There's a huge capacity and data systems issue at the state level that shaped what we could do at the federal level to get states to comply.

Pika: There's also a big skills set gap in terms of translating, even given the timeline that you provided with some preparation and lead-time. Just finding the people to be able to do these jobs was an enormous task.

Cohen: At the state level.

Pika: Right, at the state level. Then data collection and systems were even more out of date in these things.

Holleman: I don't know if this was true in Delaware, but in the early to mid '90s when you had budget problems in many states, where there were conservative regimes, the state departments were easy targets for the budget cuts and that reduced the capacity.

Pika: There's no political constituency for the state department. There is for districts.

Holleman: Right.

Governor Riley: One thing that would be interesting when you look at ESEA or Improving American's Schools Act is when reauthorization time came up for that, then we submitted to the Congress our proposed reauthorization. It would be very interesting to compare that with "No Child Left Behind," if you haven't already done that. That was kind of our way. That was the next stage.

Obviously in the first stage, we were very pleased to be getting cooperation from practically all the states, enthusiastic cooperation. However, we didn't have the stringent accountability that you can have once you have a going system. So we had lots of things in our proposed reauthorization that would then tighten the accountability somewhat but try to maintain that partnership flexibility concept we had. You want to say a word about that reauthorization? It was not passed, of course.

Cohen: There were, at least in the Title I world, two main issues we tried to address in our reauthorization proposal, based on the weaknesses that we saw in implementation and just in progress in general.

Pika: Can you talk about what timeframe though—

Cohen: Ninety-eight, '99.

Cohen: Yes, it would have been '99 but the discussions would have been done.

Holleman: It had completed about the time I came in January of 2000.

Cohen: That's right. We recognized that the '94 accountability provisions weren't as strong as they needed to be. Even though we hadn't yet completed the process of reviewing their implementation, we knew enough to know that they needed tightening. Major changes we proposed—as I recall, we had already required in '94 that they be disaggregated for reporting purposes, even though it hadn't happened yet but it was coming. We also required disaggregated data for the purposes of AYP, but differently from the way NCLB [No Child Left Behind] does.

For reporting purposes, every sub-group had to be reported pretty much as is the case now, but for gap closing, for accountability purposes, we required that the gap between the lowest quartile of students and probably the school white average, I suspect, close. The reason we did it that way was because we looked at the way it's now in law and knew that the numbers of schools that would be identified as needing improvement would be huge, simply because of the way the

combination of a large number of cells, small cell size, and measuring error and tests would combine to create very high numbers.

So we went after identifying schools on the basis of disaggregated performance, but came at it with a slightly different technical design for that. We also had a set of requirements, the details of which I don't recall now, that called for faster and more powerful interventions in low-performing schools than the previous law had allowed.

We'd already begun to take steps on that, starting in '97 or '98 when Clinton proposed an education accountability fund. He asked for about $200 to $250 million to be targeted to schools that had already been identified as needing improvement. We wound up getting that enacted at a slightly lower budget level, '98, '99—around '98 or so. We got that enacted in the final minutes of the appropriations negotiations and that's where the requirement first came that for schools that were persistently low performing, kids had to be given the option to attend a higher-performing public school somewhere in the district. So we began to move in that direction and incorporated a similar requirement in our reauthorization proposal. This is all tightening accountability—one thing we did.

The second thing was we recognized the capacity problem. We were pretty well convinced that squeezing tight alone wouldn't actually get the results, so our teacher quality, our professional development and teacher quality proposals in the '99 reauthorization were much more substantial than before. We had folded the Goals 2000 money into the Eisenhower Professional Development Program, had more stringent requirements for the kinds of professional development that needed to occur. Luckily, they'd funded it more substantially. That was one big change.

We had a requirement that 95 percent of the teachers in the state had to be fully certified within some period of time and allowed for no real variations across districts. That is a forerunner of what's there now with a recognition that 100 percent might not be fully achievable at any given moment. So we had moved to tighten up accountability but in a fashion that still left states some flexibility to define adequate progress in ways that made sense. And we had moved to significantly increase investment in capacity building, professional development of teachers as a component for principals and school leaders as well. Those are the two big changes we made.

Riley: We'll break in just a minute and then we'll move wholesale into the role of the post-1994 environment, but there are one or two things that I wanted to go back and pick up on, not strictly in your capacity as Secretary of Education. I'd like to hear your take on the Healthcare format. As somebody who is working in the domestic policy area, you have a long and distinguished political career. Tell us what you think happened in relationship to the Healthcare Reform Act.

Governor Riley: You mean Hillary's—

Riley: Yes.

Governor Riley: I think she just underestimated the power of the multitude of lobbyists coming from ten different directions. You can handle lobbyists coming from several directions but when

you get into Healthcare, it's amazing. You have interests out there that are very defensive, very concerned about any changes that upset the system. I don't think she measured that. She knew it was going to be a tough fight, put it together, then came out with it. Then the walls came down.

However, as you have seen things develop, it moved very much piece by piece to get done what she and her group basically proposed, but it is very complicated and very complex. We still are in major need of something happening in that area. Everybody is talking about it politically in terms of coverage and whatever. My interest was a special interest. When I was Governor, Hillary worked with me on this. A lot of it came from our work on infant mortality, which is a good measure of healthcare for poor people. If you have good healthcare for poor people, generally you have a low infant mortality rate. If you don't, you have a higher one.

I'd been through it with the staff in South Carolina working in that area, and got into this business of Medicaid and how it applied to children and pregnant women. Then Chuck Robb got very much into that and asked me to chair a Southern Governors' task force dealing with infant mortality and related issues. Hillary was on that task force. We went from there to the NGA with a proposal.

At that time ADC [Aid to Dependent Children] welfare was state-driven. You could buy in to so much. In South Carolina, for example, if you made over $2,500 a year, you were out of Medicaid. You could buy in, but to that much. If you bought in more, the federal government would match it two-thirds to one-third. We tried to separate out children, starting with infant children, and pregnant women. It was not fair to a family making $10,000 a year to have their children denied medical care that impacted their education, their future, their community, and everything else.

We got the Governors, at a time when they were saying absolutely no more taxes, no more anything. Those were tough years. We got the Governors to go along with this. Then we literally lobbied it through Congress. Lloyd Bentsen, I remember very well, was doing appropriations, budget appropriations I guess in the Senate. But we got that passed. That was a very interesting thing.

Hillary was very much involved in that—to try to say this is different for children and pregnant women. That still, now, is up 200 percent for children up to 18. First we started it with children up to 5—that was a major, major change. That was kind of predating the complications that Hillary put on top of all that, which I think were absolutely right, but which had enormous—and no defenders.

You know what I mean? It's awfully hard to defend, as somebody's trying to describe that thing on the blackboard—how can you defend that? You might be for this piece of it and I could understand that, and against that. She laid it all out there and set up all these insurance issues and everything else. But Medicaid is a very expensive thing, and of course states, when they're cutting back, are very sensitive about increases in Medicaid, which is an enormous amount in your capital budget. I was interested in all that. Everybody was. I was directly involved in getting the children and pregnant women covered.

Riley: Do you think a major reform effort was achievable during that period of time and it was not properly handled?

Governor Riley: Well, I'm probably not well versed enough in that to say. I see what you're saying. I would speculate that they could have gone in phases and perhaps gotten more done, but I don't think Healthcare works that way. I think if you come in with one piece of it, somebody over here, will say, "You're next year." Or the next year. And they'll say, "We'll kill this." You know what I mean? You almost had to have a whole package out there and when you did, then everybody jumped on it.

Riley: Did you see the 1994 midterm results in advance? Did you foresee that kind of—?

Governor Riley: I don't think any of us saw how serious that was going to be.

Holleman: I have a little comment on that. I came on to be his Chief of Staff in July. When was your surgery?

Rinck: September, October.

Holleman: So maybe July, I met with him and he said, "Now, the first two years we were getting our agenda passed. We passed all this legislation. The next two years is basically just going to be implementation of what we did the first two years. That's what we'll be working on, implementation. We need to pay attention to direct lending, all these different ESEA, all these different things." About four months later that theory changed [laughter] about what the next two years were going to be about. It was going to be quiet implementation. Instead it was—

T. Peterson: I don't know if it was in Wisconsin, or Iowa, or Illinois, in the late spring of 1994, at one of our weekly business school appearances—Secretary Riley gave a speech and met with community people. We both got on the plane. It was one of the swing states. We didn't think of them then as swing states then. We looked at each other and said, "What is happening?" I think it was April or May. You could just feel something changing. In fact, Gallup or Pew does a poll every month. They do this barometer of conservative, liberal—something.

Cohen: A phenometer, they call it?

T. Peterson: Yes. It rarely changes much from month to month but that particular month it was one of the biggest changes in the last 20 years. I don't know what we were doing or why we picked it up. That would have been spring of '94 or maybe fall of '94.

Holleman: It wouldn't have been after September because—

T. Peterson: I think it was spring. Maybe we were talking about Goals 2000.

Cohen: It was '94, or '93.

Rinck: No, it passed in '94 in March.

T. Peterson: We were probably promoting Goals 2000, School-to-Work, and IASA. That's probably when we started picking up, just in general, the backlash toward that, and/or the swing to antigovernment, get rid of the Department of Education, people should pick themselves up by their bootstraps. We were in a middle-of-the-road, swing state, not even then in a swing state, and you could feel it.

Cohen: So we sent you guys out once a week to talk about our program and you turned the country against us? [laughter]

T. Peterson: We were setting a stage for you before you went to Alabama.

Riley: On that note maybe we ought to take a break.

[BREAK]

Riley: Mike is not going to be able to be with us tomorrow and I think maybe the best use of the hour and a half or so that we've got this afternoon would be to make sure that we're not missing anything that he would be a good resource for. What I thought I would do is just sort of turn it over to him, let him talk about the few major areas that he was involved with during the rest of the administration as a way of opening those things up, getting your testimony on the record, but also parking on those points to the extent that you would talk about these matters.

Anything that we're able to dispose of this afternoon obviously will be off the agenda tomorrow morning and then we can go back to the chronology if we need to do that. Feel free to intervene with any questions or with any of your own interventions about stuff. Mike, I'll just turn it over to you and let you tell us what you want to talk about now.

Cohen: As I try to think about the issues that I worked on in the second term, the ones that I was probably closest to that are worth focusing on now are the Voluntary National Test and the Class Size Reduction Initiative. So let me just say a few things about each of them and then let you take the conversation where you want.

Start with the Voluntary National Test, which I think we proposed in '97 in the State of the Union. The President had strong interest in that. If you go back to "Putting People First," he talked about a system of national examinations. Attacks on Goals 2000 made it hard to pursue national standards. This was an area that we still hadn't fully attended to. We also knew that there were tremendous differences in the standards and tests across the states, so there was no good, commonly accepted measure of whether a fourth grader really knew how to read or whether an eighth grader was really up to snuff in math.

We had—actually Mike Smith was critical in this. First of all, a proposal got put together jointly between the White House domestic policy staff and the Department. We figured out that we could legally create an individual version of the National Assessment of Education Progress test, the nation's report card. It was widely accepted; it was rigorous; it was already given in 40-plus states, so we thought this was actually something we could move on pretty quickly, and with not a whole lot of money. We figured $90 million would give us something like that for testing, for development of pilot testing and field testing, and we had some ideas in mind for how to make the tests a real model for states. That's one point on that.

Secondly, it was widely popular. It polled very well. People sort of intuitively got that a good national measure of how well kids are doing would be an important thing to do. The brilliance of the idea notwithstanding, we did run into one or two problems along the way, and very "bizarre" is the only word I can think of, politics on this. First of all, the black and Hispanic caucuses were not enamored with the proposal because, notwithstanding the movement they had made on the standards agenda overall, the prospect of using tests to make decisions about kids, particularly as to whether they would be promoted or not, was a real problem for them commonly, number one. Number two, the question of what language—in what language Hispanic kids would be tested in reading and math—was another huge issue.

On the use of the tests to make decisions about individual kids, we hadn't promoted it. We hadn't proposed it with the idea of deciding whether a fourth grader could go to the fifth grade or not. On the other hand, separate from this proposal, the President had been talking about ending social promotion, so it seemed a little inconsistent to propose our own tests and say you can't use it for one of the things the President says you ought to test for. It was voluntary. No state had to give it. We were trying to get states signed up for it. Anyway, one buzz saw was black and Hispanic caucuses and the civil rights groups, on both language issues and high-stakes issues.

Bill Goodling, the Chair of the House Education and Workforce Committee, whatever they called it in those days, was not a big testing fan himself. This is a former school administrator talking. Also, I think he didn't like the fact that we didn't bring him into the process at the outset. The President announced this in the State of the Union and he disputed that we had the authority to do this, and in any event was going to do whatever he could to make sure we didn't get or retain the authority to do it.

Governor Riley: Plus, it was said that he had a far right opponent running against him for Congress. He made this a big issue. He was himself personally stopping this effort. You're talking about fourth grade reading and eighth grade math.

Cohen: Right.

Governor Riley: There was some algebra in the eighth grade math test.

Cohen: Right.

Riley: The opponent was '96 or '98?

Cohen: Ninety-eight. This was a ’97 State of the Union proposal. And the education community, to be fair, was not wildly enthusiastic about it either. Once again, there we were with a really good idea that four of us thought was terrific. In fact, it’s the four of us at this table.

Holleman: And Mike Smith.

Cohen: Okay, there might have been eight of us all together.

Riley: So who at the table dropped off? [laughter]

Cohen: Actually, it was more complicated than that. I’ll describe to you some of the problems in the House. We had liberal Democrats against us and Goodling leading the Republicans against us.

T. Peterson: He was barely holding onto his chairmanship after Gingrich, so he really had to be tough.

Riley: Sure.

Cohen: As this proceeded, what we needed from the Congress mainly was money. The appropriations bill proceeded with Goodling’s leadership and with the support of the caucuses, Not only did we not get the money for it as it proceeded through the House, but there was restrictive language that flat out said we couldn’t use any federal money to even utter the word “test,” let alone actually develop one. That’s what was going on in the House.

In the Senate it was quite a different dynamic. In a one-week period there was a vote on the floor of the House on an appropriations bill, an amendment that we lost. I don’t remember the numbers but 200 to 100, or something like that, wouldn’t have been far off. The same week there was a vote on the appropriations bill in the Senate that contained language that explicitly gave us the authority and the money to carry out the voluntary national tests. Dan Coats from Indiana, maybe, Bill Bennett, and [Chester E., Jr.] Checker Finn were playing a role in this in the Senate and there was a bipartisan initiative that they helped cobble together. Dan Coats was the lead Republican sponsor, and Jeff Bingaman was probably the lead Democratic sponsor. We had a 99 to 1 vote in favor of this in the Senate. It’s very hard to produce that combination in the space of a week. It was a rare political skill that we had that we were able to do that.

This was one of the last issues resolved in the appropriations—by now the annual appropriations battle that generally dragged on until November. A lot of press attention. There was a Clinton–Goodling meeting that produced a compromise at the end of the first year that said we could get enough money to go ahead and develop the test but we couldn’t field test it or pilot test it anyplace. The National Academy of Sciences had to do a study on either its feasibility or its desirability, or could find ways of comparing different tests. The National Academy of Sciences did a land mine business as a result of this conflict, because every year there was another compromise and another study.

Holleman: Mike, was that a Freudian slip? It's a land *office* business. You said a land *mine*. [laughter].

Cohen: You're right, that was. I think we went through this process in a slightly different set of dance steps each year for two or three years until no one could find more restrictive words to say, "Okay, you can have test items but you have to keep them locked in a file cabinet and you can't ever let them out, and no kid should ever get near it." It was essentially the best we could get out of Goodling. I don't remember if we battled to a stalemate that made clear nothing was going to happen in our last year in office, or in the next-to-last year in office, but there were two or three years of battles on this. Unlike other appropriations battles where, if we had the Democrats solidly lined up we could win the battle easily at the end of the day, you have the Democrats split and the Republicans digging in their heels, and you were kind of dead in the water on this.

Governor Riley: I want to say a word about that, too. That was a real shame that we were not able to get that passed. My people came to me and we were trying to figure out the next step in the standards movement so it would be significant. Then they propose that the federal government would pay for this reading test for fourth grade. Everybody would have the same test so we'd eliminate all that difference that we now have in "No Child Left Behind" from state to state. It was basic reading, a significant reading test that a child would read independently by the end of the third grade, in the fourth grade.

Then in the eighth grade, a basic math test with some algebra. Consequently, schools would have had to have pre-algebra in the fifth and sixth grades, getting kids ready for algebra in middle school. The federal government would pay for that and pay for administering it. It was voluntary, but of course practically everybody would have taken it, because it would have been free. We promoted it in a number of ways. Private schools would have it, and for home-schoolers it was given free on the Internet the week after it was given. Within two or three days home-schoolers could get it and give it to their students.

We started having an amazing interest in it. I was given the job to sell it to the Cabinet. It was a big deal. We had a special Cabinet meeting and I was well prepared. They had made me well prepared. We made a strong argument. It was a big move. The President then came all out for it. Then we got the Democrats who didn't trust it. A lot of the Hispanic group—we never could quite get that worked out. Mike described it accurately.

"No Child Left Behind" then comes in with a *required* state test for those grades. We would have had a required state test for elementary, middle and high school and a voluntary national test in reading for fourth grade, 8th grade math and algebra. That combination, in my judgment, would have been a wonderful way to move education forward in this country.

T. Peterson: The other part that appealed to me is when you have a test of that size and you don't have to have trend-lines like you do in the national assessment of education, you can release items so that parents—I mean, one of the problems now is the results come so late after kids take a test. And states, because it costs so much to develop a state test, they can't release any of the items. You see the concept that was tested, not the actual item, even though it was close. It really would have helped. Because of the magnitude, we could have released a lot of test items

and people could actually see what kids should know in reading in the fourth grade, and in math, and it would have really been a good move forward. It's ironic now that we get all the requirements and testing just four years later, or three, which are far more costly and I'm not sure they give you any more information.

Riley: Governor, do you remember there being much dissent in the Cabinet when you made your presentation?

Governor Riley: When we made the presentation, there were a number of questions, people trying to understand exactly how it would work. As I recall, they were 100 percent for it. The President presented me and he said, "This is something we're for, and I want the Secretary to describe it."

Cohen: That might have tamped down some opposition. Two or three things have hit me as we've been talking. This was a huge deal for the President. He promoted it in all of his speeches. He went to speak to state legislatures. He went to Michigan first to announce that, "With Governor [John] Engler's support in Michigan, we'll do this test." He did the same thing in North Carolina. He actually spoke to the Delaware legislature also, but we were unable to convince Governor [Thomas R.] Carper to say yes, this is a good idea.

Governor Riley: It was close.

Cohen: Close, but not quite, which is, by the way, an interesting sign of how difficult it was to sell this to states when a direct President or Governor appeal doesn't quite get you what you need.

Pika: Right, and a receptive Governor.

Cohen: Right.

Holleman: Because he's a standards advocate, and a Democrat.

Cohen: At the same time at which—I don't recall the numbers now but we probably had eight or ten states that in one way or another had sort of said yes. Maryland was actually the first state. Initially out of the box, we were on a roll and the President was going to talk to state legislatures. It was a pretty big deal. It was getting more and more difficult to get states on board on this.

We actually got 15 of the biggest cities in the country to sign on to this, which is a very powerful signal that those who are responsible for educating the largely African-American and Hispanic kids whose members of Congress were saying no to this—their superintendents were saying, "Judge us by these results. We'll get our kids to measure up." That was a really powerful statement. It didn't necessarily help us get anything done. The dynamics were just very interesting and very complicated around this. The alliances that got formed and the people who were with you and against you were different.

McGuinn: By this time you were in the White House. It was a ’97 initiative and State of the Union so most of this campaign would have been during ’97. So it’s pre-impeachment?

Cohen: Pre-Monica.

McGuinn: Yes, pre-Monica, pre-impeachment kind of issues?

Cohen: Yes.

McGuinn: So a lot of the politics of this was happening during ’97.

Cohen: Right. The other thing that I recall—you were talking about the Cabinet meetings. Do you remember, you and I and Mike Smith and Bruce Reed did a memo and a briefing for the President, sort of a decision memo to lay out the plan for this?

Governor Riley: Yes.

Cohen: Then a meeting in the Oval Office. It started with the four of us and two of them. You, me, Mike, Bruce, the President, and the First Lady. Over time the cast of characters that drifted into the Oval Office to just sort of sit in on the meeting—the Vice President, the Chief of Staff—I don’t think there was a senior person in the White House who didn’t come to hear that discussion, because it was already clear to them how big a deal this was to the President. We just couldn’t quite get everyone else on board outside the administration.

That was one fairly significant story for us in terms of what we spent a lot of time and effort and political capital on. Another big issue was the class size reduction program, the 100,000 teachers, which we unveiled a year later, if memory serves me well. This was also something that the President had talked about in the ’92 campaign, not quite as visibly, but when he talked about making Title I more effective, he talked about spending the money to reduce class size, or something to that effect. He had watched this issue since he was Governor. The school standards that he and Hillary did in Arkansas, including the reduction in class size in the early grades. He had watched the experiment that Lamar Alexander had gotten started on in Tennessee at around the same time.

Through channels that I still can’t figure out, he knew more about the research four, five, six years after it got started than I did. He knew there was evidence that it was working there. Again, the Department and the White House worked together to put together a proposal. We had a lot of stuff to hash out about how you would actually do this from a federal level to make it work; how you deal with teacher quality issues and so on and so forth. It was also a very popular idea. It polled very well. There were states around the country with both Republican and Democratic Governors that were putting their own class size reduction in place. It also got zero interest from the congressional majority. We sent the legislation up and there were no leaders, just no action at all. It, too, was part of the endgame negotiations in the appropriations process. This time we had solid Democratic support for it.

In the negotiations that year—I guess this would have been ’98—we had asked for $1.1 billion to hire the first however-many-thousand teachers to get it started off. It and the national test were the last two items in the appropriations process to be resolved. We actually got $100 million more than we asked for out of the Congress. We got the money more highly targeted than even we had proposed. The program was on a roll. There was one technical glitch in the language. We hadn’t quite figured out a problem for rural schools that might not have gotten enough money to hire a teacher, but we were able to fix that.

Governor Riley: A third of a teacher or something. Let me make one point while you’re talking about that. Clinton was into developing ideas that people could understand. He really had that political mind. He was into smaller classes, and we talked about all of those things. He came out with—how many police officers on the street?

Holleman: A hundred thousand—

Governor Riley: A hundred thousand cops. That was a big success. People understood it. It dealt with violence. It dealt with some of the issues. Then, on education he came out with a hundred thousand teachers and again that was very well received. It was just clear and understandable that it’s going to mean better education if we have a hundred thousand quality teachers out there.

Cohen: And it was a whole hell of a lot easier to explain to people a class-size reduction program than it was to go through the finer points of aligning standards and assessments. Or standards-based reform. I liked this one because I could explain it.

Governor Riley: We could bore them to death.

T. Peterson: Plus I think it fit the times. After ’94 when this kind of anti-government, cut back, trim back, smaller government, government doesn’t do much for you attitude was in Congress, we needed a different approach. But always the challenge was, in the education groups, to get them to think more practically than in the usual programs like Title I and Title II, that’s what they wanted us to put money in, but what does anybody know when you go out and give a speech to put more money in Title I? The public is wondering, *What were you talking about?* He really captured—

Holleman: They think you’re trying to start a bookstore.

T. Peterson: He really understood that to communicate with people you need to have something that they could see and understand. How they could affect their kid or their grandkid, without a lot of explanation. It fit also our approach of implementing higher standards and now providing some opportunities for kids to achieve them.

Holleman: By and large, it helped the same schools and the same children that would have been helped by an increased appropriation for Title I.

Governor Riley: Part of the enhanced standards—we were moving further—I was, and the President, and others—in discussion toward individual kinds of educational opportunities, similar to what you do for disabled children with an IEP [Individualized Education Program]. To do that, of course, the smaller the classroom the better. I think probably that's the way of the future. You'll see that develop. When you get into high standards, everybody learns differently and you just about have to get into individual programs, not just an achievement test, but exactly what this kid knows and what he doesn't know and what he needs to do to enhance his education.

Holleman: From a political viewpoint following up on what Mike was saying, it's sort of amazing how parents intuit what research shows or even later shows. High-quality early childhood—you don't have to convince anybody of that. We spent millions of dollars proving it through research, but parents say, "Why, sure." Smaller classes in the early grades, high-quality after-school programs, quality teachers. All these things that we prove through all this research is so easy to communicate if you have an initiative that is based on that thing, rather than on an amorphous federal program.

Cohen: Given all of this, it is in some sense remarkable, or at least a sign of how toxic politics in D.C. were at the time, that an idea this clear, this simple, and that at the state level had been championed by Republican Governors as well as Democratic Governors, could turn out to be a highly partisan issue in Congress. You sort of have to wonder what was going on that every Republican in Congress was willing to be against smaller classes for kids.

Holleman: Astonishing.

Riley: But your sense is that it is because they don't believe in the mission of the Department in the first place.

Cohen: I think by that point it was because they didn't want to give us any more victories.

McGuinn: That raises my question, which is the role that education plays in the '96 election and even maybe tying it back a little bit further. We didn't talk about this specifically. Eliminating the Department of Education was a central part of the Contract with America, which we did talk about. We haven't talked too much about what the strategy was for countering that push. One of the things that seems interesting, and I'd like to hear how you all address it, was the role that the issue of education played in rebutting the attacks against government more generally that were part of this period.

Part of that plays out in the budget showdowns and such, but sort of an education strategy and how that affects the broader strategy. Then, what happens in the elections? This is a multipart question. What's the fallout from the politics of education for the second part of the second term?

Holleman: The Secretary really needs to talk about that, because he played a key role. The way I remember, just an outline—at first the administration and the White House were really uncertain how to deal with it. The way Bill Galston described it was this "tectonic shift in the plates of

American politics." The Secretary participated in some early meetings with the President as to how to cope with it. The President sort of found his footing in a series of value speeches. Then all the programmatic Departments began to find our footing in going back to our basic message that impacted the lives of average families. Within the administration, didn't we talk about the three E's—economy, education, and environment? Remember that?

Cohen: Yes.

Holleman: So the message of the White House turned dramatically for education's importance. It grew so significantly, getting back to our first principles. But I think the Secretary—

Governor Riley: I think the American people said no to the Gingrich approach—the Contract with America and doing away with the Department of Education. The leadership of Bill Clinton had something to do with that but it was really the American people. They surged in. Then they got out and they had all this praise and everybody was saying Gingrich this and that. Then the American people said, "Wait a minute. We don't agree with that." Clinton was a leader who was promoting, "We've got to stay with education. We cannot turn our back on education." They just opened a political issue ten years old that hadn't flown back in the '80s. I think it was the biggest factor in all of Clinton's clear reelection.

I was at every one of the debates that he and [Robert] Dole had, because education was the big subject. Clinton knew that subject like nobody you ever saw. It was similar to the advantage Bush had against Gore. As a Governor, you just know those education issues. But when Clinton was planning for his campaign, one of the big things was the Hope Scholarship and lifelong tax credits, charter schools—

Cohen: We had that already. His reading initiative, "America Reads."

Governor Riley: "America Reads." These were things that people—we worked the Hope Scholarship and the tax credits in a way that we didn't have to add taxes. It was about the only way we could do that without putting in a tax increase or budget enhancement way up there. It was a very interesting campaign. It just opened the door for Clinton to run, and he took the ball. He was going to say major things like, "Work hard and finish high school, you American student out there, and you're going to have a chance to go to college in this country, from this day and time."

That was impressive. Bill Clinton and I had had lots of debates, long debates, over whether or not we would require of a student—to get the Hope Scholarship the first two years, $1,500 tax credit a year—whether they would have to have a B average in high school or a certain average to qualify for college. Bill Clinton said, "No. You can talk about what they ought to have when they finish high school. But if they finish high school, they need a chance to go to college, even if it's a community college or a technical college." That was his belief.

That was a very democratic—with a small "d"—view of things. That's Bill Clinton. He's very much a democrat. He wanted every child in America to have a chance to go to college. And boy, did he sell that in that campaign. He and Gore on the train. They went all over and the crowds

got bigger, and bigger, and bigger. The Gingrich deal was going downhill very rapidly, on the issue of education, primarily, and the arts.

Pika: So was the foundation for that laid in the ’95, ’96 budget confrontation? In the winter of ’95, ’96?

Governor Riley: Yes.

Pika: And the momentum carries over into the ’96 presidential campaign is really what you’re saying.

T. Peterson: The issue is that Clinton was clear in painting a bigger picture. Sometimes I think, without being stated, opposition from some Republicans to some of our programs, let’s say Title I, was because they explained it as another welfare version. Clinton recasted it around, “You work hard and you can go to college.” Well, tax credits don’t work as well for the bottom, low income. We were still, at the same time, upping the Pell Grants, so you had more of a spectrum of opportunity, and then coupling that with reducing class size or after school programs. Then at the same time talking about—

Governor Riley: GEAR UP.

T. Peterson: GEAR UP. Or talking about the importance of school uniforms to help maintain discipline in school. All that sort of paints a picture of somebody who is more in touch with everyday concerns about kids’ safety, and the future. All that, plus his political expertise, would help explain the big budget increases we got at the end, often getting budget increases for things we hadn’t asked for, or more money than we asked for. We couldn’t, on the front end, go through the regular process and expect much additional investments in education. You had to have the big omnibus budget at the end so you could trade off things. Once they saw he was willing to shut down the government—and I think that surprised Republicans, the backlash that came from that—they felt that, oh, maybe we do actually need some government. Not that everything is working well, and we might need to cut some things back, but in general, it’s not an evil thing in itself.

Pika: Well, he didn’t roll over when they thought he would roll.

T. Peterson: Absolutely not.

Pika: Then he effectively argued that these are things that are important to the American people, education being among those, and environment being the other principal one. Then, kind of carrying that forward with some positive proposals, which you’re really saying was kind of recasting—

Holleman: Following up on what Terry said, I think it was the ’95 State of the Union speech; it might have been ’96. The President in his State of the Union address made it a national goal to have a million college students on work-study. Who would ever have predicted that we would

get work-study in a State of the Union speech? That's not exactly likely when you look at the past history, but it was a significant message and we got the funding.

Governor Riley: But Frank, he tied work-study into education.

Holleman: Right, that's what—

Governor Riley: He tied anything to education. He put in there that you could use tutoring as a college student—tutoring a poor, disadvantaged kid in reading or math in third grade or whatever—that could count as college work-study and we would not require any matching funds from the university if they did tutoring as college work-study. That was a tremendous incentive. We had, I don't know how many, a thousand-plus universities that signed up for that. And we had thousands and thousands of college students going out to these poor neighborhoods and working with kids. Clinton would go into a school and he'd talk about that and he could say it in artistic words that were just beautiful.

One thing I remember was Ted Sanders. Ted was President of Southern Illinois University then and we went to see the college work-study there and he brought in a number of his students who were tutoring these kids. A number of them had changed their major and decided to be teachers. Now that's powerful stuff. When you have that going on as a college work-study to help kids pay their way through college, connect it up with education, doing something worthwhile and then decide to be teachers and do that kind of work.

Holleman: It is an amazing switch, leading up to the '94 election. We managed to hit this constellation of having a bad message, a policy failure, and a political defeat. We managed to find all those things and bring them together, but then after '95 we managed to find all the opposite combinations. With work-study, you had a great values message. It was great politics. It served our substantive policy goals and we actually got it. We could say we got a million kids on work-study and the Hope Scholarship.

The President said in '92—that was the last part of "Putting People First"—"I will have a middle-class tax cut." The Republicans were going to beat us up on tax cuts and he comes forward and says, "Wait a minute. The middle class has to be part of this. You can't just do all this stuff you want to do with estate taxes and all that. Furthermore, we're going to have an education message with it. Fourteen years of school and we will actually help pay for it." How could they fight that? It was almost impossible at a broad level to fight that. We had everything lined up.

Pika: Was that the secret to fending off the proposals to do away with the Department of Education? In other words, to elevate the significance that education had in the lives of Americans?

Governor Riley: That disappeared, just like that [snapping fingers]. They rolled in and when the public stopped and thought about it and started looking at some of these positive things that were happening and could happen, it disappeared. It was very bad politics to get up and say, "I want the Department eliminated."

Holleman: Haley Barbour said after the ’96 election that the single biggest mistake they made was advocating the abolition of the Department of Education.

Governor Riley: That’s right, but when he said that, Dole hesitated. He didn’t want to say that. I was there. I think it was in San Diego. Then when he said that we ought to do away with—something like that. He was trying to soften it a little bit. *USA Today* has that polling during the debate. They went straight down and we went straight up in that running poll. The public wasn’t into that.

Cohen: We made the issue not about a federal Cabinet agency, but about the importance of education for kids and families.

Holleman: Then the existence of the agency became an emblem for this, rather than the other way around.

Cohen: Right, symbolic.

T. Peterson: Simultaneously working on lowering the default rate was really important. The President announcing that and dealing with better management of the U.S. Department of Education. And coming out with initiatives. Some have price tags and some are funded by tax expenditures or the Universal Service Fund to connect schools to the Internet. Then really getting all of us out in the public and explaining these practical ways to improve education. We had this initiative each fall called “America Goes Back to School” where all the Cabinet officers would go to schools or do something in education. Deputies and assistants—it’s hard to get other Cabinet people to do your work, but the President got into this, so they all did. We had 150 Cabinet and sub-Cabinet people go all over the country in the fall—

Governor Riley: Even military officers.

T. Peterson: We had a package and we had to help them find events, but the message was around these kinds of themes.

Riley: This was ’95?

T. Peterson: It started about ’95.

Riley: I’m just trying to time it in relation to the government shutdowns.

T. Peterson: After that.

Holleman: It might have been part of the message of the government shutdown period.

T. Peterson: I have a package with me. It was from ’96 or ’97. We had a packet they’d go out with, but we tied the initiatives we were promoting with more of an uplifting message about the

importance of education in the future, and public education's role, and involving other people. I think a package and the combination is probably what made the difference.

Holleman: One reaction thought: one thing after '94 was the President did go out and make a series of speeches and announcements to articulate his values to the American people. Two or three of them dealt with your work in education. One was the "Religion in the Public Schools," and it was just coincidental that this initiative was going on at the same time. There was a speech at Georgetown on civic engagement, where education things were part of it. The speech at Princeton was on access to college. Wasn't it at Princeton that he talked about the Hope Scholarship?

Cohen: Yes.

Holleman: So there was a series of these big presidential speeches on values and a number of them—of course, coincidental was the Oklahoma City tragedy speech. But of the ones the President designed and picked, a lot of them—three of them I remember—had education as either an express theme or overlay.

Riley: One of the things that historians will try to do is decipher the sequence in all of this. I know it's very difficult to remember sequencing. It's the first thing that goes in your memory. You mentioned Oklahoma City and that plays into this a little bit because it's the first burst of public recognition that there may be excesses out there with respect to beating up the government. Then the government shutdown becomes something else. I guess what the three of us are trying to do is get a sense about, okay, you've got these major unplanned and unforeseen events that are shaping public opinion. But can you help us understand what kinds of purposes, strategies, you were developing at a time when the party and the administration were deeply shaken because of what happened in '94, to fend off the attacks in the first place and to regain some sense of momentum? We've got some bits and pieces of that there, but anything else that you've got can be very helpful.

T. Peterson: The other part might be a leadership role. One thing that we did that seems too obvious now, we now call them the baby-boom echo. There was a huge change in demographics about to start going through schools that schools needed to plan for. Enrollments had been going down for so many years, or flat. Almost nobody was paying attention to it. Each fall, starting about that time, we would have a big press conference. It would get huge coverage and we'd say, "You know what? We're going to have another million kids in school this coming year." We kept doing that the whole time from then on. We grew like eight million, or nine million students. Now that growth is just about getting to post-secondary education.

There were a number of things that we were doing. Part of the Department's role, besides running programs, is to be a leader, to be out there. People would say, "I never knew that." But that's sort of what a Department should do. In the past before we came into office, the Department might have a little briefing for some demographers or something, or school administrators, but we realized that you can't just do this. You've really got to figure a way to get the issue out, which was most important. Secondarily, when you do that and really reach out to people, to the press and others, and make it a little more interesting, then that gives the

Department more validity and importance in the eyes of citizens because you're doing something. You're not necessarily asking for more money. You're just laying out the facts.

Holleman: Two strategies were going on. One is that the approach of the Education Department and of the Secretary was he knew his general values and policies, but he also had a policy of "strike while the iron is hot." In other words, we didn't have to necessarily follow a straight-line strategic plan. Here was an opportunity to do something. We tried to seize it.

At the same time, not only did we have this political catastrophe in '94, but they actually controlled both houses of Congress. It became very clear it would be very hard to pass anything, and the White House expressly asked the whole government to look for things that could be done by executive action to accomplish the policy goals of the administration. That just gave us open season, in a sense, to try to think up, what are the opportunities that we can do as an agency, or that the President can do single-handedly to advance these things? So we had the issue on religion in the public schools, waiving the match on the work-study, "America Reads"—

Cohen: A lot of stuff we did on school safety.

Governor Riley: The race initiative, which was not directly education, but very much related.

T. Peterson: The summer reading program, "Read Write Now." It started out to just be a little thing. And we got our Partnership for Family Involvement that was kind of a nice thing to have. It gave us access to, at that time, a couple thousand organizations. We told them, "Our research shows kids lose ground in reading over the summer. Why don't you promote reading? Get inexpensive materials." We put together a whole partnership of organizations and groups and at the end there were a million, or two million people involved in summer reading. We were sending out that many kits. We started out with maybe 50,000 but it was of that nature where you were also kind of asking more of the people and organizations to get involved, not just saying it's a government solution. They should be involved but also citizens should get involved and parents should read with their own kids. It helps show more of a realistic view of how education really happens.

Holleman: And the White House was anxious to involve the President in something that made sense. That gave us great opportunities to raise the profile.

Pika: What I hear you describing is kind of an offensive mode to confirm the importance of education in American life and in the lives of Americans. Was there also kind of a defensive mode? Did you go out arousing constituencies? Did the NEA and the AFT and some of the traditional allies, education groups out there, kind of rally to the defense of the Department, or was the Secretary left to go up there and be beaten up by the Republicans alone?

Cohen: We had to be very careful about how we dealt with constituency groups around these issues.

Holleman: We had a set of rules. I can't remember what they all were, but we carefully policed that.

Cohen: Almost anything that you would think would make sense to do, we probably weren't allowed to do. But they were pretty well aroused themselves. My recollection is that they were particularly focused on preserving the Department and fighting the defensive battle, which was fine. It left us more room to pursue the higher-minded offensive battle and engage them in that.

Pika: You didn't have to go out and contribute to their efforts? You didn't have to strategically figure out how they should do this or how they should do that?

Cohen: We did make sure that they had a steady supply of information about what we were doing.

McGuinn: It's probably ironic that in '94 a lot of the groups who might have been opposing you as you try to change the program that they have interest in now rush to the defense of the agency and the programs that are being threatened in the absolute sense.

Holleman: The Gingrich people managed to unite everyone. They took on the Pell Grant, remember that? That was part of the shutdown. Panetta's negotiations over the shutdown involved about $50 on the Pell Grant, or an extra $25, and a key thing was, "at least" this number. The negotiation was to negotiate the words "at least." So he managed to unite the higher ed and the K-through-12 community in a way that is not always easy to do.

Riley: Governor, was the same thing true of the Democrats on Capitol Hill? Did it take them long to put their differences aside?

Governor Riley: Oh yes, and they were excited about all of it. That was a very exciting time coming out of that campaign. They were very much into it.

T. Peterson: But I think what you're getting at is they weren't necessarily—Mike's right that we were designing the idea. They were probably more defensive but because of the circumstances, we would have gone maybe right after Goals 2000 to the education groups and said, "We want you involved in the summer reading thing without any new money." They would have probably looked at us, "What's the deal here?" In a way, the pressure caused them to be more flexible. And the same later with the Hope Scholarship. There still was reticence with that approach because it was a tax expenditure approach. But the fact was that we were proposing something new and they could connect to the public and voters. In a sense, we were generating the outreach and there was often a programmatic or appropriations initiative that we had that would cause it to happen.

The Congress would invite a Secretary to come out to their home districts to do a lot of things but often we had to have something different to go to, like a summer reading event or going to look at an after school program or a technology effort. You needed to have something fresh and interesting. You can't just say, "We're doing good work."

Riley: Sure.

T. Peterson: By having both concrete initiatives and programs that were starting to hit the ground, and having these other approaches, it gave members of Congress and us a chance to do something, to have an event, to have a reception. That really gave us a voice and a forum for our agenda.

Holleman: Terry, do you agree with this? Just discard this if this is wrong. As compared with some interest groups or organizations of citizens, the education world is fairly slow to mobilize.

T. Peterson: Yes.

Holleman: As compared, say, with environmental groups. You send out—and, whoosh, in come the realtors.

Cohen: Particularly on a federal issue.

Holleman: In the education groups, it's slow to mobilize. It took the extended battle over the budget before it sank in. To some degree, the stronger supporters of education are the public at large, rather than organized groups, so it took longer to get that out and have the reaction come back than you might have been able to do if this involved HUD [Housing and Urban Development] and the realtors.

T. Peterson: The first year we rolled out this notion about "America Goes Back to School." We'd meet periodically with all the education groups and they'd share ideas back and forth. We had to do it carefully because we can't actually plan and scheme together. It was really a dance because occasionally someone would come in from a group and didn't like what we were doing and report to the Inspector General that we were doing something wrong.

The first time we laid it out it was like, "So? You're going to go around America and just talk about education?" That's when the public and the press tune in to education, at the opening of school. If you want to highlight both the challenges you face locally and what's being proposed as solutions, including potentially new money or new initiatives, and also to ask for their support, the time to do it is when school opens. The first year or two we did that, I think we were the only ones generating any activity, but by the third or fourth year the education associations also were saying, "Yes, this really makes sense."

Governor Riley: And our bus rides—

T. Peterson: Yes, we had bus rides through—

Governor Riley: All the way up the Delta. We hit eight different states. We had eight different Governors, Democrats and Republicans, who would meet us at their state and have enormous events.

Holleman: He rode a school bus through the Mississippi Delta in August. That was a brilliant stroke of scheduling [laughter]. I wasn't there at the time.

T. Peterson: The first event was with a Republican Congressman from Baton Rouge or someplace.

Governor Riley: It was in Louisiana.

T. Peterson: It was a hundred and five degrees.

Governor Riley: On an airstrip.

T. Peterson: That was our opening event for our bus ride and it got hotter.

Governor Riley: And I had laryngitis.

Mrs. Riley: A lot of it was out in the woods.

T. Peterson: There was a second phase of it, in addition to "America Goes Back to School," and that was to actually get out there and go down into some rural communities. You tend to fly into the big cities and go to an event an hour's drive away. This was the third or fourth year. The bus trip was part of our back-to-school campaign for all of America.

Riley: This would have been, the trip to Mississippi would have been when?

T. Peterson: Two thousand, back-to-school. The year before, we did California—

Governor Riley: Tennessee, Alabama.

Rinck: Through the Southeast.

Riley: You didn't go to Alabama?

Cohen: I never went on a bus trip.

Governor Riley: Who was Governor then? What was his name?

Riley: [Don] Siegelman.

Governor Riley: Siegelman. He met us and then what? Georgia, South Carolina, North Carolina.

Pika: I wanted to ask about another set of issues, but Patrick, did you have any—

McGuinn: I had a follow-up on something that Terry mentioned a minute ago. I'm curious what you all think about this. Do you think that the very real prospects that education groups and liberal Democrats had to confront eye-to-eye in the '95, '96 period—that the Department of Education might be shut down and that perhaps you would get block grants or vouchers—that that made them more willing, going forward, to embrace the reforms that you all had been

advocating and then were going to advocate going forward, in the sense that unless we reform or change the way that these programs work, and that the Department works, we might not be able to save it?

Cohen: I think it did a couple of things. I'm not quite prepared to say yes to that and I'm trying to figure out why. They were generally more inclined to embrace what we proposed. They recognized that we had led the fight and won. I think it was more that thing, convincing them that without these reforms, further progress would be difficult. We were on the same side of the fight. We had led it. We had won. I think we earned a lot of points with them.

One of the ways that played out is they were more likely to embrace our new initiatives than before, in part because, earlier, any new initiative was seen at least in part as a threat to what was already in place. If you can find a hundred million dollars or a billion dollars or whatever, why not put it into one of the programs we all know and love rather than something, whatever it is, that could only mean more competition for what's in place already.

We built up a track record of showing them that with new initiatives we can get new money that wouldn't be gotten any other way and that the pot would be bigger. That's what happened in all of those end-of-the-budget-year showdowns with Congress. The victories came substantially in new initiatives that we had proposed that just grew the amount of money spent on education overall.

There was that kind of dynamic at work rather than, for instance, what the Secretary referred to in South Carolina earlier in this conversation where, "I've got a reform package and I've got money. If you won't take the reform package, I won't give you the money." It wasn't quite that direct a horse trade. We demonstrated that we could get something done and put them more in a position to follow our lead.

T. Peterson: I think you're right. Some probably blamed part of the problem on us pushing Goals 2000 and School-to-Work, which really had spurred on and organized the real conservative groups against us. There was a wait-and-see attitude. Could we actually do something? Could we propose something, act as an organized administration—from the White House to the Secretary's office—come out of the trenches? Once that happened, then I think you're right. We had to prove ourselves again, to show that we could do something and handle this crisis.

Governor Riley: The opposition to School-to-Work was really unusual. The Phyllis Schlafly group, and others who opposed it, the best I can understand it, thought the government was directing students in a certain direction to satisfy industry and it was a kind of a government control of a person, rather than saying, "You like banking? We're going to prepare you in banking." You could go into journalism if you wanted to. I never quite understood that. That was basically their thing. Many legislators, Congressmen and Senators, were dead against our work in that area. We were trying to develop standards, voluntary national standards in various areas—manufacturing, healthcare, and whatever. They were dead against all that, on that basis, as I understood it.

Pika: You had mentioned competition a minute ago and it was mainly in the context of competition for dollars, but I wanted to talk a little bit about the whole question of competition in the public school realm—public school choice, vouchers, and charters—and get some sense about those initiatives and those discussions, those battles. The rejection of vouchers, but the acceptance of charters—I've always thought of it as somewhat of an alternative—the charters as a safer way to proceed with choice than vouchers would be.

Governor Riley: They were public schools.

Pika: Right. I deal with them a lot.

Governor Riley: That's gotten to be a very interesting debate.

Pika: I wanted to get some sense about those initiatives and the thinking within the administration about those.

Cohen: I don't have a monopoly on the answers, but a couple of thoughts. One is that public school choice was something Clinton had talked about during the campaign. When I worked at NGA, we used to follow what states were doing. Back then, in the mid '80s, he made a big deal over the fact that, after Minnesota passed the public school choice program statewide, Arkansas was the second. He just thought it was a good idea, number one. Number two, it was pretty clear all along that he saw that as a good antidote to vouchers, on the theory that you can't beat something with nothing. You don't really want to argue that parents and kids should have no choice. Public school choice and charters all made sense from that point of view.

I'm not sure any of us had this figured out at the time, but the notion that you would free up some educators to pursue their own vision of what a good school would look like, but hold them accountable for the results and not bother them about how they produced it, had an appeal that went beyond the charter school movement. That is, it was the essence of what a New Democratic approach was, and was the essence of what standards-based reform was about. "We're not going to spend the time regulating how you operate your school. We are going to spend our time worrying about what the results are. How you get there is your business." For all those reasons, at least from my dealings with Clinton, those were really important ideas and proposals.

Governor Riley: The experimental schools could develop good ideas and methodology and then share that with the traditional schools. That was a big part of the original idea of charters. They were supposed to then help advise others and improve other schools.

Cohen: There was an assumption built into this that the vast majority of traditionally governed public schools would be eager to learn new methods and new approaches from schools that had proven they could work. I'm not sure that was—we may want to refine that assumption a bit.

McGuinn: How receptive were Democrats to the idea of public school choice and charters at the beginning of the administration?

Cohen: Some were more enthusiastic than others. If you thought about the New Democrats and the more centrist Democrats, they were more open to it than some of the more traditional Democrats.

Pika: The resistance was similar to the resistance to standards in the sense of who was reluctant to move in that direction?

Cohen: I'm not positive. I think you're right—

Pika: More liberal Democrats—

Governor Riley: Democrats basically supported charters, as I recall. Not all of them as enthusiastically as some. A lot of Democrats loved the idea. They were out talking about it and doing all kinds of things. [Roy H.] Romer and a lot of those people. All DLC moderate Democrats really liked the idea. All Democrats, basically, who were very liberal Democrats, abhorred vouchers and so that argument really appealed to them. They might not particularly like charter schools, but if it was a necessary way to avoid vouchers, that appealed to them.

Cohen: I think that's right. Democrats broke into two camps, those who thought charters were a really powerful idea for education innovation and those who thought it was a good firewall for vouchers. They got enthusiastic about it in somewhat different ways.

Riley: We can talk about this more tomorrow with the others. When we spoke at the break, you indicated that you might have some things to say about the internal operations at the White House or what you encountered when you were there. I'm not quite sure what to ask you about that, other than just to raise the issue and see. What year did you arrive at the White House?

Cohen: July or June of '96.

Riley: Erskine Bowles or Leon Panetta?

Cohen: Leon was Chief of Staff when I got there. I guess it was right after the change in administration, the second term.

Riley: Did what you find there look like what you expected it to look like, or was it more or less chaotic?

Cohen: I had no idea what to expect but I do remember you [Gov. Riley] warning me to watch out for sharp elbows. When I first got there, of course, it was a hard place to figure out. It was hard for me to figure out how the place operated and I still don't know for sure if that was because it didn't operate by any conceivable rules you could understand, or if I was new, it was up and running, and it just took me a while to break the code.

Riley: Did you feel like you were suspect because you'd come in from the Department?

Cohen: Oh no, not suspect at all. In fact, I think most of the people who I dealt with at the staff level, the Chief of Staff's office, or Bruce Reed—I knew Bruce from before and Carol Rasco from before. I knew Gene Sperling a little bit from before. Everyone was happy for me to be there. They thought it was good to have someone there who actually knew something about education, other than the President. But there wasn't a new employees' orientation.

T. Peterson: I would have liked to have been to that one.

Riley: That is too bad because we could really make use of it.

Cohen: There's nothing that told you how the place operated. It took me a while to catch on to the fact that at that moment in time, when there were proposals being developed for the campaign, and when I walked into the middle of school construction, we were developing at that point "America Reads" and God-only-knows-what. The rule was: Show up at the meeting, tell people what you think, figure out who else you might be allied with, and start working the system. If you could figure it out you could move the ball, maybe, in the direction you wanted it to go. It was just hard to figure out.

It was more clear to me in the second term. I stayed for about three years. Some of the players changed. Carol moved back to the Department. Bruce Reed was the head of Domestic Policy. He and I had a conversation about whether I would stay, and under what circumstances, so things got a little bit more clarified.

Riley: There was an inference then that there was a bit of natural confusion over the—"chain of command" is the wrong phrase—but Bruce and Carol in that sense. Even for those of us on the outside, it was a bit unclear where the division was between their authority. Bruce had a very long relationship with the President and yet Carol was—

Cohen: So did Carol, she was from Arkansas. It wasn't entirely clear to me who was in charge of what. In the first six months or so, Bruce appeared to be a more significant player on education issues that would be teed up for the campaign than Carol was. But that wasn't consistently true. That got cleared up when Carol decided to come to the Education Department and Bruce moved into Carol's position. At least that set of rules was more clear.

At the same time, Gene Sperling and the National Economic Council had all of a sudden become much bigger players in education. So you had a different kind of potential complication.

Riley: Why was that? Why did the NEC—was it because of the issue areas that you were dealing with?

Cohen: It was partly because education had been a budget issue for a year or two now. That was sort of Gene's area. Partly because some of the key education initiatives, particularly on the post-secondary side, were tax issues. But it was also because they were stuff Gene cared about. Gene played a big role in the Reading Initiative. Gene played a big role in GEAR UP, because Gene cared about it and he was in the position to do it. NEC and DPC worked really well together on

education. There was a guy in NEC, Bob Shireman, who joined sometime in the second term. We just worked together. We decided we didn't really care what—

Governor Riley: He had been with Paul Simon—

Cohen: Right.

Governor Riley: Paul Simon was one of the leaders in the direct lending effort and Shireman was an authority on the subject.

T. Peterson: Because of that, as well as the President's cleverness in terms of getting money at the end—when you have both NEC and the economic advisor both asking for money, maybe for different things, at the end they have the ear of the final negotiators and I think that helped, maybe not.

Cohen: It did. It took us a while to figure this out, but somewhere in the second term we began to create a weekly education strategy meeting that Bruce led, and I was at, and Mike Smith was there, and Gene or someone from his staff was there, and OMB was at the table. We spent an hour or two at a meeting every week on everything ranging from what's the event next week, and what's the message, and how are we going to get that organized, to the longer-term policy issues. We had all the parts of the administration in pretty much regular communication.

Riley: The machine was running well.

Cohen: That's right.

Holleman: The other thing is—and I'd like you all to comment on this—at least in the last year, I would say there was some group, the senior staff of the Department, sometimes including the Secretary but often his staff from the deputy down, who were meeting virtually every day with someone in the White House, either at the West Wing or at the Old Executive Office Building, virtually every day. That's sort of hard to believe. I thought the other day about how we just took for granted, "Oh, I'm going to the White House." That's a once-in-a-lifetime experience. We were doing it as a matter of almost routine work. That's how closely we were working with Gene and the DPC staff. That was constant. We were in and out of there all the time.

Riley: But from your perspective as an insider, that was a rare experience for other Departments? You didn't see that same kind of relationship with HHS [Health and Human Services] or Labor or—

Cohen: Actually there were, at least in DPC, similar strategy meetings with other agencies and other issue areas. But once we got it going in education, given the fact that we had a known set of players—we had been around for a long time and in many cases we knew each other preceding the administration—we worked a lot better than it did in other areas. In other areas there was a mechanism of control, sometimes to make sure that the Department moved in the right direction or at least didn't wander off course. We had much more of a shared problem-

solving effort. We knew where we were going. We battled over some issues in relatively small ways.

Governor Riley: Bill Clinton was always happy when we were on education, in the Cabinet or wherever. It was just amazing. The speeches that he made in the school, I mentioned earlier. That was his preference. He wanted to go to a school. He would be a wonderful professor or teacher. I remember, I was introducing him at a big teachers' meeting in the East Room, all the Teachers of the Year, whatever it was. Anyway, it was jammed full of people. I said something about what teachers meant to him. He got up there and, unbeknownst to his speechwriters or anybody else, proceeded to name every teacher he had and how they had impressed him and taught him something special. It went through kindergarten, first grade—

Cohen: This was the Teacher of the Year initiative.

Governor Riley: The teachers' mouths would drop open. That guy really liked his teachers. He named every single one.

Cohen: Often the best part of Bill Clinton's education speeches were the part that he ad-libbed when he got up there.

Holleman: Another part about the White House relationship was that we also had strong working relationships with White House counsel, which is a little unusual. We worked on two or three major legal issues over lengthy periods of time and also of course with OMB. It was unusual. We were playing a tax policy. That's not usual. But the U.S. Department of Education went to a meeting with the Treasury. It's sort of two different cultures.

Governor Riley: I mentioned the Chief of Staff, after Clinton and Gore had gotten reelected, we had a big thing. We were up all night. We came back from Little Rock, all the key staff. I guess there were three or four or five hundred people out there. We all had T-shirts on, "Clinton, Gore, Second Term," whatever. We were all out there and all the Education crowd was over in one area. It was announced that the President wanted to see me. My heart was pounding. We'd been up all night. Tunky and I both went in the White House. This was out in the back of the White House.

We went in the White House and everybody was waiting for them to come out. They had bands and there was Bill and Hillary and Leon Panetta. We sat down and he said, "Dick, Leon's leaving and I want you to be the Chief of Staff. I want you to consider it." I was all into this. They put Tunky out in one of the rooms there in the White House. She said night came and it got dark and she was sitting in the dark, in the Blue Room or something.

Mrs. Riley: There were no lights. They forgot I was out there and I was scared to move. I was afraid somebody'd shoot me.

Governor Riley: Anyhow, then I told him as I told him before, that I could do more in education. I'm not getting in all my stuff to tell you he called me, that same call, about the Supreme Court the first year. I told him then that I was into education, we were getting things

going, it had taken some time, people relied on us moving things. That was where I could help him more than in the Court, and I told him the same thing for Chief of Staff.

I think that's right. We were into it and all my people were excited about him being reelected and getting all these things going. That was an example of how close we in our Department were with them. Then they started talking about [Samuel] Sandy Berger. Of course, we ended up with Erskine and he was one of the names they were considering.

That was a shock at the time. I guess the Supreme Court was more of a shock to my father when I turned it down. He thought I was totally crazy, insane. The Department of Education over the Supreme Court? Are you a lawyer?

Cohen: Notice they never did try to eliminate the Supreme Court.

Governor Riley: No, they didn't. That would have been a lot more permanent.

Riley: Was that a position that just did not appeal to you at all, the Court?

Governor Riley: I would have died to go on the Supreme Court at one point in time, but I was into this education stuff and so was Clinton. We thought it was very important, more so than I'm sure a lot of other people in the government, but I was into it. I was into the people who were there working, and all the parents, principals, superintendents, colleges, presidents of all the colleges. I developed a great relationship with all of them. We were into this business of education. As I told the President, we've all got strengths and weaknesses and my strength is talking people into doing something that I think is worthwhile.

That's when Bernie Nussbaum came over to talk to me about the Supreme Court. The President had called me from Chicago and asked me to have my name sent over and then Nussbaum and a bunch of them came in. Vernon Jordan called me up and Warren Christopher. Nussbaum said, "We're not hunting for an existing judge." I said, "I've never been a judge." He said, "We're not hunting for that. There are thousands of great judges out there. We want somebody who might have some influence on the Supreme Court over a long period of time." I was interested in that for a while but I think I can do much more good where I am.

Riley: They raised the issue at the second appointment also?

Governor Riley: At the second appointment, Mack McLarty called me up and he said, "We've got another opening on the Supreme Court. Is your position still the same?" I said, "Yes."

Riley: Did the Mrs. feel the same way? Am I permitted to ask this question?

Governor Riley: You can ask, and she'll tell you an honest answer, unfortunately, whatever it is. [laughter]

Riley: Mrs. Riley, how did you feel about that?

Mrs. Riley: That was really a hard decision. It wasn't hard for him, but I thought about the influence of the two paths. I was totally married to education too.

Governor Riley: We were together on education.

Mrs. Riley: We were just totally into it.

Pika: Other rumors surrounding you during your term of service were that you were considered as Ambassador for Ireland at one point, and possibly running for a Senate seat from South Carolina, against somebody. I have no idea who that is.

Governor Riley: That was always an issue—that I would run for the Senate. I used to think about that, because to run against Strom Thurmond was a decision, and I just wasn't into it at that time. I knew I had this opportunity in Washington, which I enjoyed. The Ireland thing—I went with the President every time he went to Ireland.

Riley: We want to hear more about those trips tomorrow.

Governor Riley: Well, the Rileys—County Cavan is where we all came from, but we were all Catholics at one time. You might tell your Baptist friends that.

Riley: I have a minister as a brother. I'm not sure he wants to hear it.

Governor Riley: We loved Ireland. We carried my father to Ireland when he was 90 years old, back to County Cavan. Dermot Gallagher was Ambassador from Ireland, and his wife, Maeve, and we became fast friends. We visited them. They visited us. They were at my father's funeral. We were very close and we still are.

Kevin Sullivan, who is my lead speechwriter, is my Irish person. Kevin usually goes with us when we go to Ireland. When that was coming up, if Gore had been elected—there was definitely discussion about that. I do know an awful lot of people over there. Although, when you get up into the Boston area and New York, that job is very significant—very big. [laughter] You have an awful lot of good Democrats that would vie for it. I probably would have had a pretty good shot for it and I probably would have done it, but it would have been up to Gore. Of course, I was a big Gore person. It would be unusual, though, being a Methodist, because it is such a Catholic place.

Under Clinton, I started Civic Links in Northern Ireland, which gets Protestant and Catholic high school students working together on projects in the community. We had about 150 schools in Northern Ireland and across the line in Ireland and it was perceived to be one of the few workable things for young people getting ready to live together. School could be a block away and they'd never speak to each other. They don't play sports. They don't date. We, for the first time, were getting some cross-pollination to get the Catholic and Protestant students, young people, working together on a project that they would determine, with adult supervision.

I was very proud of that and the Irish people loved the work we did. Clinton was such a hero in Ireland for what he did in Northern Ireland. I was involved in all of that. We had Gerry Adams in. That was a tremendous risk and they knew it was a risk but it absolutely quelled dissent. You go to Ireland and tell them you work for Bill Clinton, and the cab driver will hardly let you pay. They loved Bill Clinton over there, and still do.

Taoiseach—what they call the Prime Minister—Bertie Ahern called me two years ago and asked me to chair a commission to decide which Irish college would house the William Jefferson Clinton School of American Studies. I had to chair this group. We went to Ireland and had meetings and had proposals and we chose one. I was that close with them. I love Ireland. I'm Irish, and you are too.

Riley: I am, and we'll want to hear more about the trips tomorrow

McGuinn: Got a McGuinn down here, too. McDermott on my mother's side.

Governor Riley: Oh yes, McDermott. Mine was Dowling, which is just as Irish as Riley.

Riley: Well, we've had a long day but it has been very productive. Mike, I want to say thanks to you, since you're not going to be able to be with us tomorrow.

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Riley: The way I normally begin after an overnight stay is to stop and ask whether there's anything that occurred to you overnight that you wish you had said that we ought to turn back to. I'll open that up for everybody.

Governor Riley: I don't know of anything. I thought the discussion flowed very well yesterday. I don't remember anything offhand. I'm sure as we get on into the second four years other subjects will come up. Terry?

T. Peterson: Well, full expansion of the after school 21st-Century Community Learning Centers, which is kind of interesting. It went from a million to a billion dollars in four years. We had an interesting public-private partnership with the [Charles Stewart] Mott Foundation. It was put together given the realities of Congress being opposed to our Department providing leadership and training. Mott in turn provided that critical technical assistance. We might talk about that.

And the teacher-quality issue. We had a number of initiatives besides talking about teachers, but that really turned out to be quite helpful. Teacher enhancement grants that got education faculty and large faculty and schools working more closely together in preparing teachers, and also a series of technology grants that help universities prepare teachers to use technology better. From the reports we've gotten back since then, those grants have really made a difference. They've been pretty much cut back a great deal.

Also, the Smaller Learning Communities effort to make high schools, particularly large high schools smaller—these were all second-term initiatives.

Riley: We have to go ahead and move into the second term pretty quickly anyway because we have only a few hours left.

Pika: I had a question about the survival of the Department. It wasn't explicitly stated yesterday, but the battle over whether the Department would continue on, we talked about in terms of reemphasizing the significance of education in the lives of Americans. It has also been suggested, Mr. Secretary, that your standing in relation to the Congress may have been an important variable in determining the survival of the Department. The people had great confidence in your leadership. You were turning the Department around in terms of its performance. I don't want to embarrass you—

Governor Riley: It would be hard for me to deny that. [laughter]

Pika: Had someone else been the Secretary, would the Department have survived?

Governor Riley: I don't know all of that. I do know that we worked very hard on these outreach efforts that Terry Peterson talked about earlier. I did work both sides of the aisle very hard, always. I was up and down the halls of the House and the Senate frequently, and had a grand relationship generally with the members of the House and Senate. I don't know what role that played, or how it would have been different if—we were working very hard to get the Department going in the right direction. We had all the standards out there in all 50 states that were working. Then all of a sudden to say they were going to cut the Department out—the American people just didn't buy that.

Bill Clinton, if you recall, in his State of the Union addresses, normally education was a big part of it. I always had to be very careful in the audience to be wide awake. Cameras would be on me when he got to the education subject and it was in just about every State of the Union address. You have to give him an awful lot of credit for getting the American people feeling good about where we were going with education and the federal role. I do think people connected up with it.

One thing that helped us get over that hump—and it was a terrible time; we can smile about it now, but it was really an unpleasant time—is this attitude of partnerships that we had, the attitude of flexibility. We were doing all in the world that we could for the states and the school districts to use their own creative capacity to try to help them and not instruct them. And to try to get federal programs geared to the state reforms rather than the state reforms geared to the

federal. I think people liked that. They didn't see it as Washington telling them what to do, and when it came to the question of doing away with the Department, it really was not received well.

Pika: How about your relationship with Goodling? Was that something that—?

Governor Riley: Goodling? I had a wonderful relationship with him. The big thing we differed on is when he came all out against the national voluntary test in fourth grade in reading, eighth grade in math. But we had a wonderful relationship. He had a Chamber of Commerce group from York that I spoke with over in Arlington somewhere. He introduced me there.

We had a very good relationship. When he retired he began a small foundation, and I supported that personally. He is a very good person. He was a school person. He was more into education than he was, generally, into politics. He was into politics; anybody running every two years has to be. But he was really an education guy. He would fall out with the Democrats and I'd kind of have to walk a tightwire between that.

When I had this very difficult time with the Democratic caucus when we first got there and we were pushing for standards, Goodling talked an awful lot about how the word of that meeting got out. It was a closed session. Goodling came up to me, put his arm around me, and said, "I know they gave you the devil, but you stayed with it." He was a standards guy, he was a former principal. We had a great relationship with him.

Pika: You had a great relationship with [James] Jeffords.

Governor Riley: Jeffords and I had a tremendous relationship—Jeffords was with us most of the time. Of course, he changed political parties.

Holleman: And Senator Kassebaum.

Governor Riley: Kassebaum, I had a wonderful relationship with her.

T. Peterson: We did a big visit to schools in Kansas with Kassebaum. The whole day we spent with her, visiting schools as part of our outreach. It really helped because they got to see the Secretary with a prominent Republican member of Congress. He, and our agenda, connected with teachers and principals and school board members. Even if they disagreed with something, that really helps. She was already kind of aligned with us, but it really gives more credence to be there in her turf. It also makes it harder for someone like her to go up too far the other way when her heart probably isn't too far the other way to begin with. Then she can just say, "I've been out with the Secretary in the schools and what they're proposing is being well-received."

Holleman: Most of the time our two leading appropriators were moderates, Mr. [John] Porter and Mr. [Arlen] Specter.

T. Peterson: Yes, and we did things with Porter. He's from the suburbs of Illinois. There was a group there called "First in the World Consortium." They are high-end suburban school districts that want to be first in the world in math and science.

Governor Riley: This is very interesting.

T. Peterson: The national education goal was first in the world in math and science and everybody thought that was impossible.

Governor Riley: The President went with us out there and made a speech.

Riley: This is first term or second term?

Governor Riley: This was probably in the middle—

T. Peterson: End of the first term.

Governor Riley: Anyhow, it was when we were very much into math and science. There were about fourteen or fifteen school districts, but they were small compact school districts on the other side of the lake near Chicago, but out of the city. They had lots of modern industry in that area and a lot of top-level engineering jobs and accounting. So it was a good group of people to work with. They said one of their goals was that they were going to be first in the world in math and science. Everybody said, "That's ridiculous."

They were pointing out that in this location, in these districts, they had poor people in their districts but they were above average. They went after it and sure enough, they had a TIMSS [Third International Math and Science Study] test where they took a special test in that area and they were above the world in math and science. All the kids had computers and they worked and worked and worked. There was one superintendent. I forget his name.

T. Peterson: They actually won a grant from the Department. These are high-end suburban districts, in John Porter's district—the chairman of the House Appropriations—

Governor Riley: It was part of his district.

T. Peterson: We liked the concept because we had the goal of first in the world. Did the President ask you? The Governor? Somebody asked when they were working on the goals here, "What about this goal of being first in the world? Isn't that too outlandish?" They said, "What's going to be the alternative, to be second in the world?" But we needed a case study, an example, of a place that could actually do it. So we got through some money for them to actually—they were close to being first in the world to begin with, but how would you actually move that? They did some exciting work eventually.

So the President announced it with the Secretary but we caught a lot of flack from traditional Democrats. Why in the world are you highlighting these suburban schools and giving money to them? We said, well, you've got to show what can be done to a place that's close, to put them over the top. They found some incredibly interesting things, like, kids in middle school keep repeating the same concepts in math. That's where we fall down in America. When they get to ninth and tenth grade, they've had the same stuff over and over again. So the kids don't make

much progress. And the kids that didn't get it the first time, being taught the same way the second, third and fourth times, they aren't going to get it either. They really seriously went after changing all that.

It was kind of a way to highlight high standards. Later on we did similar work with using advanced placement courses and making that accessible. That was later in the second term. It was a way to reach out to somebody like Porter in a suburban district who was in fact a moderate and very interested in these same issues.

Governor Riley: And very supportive of our programs. We had a couple of studies that I think are very interesting. One dealt with math and science teachers. John Glenn chaired that. It was an outstanding committee. Kennedy was on it and so forth. We had top people from the Academy of Sciences and math teachers. They came out with a very interesting report on what the country needed to do to enhance math and science.

Holleman: That's the one the CEO of Intel co-chaired or was vice-chair with Glenn. Craig Barrett?

Governor Riley: Craig Barrett, yes. That was a very interesting study. They went on a year or so. Bill Clinton was very much into high standards and making sure we reached high. Math and sciences often were the way you talked about that.

We had another one that dealt with the senior year of high school. We were talking about the transition from high school to college and how, oftentimes, the senior year was kind of a wasted year. Kids would take some of their exams early and they were already accepted in college and they really just kind of floated during that senior year and would get off track from their education. When I was choosing that commission, it got a lot of attention. I put the Superintendent of Schools from Houston on that commission, [Roderick] Rod Paige, who later, of course, became the Secretary.

T. Peterson: But your bigger issue was would the Department have been retained without his presence? It might have been, but it really helped having Dick Riley there. You might recall when Dick was Governor—he was a one-term Governor—while he was in office, the constitution was going to have to be changed to allow him to run for a second term. It was going to have to be changed early on in his first term. I don't think you were favorably disposed to doing that. Our political advisor said, "You've got to have a face to call for a change in the constitution. Just abstractly changing the constitution to let the Governor run a second term doesn't mean much. It's too abstract." This might have been kind of a similar case then in the U.S. Department of Education, given we were trying to turn around the operations.

In the education field there was a feeling that some of the people—David Kearns was well regarded, and Ted Sanders—but the feeling that in some of the prior administrations they didn't bring in top-notch educators to head up the various divisions. We brought in Tom Payzant and then [Gerald N.] Gerry Tirozzi, considered top superintendents in the country, and David Longanecker was considered a top higher education state executive. That combination was turning around the Department operations, the outreach. With these partnerships we built with

the business community you mentioned—we had really strong ones with the Business Roundtable and the National Alliance of Business. We actually met with them, promoting standards. In the arts community we had—when we added arts to the national education goals, that seemed trivial for some people, but was really important educationally. It also then allowed us to build an alliance with about a hundred arts groups.

Holleman: Is the question whether the Department would have survived if he hadn't been—

T. Peterson: Yes.

Holleman: If I could just insert one anecdote: When Robert Reich retired as Secretary, there was a sort of internal departmental administration farewell party that we went to. One thing Reich said in recognizing the people on hand—he referred to Dick Riley as Phyllis Schlafly's worst nightmare. He made it almost impossible. You could see another personality, you could imagine, from the Democratic side who might have—one of 10,000 who might have filled that position. It might have been much easier to attack and direct many speeches and ads and all that.

Riley: Let me ask you, because we've gotten a fair amount of feedback about the people that you had very good relations with, let me turn it around and ask you who on the Hill gave you your worst times, your worst fits, and I'll ask this directed to you, Governor.

Governor Riley: We always had a group in the House and the Senate, but especially in the House on the committee that would cross-examine me extensively when I would go and testify. And of course we had very strong Democrats and some moderate Republicans who would support my position. But they would give me a hard time on vouchers, and why wouldn't we give in to having a pilot program, why wouldn't we do *this*, why wouldn't we do *that*. They attacked us on everything—the management issue and our—all of it was not 100 percent okay.

I discussed that yesterday. They questioned me extensively on that. Then the Democrats would come in and say, yes, but it is so much better than it was; it is getting better week by week and we can show that, and so forth. There was a group of Republicans—

Pika: Who stands out? Does anybody stand out?

Governor Riley: I was trying to think. Goodling, when he was chairman, when he was senior person, was always, you know, "Calm down. Let's try to work this thing through here. Let's not get jumping on each other." He'd tell the Democrats the same thing. So I always had the leadership. The leadership was always kind of favorable. "Let's start talking about children and education and get off the politics." But there were always two or three right-wing people in there who would come in and attack. "Why did you spend this much money on so-and-so? This many children were affected. You could have done this and had ten times more children—" That kind of thing. We didn't have a honeymoon but eight years. [laughter].

Of course, in the second term when the President had his personal problems, they were all on his case then and we were kind of left alone. Generally I had no concern going before the committees. I always felt very comfortable and most of them were very fair. You always had

three or four Senators who were very idealistic conservatives and they would raise very legitimate conservative issues. We would have a debate on that and then move on. It was more of a high-level kind of discussion.

Riley: You guys have anything you want to add to that? You're being awfully polite.

T. Peterson: Frank had to deal with it.

Holleman: Our strategy was we all followed Dick Riley's lead. There is a political strategy of creating enemies and then bouncing off of them. We did not have that strategy. I sometimes say he divides the world into three categories: friends, good friends, and very good friends.

Governor Riley: Mostly very good.

Holleman: Sometimes he'll mention somebody I don't think he's met but once, and he'll say, "Oh, he's a very good friend of mine."

Riley: Maybe we're going to enter that category.

Holleman: Our goal was to try not to be in confrontation mode. There was a period, though, when the House oversight committees across the administration—we weren't unique—had a strategy of trying to bury the agencies in requests for documents worded in the most burdensome and embarrassing possible ways to try to stop us from being able to do our mission.

Riley: Do you remember roughly the timing of this?

Holleman: This would have been sometime between '95 and 2000. It would have been after the '94 experience. I can't remember exactly the timeframe. I think of it more as '96 to 2000.

T. Peterson: I do too. They were using it partly—we had figured out how to get more money, through the endgame in omnibus bills. They were trying to show that we were not, across agencies, being efficient and effective and didn't know what we were doing. That's when I think it was more—

Holleman: It wasn't just us. It was Labor, Education, Interior, and maybe others. Labor being a similar agency to us, I just remember them getting—

T. Peterson: About '97 to 2000.

Governor Riley: We had one thing that they jumped on. We would have periodic meetings with all of what I'd call the education community—the principals' association, the superintendents, the teachers, the bilingual organizations, the disability—

T. Peterson: Higher education.

Governor Riley: Higher education. We had the whole crowd. I had a very good relationship with them. We really felt that we worked with them and not against them. The private school folks, and we'd have the Jesuits. We'd have the whole crowd. They questioned that as we got closer to the Gore campaign. They raised a question that that was a political event. We'd get together and we would say, "This is what we're fighting for—reading." I would make an argument to these people: "I know some of you over here, that's not your concern, but we need your help to get this passed." They would leave there usually in great unison to say, "We're going to all work together to get this bill passed." They raised the question about that and said that it was political, that we were using this group as a political thing. We were using the groups to try to get our stuff passed and supported.

Holleman: To get our message out. Let's say we were promoting the beginning of school—

T. Peterson: "America Goes Back to School"—

Holleman: Reading initiative. They have these networks of college students, college presidents, teachers, all these groups. And the Washington representatives of these groups, as you all may know, a lot of them came out of Republican administrations and lot of them come out of Democratic administrations. Some don't come out of any administration. The very conservative Republicans might say, "Oh they're all part of this one group. Well, one of the leading lobbyists for the college people was an Assistant Secretary in either the Reagan or first Bush administration, I can't remember which. It was not a partisan group. In general, though, the people who came were people who were supportive of education initiatives in their particular areas of the world.

They had an inundating of the domestic agencies, certainly some of them, with paper requests, hoping that it would stop us, that it would freeze us, that it would occupy all our senior staff in producing documents, getting things ready, and reviewing them. Part of my job as the deputy was to see that that got handled in a way that we responded legally and appropriately —our career general counsel people oversaw that—but did not interfere with his ability to carry the message and do what he needed to do or with other actors in the Department who needed to do that.

T. Peterson: They must have had a staff meeting on Friday morning, because these long requests for information would often come on Friday afternoon and say, "By Monday morning," or something. It didn't start off that way but it started getting more severe.

Holleman: They'd give us these very short deadlines we had to negotiate with them. Huge quantities of paper. Then they got nervous—

Riley: Who were you working with? You said, "We had to negotiate with them." Who were you negotiating with?

Holleman: I didn't personally do that. It would be the staff—

Riley: Committee staff or Subcommittee staff?

Holleman: The staff of the oversight Subcommittee in the House, predominantly.

Riley: And who was the chair of that?

Holleman: Peter Hoekstra was the chair during this period. He had Labor, Education, maybe HHS. Anyway, wherever it would originate from, that's what we saw. At one point I think they got a little nervous because some of the agencies were saying they were going to start keeping a tally of the amount of government time and resources it was taking to respond to these things. So it cooled down a little bit at times, but we got tremendous requests for documents. Sometimes we'd send them over there and we wouldn't hear anything. Sometimes we'd send them over there and there would be some inflammatory press releases, very inflammatory releases. They didn't all make it in the papers. Papers don't report everything. But very inflammatory kinds of releases, *not* "School Choice Would Benefit Kids and Here's Why." It would be huge, inflammatory terms about some issue. But we managed that and it did not deter us from pursuing the President's agenda.

Riley: Did you get the impression that you were dealing on occasion with rogue staffers, or was this with the imprimatur of—

Holleman: No, the only thing we would respond to was a letter signed by the Chair. It either had to be sent by the Chair of the Committee or the Subcommittee.

Governor Riley: One other area that we were very involved with was the area of school facilities, and that was connected to the issue of schools as centers of community, which is something I got very much involved with. Again, another outreach thing, a way to bring about schools that were used by senior citizens, a long-time issue. It had always been a group that supported so-called community schools. We got into that, thinking that things had gotten so spread out and people were losing their connections, bowling alone. We were trying to get this community idea back in place. So we put civics into the goals. This was a very interesting thing and still has a life. I speak to a group in about two weeks in Chicago, I think, or Ohio, on that subject—schools as centers of community.

Part of that was the design of the schools, the environmental aspect of the schools. The President and I spoke at a number of schools that were model schools by design. Part of it is technology, part of it is natural light, the garden in the yard so that children can be involved in seeing things really grow—this idea of making school a place that is the center of the community. Senior citizens come in and tutor children and mentor them. That is the ideal situation. It's hard to do in a real heavy urban area when you've got people in schools on top of each other. But in a lot of communities you can really do that well.

The American Association of Architects strongly supported all that. We had a number of meetings and brought in school facilities people. That was a very positive thing that is still going on. A lot of schools are getting worn out across the country so you're seeing some major school building programs. You all probably are building schools in Delaware. That's a good time to take a look at how you build schools. Do you build a high school for 5,000 students? That issue

engaged them all, and they're very much involved in it. Or do you build small schools where teachers and students know each other in the community?

T. Peterson: We then had a budget request to do that, which really took a lot of the members on the Hill by surprise, because that's not been a typical federal issue. But we had been trying to inform the nation, when we rolled this out, about the huge increase in students that was really starting to hit. We were talking about the important initiative of reducing class size. They found in California there wasn't space for each class size reduction. Then the worn-out buildings. So it was kind of an interesting, different kind of federal initiative.

Governor Riley: We got some money, didn't we? Then we got a right good amount of money for facilities—

T. Peterson: A billion, billion two. QZAB bonds. [Qualified Zone Academy Bonds].

Governor Riley: Yes, the Congressman from New York, Charlie Rangel.

Riley: I want to ask a couple of more general questions. We can come back to some of the policy areas that the two of you have in a little bit. You made several trips abroad with the President. Yesterday you just briefly mentioned the two trips to Ireland and we didn't talk about those trips. I wonder if I could get you to tell us a little bit about what it was like to travel with the President, going overseas, and if you have some particular recollections, especially about the two trips to Ireland, which seem to have been such important episodes. It seems you had been to South America, Brazil, Argentina, Venezuela. You may have been other places.

Governor Riley: Japan, Okinawa. The trips to Ireland were special because the President had given special personal attention to the Northern Ireland troubles, as they called them. As we indicated yesterday, he really made a major, risky decision in inviting Gerry Adams to come and talk to him about peace, as he put it. He met with both sides and all of them. He enjoyed getting personally involved and engaged in those situations. He did, of course, in Israel, in the Palestinian issue.

But Ireland was something special to him. His mother, of course, was very Irish. He enjoyed the countryside. He enjoyed playing golf there. He really enjoyed Belfast and Derry, which the British call *London*derry. The Irish call it Derry. That's the real center of where so many of the troubles took place. It was a real experience to go over there.

I got into it through the Civic Links project to try to help them from an educational standpoint. These were the high school kids. We did it with Jean Kennedy Smith, who was the Ambassador from the U.S. She had a forum. We had Frank McCourt and a number of other people in the arts world and writers. Arthur Miller was there. I spoke and they all spoke and then we had a forum at Trinity and spent a good part of a week there, traveling all over Ireland. Jean Kennedy Smith and I went to a number of schools and spoke. We really had some very important time in Ireland. The President went four times, maybe. I know at least three, maybe four, maybe even more than that. I know that Hillary went to Galway and dedicated an international peace place there. Bill Clinton and Hillary were in Belfast right after all of that—right at Christmastime, as I recall.

Riley: He went in December of ’95 on the first trip.

Governor Riley: It was a very touching time. They had two children there, one Catholic and one Protestant, and the children spoke and pleaded for peace. There was a sea of people out there and they had them hold American flags and Irish flags. Just about everybody out there was teared up. It was all the people together in Belfast. As usual, he made a wonderful, wonderful speech. Hillary introduced him. She spoke briefly. That crowd just went wild on every word he said. It was a very touching evening. I was honored to be there. It was history. In terms of Irish history, history was taking place.

Later on we were at Dundalk, which is just inside of Ireland, just across from the northern boundary where a lot of weapons had been stored and a lot of antagonists went for safe cover. It was a place that was well known to be dangerous during the battles. It was the Irish side, just on the line. That’s where he made his major speech. A lot of people said, “You don’t want to do that. All kinds of things could happen.” He said, “That’s where I want to go.”

That influenced his speech about peace and working together and how Ireland was making all kinds of strides and how many Americans were Irish. I think he had proclaimed 45 million Americans of our 260 have strong Irish connections. It’s enabled that little island, how in this big powerful country some 45 million people have some strong Irish connection. He made that speech in beautiful terms.

When we left there, Ron Brown, who was Commerce Secretary, and I would go around and we gave four different speeches— a technical school, a big crowd of people. This was in Northern Ireland. Then an elementary school, a Chamber of Commerce group. We spoke all around. The President took the Congress then and went over to Derry and they had a big speech over there. Then we did all around Belfast. Then we left there and I came back. George Mitchell and I were flying on Air Force II.

The President and Ron Brown went on to Spain where the President signed some kind of an agreement with the Spanish leadership. Then the President came back to the U.S. Ron Brown went on over to Bosnia where he crashed and was killed. We were together about two days before that in Ireland. You never know what’s going to happen when you’re on those trips.

The President was so much into education. It was interesting that they were developing a hemispheric summit. That’s all the leaders of our hemisphere: South America, all down in the Caribbean—there are something like 34 of them—Canada and Mexico and so forth. The President of Brazil, [Fernando] Cardoso, was watching television or a computer and heard the President’s State of the Union speech. This is interesting from the President’s standpoint. He was so impressed with that speech. The speech was about education. Most all of his speeches had a strong education component. Cardoso was so impressed by Bill Clinton’s State of the Union speech. He was the President of this summit that was going to be—well, it ended up in Santiago.

T. Peterson: First he invited President Clinton to Brazil to discuss a number of things and the summit.

Governor Riley: He went to Brazil—They planned for the summit, but then the President—and I was with him there. We went to Brazil and had kind of a summit meeting there. Later in Santiago, the Presidents came in from all these 34 countries. All of this is for education. Anyhow, they decided at this Brazil meeting to make the summit an education summit. I remember that meeting with Cardoso. Paulo Renato Souza was the Minister of Education for Brazil, a very good friend of ours, formerly a university president and a delightful guy.

Madeleine Albright was there besides me. I was speaking and the speech was all about— There's a term when you're speaking around the world and America, and that is, "educational diplomacy." When you have a trade diplomacy, or military-related diplomacy, somebody wins and somebody loses. In education, everybody wins and it is the most wonderful tool for diplomacy. Higher education, student exchange, faculty exchange, research exchange, idea exchange. What's working here? Would it work in São Paulo?

I asked Madeleine Albright in the presence of all these people if it was all right if I used that term in her presence and she said, "Absolutely." She was a great supporter of that. We had a big fancy State Department dinner later, a thousand people and whatever. But we were all into education as a tool for diplomacy. Terry had been in the Peace Corps there and was with us. The Brazilians loved that. Education was the subject they wanted to talk about. They loved what we were doing in all the technology and stuff. We had these great meetings there. We went to Rio and then to Brasilia and São Paulo. The President made big speeches.

I'll tell you a quick story about that. We were at a big elementary school in Rio. It was in a poor section, a big school, like three or four thousand students, but very poor. It was hot, like 95, 100 degrees. They had us in the front row and we were waiting for the President and Hillary and others to come, and the President of Brazil. I mean, it was the wildest thing in the world. We were sitting there sweating. Finally, everybody broke out in this enormous clapping and waving flags and screaming and Bill and Hillary walked out. I said, "Isn't that something? They recognize our President. All these children are excited and clapping." A Brazilian guy, the Minister of Education, said, "Mr. Secretary, I hate to tell you, but it's Pele that's right over there." [laughter] They were all clapping for Pele.

That was a wonderful day. Of course he made a great speech about working, education, "pull yourself up," and whatever. Gave them the old DLC speech but they loved it. Then we went to Santiago sometime after that when all the ministers came in. I presided over that meeting as American Minister. We met with the Minister of Education all morning and then we broke for lunch and all afternoon. Then the big summit came in after that. It was an education summit. When we had the big meeting, the President spoke and Cardoso spoke and the Minister from Chile.

President Cardoso said, "You know, we have 34 countries represented here." Everybody was so proud of that. He said, "In two years we meet in Canada. I hope then we'll have 35— Cuba." Everybody stood up and screamed and hollered except us. We didn't know what to do. I kind of agreed with him that it would be nice to have everybody there. Maybe we could straighten Cuba out. But they went loud and it was clear that there's this sensitivity there. They don't talk about it

with us, but boy, every delegation and everybody was screaming and hollering, "Let's get everybody in here and work it out."

Then we went to Okinawa. They were having a big summit—

T. Peterson: G8.

Governor Riley: Eight countries.

T. Peterson: Before the G8 minister meeting—Again, education was so important. They'd never done that before, wholly education ministers.

Governor Riley: So they did the same thing. The same thing we'd done on the hemispheric level, they did on the big G8.

T. Peterson: G7.

Governor Riley: G7, whatever—France and England and Russia. But that was in Okinawa, which was quite interesting. We had meetings, and an interesting thing happened there. I was in Tokyo. Tom Foley was the ambassador. We stayed with him. We had a meeting with—what was the Japanese Prime Minister's name?

T. Peterson: I can't remember what his name was.

Governor Riley: I'll think of it in a minute. But anyhow, I met with him one evening and he wanted to meet the next morning. They were interested in UNESCO [United Nations Educational Scientific and Cultural Organization] and us becoming back involved. We supported that. We couldn't get the Congress to go along. We couldn't get the money. That's kind of hard when you meet with these poor countries and they talk about how poor they are and how the U.S. backed out of the international agency that could help them. It makes you feel like, are you really liked by this crowd? [Keizo] Obuchi was the Prime Minister of Japan. I met with him that night. A Japanese guy was head of UNESCO.

The next morning we met again. He was all excited about the fact that Clinton was for it and I was for it. They had straightened out UNESCO. This Japanese guy was head of it and they had gotten rid of a lot of people who were troublemakers and they really had straightened it out. They were trying to get us to support it. So I met with them again because we were going to fly on over to Okinawa. We were in Tokyo. We met for about an hour, had coffee, and were talking. It was a very good meeting.

We left and were hustling over to Okinawa. Obuchi started having headaches. Right then, he was having—we didn't know it, but going back he said he had a terrible headache. They carried him to the hospital and he went into a coma. I think I was clearly the last meeting he had and he never came out of his coma. He was brain-dead that afternoon. Then they put in another President and got rid of the whole Cabinet. So the minister of Japan who was meeting with us, not to mention Obuchi himself, couldn't participate. They had to bring in other people, because the law kicked

them out when he was disabled. He died a couple of days after that. That was a wild happening. It was very tragic.

Then we went to Okinawa and they had all the ministers there of the G8. We had very interesting education discussions about the world, the tradition of education, a lot of talk about the European Union and how they were trying to keep their stuff within the Union, talking about a lot of higher education and student exchange. They were kind of discouraging that. If you were in France they wanted you to go to school in England or Ireland to stay within the Union. They were very interesting discussions for us. I was pushing for more student exchange and that sort of thing.

Those were very interesting meetings and of course we were very much in the middle of all those discussions. Any time any issue came up, they would turn to America. President Clinton had the same thing wherever he went. America has such a prominent place in all the decision-making in the world. Those were fascinating meetings. Then the President came in and all of them met and talked about education an awful lot. Our mission was kind of an education era.

Holleman: Could I mention a related point? I think you were the first high-level U.S. government official to publicly call for the United States to rejoin UNESCO.

Governor Riley: I think probably so.

T. Peterson: After all these visits and stuff, UNESCO realized that Secretary Riley and President Clinton really were well regarded on education issues so UNESCO leaders began working on us in the U.S. and internationally to help get the USA to rejoin UNESCO.

Holleman: We met with them.

T. Peterson: The staff—they had a really great guy, and really had clear answers to all the problems. You gave a big speech back in D.C. with all the higher education leaders and the diplomats from all the embassies to talk about international diplomacy and why we should rejoin UNESCO. It really helped start a movement in that direction.

Riley: Was there much negotiation of that within the administration before you made this speech?

Governor Riley: Well, when I did my speech, the President was for it.

T. Peterson: That one we had to get cleared.

Governor Riley: I was instructed to make that speech, as I recall. He was for it; however, we were careful about it. We wanted to make sure that the organization was run well. The Japanese guy, [Koichiro] Matsuura, was very good. He was a Japanese businessman who had come in and really taken over and we felt good about it. Everybody did. I think eventually we got back into it, halfway. We didn't pay all of our back dues to the UN and all.

Riley: Did you have a conversation with Jesse Helms about this?

Governor Riley: No, I've already told you about my one thing with Jesse.

T. Peterson: Several of us who met with Congress met with Mr. Matsuura's staff and told them how to deal with Congress. We basically laid out the Riley strategy. Go right into the lion's den. Go see each one of them. You've got the data about what you've done to clean the thing up. And they did. They went one-on-one to all the people. At the same time, this momentum was building up and I think that combination helped move it. Madeleine Albright was extremely supportive, as was the President. Plus, there had been a series of other meetings. It got so bunched together. He went to China first before he went to Japan.

Riley: You went to China?

Governor Riley: Oh yes, several times since, but only once as Secretary.

T. Peterson: That got really interesting. The Minister of Education in China had been to see us numerous times over the years. They kept inviting him to come over there. There would always be—either our schedule was too tight or just politically it wasn't the right time—finally we agreed to go just before the Japanese G8 summit.

Governor Riley: Well, we were going to Japan. I had a whole lot on our plate. As I recall, the State Department called us and said, "You have got to go to China. You have not been there." I don't think I had been there as Secretary. I'd been there as Governor.

T. Peterson: They'd been inviting you from day one, for about six years.

Governor Riley: They said, "You have got to go to China. You're going to be in Japan. You're going from the summit thing down to Singapore, through Asia—" The Pacific group were going to meet down there. So the State Department told me I had to go to China. I went and had a wonderful visit in China.

T. Peterson: Right, but then we accidentally bombed their embassy, or their residence, in Yugoslavia. Secretary Riley was the first Cabinet officer in China after that happened. Our State Department encouraged us to continue on the trip because somebody had to break the ice. That turned out to be interesting because we had all these things lined up to do. Our embassy people in China said, "Don't expect anything to happen easy or on time, given the recent events, but we think they're kind of getting over it." One of the Chinese embassy people working in their Education Department sort of whispered to me, "Don't worry about it. It will all work out."

Our embassy had us all up-tight, but their international liaison is telling us don't worry—and it turned out we didn't do the first press conference, but everything else went smoothly.

Riley: You were with Jim Sasser over there then? Jim Sasser would have been the ambassador.

Governor Riley: Yes, he was there then. It seems like we saw him briefly, or he was out of the country. He might have been with the President on Okinawa.

T. Peterson: Yes, but we had a big dinner at the embassy with a lot of Chinese education leaders.

Governor Riley: Something had happened at the ambassador's residence. I guess it was that bombing. They had had some kind of a major demonstration and I believe he was out of the country. But Jim Sasser and I are very close friends.

T. Peterson: As is the Minister of Education, Madam Chen Zhili. She was something. And her Vice Minister, Madam Wei Yu. Both had sent their kids to Penn State. We had to go through a little testing thing. They had a fabulous translator, a couple of people translating, and the Education Minister just broke in and said, "Oh, why don't we just talk in English?"

Governor Riley: Then I spoke at Beijing University. They had five or six hundred people. I think they were mostly graduate students. There was a translation deal and they said, "No, you can just speak." I had no idea how that was going to go, but I made a 20- or 25-minute major speech dealing with educational diplomacy and student exchange, so many Chinese students in America. Then we had about 30 minutes, or 40—I was there an hour and a half—for the audience to ask questions. This was a big audience of Chinese students and I got the most intelligent questions, based exactly on what I was talking about. I was almost stunned at how well they understood and thought in English. Boy, don't think that's not big there. They are into learning English and that's the way it is. These students spoke beautiful English and asked me very intelligent questions in English. I responded and then they might ask another question. I was so impressed with those Chinese students.

T. Peterson: In the transition an interesting event happened. On each of these visits you typically want something you can announce, so we got a little off-course with the series of events but our staffs had worked out the idea, with their Ministry of Education, of creating "e-Learning," a combination English-Mandarin e-Learning curriculum for middle school students. That was one of the things we were going to announce. It didn't really get announced because of the Yugoslavia tragedy, but then our Department of Education staff started working with the Chinese Minister of Education on this issue into President Bush's first term. We had so many requests for the Secretary that we kind of split up our folks who did other speeches around in Beijing. A couple of us went over to their Foreign University. They have a very sophisticated language training center with videotapes and production studios—

Governor Riley: And voice.

T. Peterson: That group was involved in this effort. Then we left the Department. Secretary Powell went over shortly after they got elected and he announces this big e-Learning project, which all our former career people had put together with us.

Riley: Were you disappointed?

T. Peterson: No, we thought it was terrific because we never got any play, which turned out probably to be good because it's not something you can actually do in a year.

Governor Riley: It takes some time.

T. Peterson: I think they just finished it. It took about five years. It's real interesting modules of learning either English in China or Mandarin here. But it was just funny watching, because they called me up and said, "Don't get upset. Secretary Powell is about to announce what you announced." Then I reminded him that we never got to really announce it but it was a fun kind of transition activity.

Governor Riley: We enjoyed that—we had some people in our education research department that were—Alan Ginsburg was very much into China. We had education people, and they really enjoyed the international part of it. We worked closely with the State Department, with the White House. Any major statement I made overseas our staffs would clear through all the channels. Sometimes they would change it, too. "We'd rather you say it this way." Or that way. Of course, we did exactly what they recommended.

Pika: May I ask, mechanically, when you went on a trip with the President did you have a chance to talk with him about the upcoming issues? For example, when you visited Northern Ireland, did you have a chance on the plane to kind of turn over the question of the troubles and discuss what was upcoming and what you were likely to be saying?

Governor Riley: If I was traveling, I would be in on those conversations even though they weren't directly education conversations. The answer is yes. A lot of times I traveled with him on the helicopter, Marine One. On that, you sit right across from each other at a small table and really do talk about things. He and I had an awful lot of old-time mutual friends, former Governors—Chuck Robb and Baliles—and they were all good friends of ours. We would talk about whatever, sports. He was very much into sports, and I was too, and what was happening with the Redskins or Arkansas. I spent a lot of those conversations with him, and it's most entertaining conversation, as you can imagine. He was a very interesting guy to have in that setting.

His quarters on Air Force One were up front and there was another section where Cabinet people sat. There were four seats with desks and one of them pulled out. You could sleep there. Going back, there were several big compartments. One would be staff people, but it was like being in an office, like being in this building. As far as copies, you could get anything on the computer you wanted. Speechwriters? How about re-writing this paragraph for so-and-so? All that would come right back. Telephone? Pick up the phone. Of course, you would clear it through them, security-wise. Pick up, call the wife and tell her you were going to be in late, or whatever. Call the Department. What's happened on our bill in the such-and-such committee? It was amazing.

When we were doing education speeches, he would always call me up when he was going over his speech. Oftentimes, he hadn't seen it. His speeches were a lot longer than mine. I tried not to give long speeches. He would give long speeches and he would have this big speech. Just like I told you, when I first showed him the announcement statement. He would go through it just like that, speeding, write something, then he'd flip a page, strike that out, all the while talking. "Well, who do you—" and so on and so on. You're sitting there thinking, *How is this guy—he's going*

to make this speech to 10,000 people. I'd be in a sweat for two days worrying about it. He would get up there and give the speech. He would glance at a page, turn it and keep moving, then get off into something else, somebody he saw in the audience, or whatever. It was just amazing how he could handle that.

Then we would talk about serious education issues. He was very much into standards and scores and what was happening with the middle schools. "Where are we in reading and the TIMSS tests?" He knew all of that. He was very much into all of that. It made him very interesting in conversations on education things because he was so much into it.

T. Peterson: I was looking at your notes here. It was the speech that he laid out in '97, the voluntary national tests. President Clinton could see connections domestically and internationally. For example, Brazil has a federal system like the United States. There's no other big country that has a federal system. They were working almost parallel to us on a voluntary test too—and then they actually put in a mandatory national test because they didn't have a test. A lot of these events, like when the President visited Brazil, the White House always wanted some deliverable material, something that they could use. Brazil was interesting because the First Lady was there too. They wanted something.

We took the "Read Write Now" materials we had, because Brazilians are kind of big on family involvement, especially the First Lady of Brazil was. We took the "Read Write Now" materials, which were for parents and community groups working with kids to read here in America, and they translated it into Portuguese for Brazil. The First Lady's (Hillary Clinton's) deliverable for activities around Brazil was our "Read Write Now" material in Portuguese. They had sent me down ahead of time to advance—they didn't know I had any connection to Brazil. I had been to Brazil in the Peace Corps and spoke some Portuguese, but they didn't know that. Because I'm involved with business education partnerships here in the USA, before the President and Secretary went down, they sent me to meet with the business leaders in Brazil, which was terrific because I could remember some Portuguese from what I had crammed. So few Americans speak any Portuguese. The fact that I could speak any was remarkable to them.

We needed to do something with the business community, or the Secretary would if he did an event there, because the President had a big speech on everything. We took our business education partnership with our family involvement effort and translated that to Portuguese and went to the Chamber of Commerce in São Paolo. They have five thousand members in the American Chamber of Commerce in São Paolo. It's the biggest Chamber of Commerce outside of the U.S. We had them sign on to the business education partnership in Portuguese. Sometimes one thing we're working on that you never would have thought would have international diplomacy implications pops up in a way that connects our agenda with what they were doing.

The other one was the Singapore meeting, which was interesting because that has only happened twice, that the Asian Pacific Economies, APEC, met with the Ministers of Education. Secretary Riley was in the second one. It was interesting because each country laid out their agenda of what they were working on. If you added up all the countries, about four billion people were represented by those 28 heads. It was so important that we had gone to China, because the U.S.

and China were co-presenting on the topic. If we hadn't gone to China before, even though we had a good rapport—

Governor Riley: She was there, too.

T. Peterson: Yes. That would have been really awkward if he hadn't been to China first before going to the APEC meeting. The highlight was the Minister of Education from Singapore, who is also the Vice Minister of Defense—

Governor Riley: An admiral in the Navy, Rear-Admiral Teo Chee Hean.

T. Peterson: And a most interesting person.

Governor Riley: Those were interesting meetings. You get into the international things, like Taiwan. Were they going to be invited? Are they included in the program? I remember one big meeting we were going to, and they had them listed in there. The Chinese people called and announced they would not be there. Of course it's State Department stuff, but we would get in the middle. You had to be so careful. There was a certain way you had to include Taiwan.

T. Peterson: That happened right away in our first term with the Education Commission of the States meeting, which had for the first time a big international component.

Governor Riley: A lot of it was serious.

T. Peterson: We didn't organize the meeting, but once the Secretary's name was on the program, it sort of became our meeting in the eyes of the Chinese and ECS and didn't know all the right words to use. So we pop over there and we're in the middle of an international controversy in a meeting that we didn't even organize, but just showed up. That really was a signal for us that in the future, any time you're dealing in the country or outside, you really need to be sensitive to all that.

Riley: Was the President, in his interpersonal relationships with these foreign leaders—did you have a chance to observe that there was a high comfort level with those things?

Governor Riley: He was very good at that. Naturally he would be. He communicates so well with people. He was always very well liked, wherever. I mentioned Ireland, and over in Europe he's always so popular. And Asia, too. We were into student exchange, and things they liked. They liked to hear the President talking about trying to get back involved with the U.N. the way we used to be.

Riley: Why don't we take a five-minute break here and we'll come back and finish up.

T. Peterson: Ask Mrs. Riley about the Herbie Hancock story.

[BREAK]

Riley: There's a Herbie Hancock story from where?

T. Peterson: Chile.

Mrs. Riley: You tell it.

Governor Riley: I'll tell that story right quick-like. We had had a meeting all day long in Santiago and it was a heavy, heavy meeting and it was kind of late. The auditorium where we were was connected to a big coliseum where Herbie Hancock was performing. There were about a thousand or so Chilean young people there in their 20s and 30s. When we were coming out, they said, "Mr. Secretary, if you and Mrs. Riley want to sit in, we have some seats on the front row here and you can listen to Herbie Hancock a while and then go on out to the dinner if you like." We said, "Yes, we would like that."

So we sat down. They carried a note up and handed it to Herbie. He was cool, kind of walking around, talking. Then he sat down and played the piano. He walked out on the stage and said, "You know, we're very lucky here in Santiago tonight. We have the U.S. Secretary of Education." I'm sitting there smiling at everybody. He said, "She is one of the people who has connected up education and the arts and she appreciates music and I want to ask Mrs. Riley to please stand." Tunky stood, turned around and waved at the crowd. Then to give it some credibility, I stood up beside her. We were in an international setting and I was actually the Secretary. Then Herbie walked over and he said, "And doesn't the Secretary have great support."

What had happened was we gave him the note and it said, "The U.S. Secretary of Education is here, Secretary Riley." And underneath it had, "Mrs. Riley is a great supporter of the arts." So he assumed that was all in one.

Mrs. Riley: Either that, or he assumed somebody who was a secretary was a woman. [laughter] Dick said, "Why did you stand up?" I said, "Because he introduced me."

Riley: That was a gracious recovery in both directions.

T. Peterson: We were sitting there along the wall watching and wondering, *What are they going to do?* You have all the other ministers there who knew that he was Secretary, but you had to be gracious, and the teenagers there didn't know.

Riley: That's true political talent to be able to think that quickly on your feet.

We have just about an hour and a half left. There were some tough times in the second term with the President and one of the question areas that we always get into is your take on what life was like inside the administration after the story broke of the Lewinsky relationship.

Governor Riley: Well, let me just talk about that a little bit and then you can ask me any specific questions. I was one of the people who went out and faced the press after we had the meeting where the President told of the problem. He said it was his problem and he was going to deal with it and everything would be all right. We went out—Madeleine Albright and Donna Shalala and Bill Daley. Sam Donaldson asked me why I thought that there was no serious problem there and I said because the President had said that there wasn't. Madeleine Albright made the same statement and Donna, too, that we were backing the President and this was not a big issue.

Riley: Were you expecting to see cameras when you went out the door? Was it your intention to go out and make a statement?

Riley: It wasn't my intention. After every Cabinet meeting they usually sent somebody out to meet the press and I was very frequently one of the people, or the person, and I had gotten pretty well used to that. It didn't shock me. I'd done that dozens of times. Any time there's a Cabinet meeting, before the Cabinet meeting they open the door and they have a spray of press people who come in, different ones who are assigned. Then they ask the President two or three questions and he'll respond to questions and then they'll hustle them right out and close the door.

Riley: I was just wondering about the composition of this group. Was it self-selected?

Governor Riley: No, they told us who they wanted to go out there. The White House press folks would come up and say we want you. If it was a big education issue that was up, something about the budget usually with some education thing, they would always ask me to go out. And maybe Donna Shalala or whoever else was on the issue. That was not a shock and that was kind of the end of that on that day. Things then started to unfold and it got worse.

We had a major meeting then of just the Cabinet in the residence. I forget the exact timeframe but it was subsequent to when things had gotten real bad. The President, in that meeting, told us that there was a real problem, and different members of the Cabinet expressed themselves at this confidential meeting.

The President told us, "This is a problem I've got to work out. It's a personal problem. It didn't involve any of you. If you want to help me, the way to help me is to go back to your Department, call in your top people, tell them I've got a personal problem and I'm going to be dealing with it. Ask your people to work harder than they ever have before. Telephone calls that they need to respond to, respond to them quicker than they ever have before. If there's help needed out there, whatever the agency is, offer it quicker and better than you ever have before. Be more involved and think more about the future, and more about the budget, more about whatever." It kind of left us with a pretty good feeling on how we should handle it.

I came back and called my people into the office. They were all buzzing around. "What's happening? What's happening?" I said, "This is what the President said. There is this problem. It's a personal problem. He asked us to be more attentive to our job than ever before." We had tremendous support and I said, "All of you kind of tell me what you want to do to show that we're doing what I've asked you to do." Then I had all these expressions come in. "I've got a

meeting set for so-and-so" and "I'm going to make sure we do this, this, and this." Everybody really rallied, almost in a very positive way, to try to show that the government was moving along, not only not backing up, but was moving a little better than it was before we had this information. That's kind of the way we kept it.

I was at the press club and had a couple of speeches during that period and what I generally said was that I was disappointed in the President's problems, but he had shared with me that it was not going to occur again and I believed that. And so long as that was the case, I was going to do my job and continue to support him. That's kind of how we got through the period. Of course, I had personal, private conversations with him during that period. We were all trying to help him figure out what to do. But as far as my job, I worked harder than I ever had before and we went out to schools and I think everybody tried to do that.

Riley: In your personal conversations with him—and if you don't feel comfortable answering this I'll understand—was he seeking advice from you on a spiritual level, or on a political level, or on a personal level, or were all of these things sort of folded in together?

Governor Riley: I guess they were folded in together but we did have conversations, and they were private conversations, but he was trying to—it was more personal than anything else. He was really trying to figure out what to do. He went through various stages. You know we had the sworn testimony and that was a big negative thing. It looked like everything he was doing turned against him. He would come in and try to say something else, and that would trigger a headline. Then there was just one after another after another. During that time, he was talking to all his friends, I'm sure, and family. Tunky and I were going to Martha's Vineyard with friends for a weekend. On Friday, right after his testimony had gone bad, the worst of the worst, he had really admitted his personal problems.

We went to get on the airplane, US Air over to Martha's Vineyard. They said, "You don't have a seat. You have a reservation but you don't have a seat." We were ready to get on out of town. I said, "What do you mean, we don't have a seat?" Who's going to give up their seat on Friday afternoon at three o'clock, four o'clock, going for the weekend to Martha's Vineyard and wait and go on Monday?

T. Peterson: Nice tense weekend.

Governor Riley: They offered a ticket to anywhere in the country and everybody said no. I think Sandy was with us helping us get off. We had called her when we were in trouble. Then they offered *two* tickets and again, nobody. They offered *three* tickets. Nobody's going to—it's a small plane. I think three tickets was as far as they would go and finally they said they had one seat. I said, "Well, I'll send my wife and then give me the three tickets." They said, "That's fine."

By then Sandy had come and she said, "You know, I heard on the television that the President was going to be flying over to Martha's Vineyard this afternoon. Why don't you just go with him?" I said, "That will be fine." I called over to the White House and they said that was fine, to come on over to the White House. I said I could meet him at Andrews or whatever. "Come on

over to the White House," which I did. So it was on every television in America with him and me walking out to the helicopter like I was going to be in on some big planning deal and help with all these troubles he was having. And I was just going for the weekend.

We had just published something on violence. It could have been religion but I think it was on violence. Janet Reno and I did a lot of things together on violence. They'd have a shooting in a school—but we had something that I really was anxious for him to look at. Mike McCurry was the only other person on the helicopter. So we got on there and I sat with him. Of course, it was an awkward time. I said, "I want you to look this over, and this would give us a good chance to talk about it." He got all into it and we were talking about violence and what had happened here and there. Something had happened in Philadelphia. I think it was good for both of us to have something to talk about.

Then we landed. Of course there were thousands of press, lights all over the place. By then it was dark. I went out and got in my car and he got in his and that was the weekend. I don't think he and Hillary spoke. You know, they've talked about how they really lived separately that weekend. That was the very worst weekend.

Riley: She was on the plane with you? She and Chelsea [Clinton]—

Governor Riley: No, no. They were already up there. They'd been up there for about a week or so, I think, and he was coming up for the weekend. A lot had happened during that week that was very negative. It was awfully hard on them.

Bill Clinton really does, in my judgment, dearly love his wife and daughter and his friends. Like me, he has lots of good friends. He really does. He talks about them in endearing terms. But Hillary is an equal with him, which he really likes. It's not like he can talk down to her or she talk down to him. They're equals. It's very interesting to have them in a room together. I've been with them lots of times, and Tunky has, too. They really enjoy each other and love each other in a very serious way.

He did have problems. It's not the first time a President has had an affair of that kind. It's sad to say so many of them have. It's connected to a lot of things. One thing I think is the very heavy stress of the office. As he says in his book, it was a weak thing on his part, but he had the opportunity. He should have been able to not get involved in that.

I remember when we were working on the transition and I would come in with six or seven positions. We'd have all the books and they would have them. They'd already gone through all the résumés and we would narrow it down to three or four people for a slot. We'd get over there in the afternoon at the Governor's Mansion. One time he came and we had lots of heavy stuff to do and knew it was going to take us a long time. He said, "Dick, I know you've got a lot on your mind and we've got lots to do. I've tried to read through some of these things, but Chelsea—it's going to be a big change for her. We're having family time with her. I simply have to finish that." I sat there from about 8:00 until midnight. I didn't know what to do. I started thinking, *Has he gone to sleep or what?* I mean I got tired of reading those damn résumés. I had just about memorized them all.

Finally he came down. He said, "I apologize. It was a family time. We had to work through some things for Chelsea. I feel much better about it now. Let's go to work." We worked until three or four in the morning. Of course, that takes me out for two days and he's fresh as a daisy at 6:00. But anyway, we finished. We went through the whole thing, but we didn't start until, as I recall, well after midnight.

So I ease on back to the hotel. That's a hard life. He is a very caring father and husband. The American public gets one version of all that but when you're around him and you see him you really get another version of it.

Riley: That's why it's important for us to get this on the record so people have an opportunity to know about it. There was an extraordinary amount of resilience evidenced in this person who was dealing with stuff that I think most of us just would not physically have been able to deal with. How do you explain the resilience that he has in dealing with that? What were the wellsprings that he relied on to get through this period?

Governor Riley: First of all, he has a very strong wife and a strong daughter. While that was a complication, needless to say, within the family, they are good people. That was a tremendous help to him. He had been attacked by right-wing people from the very word "go" from when he first got into public life. Part of that was connected to his charisma, the same kind of thing that, as I said earlier, when I first met him I said, "That guy is going somewhere." Not the way he looked, necessarily, but his response to questions and his breadth of knowledge and his interest in everything.

People who disagreed with him on things could sense that same thing. People either liked him a lot or hated him. That's been true through his whole political career. He had people in Arkansas who were attacking him for all kinds of things that were not true at all, and who were sending out faxes all over the country about stuff. That's been true all of his career. He has always been able to keep right on going. I see it as a real source of strength.

I'll tell you an anecdote that was in the press. He went and spoke at the University of Illinois, and this was during the period that Hillary had said in a press statement or an interview or something, talking about the "right-wing conspiracy." There was always this crowd that was after him. I mean, Vince Foster, and whatever. When this thing came up and he was vulnerable on these personal things, they really went after him.

He was making a speech at Carbondale at the University of Illinois and then he was going to Wisconsin and make a big speech there. It seems like Al Gore was with us, too. The place was packed. There was a coliseum at the University. There was a holding room with another five or six hundred and another holding room with another five hundred. He had that kind of a draw. These were college students, all of them not agreeing with him, but they wanted to come hear him and see him.

There's a small airport and it had been raining constantly for two or three days. These were super pilots that we had, but they were trying to move the big Air Force One around and the wheel

dropped off the runway and they couldn't move it. I didn't know it at the time but there's always another Air Force One within 30 minutes of there. I didn't know it, but anyway, here comes another one and we got on it and left. They sent the pilot home. I felt so sorry for him. It was really a narrow thing. But the press comes out and called it a right-wing conspiracy. That was the common talk then about the right-wing conspiracy. I don't think it had a thing to do with that airplane. But he kept right on going. People would talk to him in Cabinet meetings and he kept on that theme of, "You do your job and let me—I'll have to take these bricks. That's my job." As far as I could tell, the government kept right on going. It was a hard, hard time. No question about that.

Pika: Did you get involved in any of the congressional relations toward the end of '98 or as we approached the impeachment vote and then the vote in the Senate? Did you have conversations with members of Congress about some of these problems, what they should do, what their position should be?

Governor Riley: Joe, I'm sure I did but I don't recall any of that. I was constantly talking to members of Congress and Senators on a daily basis. That's what the conversation was, but I don't recall any of that and I certainly don't recall calling them up in a planned way to discuss certain things, but I'm sure I discussed a lot of those things. They liked Bill Clinton, the Democrats. And the crowd that didn't like him, just like everybody else, hated him. You couldn't talk to them. You didn't need to talk to one crowd and there was no use talking to the other crowd. It was the same way it was in the Congress as it was in America. People either loved him or tried all they could to kill him politically.

Riley: I want to press you on that a little bit because it strikes me that you had an independent political career before you came into the Cabinet and kept your own very high political standing. The impression that I get from the reading materials and talking with folks is that you have almost no enemies. You don't seem to have been the kind of person to have inspired political hatred in the way that Bill Clinton managed to inspire political hatred and I'm wondering how you account for that.

Governor Riley: That's an interesting question. I also don't have the following that he has, either, and I think that's a two-way deal. A good explanation for having bitter enemies is this very charismatic ability of handling political issues. It's unusual. If you're somebody who disagrees with him generally on things, partisan or whatever, I can see that he would be very troubling to you because he's very convincing and he's a multidimensional person who is often hard to figure. He's not a person who says this and you know what he's going to say next. Really, he's a very interesting guy and that worries people who generally don't like his philosophy. He's hard to pin down, hold down, hold still. He's an interesting guy. I don't think I'm fairly describing him but he's hard to describe.

Riley: It's just something of a puzzle for people on the outside to try to figure out. It really is an unusual level of vitriol in the political atmosphere. You see some of it now with respect to the current President. That, I find as an intellectual matter a bit easier to understand because of the tensions that arise when you have high passions of war and life-and-death issues, but it's not so easy to decipher why Clinton inspires this. I'm collecting theories as we go along.

Holleman: I don't know if this is a valid point or not, but just as an observation—I don't know if it's an explanation. If you look back on each of the Democratic Presidents and the deep vitriol that has been spent on them, I don't know that it was any worse for him than it was for Jimmy Carter when I was a young person. The evil things they spit on Jimmy Carter. Anything he did, he was subject to the most harsh attacks. Of course, Lyndon Johnson and John Kennedy for a lot of different reasons. When Kennedy was shot, not everybody cried, you remember that. This isn't the only one, in my lifetime anyway.

Governor Riley: That's a good point.

T. Peterson: But it is somewhat different. We were up visiting some relatives in northern Wisconsin at Christmastime. I grew up there. I ran into a high school friend I hadn't seen in 30 years. I didn't know what his politics were. He knew—you know, a small town—he knew I worked for Clinton. I was chewing the fat with him, waiting for Scott and our daughters to come from a movie, playing pool with my son-in-law. I said one thing about Clinton—this was just this past Christmas—and he just went off. I was trying to keep my cool for a minute and not defend, just to get at his issues. I could never understand. He just went off on a tirade. He's a lawyer who's done well in this little town, but it was just inconceivable. Mainly it was around issues of how he handled himself and policy issues he would not talk about. But it was—

Riley: Personal?

T. Peterson: Really personal. I was thinking, why would—

Holleman: You might think the Monica issue triggered it but it was before it. Ninety-four was probably the peak of the vitriol. I think it was worse then than it was later.

Governor Riley: One thing was that in the South there was always a race relations point to some of those strong negative feelings, because he was so popular with the African-American community, and as he became a national figure, very strong with Hispanics and all minorities. He has a place for them. He really is concerned about disadvantaged kids. I think some of the people, he expressed their bitterness in some underneath issues that they might not even realize themselves. They see him with big black audiences and people embracing him and teared up and cheering him.

T. Peterson: I think you're right.

Governor Riley: For some it was a very positive thing. For me, I liked it.

Riley: But you didn't experience this in the South. Maybe I'm reading too much into it, but did you have to confront the same kinds of things in South Carolina when you were taking positions—

Governor Riley: Yes, and I've had bitter telephone calls, myself, with the integration of schools. We had our children in public schools, and I went on television and the radio and urged

everybody to stay in public school, and I'd get all those telephone calls. You know what they are. They never did stick. Your starting question was interesting to me because I was always very strong with minorities, too, and there was always a group underneath it that didn't like me for that reason. It never did bother me and I don't think it bothers Clinton, but it is heavier with him.

T. Peterson: I don't remember who it was, but when you hired your staff in the Governor's office, that was kind of new to him, African-American staff. I remember somebody saying early on—and it was well below the surface—that he's got an all black staff. The terms weren't quite that kind. That was not way out there in the fringe but it was sort of the perception that *they're taking over.* That's part of what this guy in Wisconsin was about. It's threatening to have other kinds of people becoming part of America, even though in that part where I grew up he's at most a second- or third-generation American. We're all immigrants, not many from Africa or other places, but there were more after the Civil War. A lot of African-Americans worked up in logging and stuff. I don't know. It's kind of uncool to say it publicly.

Governor Riley: When I was Governor, it was the first time with blacks in decision-making positions. I remember one of the old-line Senators, the old guard—and I was always a reformer—he never did particularly like me because I was always trying to change things. This old-line Senator came in and one of my assistants who was white was just outside my office, and several blacks were standing around with him. He walked in and said, "Dr. Livingston, I presume." To me, that was exactly what he thought, like he was in Africa. That was his little snide way of saying, "Finally I've run into a white."

Pika: Well, this is a puzzle, trying to figure out the origin of the vitriol. I also marvel at Clinton's capacity to function during all this turmoil, the personal turmoil, the political turmoil. The story that you told, in terms of being able to focus on this education issue on what might arguably have been the blackest day in his Presidency, and this capacity somehow to compartmentalize. To me it was a marvel that he was able to continue to function, even though you could see on his face that the stress was taking a heavy toll. At one level, what we've been asking you to do is talk a little bit about how you continued to function in the Department and how the President encouraged you to do so, but I'm wondering if you could offer any insight into how the President was able to continue to function effectively, and what gives him that capacity to actually do that.

Governor Riley: I don't know that I can add anything more to that. He did have that capacity. I will say that, absolutely. He had pressure on him like I've never had, like I wouldn't even understand. He continued to function. He would make speeches, he would make appearances with the press, and while they were hammering on these things he would respond in one way or another and then he would get right off into the subject, thinking very clearly, expressing himself very clearly, not confused, not disrupted, it seemed like. That bothered people, too.

Mrs. Riley: I have one comment to make. I think I've heard him say that when they decided to impeach him, that that made Hillary so furious that it got her on his side. She was furious with him but she thought that was so unfair over the kind of problem it was.

T. Peterson: That's a good point.

Mrs. Riley: They all know and we all know that a lot of people had the same problem. And a lot of them who wanted to impeach him, as it turned out, had the same problem. She started fighting back, and I think that was how he was able to—

Governor Riley: That's a good point. They both were fighters, you know what I mean? They both had been in a lot of political fights. They'd been in a lot of issue fights. They rallied together. As I said about their relationship, it's strong. And boy, he's lucky he had a strong person. It was just as hard or harder, on her and Chelsea as it was on him. He suffered for that. He still does.

T. Peterson: We had two events where that was obvious. We had this project I'd been working on with the key White House and Department of Education folks, the Department's expansion of the 21st Century Community Learning Centers and after school programs. We'd been working a lot with Hillary and the Vice President on this and had gotten the Mott Foundation to agree to put in a hundred million dollars of private money if we were able to get money out of Congress to fund the programs on the ground. The Republicans wouldn't fund leadership development, curriculum development for after school, because of federal intrusion. It's kind of ironic now when you think about the new No Child Left Behind law. So the Mott Fund money would fund those things and not give the money to us. We had a big announcement in the White House with—

Mrs. Riley: The Monday after the story broke.

T. Peterson: Yes, the Monday after the story broke. The First Lady is sitting here and the Vice President is standing there and the Vice President, the Secretary, Mrs. Riley. Everybody went forward. The head of the foundation was there. We were worried he was going to pull the money. They walked in and it was done in the Roosevelt Room, which is not usually where a press conference is. Senior Senators couldn't even get in for the announcement because it was so packed with senior reporters and media personalities trying to get to the President, for example Sam Donaldson was there, himself.

All the speeches were given. The Mott Foundation didn't pull the money and the foundation said that day that they got more positive calls, because they were taking them during the whole event live on radio, about the positive aspects of after school, waiting for the President to speak. They covered all of the after school material and the President. They got about 300 calls—no one ever said where they were located—all positive. Bill White, the president of Mott, told us a couple of years later that the former Mr. Mott had been there in the Roosevelt Room with Nixon earlier. Nixon was going to announce something like this, but Nixon decided to walk away from it. So the Mott family and Foundation had been waiting for a long time to have some big announcement.

Frank asked me last night, "How's your blood pressure now that you're not in Washington?" I said, "Way down." He said, "Why, the stress?" And Scott said, "You kind of know you have limited time." I was wondering if that was part of the Clintons—they knew they had just so much time left and they had a lot to do and they're great public servants. So you had this event where you had no clue that anything was swirling around.

Shortly after that there was some big announcement in the arts that Mrs. Clinton was involved in at the White House. Somebody said something from the audience thanking her and the whole audience gave her a standing ovation. They were there for the arts but it had to do with her sticking with it. There was this reservoir of people, just like there was on the other side, who were just cheering them on. They didn't like what had happened, but they were hoping they would get through it and they wanted to work on their agenda with them. Just some interesting events there.

Governor Riley: On the other side, I don't recall ever hearing Bill Clinton say something mean about somebody else. You know, you would think that with Tom Delay and all the people attacking him—he of course didn't like him, and I'm sure would take opposing views. But I never heard him just make some mean statement about somebody or fighting them on top of the table. There were so many people who were mean to him, but his nature was not that. His nature is more like mine, as you described it. He didn't like all of that.

I remember when we had black churches burned in the South. He called a big meeting and had everybody in there. He was almost in tears. These black leaders could sense that. They were really upset. Things were happening in the South that they didn't like. He was very concerned about that. Then Oklahoma, and all these other times. He was very sensitive to people suffering, and wanted to be well liked. He was basically a good person in terms of his relationship with people. He had people who would reciprocate. Most did. Some didn't.

Pika: One bit of fallout from the whole Lewinsky episode and impeachment period is that it posed a real dilemma for Al Gore in the 2000 election year in terms of how he would associate himself with the President and what role the President would play in that election. As you've said a couple of times during our conversation here, you were also a Gore supporter, a strong Gore supporter. This dilemma of exactly what to do with the Clinton legacy and how to associate and how to disassociate, and how much distance to put. Could you shed some light on that?

Governor Riley: It was very interesting. I was very much involved in the Gore campaign and I was a strong supporter of Al Gore. As I said yesterday, I admire him a great deal. I really like him and respect him. We had polling that would take place when Al Gore was getting ready for the campaign. The polls generally said that there were places and ways that Clinton was very popular. He was so good with the audiences. But to have him out there with Gore—the people's minds still had Gore as Vice President and Clinton as President. He had to get over that hump. He had to have Al Gore as President and Bill Clinton as a supporter.

That's hard to do with the two personalities. The real Clinton—just like at the Democratic convention, that was not his convention, but when he walked on that stage, all of a sudden it was red hot. So that was part of that. I was one of the people who felt that those of us who were working in the Gore campaign should make better use of Clinton, because it became an issue. A lot of real Clinton people were wondering why this and why that? The reason was, as I explained it, the political advisors were telling Gore and his people that Gore was going to have to get out there himself. I urged them, as we got closer to the campaign, to use Clinton more.

When we went over to Missouri Governor Mel Carnahan's funeral—We were going to the funeral and I was with Al Gore and Tipper [Gore] and they were flying over there. I talked to him, and Clinton was there. I had a good conversation with them and they did with Clinton. We were talking about that, at that point in the campaign, we really ought to have Clinton in California and New York and Arkansas, or wherever. They carefully thought about doing it and they did, after that. I don't know if it came out of that conversation itself, but that was part of what the conversation was about. I sure felt that Al Gore needed to step into his political organization and say we've got to use Clinton in these key places where he could be helpful.

He went to California, made three speeches, raised lots of money, and really stopped the Republicans, who were putting money into California. In California we were 18 or 19 points ahead. It had gotten down to about 7 or 8, and then it went right back up to 15. Clinton had an awful lot to do with it. He made a speech in each of three different areas in California over a two-day period. Then he went to New York and Arkansas.

So they used him right in the end. But you're right, that was kind of a political decision and it was on the advice of the political people. The lesson was effective but it was not good without Al Gore's projection, especially until everybody accepted Al Gore as the presidential person. Then they started using him more often.

Riley: Was there something about their interpersonal relationship that complicated the business of campaigning on his own? I guess it's natural for a Vice President to feel like, *I need to establish myself on my own two feet,* but these are two highly competitive political figures.

Governor Riley: They are, and both of them have complete self-assurance. Al Gore, just like Bill Clinton, knew right where he was. He read all the time. He was a thoughtful guy. He did not lack for self-confidence. I don't think that ever bothered him. If it did, you certainly couldn't tell. He was a loyal Vice President to Bill Clinton. You could argue that might have been his best route, or only route. I don't think that. I think he saw himself as Vice President and this was a big thing, all Clinton's troubles. He was a loyal soldier in the field, no question about that. He was loyal and Clinton was loyal to him.

That's not to say they wouldn't have some differences, because that is a very complicated structure. Clinton used him a lot. Again, I don't think history thus far has shown how much he was involved in Clinton's decision-making process. They had great respect for each other, although they were very different people. Sometimes that works well, sometimes it doesn't, but in this case it worked very well. I think the public understood that. Al Gore was like a rock and Clinton was this creative, adventurous kind of guy and it was a very good combination. I think the public kind of liked that combination. As far as I knew—and I knew them both very well and talked to them at length lots of times, and traveled with both of them—they did not say anything negative about each other in the privacy of our conversations.

Riley: I've got one follow-up on that, and that is, I wonder about the staff relationships. We get some indications here and there that there may have been some tensions, maybe not between Gore and Clinton themselves, but between some of the Gore people and the Clinton people.

Governor Riley: That would have been a natural thing to happen. I was not there in the White House, but when the Gore campaign got underway and his people were taking prominent positions in the decision-making process, you could almost see some tensions develop that would have developed. I wasn't aware of it but I was not in the middle of that. People who were there in the White House and with Gore's staff were all bright, committed people and you could see that that would be a natural setting for some tension.

McGuinn: This will turn us a little bit, but I wanted to ask a couple of questions about education policy in the latter part of the administration. In 1996, abolition of the Department of Education is part of the Republican platform. By a few years later, in 1998, '99, you're starting to see a Republican Congress passing some of the largest budget increases in the Department's history. Then in the ESEA reauthorization debate—of course it doesn't get passed during your administration—but the Republicans put forward a straight-As plan that raises a lot of the broad standards, and the accountability movement that you all had started in '94. What explains that transformation and the change in the policy and politics over that time, and how does that affect your agenda going forward?

Governor Riley: I was involved in Texas back when we were in EIA. I went out there and spoke with [Ross] Perot, who was designated by Governor Mark White to do their education reform. He was not in campaign mode at that time. This was back in the early '80s. Then Bush came in and Texas was already really into education reform. They earlier passed a "no pass, no play" deal, which was big for Texas. We did that and it soared. In Texas it caused all kinds of people to get beaten.

They were into reform. Bush then came in as Governor and was involved in that. He was not a personal leader in it but he supported the standards movement. We were there and Bush was there. He was very supportive of the things we were doing in getting Texas going and developing standards and assessment and all sorts of issues around that. He was supportive of that. I don't think that was foreign to him.

When he comes to Washington, of course, the real right-wing group is pushing for vouchers, pushing for less government involvement. He was caught in a reaction against all of that. I felt that when Clinton was re-elected, education was a big part of that re-election. And it was moving in what we thought was a very good direction. We got to see that happening. The country then was in a very positive mood about the standards movement and all the states were working. There was a lot of flexibility. Ed-flex was out there and we were pushing for it.

Bush inherited that situation that was very positive for the standards movement, which was something that was not foreign to him. He was kind of into that. But you're right, the Republican Party had emphasized the other—less federal government involvement and certainly control.

T. Peterson: You were getting into that before that too.

Holleman: The budget.

T. Peterson: How did we get the budget increases? We couldn't quite get RESEA [Reauthorization of the Elementary and Secondary Education Act] through.

Holleman: On the budget it's sort of—there's no education in the second kick of a mule. They had lost the national political debate on this topic and partially through the government shutdown. Each year the President had this great political situation where they controlled the Congress. They had no option in the final negotiation but not to fight him on his key priorities. They knew they would get hosed again politically.

Governor Riley: Bush made education—

T. Peterson: We're talking about before that, though. Before Bush.

Holleman: It was Clinton in '98 and the budget years of '98, '99 and 2000. They had no alternative, really. Each year we knew, going in, and they knew too, that in the endgame they would have to give in. So we would have the situation where we would put our priorities out in our budget and then they would de-fund those and put the money in places they thought might give them some political points. When we got to the endgame we would get ours and we wanted theirs too. [laughter] Except for vouchers. So we would get big increases in IDEA and also get our priorities.

Governor Riley: Things were rolling. The mood of the country was very positive about all that. Bush comes in and he then had the choice. He had to do ESEA because it was already two years beyond. It should have been out there. His political people decided not to make vouchers a part of his proposal. That was a major shift. It was not a permanent shift and he told his folks that at the right time he was going to try to do something, I'm sure. That was a big thing.

Our crowd was ready for the reauthorization. It was over there in the Congress. The Democrats were supportive. The Republicans obviously were. It was more accountability. It was taking the standards movement the next step up. That was a natural occurrence. Both sides really were ready for the Reauthorization of the Elementary and Secondary Act. Both sides agreed with the standards movement. Both sides agreed with more accountability.

So Bush sends a bill over there, surprising a lot of people. It surprised me. No vouchers. None of the hot stuff but a real solid accountability. But it was kind of a top-down accountability deal. The Democrats and Republicans in the House and Senate added a lot. They added a lot of accountability features, some of which are almost impossible to work out, and cause all kinds of frustration, but that wasn't all Bush. That was added by Democrats and Republicans in the House. Everyone was falling all over themselves to see how much accountability they could put in it. They loaded it down with accountability and that has caused some problems.

He has come in now saying that if you have an unsatisfactory school for three years then you can move toward federal dollars to private schools. It's kind of a backdoor way of approaching vouchers. I just thought that was a very smart political move to get this big ESEA, which generally everybody was supporting, or accountability they were supporting, out there. However it came through, he was ready to sign it even though it had a lot of this stuff in there that George

Miller and Kennedy put in. Then you end up with "No Child Left Behind," and that was a real accomplishment for the administration. But they kept the hot stuff out of there, basically.

McGuinn: What were the key differences between "No Child Left Behind" as it gets passed and what you proposed in your ESEA proposal at the end of the '90s? Would you say they're pretty similar?

Governor Riley: Well, they were very similar in a lot of ways. I got Mike Cohen, who was very much into all that, to discuss that to some extent yesterday. Our reauthorization had things like school report cards. You had testing, which we already had, but we had stronger enhancement of accountability for testing. Mike ticked off eight or ten things yesterday, so that's part of the record.

T. Peterson: The metric annual yearly progress turns out practically to be the biggest difference. They pegged it basically without any research. It's just not workable. Every school has to be proficient by 2010.

Pika: A hundred percent.

T. Peterson: Yes. One hundred percent will be proficient. Kids.

Holleman: And every sub-group.

T. Peterson: It's just not possible to achieve that. It sounds good, but ours was based more on where the states and schools were and where the students were, so there would be continuous progress from your own starting point. It's hard to say that. It's hard to explain. It sounds good the other way. "Everyone is going to be 100 percent proficient and you do it your own way." It just can't be achieved. I wish it could be. Ours was harder to explain because you're sort of starting where you were and then making progress each year in a reasonable way.

Governor Riley: Ours was built on challenge and not punishment. That's a big difference. Ours was built on being very careful about adequate yearly progress. If you didn't make it, you had extra things to make sure you made progress, and then you had to keep track of all of that. That's instead of saying, if you didn't make it over so many years, you would be punished and the money would be taken away and sent over here to private schools or other public schools. That is a big difference.

Another big difference, as I started out saying, is that our whole philosophy was partnership. This is less partnership and more landlord and tenant. The federal government tells you what to do and if you don't do it, you're punished for it. It is clearly a top-down process. We tried to have bottom-up reform, top-down support and guidance. Those are terms you can work different ways. We were into partnerships, flexibility, and working with states and school districts. "No Child Left Behind" is a lot more caustic than that. It has mandates that are purely top-down. "You'd better respond and if you don't, you're going to get punished." It is compliant-driven. I don't like that. That's why people fuss about the federal government.

I supported "No Child Left Behind" with the caveat, number one, that it be properly funded, which was going to be a lot of funding if it was properly funded, and number two, that it be flexible enough to acclimate to different situations and different schools in different states. It is not flexible and the funds have not been there.

We need to keep the whole idea of "No Child Left Behind." I've been for that all my life. But you need to put in more challenge and less punishment and put in more flexibility and mid-stream corrections. If you don't, it gets bizarre. It's the way education works. Joe, we've talked about that. You cannot do that. You can't say, "It's going to be *this* way forever," because things change and people change and education changes. Technology changes. That's the big difference between the two. Part of the fact that it went through, we think, is that we laid the foundation for that. It was popular and it was supported by the people because the states were into the standards movement and really working hard to try to make it work.

T. Peterson: I think, too, when we were getting ready to do ESEA, as you said, we got the biggest budget increases. We were trying to provide the tools and opportunities to achieve the standards. We were working hard on reducing class size. We had a huge increase in after-school programs over three or four years from $1 million to $1 billion. We were trying to provide money for modernizing schools. We were working on teacher quality. We were trying to gear up the connection with middle and high school to college. Part of the reason we were successful in '98, '99 and 2000 in getting these big increases was that they weren't done in isolation. They were part of a package. If you're going to raise standards, the federal government should provide the resources to do that.

What people sensed watching from the outside with "No Child Left Behind" is that the authorization levels of money were just "for show." There was no real commitment to try to get the money that's authorized for more and better educational opportunities. It didn't take long for educators to realize, *We have this standard that we probably can achieve in more schools, but we're not going to get the tools or money to do it*. I think they're really perplexed. There is a new Gallup poll out. It shows that people like the idea of it, but are just feeling frustrated because it can't possibly be achieved, on the one hand, and they're being asked to do it at a time when a lot of state budgets were being cut. If the resources had been put there, it really would have helped a lot to move this forward. The whole standards movement could move backward if some things don't happen soon to give educators on the front line the tools, resources, and support to be successful.

Pika: He didn't want to raise the deficit; that's the problem. [laughter].

T. Peterson: That's right.

Holleman: What hit me from being outside looking in, when they changed the objective from improving achievement by raising the bar, to every child in America will be proficient in at least reading and math, in a true measure of proficiency—although some states dropped the bar in response to this—but *truly*, in 2013. Is that right?

T. Peterson: 2013 or 2014.

Holleman: A specific date. That is something America has never done before. Never. Have every child, no matter where, proficient in all those categories. That was the equivalent, to me, of Kennedy saying we're going to put a man on the moon in ten years. They didn't know how they were going to do it. It required constant presidential attention. They created a new Cabinet agency. They funded it. They put the best minds in the country to work on it and they had constant, continuous, presidential leadership from Kennedy and then [Lyndon Baines] Johnson to get there. You can't just have a Rose Garden ceremony, set a goal like that for real, and then leave it to the agency to operate it. Then, it's just part of the agenda background. It's got to be a big topic.

Pika: This leads me to wonder where the three of you think the lasting legacy of the Clinton administration in education policy will be. In a sense you just argued that you laid the groundwork for the reauthorization of ESEA, though it had different features and was reworked from what you had intended, from what your goal was.

Governor Riley: The groundwork is the legacy. The standards movement in America is the biggest thing that has happened in education since it started in public schools. That is enormous. It's hard in education to say, "On this day, this happened and it is a legacy." Education is a moving finger that continues to write. The consistent, sustained support for the standards movement was Bill Clinton's leadership. We were the Education Department that was getting the job done. Leadership in the House and the Senate, all of that came together in a very complicated way during those first couple of years.

I'm sure the people before us would say, "Yes, we were into standards, too." But I would point out to you that it was all rhetorical. There were speeches; that was fine. As I said earlier, that might have set the stage for us to be independent and do something to get things going in the states. We did. It was controversial and it was mean in places, but we got every state involved. We worked on them in a thousand different ways, state by state. Then we went through the Gingrich years. Then we had the public reaction, and with the President's leadership, education started soaring again on his reelection. Then we had tremendous success, really, over the last two or three years.

All of that is built on this foundation of the standards movement. It is not the federal government. It is the states. The federal government is a support system. The responsibility is in the state, in the school district. The school is where education actually takes place, obviously. But the responsibility under our system is in the state. We respected that. "No Child Left Behind" comes in and builds on top of this foundation of creative things happening all over America in different ways, not all of it perfect, but things really happening. And put on that, under the term accountability, a federal compliance-driven cover, that is the old way of doing it. That's the federal top-down way of doing it.

What they want to do we agree with, and that is to make sure there's no gap, and work against the gap and try to have all children's achievement scores go up and up. But I think the legacy we left in the Clinton years was putting in place this strong standards movement. The other is kind of tinkering at the top. It's putting in accountability *here*, backing off from *that*, encouragement

to go to a private school *here* or and backing off on *that*. After school, GEAR UP, and college access—all that is still out there working. It's built on a system that we developed.

Holleman: When I've talked about this or thought about it, I sort of group it into four key points. One is we had a clear fight over the national leadership role in education. That was put on the table. Clearly, it was the number-one priority. It was a topic in the presidential race. Newt Gingrich was elected with that as his number-one priority. We had a clear fight on that. The legacy is that we had a referendum and won the national referendum that there would continue to be a national leadership role in education in the national government and that it would grow.

The standards movement is another number, not in order of priority. The President and the Secretary clearly took what was a nascent standards movement and provided the resources and the leadership to really put it in place. You can now really have that kind of disaggregated attack on the needs of kids.

Along with standards is providing the resources to reach them. That's part of the budget battle, expanding the federal investment. Another thing is something Terry always talks about and that is, when we went in, there were a lot of negative feelings toward the national leadership role in the education community and the issue of building partnerships. The Secretary and Terry often talk about that as part of the legacy. The partnership—not the top-down, regulatory force of the federal government being the primary role in education—but instead a partnership for the growth of quality and access.

The third point to me is the commitment to equal access and growing opportunity. There are two or three times when this really was at a crystalline point. One was when the Secretary and the President, at a time when it wasn't clear how the politics would break on this, openly opposed the California referendum to basically exclude undocumented children from the public school system. It is not often a federal Cabinet Secretary or President would take a position on a hot state referendum.

Another was when the President, at a tentative time in his political standing, had to face up to the issue of affirmative action, and how to resolve that and how to sell it to the country and what position he was going to take. Of course he came out in support of affirmative action: "Mend it; don't end it." Also, there was our continuing support for children with disabilities and making sure they were strongly included.

The final point is somewhat different from the others. You can either call it helping families pay for college, or making lifelong learning an innate part of the federal mission. It historically had been, but there's a laundry list of things that the Secretary and the President did at every opportunity to make college more affordable and make people think of education as not just K-to-12, but pre-K-through-life. That goes from lowering the origination fees for student loans in the original budget, the Direct Loan program, dealing with the Pell Grant, the government shutdown, the Hope Tax Credit, Lifelong Learning Tax Credit, deductibility of student loan interest, a million kids on work-study.

Those are just some things—expanding the Pell Grant to reach more independent students, which was done in tandem with the Hope Tax Credit. There's a whole wide range of opportunities and efforts to make lifelong learning part of the American psyche but also to help families pay for higher education, expand access to it through GEAR UP. Part of GEAR UP is financial aid. I always think of those four topics as the legacy.

Governor Riley: The new federal role that Frank mentioned—it's hard to define a clear, black-and-white role, because of the things the federal government had been in, in certain areas that we expanded upon. For example, technology, which was becoming more and more an important part of education in the '90s. And the e-Rate, I think, is part of our legacy. That put the Internet in every school. Now, it seems it's in practically every classroom. It has caused enormous opportunities for public schools and public libraries to have access to technology.

The other things that the federal role shifted somewhat on in a positive way were art and music. Terry has mentioned that and we all have talked around about it but we were very strong in all those areas supporting art and music and the creative side of education, which I think is so very important. We mentioned earlier the foreign aspect of it. Foreign language was something we fought hard for. Reading initiatives—the President came out early with his reading-by-the-end-of-third-grade initiative. Then we had "Atlanta Reads" and "L.A. Reads" and "New York Reads." We were very much involved in financial support and other support.

One of the failures of our administration was not getting the reading test in the fourth grade a national voluntary test. That would make so much sense, and the same with math and science in the eighth grade. But reading and basic math and science—we were so strong in trying to build a system to provide that for American children.

Pika: Other areas of failure? You just mentioned the national voluntary exams.

Governor Riley: I knew you all would ask that. The other was not a complete failure. This wasn't a complete failure, either. It got people talking and thinking about national tests. The other is the facilities area that we were so strong for. It made so much sense. As I said, the schools of America were getting older and older and local and state sources were not able to replenish them. Technology was coming in, environmental issues coming in, children with asthma. I made speeches in old schools in the Northeast. Seeing black kids and Hispanic kids lined up to get their asthma shots in this damp, musty, old school. It's enough to worry you to death.

They're not worried about learning how to read and do math; they're worried about breathing. You get into these situations in lighting. You go into these musty old schools and dim lights. In this day and time with the power of our economy, we were very much into the facilities aspect, connecting it up with community support and often business support and parent involvement, and all that connected to the facility itself. It was community-friendly and student- or teacher-friendly.

Holleman: The direct loan program took a different path than we anticipated. The goal in the original bill was for 100 percent of student loan volume to move to the direct loan program. It

approached 40 percent one time and then we had the congressional elections. The lobby of the private lenders had the upper hand in terms of power and pushed back, so the volume never exceeded 40 percent and settled down to about a third. That's a remarkable thing, to take a third of market share of an established industry in two years.

What happened instead was the different techniques the direct loan program put into place really revolutionized the private industry. They got a lot better at their job, but that didn't deal with all the financial issues that you still have. The government probably did not save as much money as we had hoped, because of the volume of the political pressure and the ability of the private sector, the private lenders, to market themselves to the colleges with various incentives restricted the full growth of it, but it still had a tremendous impact on the overall industry.

Governor Riley: And the reduction of default on loans was an enormous financial thing.

I don't think we've discussed enough, probably, religion and public schools, which is something the President asked Janet Reno and me to get into. We systematically contacted the key lawyers for the major religions and had very active involvement in the Jewish religion, the Catholic religion, the United Methodists, and others. Evangelicals participated. Every one of them didn't participate but every one of them was very interested in what we were doing.

There was a large group of lawyers who worked long hours for a number of months really analyzing Supreme Court cases and district court cases and coming out with agreed statements of what the law is. People were so misled and confused about it. Prayer in schools and all that had become such hot political issues. The fact is that the courts said, as Bill Clinton used to say—he was very much into this; Arkansas and South Carolina were very much into those issues—that when a student walks into a public school, they do not leave their religion at the door. I've heard him say that. He speaks of that in very eloquent terms.

If a child wants to read the Bible in the library, that is perfectly within the law. If you can put signs on the bulletin board about a meeting of the Spanish club, you can put signs on there about the religious club. If they do not have any sign about anything, you can't put up signs for religion. The same way with the shirts you wear. If you permit people to put something on there about the environment, then you permit religion. It's treated the same. You can't have proselytizing going on in a public school, but you can have two or three people have prayer together in recess, or whatever. You cannot disrupt a classroom, because the teacher is in charge of the classroom. The teacher is part of the government. The teacher cannot preach. The teacher can teach about religions but cannot promote one religion over another.

When all of this came out and these lawyers agreed that this is what the Court said, they didn't necessarily agree with all that, but said this is the law. We published that and sent that out to all the schools under the President's order and had a tremendous positive reaction. Then the PTA [Parent Teacher Association] got into it and saw how effective it was. It really made people who were very religious people feel more comfortable about the public schools. Then they reproduced it in lay language, and made it available to every school, every PTA in America. It was a very positive, worthwhile thing to do.

Again, it was a risky thing because that was a subject everybody was worried about politically, coming out about prayer in school and things related to it. Having prayer at the flagpole in front of the school in the morning? Perfectly legal. It's not legal if you pull in any of the kids, but if you've got ten kids who want to meet at the flagpole and pray on their own time, that's perfectly legal. That was a big part of an area in which I think we left a very good legacy and helped American children and public schools understand what the law is, and thereby really made them feel better about public schools.

Holleman: A related effort that's almost worth a little dissertation—it's somewhat obscure but was really important was the Secretary's work on *Aguilar v. Felton* in the religious area.

Governor Riley: That's a good point.

Holleman: We disagree with the Catholic hierarchy on vouchers. *Aguilar v. Felton* impacted particularly Catholic schools and some others as to how they can interact with Title I. Basically, according to the existing Supreme Court decision, they received Title I funds, but for their children to get the services, they physically had to leave the building and grounds. That was an established Supreme Court decision. We thought it really was not correct and we worked with the Justice Department.

Governor Riley: The President instructed the Attorney General to go into court and support reversal of *Aguilar v. Felton*. That was not an easy place to get to. In New York City, for example, that's something like 40 or 50 million dollars a year. They had to have a campus off the campus—they had to build mobile homes or whatever, and students had to go off the campus of the private school to get their Title I instruction. This says you can have it on the campus but you cannot have religious things going on in the classroom. So it's kind of a secular classroom. That's the way they'd always done it. But *Aguilar v. Felton* kicked them off the campus.

Holleman: It was very expensive for the districts, but also it took resources away from the kids in the Catholic and other schools, so we met repeatedly with Catholic education authorities, even the Bishops and their legal teams, and worked through the Justice Department career staff. It was a long hard fight. The Supreme Court reversed its position.

Pika: Sounds like it would have been easier if you'd had an education advocate on the Supreme Court. [laughter]

Riley: And I'm obliged to pronounce a benediction right here. We've reached our appointed hour and I know we haven't exhausted everything. There are two things I want to say. The first is that you've given us a wonderful addition to our accumulating archive and we're very grateful to you all for taking the time to come to Charlottesville and give us a day and a half of your time. I'm confident that the transcript that comes out of this will be an exceptionally useful piece of information for people who are interested in both education policy and just more generally in President Clinton and his years in the White House. That's exactly what we wanted to do. I never feel, when I finish these interviews, that I've exhausted all of the available topics, but I do usually feel like I've exhausted the available interviewers and the available interviewees. All

resources in life are limited and if we had three or four more days of time then I'm sure we could get that much more.

Governor Riley: Let me say this, we thank you all. You have handled this in a very professional way and it has been a pleasure to be with you. I thank you all for your interest, the time, the staff and all of you, we just think that's worthwhile. None of us had time to do it, but we did and I'm glad we did it.

Riley: I told you I was going to say two things. The second is, as a parent who has a child now going on his third day of public education in Virginia, I'm grateful for the work that you put into this. For those of us who are parents, especially of very young children, who are entrusting our children to the public schools because we ourselves came out of that environment and feel there is some value in that experience, it's good to know our kids are in the hands of folks like you, all the way up to the top of the chain.