GEORGE W. BUSH ORAL HISTORY PROJECT

FINAL EDITED TRANSCRIPT

INTERVIEW WITH MARGARET SPELLINGS

August 5–6, 2010
Charlottesville, Virginia

Participants

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Riley: We've already talked about the basic ground rules, the confidentiality of the proceedings. The only other thing I would mention is the business about Texas. I mentioned this in the letter because SMU [Southern Methodist University] is also doing a project that will cover the gubernatorial years. We will not make the Texas component an area of explicit questioning except for the lead-up to the Presidential campaign. It's not because we're not interested in it, it's just in deference to our colleagues down there. You should, at any point that that Texas experience is relevant and you want to draw on it, feel free to talk about it.

Spellings: That's a lot.

Riley: OK, very good. This is the Margaret Spellings oral history interview as a part of the George W. Bush Oral History Project. Thank you for coming to Charlottesville to do this. The other thing we routinely do at the beginning as an aid to the transcriptionist is go around the table and everybody identify yourself and say a couple of words so she or he will know the voice.

I'm Russell Riley, I'm the chair of the Presidential Oral History Program. You are?

Spellings: Margaret Spellings.

Riley: You're the subject today.

Kuzmich: I'm Holly Kuzmich and I worked for Margaret for eight years. I spent three and a half years at the White House and four years at the Department of Education.

Riley: Excellent.

Rhodes: I'm Jesse Rhodes, I'm a professor in the political science department at the University of Massachusetts, Amherst.

Nelson: I'm Mike Nelson, I teach political science at Rhodes College, and I'm a visiting professor here at the Miller Center.

Jones: Chuck Jones, Professor Emeritus of Political Science, University of Wisconsin, Madison, and a nonresident Senior Fellow at the Miller Center.

Riley: When is your earliest recollection of having the sense that Governor Bush was seriously contemplating a run for the Presidency?

Spellings: Seriously contemplating a run and having at least a glimmer in his eye, those are probably two distinct things.

Riley: OK, let's deal with the first one, the glimmer in his eye.

Spellings: The glimmer in the eye thing I remember. Bush was elected Governor in '94, and the summer of '95 he nominated me for an American Council of Young Political Leaders international trip to Argentina and Uruguay. On the trip, there was a lot of buzz about "Your boss is going to be the next President." We all demurred. But when Bush established himself as a successful Governor, bipartisan, education, different kind of Republican, he always had—Come to the D.C. Alfalfa Club. He was always the son of a President and soon to have a brother who was a Governor because [John E.] Bush had lost in that go-round. But that whole Bush thing wasn't beyond the realm of possibility. It was almost a built-in "it could happen." I remember as early as that thinking that we wouldn't want to do anything to preclude that.

Riley: Sure.

Spellings: It wasn't a lead-pipe cinch or anything at that juncture, but it might happen.

Riley: The buzz was among the people who were traveling with you, the young leaders?

Spellings: Yes, the young leaders, people across the country. Just like now when people are searching, who is out there? Heck, look at Sarah Palin. Who? What? You kidding me? But for someone who is governing a big state who had the Bush fund-raising moxie, who was doing a great job, who had created a Hispanic coalition around electorally. You do the math. You know who else was out there at the time.

It was always part of our psyche. But your question was, when did it become more of a definitive deal? He began a series of activities and events where he would host people at the mansion. He would come to Washington periodically making the rounds. Not ever with the "I'm running for President and this is what I'm here to talk to you about" but in the "So-and-so is important, let's make the rounds."

After the session in '97, we really had to keep the thumb in the dike all during that early part of '97. It was like, "He's running, he's running, he's running." We kept saying, "No, no, we're just trying to make sure that Texas—" and all of that. So probably late '96, early '97.

Nelson: Was there any thought at all of '96 as a possible—?

Spellings: No.

Nelson: When you said it was in "our" psyche, who is the we, the people around Bush or Bush himself included?

Spellings: The people around Bush. I think the President—this is unspoken. It wasn't overt at all and it wasn't spoken of, but it was always in the realm of "could happen." I could be Miss America. I might lose. Those sort of fantasy-life things. I'm sure you think of things like that. Maybe I could climb Mt. Everest.

Jones: But there was no sense in running for Governor of Texas that that was a path.

Spellings: No, I don't think so.

Riley: Did you have any conversations with him about this specifically that you recall? Eventually you must have.

Spellings: It was always a crazy "We could form a rock band" kind of thing. Seriously, there was always that "it could happen." You know politics, it's all about timing and other conditions and the wave and the weather. It's so organic. I think he always recognized that the conditions could be created where that would be the right thing, and if they were he was open to it. To the extent that he was involved in helping create some of the conditions and meet the right people and make the right rounds and think about policy in ways that—I think Karl [Rove] clearly did more of this. Not that Bush didn't have a true love and affinity for education. He knows it, we'll get into that. It is his favorite policy area. Actually, I think he came to Washington to be the education President and then 9/11 happened. And I'll talk about immigration too. He really owns this subject and has a personal affinity for it.

To the extent that Karl and the political types observed, "Wow, a Republican who talks about education in a different kind of way, that could be a differentiator," and it was. An important one. Some theorize it might have made the difference in the super-razor-thin election.

Rhodes: Do you think that was self-conscious on his part? You refer to people around him taking this somewhat different tack to be a different kind of Republican. Had Bush always been, in terms of his policy positions, a little different? Was he thinking about formulating positions on issues like charters or—

Spellings: Yes, but it wasn't overt. He actually believes that immigration policy ought to have an understanding that we're not going to deport 14 million people. That's what he actually believes. He would never be for an Arizona type thing. Pete Wilson was, they were doing Prop whatever it was, English only and all those things. We have a thousand miles of border; we would *never* do that. We talked a lot about that at the time it was going on, what he ought to do. No, it was rooted in his core principles, but it also had some added political value.

Riley: Let me come back then. We talked about a glimmer in the eye and the idea of a possibility of a run. When does this begin to gel more thoroughly? Is it after the Congressional midterms in '98 when the Congressional Republicans are sort of in disarray, or is he thinking more seriously about it before then?

Spellings: Gosh, I cannot remember. I need to think about the dates of all this.

Riley: Some of this, if you want to come back with the transcript you could.

Spellings: When Bush was running for Governor it was a real issue the second time, so that was the campaign of '98. People said, "This is a joke, he's not going to even get close to filling out his term. This is just a table setter for a run for President. Will you commit and promise that you're never going to run for President?" It was certainly well discussed by that time.

Riley: But he felt like he was going to serve out a second term if he ran at the point that he ran?

Spellings: No.

Riley: OK. [*laughter*]

Spellings: How could he? No. We knew.

Riley: So by the time he's running in '98 it is a strong probability.

Spellings: It's a strong possibility, I wouldn't say he was all the way over into the probability stage. Again, back to the organic nature of everything. If someone else had emerged and had raised hundreds of millions of dollars or something like that, certainly he would have fallen by the wayside and that just would have happened. But it didn't. In fact, we were talking about this when we were down at the Bush Institute the other day.

Bush may be the last President, certainly for a long time, who had the luxury of—He was the anointed one. We didn't have any of this primary business or worries. Everything he did to set the table, to make the rounds, to go to the Alfalfa Club, to do all these unorthodox things for Governors, but he was a Bush and he knew all these people. He had this vast network not only because of his dad's background but his own, having been in the Washington scene. We just cut everybody off at the pass.

There was no Mike Huckabee sparring and Mitch Daniels and any of that kind of thing.

Riley: Who was viewed as the most problematic contender at that point?

Spellings: I can't even remember. Seriously, who was, Holly? You know in Texas—Holly will hate this—but there's the United States and then here's us.

Riley: We're going to have to add that map. We're aware of that.

Spellings: This is Texas, this is other. I don't even know; I'll think about it. It was a long time ago.

Nelson: His thinking, maybe your thinking, was if he does go for it in 2000 he'll get it, at least the nomination.

Spellings: Yes, and Bush is definitely a risk taker, no doubt about it. It was a pretty good risk. We had done all these very smart things politically, policywise and otherwise. I should have brought our policy book. I'm sure you've seen it. When he ran for President.

Riley: You mentioned it when you were here before.

Spellings: Why didn't I bring it? Do you have it? Have you seen it?

Riley: I probably have seen it, but I sure don't have it. If you've got extra copies just put it in with the transcript, it would be useful for the readers.

Spellings: It is, if I do say modestly, of course I was working on the policy side, pretty darn impressive. It was very dense. There was none of this drive-by, we had budget numbers. The standard was high.

Riley: But by the time you get to where you're working on that you've already—

Spellings: We're already knee deep in it. Even on the policy side we started convening after the session in '97. Is that right?

Jones: After the legislative session?

Spellings: We started convening national leaders by subject.

Riley: Right.

Spellings: Maybe it wasn't 97, maybe it was '98. I'll have to think about the date. But we had a series of people come to the mansion. We had Diane Ravitch and Lynne Cheney and Checker [Chester] Finn and all these people. Holly, help me think of those dates. It was all the conservative education glitterati that we were going to have to deal with. It was this giant schmooze-fest to get *them* on *our* program.

Riley: It probably would have been '97 because you're running a reelection campaign in '98 for Governor, right? So it wouldn't make sense—

Spellings: It's possible it was '99.

Riley: That's a checkable thing.

Spellings: By '99 we're totally out and really developing policy. Condi [Condoleezza Rice] was coming down and Josh [Bolten] had been at least—yes, they were starting to come to the table.

Riley: Can you tell us a little bit about how those things were organized and how they unfolded? Do you have any specific memories of events with people you were involved with?

Spellings: Sure. Have you been to the Texas Governor's Mansion? Somebody who is involved in this ought to, it would be an interesting thing, to see the vibe of the place.

Riley: It's still there?

Spellings: It damn near burned down, but it's being reconstructed. I don't know if you can get in today but it's very cozy, it's very homey, sort of intimate. We would always have some sort of a meal function like a lunch. Bush would come over from the Capitol. These groups were probably a dozen-ish prominent national figures being invited to Texas to the Governor's Mansion. If Mitch Daniels invited me to the Governor's Mansion, and I got to have lunch with him and I was

sitting around with the 12 most influential people in education policy, I'd think that was pretty cool and pretty smart. So it was just this schmooze-fest.

We would have a meal and then adjourn to the living room and chat for several hours about American public policy. It was education, it was welfare, it was crime, it was juvenile justice. And each of the people in the Governor's office who were political also and had policy expertise, we were charged with figuring out who ought to be invited, in conjunction with our political types, with Karl and company.

We would create an agenda and materials. Bush would engage, he would be there from lunch through five o'clock in the afternoon. He would sit down with these people and ruminate and talk and learn and study.

Nelson: Was there any homework for this? Had he been given things to read?

Spellings: Oh, yes. Obviously I'm most familiar with education stuff. He knows more about this and has—No Child Left Behind [NCLB] is what he—We'll get into the whole choice stuff, but reading all of those things. He didn't need much schooling on that, unlike the foreign-policy type stuff where he, Condi, and Brent Scowcroft, he had a lot more to learn than in this arena. All the domestic stuff, the criminal justice, we had our own experiences.

Jones: Was there a product of this? A summary or—there weren't transcripts I take it.

Spellings: No, there weren't transcripts. Whether these can be found or not I don't know, but we would produce binders, topical-issue papers. So in this four-hour gathering that we'd have with a dozen education luminaries, we'd talk about choice, we'd talk about teacher issues, we'd talk about unions. There was some order to it, and there were materials and an agenda.

Jones: I take it in addition to the contacts you were making, it was going in the direction of producing a set of proposals.

Spellings: Correct, and it became, eventually, a series of speeches and the guts of this policy book. What is the name of that blue book?

Kuzmich: *Renewing America's Promise*.

Spellings: *Renewing America's Promise*. It was around various themes, personal responsibility, those sorts of things. It ultimately became that. We talked about very granular things like how much would this cost, what order of magnitude would you have to invest in? The standard was really high, the level of detail then compared to what you see out of the [John] McCain campaign or the [Barack] Obama campaign. It's totally different.

Jones: And what was the hierarchy of approval and refinement?

Spellings: I think it varied. I was a state employee at the time and I had various conditions. This was after hours, all those sorts of things.

Jones: Sure.

Spellings: Other people were more political operatives and had less—Some of the process stuff varied by virtue of who was involved, it was more individual driven. I was going to tackle the education stuff. Condi was going to tackle her area. Eventually all this stuff flowed up to Josh Bolten, who was the policy director of the campaign, and all of the processes that that netted out. They became a series of speeches that were very strategically planned.

Jones: Sure.

Spellings: In Los Angeles we talked about charter schools, he went to a charter school. The policy book—I'm sorry I didn't bring it—has the speech, the guts of the thing and a little bit of the color around what went on. That's how it developed.

Nelson: By this time Governor Bush's education reforms had been enacted into law in Texas. These experts who came in, Ravitch, Finn—

Spellings: Lynne Cheney was involved.

Nelson: Had they become independently aware of what Governor Bush was doing in Texas before they ever got invited to this sort of thing?

Spellings: Yes.

Nelson: Is this an area where already he was a player whose actions were—

Spellings: He was, he absolutely was. One of the themes I'm sure you'll see, managing your friends is always the most difficult thing. In these early days these types thought, *Oh, good, we're back*. But the truth of the matter is that Checker Finn and Diane Ravitch et al. never much liked what we were doing. But they thought, *OK, we're going to end it; we're going to get this yahoo from Texas all sorted out, and we'll end up running the show*. Then they got the big freeze-out and continue to write nasty things about it to this day.

Rhodes: Could you talk a little about that because it was one of the striking things that occurred to me when you were just talking. At least for some of these folks, obviously Checker Finn, it is one thing to have standards and testing and accountability when an individual state is doing it. At least from their perspective. It's different if you're thinking about using the ESEA [Elementary and Secondary Education Act] to do things nationally. I'm just curious if those issues were discussed with them, how they responded to it in '98, '99. I'm just curious what the dynamic was.

Spellings: Here's the thing about this. Texans love to brag, that's how we are, so I'll just make an apology one time for the next two days. But we were so far ahead of them it wasn't even funny. We're down here with a thousand miles of border, don't come down here and talk to us about educating Hispanics. Besides these people, the old Republican orthodoxy on education was about choice, vouchers, vouchers, and furthermore, vouchers. Big whoop.

We knew we were going to have choice in there. It's all they really cared about. As long as they had that and they thought they were going to be in like Flynn, they didn't even know what we were doing, they didn't even get it. They really didn't get it, in my humble opinion.

Jones: They being—?

Spellings: The Republican old dogs, the old guard.

Jones: Not Finn and Ravitch?

Spellings: They're part of the old guard, you bet.

Jones: So there are really two old guards here you're talking about, those who are "experts" and those who are eventually important in making decisions as to whether this is going to happen or not.

Spellings: Right, but standard fare for Republicans in education was trying to abolish the Department of Education, empower parents through choice and vouchers. Of course, Minnesota is going on to the charter movement, it is in its infancy. The famous and infamous KIPP [Knowledge Is Power Program], we founded it, we started it. Mike Feinberg came to me when Bush was Governor and said, "We've got this crazy idea with my friend Dave Levin, can you help us?" Barbara Bush got involved. This was a glimmer in somebody's eye, the charter movement, KIPP academies were founded in Houston and New York. But this was so antithetical to everything they were about. They didn't even get what we were talking about, as long as they had choice in there and there was some sort of sop to local control.

Riley: Margaret, can you say anything more about distinguishing between these consultations that you're having on issues like education where he clearly is way ahead of the curve and some of the other issues where you're bringing in experts like Condi Rice's group, where as a Governor he wouldn't have had a real foreign policy.

Spellings: Right.

Riley: Is there a different dynamic in those meetings? Are you a party to those meetings?

Spellings: Just indirectly. It was probably more tutorial than it was—it was more an education thing. Here's what's up. Here's what is at issue. Here's who the players are. It was literally more like a tutorial.

Riley: Got you. Were there any, in your memory, that went sour? Any of these consultations where somebody came in and either the Governor was underwhelmed by what he was hearing or—?

Spellings: This was also a great way to size up people clearly for future use if it came to that, and see how they played with others, what their own agendas and philosophies were. All the way across the board. It ended up being an important vetting process.

Riley: Of course.

Spellings: I think some people Bush was more inclined toward than others, but none of the groups blew up or any of that.

Riley: You knew the Governor very well at this point. What kinds of things did he like to see in these outside experts who came in? What were the kinds of things that if you had a five-minute conversation with somebody you could size up and say, "This is somebody George W. Bush is going to like"?

Spellings: That's a very interesting question. I never really thought of it like that, but he is inclined toward one type of person more than others. The cerebral, pontificating academics—sorry—the cigar-smoking, he makes fun of that sort of thing. He literally would make fun of people who smoked pipes. "Who could smoke a pipe? Constantly have to light the stupid thing," that sort of deal.

He is fast paced, high energy, give it to him in chunks, get to the nitty-gritty. So people who tease up and the "here's why this is important," no, that's not his style. That continues to be true to this day. He also was looking for places—because he was very sensitive about his dad's people, his dad's orthodoxy, and the old whatever—he could differentiate, and education was *clearly* a great example of where he could do that.

Jones: Before we get too deeply into the details of education, what's the source, in your judgment, of his wanting to be an education Governor, an education President? Where did that come from? There are a lot of policy areas.

Spellings: I think a couple of data points. He didn't just wake up and say, "Oh, I think I want to be the education President." His mother was extremely involved in literacy and all those sorts of things. Laura Bush is a teacher and librarian and educator. He himself with that program, that at-risk thing in Houston. Do you remember the name of it?

Kuzmich: No.

Spellings: He had been involved with some groups in Houston in his young days where he saw the value of education. He saw that it was the differentiator as to whether poor kids made it or not. I think he really believed that. When he ran for Governor the first time he used to say that the best criminal justice policy, the best welfare reform policy, the best whatever policy is education policy. He saw that as the headwaters of all the rest of this stuff and most fundamental. Of course I can't disagree with him. He thought if you got that right, a lot of this other stuff would take care of itself.

Nelson: We're talking about what impressed Bush, what kinds of personal qualities impressed Bush. Who impressed Bush in this education meeting, in others that you were involved with? Who impressed Bush and as a result was somebody he wanted to bring further into his orbit, even into the administration?

Spellings: Part of the gatherings we had were taking soundings on what hoi polloi thought. I don't think he ever thought, *Man, that Checker Finn is one smart son of a bitch and I need to have him in our government*, ever. But he was like, "OK, I know I've got to go see the elders and have them buy in and not give me trouble." He was impressed by people like Mike Feinberg, Wendy Kopp—Teach for America was just starting in those days—education entrepreneurs. There's a bunch of people around Texas, Terry Flowers in Dallas, a charter school operator.

Jaime Escalante. He's more drawn to the shake-up-and-move-out types than the academics or the policy wonks.

Riley: These were not just people with demonstrated Republican credentials, these were folks who were—

Spellings: The kind of brain trust skull sessions were for the most part demonstrated Republicans. Of course he had known Sandy Kress in Dallas, but Sandy was party to a lot of these discussions. He had been the chairman of the so-called Kress Commission in Dallas, was the president of the Dallas School Board, ran for Congress. He was the former chairman of the Democratic Party in Dallas. At that time that was kind of an oxymoron. Now Dallas, the big D.

Riley: Yes.

Spellings: So it wasn't all Republican.

Riley: Because you mentioned, as I recall from the symposium we had, you jokingly were poking fun at Bruce Reed for having grabbed some things from their show.

Spellings: Oh, we definitely did, we absolutely did. The Republican skull sessions were useful, but they were also political. We did it because we thought it would be real smart to get them on the reservation, sound them out, smoke them out and say that we did.

Riley: Find out where they were.

Spellings: Yes.

Rhodes: You mentioned Sandy Kress. I was just curious if you'd be willing to talk a little about the role of the discussions with the business community, the Texas Business Commission, Texans for Education. It has been my impression that there was some exchange there.

Spellings: Governor [Ann] Richards had created this thing called the Governor's Business Council. She was a character in her own right, and she created this Governor's Business Council to soak up a lot of the money and create a legitimate forum to pretend like you were getting input from the business community. These were mostly Bush-inclined people, but we kept the thing and used it as our high-level lobby group if you will—they hired a lobbyist—and a way to create very high-level engagement around policy issues. It was terrific. It was an excellent way to do public policy because it was a who's who of Texas. They would meet quarterly. At the time I think Ken Lay was the chairman, although it was a rotating thing. There were others who became chairman, but I think initially Ken was the chairman. Ain't that a wild deal?

So Bush would go quarterly to this who's who of Texas business, and literally these were the CEOs [chief executive officers], and say, "You know what I care about a whole lot? Education. If you care about me, if you care about—" They all had important issues with the state of Texas. So when the Governor said, "This is what I want you to do," they got with it. It was highly effective.

Nelson: Anything else on this general area of Bush and these sessions where people are invited in?

Spellings: A couple of things that it did. It was also a way for him to audition for people who were out in the chattering class, who may have thought, *Here's sonny boy*. For him to show that he was smart and able and strategic and energetic. It was part of cutting everybody off at the pass. Whether that was overt or not, it allowed him to audition for people who were out and say, "This guy's got some stuff."

Riley: I wanted to ask about your sense of how Governor Bush liked to receive information. You've talked about getting briefing materials, written materials. But this is a combination. You're giving him things to read, and then there is a great deal of interaction with a group of people. Is he somebody who preferred to receive information orally? Was there something special about having groups of people?

Spellings: Yes. I do want to say this, I don't know who else has worked for him, was in his employ from the campaign for Governor the first time through the entirety of the Presidential administration, it might just be me. "Dude!" as my children would say. Seriously. What the hell was I thinking about? No, it was great.

Riley: That's why we have you number three on the list.

Spellings: He obviously reads things, but what I've learned over the course of working with him is brief, to the point, page-and-a-half typed memo and then discussion. From my Texas Governor days here's how the policy process would work. This is what I loved about working for him. But I was a free agent. Education was not something—this is true at the federal level and it was true in Texas. It is such a dominant—50 percent of your budget is education, and you have to have somebody you have a lot of confidence in who knows what they're doing and some staff people and so on. But there's not all that much comingling with other things. I didn't need to work with the people who were doing natural resources or doing whatever. This was the two-ton gorilla issue.

Unlike other areas in public policy where there is more competition for resources and more of the highway people have to work with the environmental people and they have to work with the economic development people. That's less true in education, wouldn't you say? Certainly that's the case at the federal level.

Kuzmich: Yes.

Spellings: The policy process went like this for the entire time, six years that I worked for him as Governor and even during the campaign. It was me, my own self, writing some stuff down, going up there and saying, "This is what you ought to do," talking through it with him and then we'd go do it. I'd say, "You need to come to the next meeting of the Governor's Business Council, we need to do X." It all worked fine and dandy. There wasn't a lot of "everybody gets a vote." That changed when we came to the White House and a lot of people wanted to mess in our business. But in the good old days—

Jones: It occurs to me in thinking about the Governor of Texas that outside Texas has always been that it is basically a weak position.

Spellings: Oh, yes.

Jones: And weak in part because the Governors have perhaps accepted that notion and not been very policy innovative and so forth. So here comes someone who is, who sees it as a job for problem solving, and that contributes to the notion that perhaps this person might be Presidential timber.

Spellings: Yes.

Jones: And in particular because his reputation before was not necessarily that strong, there was even talk about Jeb being the potential President. So there is a creation there quite apart from his own ambition. There is the creation there of someone who is bound to get some national attention because it doesn't quite fit what one would assume would be the case for a Texas Governor. Does that make any sense?

Spellings: That's a great point. One of your last questions on here, "What do people need to know about George Bush that they don't know?" What is George Bush's gift and talent and ability that is different from Jeb? I know them both well. George Bush can put the right people together who are the influential, driver types and move out around something. So what if the Texas Constitution has a weak Governor position? When you knit together every major CEO in our state and have all the legislative leadership—not the least of which is Bob Bullock, the two-ton gorilla Democrat—working your program, you're going. It is the ability to do that. The reason I've worked for him from Day One until the end is that people want to be part of something big and meaningful and important and constructive. He plays to your better angels.

When I think back about the way he governed versus now, it just makes me sick to see all of the people who were Bush supporters and going in the same direction are now all fighting among themselves. The whole [Rick] Perry–[Kay Bailey] Hutchison deal. We never had any of that kind of thing. But it wasn't an accident. That just doesn't happen spontaneously, you've got to keep people pulling in the same direction, and that is what he is a master at.

Nelson: There were some pretty prominent Texas Republicans on the national scene—[Thomas] DeLay, [Richard] Armey in the House, Phil Gramm—how did he think about them when he thought about stepping out onto the national stage as a candidate? Did he see that as an asset, as a problem to be solved?

Spellings: Both, depending on who you were talking about.

Nelson: Well, let's take them in turn and maybe—

Spellings: I don't necessarily want to talk about them. [*laughter*] But obviously Bush has more, philosophically and by personality, in common with some than others. He was very fond of Phil Gramm and thought he was smart, a doer and a goer. You asked about the type of people that Bush liked to connect with, Phil Gramm more than Tom DeLay , absolutely. That was always true. But so what. He certainly recognized them as a force to be reckoned with.

Riley: Who in the Texas universe has an underappreciated role in Bush's background, particularly during the gubernatorial years, that helped launch him into the national discussion or helped create somebody who is a Presidential candidate? Is there anybody, or is the cast of characters the people who follow him to Washington and that we get to know, the Margaret Spellings and Karl Roves?

Spellings: Karl was very influential politically, but there was a series of kind of wise men.

Nelson: Not in the background.

Spellings: Not in the background. A series of wise men in Texas, the Louis Beecherls and the Peter O'Donnells and the Fred Meyers. The Republican wise men who had been there for years and counseled and mentored. And of course Bullock. [James E.] Pete Laney, they are very fond of each other. The Texas old guard of both parties. Back to the genius of George Bush, he knows how to work people, and he knows how to be respectful. He's about to run for President or be President, and he knows how to be respectful and seek that kind of guidance. There's nothing old men love more than that, seriously. It was authentic, it wasn't like, "I'm going to go schmooze these old farts." It was genuine, it was authentic, it was a two-way deal.

Riley: Can you walk us through the process of deciding that you genuinely were going to do this? You've got the meetings coming in. There must be a point at which you have to make a go or no go decision, well before a formal announcement.

Spellings: Yes. Holly's from Indiana and we talk a lot about Mitch Daniels. But there is a mating dance. You can see it with the Mitch deal. You're on course to think you're doing everything necessary and proper and appropriate, and you're 90 percent decided.

Riley: OK.

Spellings: When that actually goes from 90 to 100, it almost becomes a nonevent because you look back and it's like you're on a journey. You've gone through all the towns and sure enough you're there.

Riley: When you actually get into the end of '99 into 2000 when he's—I don't remember when the formal announcement was.

Spellings: It was in Austin and it was a cavalcade of stars at the Austin Convention Center and people were like, "Holy shit, get out of the way." It was Colin Powell and Don Rumsfeld and Jennifer Dunn and Henry Kissinger, you name it, they were there. We can get the names of everybody. Every important Republican you would want on your team was locked and loaded. It was summer of '99.

Riley: Did you have a piece of the action in setting that up?

Spellings: No, not really. It was a national event. We all went. It was a big deal, but I guess Karl and others recruited the cavalcade of stars. When he announces early that summer, he has a ton of money in the bank, he's been everywhere and he has every prominent Republican you'd want—moderate and conservative alike—around him.

Rhodes: Can you talk a little about behind the scenes, the response of Republican Party members, particularly the conservative activists? Was their thought, *We've got a winner, this is someone who looks very strong going into the first general election campaign*, or were there undercurrents of concern, questions about some of the unorthodox positions he was taking on education issues?

Spellings: Really not. When you think about it, we're all thinking about this in the context of today and this whole huge brouhaha going on between the right and the less right. That just wasn't the case at the time. Republicans had been in the wilderness for a long time. Conservatives were important. I don't mean to minimize their views or their involvement, but it wasn't this amped-up, highly public time at all. We were unified. It wasn't a Sarah Palin, Mike Huckabee versus Mitch Daniels argument about whether you have enough credentials and the whole tea party. It wasn't anything like that.

Nelson: There were Republican conservatives who strongly objected to the notion of compassionate conservatism. What was that about?

Spellings: Why did they object? Different kind of Republican. The compassionate conservatism is a different kind of Republican thing, that was distinguishing.

Nelson: Let me rephrase the question. First, when does that term become one Bush embraces, and are you part of that process?

Spellings: Karen Hughes was the mastermind of that phraseology, "compassionate conservatism." I think that was actually after he was elected the second time. We certainly used that kind of formulation in the last legislative session. Probably after he announced but into that summer and fall, the whole different kind of Republican. After it was pretty clear that the Bush juggernaut was coming through and there would be no primary, that stuff became more prominent and that's when education, immigration, and other things—But we never really had a primary, we never really had anything to fight about with the right.

Nelson: McCain was there.

Spellings: Yes, he was there, but it didn't seem like it lasted very long. Maybe I'm in my little tunnel vision.

Nelson: It didn't last very long, no.

Rhodes: In his book it talks about the extent to which Bush's deep faith and his understanding paired up perfectly with people who were talking about compassionate conservatism as a new approach. Did you see that?

Spellings: Absolutely. That all has a lot to do with his own personal story and drinking and recovery and all that. I think the whole compassionate conservatism thing really developed in his own mind when he was Governor. He would go to these prison ministries or these—I'm sure you've read the story about talking to the young black prisoner, and the young man asked Bush, "What do you think of me?" Connecting with him on a human level about recovery and about frailty.

It was so personal with him. You can't really get in somebody's chili about their faith experience when it is so authentic. Or at least nobody did.

Riley: Was that an experience you shared with him?

Spellings: Am I in recovery?

Riley: No, that wasn't actually my question. Let me step on your answer. Did you have evangelical roots also or not?

Spellings: No, I was raised Catholic and drifted off to Episcopalianism for a while and then drifted back to Catholicism.

Riley: But it wasn't something that was a requirement within—

Spellings: He's not somebody who wears any of this on his sleeve, but I can tell you. He reads the Bible daily. That little *The Word* or whatever it is, the little Bible verse thing. You would see it on his desk when he was Governor. But he absolutely didn't wear it on his sleeve. Donnie Evans, I'm sure you're going to talk to Don, they went to church together and had a very faith-related—

Riley: Right.

Spellings: But it's related to his recovery, to his—

Riley: By the time you knew him he didn't drink anything, is that right?

Spellings: I've never seen him take a drink.

Nelson: What did you do in the campaign? Once it was launched and announced what did you do in the campaign? Did you leave your Texas position?

Spellings: No, I wore two hats, and I had to be very careful about following the rules of the road on that. There were a couple of us, very damn few. It was me and Vance McMahan, state employees who were involved in the campaign at all. We created this whole apparatus. To the extent there were two people who were the overlap and had to do cross pollinating. I worked for the state of Texas and was trying to keep the ship of state afloat in conjunction with others. It was a weird time in that respect too. Bush had to be able to trust people were holding that up while he was out running around the country and that it was passing muster and it was vigorous and he was on the job and all of those sorts of things and have an eye toward where we were headed.

Joe Allbaugh had gone over to the campaign and Clay Johnson [III]—I assume you're going to talk to Clay—was back at the ranch. That all worked out fine. We birthed our policies and then got more tactical over time.

Nelson: You got more tactical over time?

Spellings: It became about voter registration and going to Iowa and the caucuses. I didn't have really anything to speak of in that.

Riley: Were there any rearguard efforts you had to fight in Texas that were launched by the Democrats to try to keep the Governor off his balance while he was trying to focus on a national campaign?

Spellings: Not that I recall at all.

Riley: He had supporters, Bullock in particular.

Spellings: Oh, yes, Bob Bullock and Pete Laney were the presidents of the fan club.

Riley: OK, interesting.

Spellings: When I think about it, the only vexing thing at all was Rick Perry. He was starting to kind of measure the drapes and wanted to encroach on, become Governor before his time.

Nelson: One of the things I'm hearing underneath your account so far is that from the start the Bush campaign had a general election strategy. In other words, the nomination didn't seem like that big a fight.

Spellings: Right.

Nelson: The other kind of Republican strategy sounds like it is aimed more at independent voters.

Spellings: Definitely.

Nelson: In November rather than a Republican primary, is that accurate?

Spellings: Yes, I would say that's accurate. The primary strategy was to go and pick off everybody through good works and schmoozing and button down all the troops. Then it becomes a nonevent, right? It wasn't as if there was no primary strategy, the primary strategy was to not have a primary strategy, but it was complicated. He had dozens and dozens of dinners and meetings, and would make the rounds. I remember when he and Marc Racicot, Racicot was Governor of Montana at the time, but he went to Israel with a number of Governors. Things like that had profile beyond—a Governor taking a foreign trip that's not a trade mission with other Governors. That kind of thing.

Nelson: So it's not like he's doing the typical thing, which is you run right to get the nomination and then you have to tack back to the center.

Spellings: Right.

Nelson: He didn't have to run right.

Spellings: No.

Rhodes: Some people come to mind in education, and perhaps other issues as well, I wouldn't put it entirely tactically, but efforts to reach out to or pick off Democrats. So people in education like Kati Haycock or—

Spellings: We did.

Rhodes: Or Bill Taylor.

Spellings: We did.

Rhodes: If you could just talk a little bit about that.

Spellings: We were having Republican politics until we started to have some of these speeches, and he started calling for accountability and he talked about the achievement gap and change in demographics and all of these sorts of issues that were really unusual. That got a lot of buzz and attention in Washington. Not only back here working on the Hill. They noticed and we courted them. So Kati and Amy [Wilkins], you bet. We talked to them; they would say nice things about him. Probably at some considerable cost to themselves.

What other Democrats were kind of helping us at times? Kati and Amy most notably, Bill, God rest his soul, probably later, but Bill becomes really important when it comes time to defend No Child Left Behind for real. I'm trying to think who else. But what he also did was shut a lot of Democrats up. People who would normally be castigating a Republican for their voucher-only, federalist blah-blah-blah were just quiet as mice, really.

Rhodes: So they would convey the message to people like George Miller, other Democrats or do you mean—

Spellings: When Bush met George Miller for the first time, which was at the mansion before the famous luncheon, I was party to their first conversation. "We've been watching you; you've been doing great things. We've tried to do a lot of the stuff and the Congress couldn't get it through." Back to the DLC [Democratic Leadership Council] stuff, although we obviously built away on it, annual assessment, disaggregated data, closing the achievement gap, all those sorts of things. Some Democrats had been advancing that kind of thing, and we show up and say, "That's a really good idea, and by the way, we've been doing it and getting some really good results down here in a state that has 10 percent of the student population of the country."

Riley: Were there any other issues on your portfolio during the pre-campaign and the campaign season?

Spellings: Yes, I also did appointments to boards and commissions. That is the power of the executive in Texas. Some judicial vacancies, not a ton of judicial stuff but I did all the public utility commission, a lot of the higher ed boards, our higher education coordinating board. Governing bodies, the Texas Juvenile Probation Commission. Kid-related things, education-related things, and some judicial things.

The power of George Bush, in addition to his leadership ability and kind of "Music Man" ability, is the way he can attract very solid people into the government. We really worked at that, people who didn't make government a career but came into government because he talked them into it.

Riley: But there weren't any direct implications for what you were doing there with the campaign other than just making sure you didn't slip up or that you were covering your bases within the state?

Spellings: Yes. Part of the campaign of course is having to respond about your record. So it is "Why did you do this?" or "Did you grant a permit for that?" and all of that. The defensive side. Vance McMahan and I were highly involved in that. A questionnaire that came in from the NRA [National Rifle Association] and having to go through all of that and square it with your record and why did you sign such-and-such a bill, or why didn't you sign such-and-such a bill. So all the defensive record-related stuff to being in government.

Jones: My recollection is that the announcement followed something. Was it the end of the legislative session?

Spellings: Yes.

Jones: And there was no anxiety that you should get going?

Spellings: There was anxiety. Bush was very adamant about wanting to close out the session but—the only analogy I can make is when your child is about to go off to college and you've got to hurry up and get him there because you're both about to erupt. They're about to break out and you're about to strangle them. So it was a tense time keeping it all contained through the last days of the legislative session and pretending like, "Pay no attention to the man behind the curtain."

Jones: Did this include the Governor at all getting anxious? Or was he a calming influence?

Spellings: Probably he was more of a calming influence on the rest of us, yes. He still had a sense of some equities on state policy issues. People wanted to write it off because they didn't—so on his behalf we had to do that kind of business. It wasn't necessarily a lead-pipe cinch we were going to win. We almost didn't.

Rhodes: Going into the general election, I'm curious to hear you talk about what the campaign or how the campaign perceived [Albert, Jr.] Gore as a candidate and how for education Gore didn't have a strong background but [William J.] Clinton did. So Gore was trying to pick up on what Clinton had been pitching and trying to do. How did you and other folks working on domestic policy see Gore and try to develop policy in order to put forward the best campaign?

Spellings: I've been involved in two gubernatorial campaigns for him and two Presidential campaigns, and the thing about George Bush that is true throughout is that we worried less about the other candidate and more about ourselves. What we were going to do is say what we were about and not engage—it was more offensive than defensive. Absolutely that was true with Ann Richards.

That's his orthodoxy. People wanted him to say bad things about her, he *never* did that. We didn't support the Gore proposals, but that was an afterthought. It wasn't, "We're going to do this because they're going to do that."

Riley: Do you have any memorable trips from the campaign season, either the primaries or the—you said you made a few trips.

Spellings: Tons from Texas days. It's a long time ago and kind of a mish-mash. I remember traveling with his *mother* more than him because by the time I was traveling, although not very much with him on the campaign trail, I'd been working with him for seven years and it was just here we are and whatever.

Riley: What about the convention? Did you go to the convention?

Spellings: Oh, hell, yes. That was a nightmare. You know what happened?

Riley: No, I don't know.

Spellings: Tommy Thompson, God bless him, was the chairman of the platform committee. This is where we had some issues with our old friends on the right. I thought, *Isn't this great, got a new outfit, here we are. I've never been to Pennsylvania*. Not really, of course; I'd been to Pennsylvania. Sitting in the convention center thinking this was just going to be a pro forma little deal. Well, we proceed to watch the—and we were so worried about abortion that all the Bush loyalists were stacked onto the health committee, and we were going to not have any eruptions on the health committee. There had been nary a peep over anything we'd been talking about in education.

I'm sitting in the front row; Sally Lovejoy is staffing the thing. [Charles] Chip Pickering was supposed to chair the thing, but his flight had been delayed. So Bill Frist happened to wander through—anyway, the wheels came completely off and they were like, "We're not for any of this crap." In fact, our campaign platform says—it was 180 degrees different from what we adopted last time. "What in the hell is this?"

Rhodes: Didn't they want to put the plank to abolish the Department of Education in there?

Spellings: Yes. Not only did they want to put that back in, but they wanted to gut a lot of the policy pieces of our agenda. Needless to say, I sprang up out of my chair. I didn't even know Bill Frist really except to say, "You've got to come in here and help us get this thing back on track." He did the best he could at the committee level, and we had some parliamentary maneuver to hit pause.

Then it ended up having to get restored in the full committee with Tommy Thompson at the helm with a big lobbying effort with the platform committee. Within 24 hours the whole thing was buttoned back up and good to go. But, yes, that was the convention.

The other role I had there was to make the rounds to various delegations and sort of sell the—I remember going to the Ohio delegation, Sandy Kress was up there too and we were tag-teaming

Nina Rees. We'd go around selling Republicans on the Bush education stuff. Little did I know that was a harbinger of things to come.

Riley: How did the platform get in the condition it was in? Who was the guilty party?

Spellings: I don't know. The platform committee had bought into our stuff. It was all there, and all they had to do was affirm it. But then people didn't pay enough attention to this committee. They put the right-wingers on the education committee so the right-wingers would not be on the health committee.

Riley: OK, got you.

Nelson: Who were they? Clearly this would have been a huge story.

Spellings: Phyllis Schlafly for starters was there.

Jones: That's a starter.

Spellings: And she was at the second convention too.

Nelson: So she, and those who were working with her on this, must have known that if she succeeded it would be a huge national story: "Republican Platform Rejects Nominees' Main Issue."

Spellings: Right.

Jones: It was covered at the time.

Spellings: It was definitely covered at the time. I don't even want to know how it all went down, but somehow it took care of itself.

Riley: Were you the principal involved in repairing the damage here or are you calling on others?

Spellings: At this point we have a political and parliamentary problem that I don't know anything about solving. So Karl and Josh, Tommy Thompson, Bill Frist. I don't think Chuck Pickering, who was supposed to be our chairman, ever did show up. He was totally on board with the Bush thing and was a bona fide conservative, so his job was to manage the process and he never showed up. That was how I think it got derailed in the first place.

Nelson: Were you involved during the nominating campaign in debate prep or speech preparation?

Spellings: Speech prep and the speechwriting, absolutely. Debate, no. Remember we had cooked the policy stuff. There was no primary, so it came out pretty early. Bush had said everything he was going to say about education probably by year end.

Nelson: Year-end meaning '99?

Spellings: End of ’99, with a few tweaks and responsive-type things. But he had laid out his vision by then.

Nelson: So the speech prep you were involved in was in ’99 rather than the primary campaign itself?

Spellings: I need my book to look at the dates of the speeches. But my recollection is it was the summer after he announced. I think the first speech he made was on education. It was in Los Angeles.

Nelson: A lot of Governors who run for President find their first experience with speechwriters is as a candidate. Clinton was that way, [Jimmy] Carter was that way, they never dealt with speechwriters. Bush, in developing speeches, was that a smooth process weaving together the writers with policy people with the candidate himself?

Spellings: Yes, he had a lot of practice as a Governor. We got upgraded speechwriters when he started running for President. Josh brokered all that. We certainly saw iterations and did corrections and wanted to have the right point of emphasis and stuff. I didn’t see that as a problem at all.

Riley: I promised I was going to get you a break before lunch so why don’t we do that?

[BREAK]

Spellings: Karen was there at the beginning but she left early. Dan Bartlett left early; Karl Rove left early. Josh Bolten.

Riley: Does Condi count?

Kuzmich: No, because she left—

Jones: Not as Governor.

Riley: But who was doing the consultations?

Spellings: Not from him, only in Labor.

Riley: Following up on Mike’s question, can you talk a little bit about how the process of integrating the non-Texans with the Texans went? Was that hard?

Spellings: During the campaign?

Riley: Mostly during the course of the campaign, but we can carry it over into the administration too.

Spellings: No, because they came to Texas, and we just made them Texans. They had to harmonize with us as opposed to the other way around. I know this sounds crazy, but it was sort of the place to be. If you were a national operative worth your salt you were trying to get to Austin, Texas. There was some difference not having a Presidential campaign headquartered in Washington, D.C., the center of the universe, to have it in Austin. It was a little unorthodox in that way too.

It was Josh and Joel [Kaplan] and Ken Mehlman and Maria Cino and Mary Matalin. It was all people Bush had known for a long time. That was the other thing, these are known players to a lot of us. It went fine and dandy actually.

Riley: Anybody have any more questions about the campaign that you want to delve into?

Jones: Just a general question of what happens to the policy people during the campaign. The scenario is pretty well set as far as the speeches and all that sort of thing. So what did you—?

Spellings: It turned into debate prep. Josh ended up being the king of all that. You'll see when you talk to Josh, he's such an influential and weighty character, period, that even though he was the head of the policy shop, the policy apparatus was not like the afterburner of the spaceship, it continued to be very integral.

Jones: What about the selection of the Vice Presidential candidate?

Spellings: I remember having a conversation with Bush about that. He is still Governor of Texas while this was going on. He would have days he would come to be Governor where we would have to do state business. Vance and I, the two overlappers, were having some time with him on a bunch of state issues. We got into that conversation. I remember Vance saying something—you ought to talk to Vance. He's a Texas person, so he'll be part of the SMU deal, but he is important to the campaign. He said, "What about picking the picker?"

Bush gave him the look askance, "You figured it out" kind of thing. So that was probably in late '99, is that right? Was it 2000?

Riley: We thought it would have been 2000.

Spellings: I guess it was 2000, it's all running together a bit.

Nelson: Did your role change at all when the general election campaign began, or were you still in Texas?

Spellings: I was still in Texas, and it was a bit excruciating in the sense—I was a single mother at the time. I didn't really want to go to Iowa and live in the Hampton Inn and all that kind of thing. It had lost its luster. I'd worked in other Presidential campaigns. But just to be down there alone, "Home Alone," that's the name of that chapter in the book. It's the state of Texas, it's not an inconsequential place. Through your own relationships and general moxie to act like everybody was home and we were full throttle, when in fact it was the tip of the iceberg and the iceberg was the campaign. To run state government and do press and all that.

Riley: Did you dodge any hardships during that period of time? You said the Democrats hadn't created any backfires.

Spellings: They really didn't. There was Karla Faye [Tucker], a highly controversial and high-profile execution. The woman had supposedly had a faith conversion and all of that. That was probably the biggest thing. We are always executing people in Texas, you know that.

Riley: That wasn't a piece of your portfolio.

Spellings: No, but it was a prominent state policy issue.

Nelson: When you said "doing press" what did that involve?

Spellings: I say this modestly. Clay and I and Vance McMahan were the three people Bush looked to for the Texas Governor thing and to be involved generally in things that were going on for him. There was a press job. Karen was on the road but Linda Edwards, other people who were back home alone, but Karen didn't have all the facts. So our roles became more generic than just "do education policy." It was more "see about Texas."

Nelson: In the last weekend of the campaign when the story broke about Governor Bush's DUI [driving under the influence], was that one of the things where you were expected to step up and provide background or spin to reporters?

Spellings: Vance did a lot of that, as the criminal justice stuff was all in his bailiwick, but yes, there was interface between the campaign and the state of Texas. That kind of stuff and defensive record and debate prep things. "Here's an exemplar of what I'm talking about. My record in Texas." But it was pretty darn harmonious. We would go over there for lunch a couple of times a week, right down the street.

Riley: So where are you on Election Day? Election night?

Spellings: Which night? [*laughter*]

Riley: The first night.

Spellings: We laughed, we cried. Oh, gosh, I *vividly* remember this night, of course. My daughter Mary, my oldest child, was then probably 12 or 13 years old. We were in the center of history. We thought we were going to win, of course. We were preparing for a big party. There was a sort of VIP gathering. Downtown Austin from the Capitol to the campaign is a short urban area that you can easily walk. So the party was probably over 10 city blocks. We thought we had won, and then we thought we lost. It was just a blur. After we lost Mary and I went home because she was a little child, so I was not at the mansion all night.

Then I woke up to the whole beginning of the however-many-day journey it was. How many days was it?

Rhodes: Thirty-five.

Spellings: I was going to say 45, it felt like 45. That was surreal. To show up and be at the state of Texas and the Governor of Texas in the eye of the storm. There are a bunch of funny stories about all that.

This didn't happen to me, but lawyers were dispatched immediately to get down to Florida. Joel Kaplan has the funniest story of all. Kevin Martin, who was the general counsel of the campaign, calls Joel and says, "Get down to such-and-such county." He was literally leaving to drive back to D.C., and he got a call at the Dallas Airport, "Park your car at the Dallas Airport, get on a plane, and get over there."

So he did. They get local counsel in Florida from the Bush team, and of course the trial lawyers are all with the Gore team. The first thing they do is have some kind of hearing before a judge. The judge says, "OK, everybody who is licensed to practice, I'm going to go ahead and just give you a waiver or whatever to practice in Florida, to practice in fill-in-the-blank county. Anybody have a problem with that?" Joel Kaplan raises his hand and says, "May I address the bench" The judge said, "Whatever it is, why don't you just tell us?" Joel said, "I'm not licensed to practice." He said, "Oh, yes, I'll just give you a waiver, you can practice in Florida now." He goes, "I'm not licensed at all."

The judge said, "Did you go to law school?" He said, "Yes, sir, I did." "Which law school?" "Harvard." "Have you ever sat for the bar?" "No, I intend to." The judge said, "That's good enough."

And Joel literally just sat for the bar after he left the administration. He's a Harvard lawyer who never sat for the bar. There are a lot of wild west stories like that.

Riley: We love wild west stories like that.

Spellings: The PS [postscript] to the story is that Joel proceeds to be there for 35 days, and then he goes back to Dallas to get his own car from the airport parking lot, and it was literally $1,200 or something to get his car out.

Jones: But he didn't dare represent himself to challenge.

Spellings: I think he sent the bill to the campaign. At that point we'd won, and we knew we could pay it.

Riley: So you're in Texas the whole time.

Spellings: I'm in Texas the whole time until the transition starts, of course, and the transition started before the actual victory. Clay Johnson, as you know, led that. Most of December we were up here in our headquarters.

Riley: Up here being Washington?

Spellings: Yes, Washington. We had two headquarters, the one that was by Dulles Airport, which was our first one. I do remember Cheney being highly involved in everything. He and Clay did not have the happiest of relationships. That just didn't get any better.

Riley: Why was that?

Spellings: Clay knows George Bush and he is a tactical, linear, get it done guy. If we say the competencies for the job are X and we need Mr. X, we don't care if he contributed to Ronald Reagan or not. Cheney is much more political.

Riley: Sure.

Spellings: I'll never forget when it came to picking the Secretary of Education. This is going to be the whole redacted part.

Riley: Not redacted, held.

Spellings: Suspended.

Riley: Held, suspended.

Spellings: I don't know if you suspend it or not, maybe this ought to get all told. But it was really fascinating. We were trying to figure out No Child Left Behind. We knew education was going to be the first thing up, and Josh was emphatic that we have a bill draft, which was a joke. We weren't ever going to have a bill draft. We'd be lucky if we had the semblance of something that went from a campaign speech into something you can reasonably hand off to the Congress and stay involved with.

So education first up, that was our first mission. Needless to say, I was involved in the selection of the Secretary of Education, and we had all kinds of names including Floyd Flake, the Congressman from New York. Cheney was pushing hard for him because the conservatives liked him and he was very much a choice guy, African American Congressman and so on. I went for the who, what, where. We did a criminal check, and his background came back that was quite unsavory and that was the end of it. But Cheney kept pushing. I think there was a DUI and bounced checks. Things like that. It wasn't homicide or anything like that, but some warts on old Floyd that made him not the ideal choice.

There was a lot of negotiating around all that. Karl thought we ought to—I'll never forget. This is the first time I heard the words a "movement conservative" in the Cabinet. A lot of things had been filled out, and we got to how many chairs remained around the Cabinet table that were filled, and we still didn't have any movement conservative. We had Justice open, we had Education open, whatever the last four or so were to be filled because everything else was all teed up. I was worried we were going to have a "movement conservative" in Education. But the movement conservative went to the Justice Department and at the end of the day, I knew he wasn't a movement conservative, but the John Ashcroft story has turned out to be quite interesting.

Rhodes: I have a follow-up question. Was there any talk about or push for a stalwart's moment in history, any indication like Bill Bennett or Lamar Alexander? Did those names come up or were there people—because these were in history, the conservative movement and ties to Reagan.

Spellings: Yes. Bush was and maybe even is still sensitive about—he doesn't want 41 retreads, especially at that level. This was not going to be your daddy's administration. I think he was very mindful of that.

Nelson: Where did Rod [Roderick] Paige's name come from, and was he your candidate?

Spellings: Yes, he was. I knew him and he was brought into what we were trying to do in the whole Texas deal. But it was really late in the process. The campaign finally ends and they move immediately out of the Austin headquarters. There were two—the transition office, the temporary one that we were paying for before we moved into the official government transition deal. Clay and I met with Rod on Christmas Eve or December 23rd, down in the moved-out transition, previously Bush headquarters. It was like the Whos in Whoville and the Grinch comes and takes everything out of the house and there's just one little light bulb hanging down. It was literally like that, a war zone, and we're interviewing a potential Cabinet member there.

God bless Clay Johnson for being the one to lift Paige because I didn't want it to seem like it was like a whole lot of just home cooking for Margaret, I was getting *my* person, *my* operative. Clay thought that was great. Of course, we didn't have a suitable alternative, we honestly didn't. So we got Rod Paige.

Rhodes: He was a Texas person. Was he a Bush person? Did Bush have much interaction with him?

Spellings: Certainly Bush knew him. I wouldn't say he was—and whoever wrote that big Houston–Austin Mafia thing, that was the stupidest thing I've ever heard, who is that guy? I know it's not you, Chuck? [Ed. note: Peter Brewton] Who is that? I wouldn't know him if I fell over him, I never heard of him. Anyway he's writing the definitive word on how this goes down. But you are going to have the definitive word.

They knew each other. Rod Paige is a wonderful, sweet, kind human being. He's not somebody who relates interpersonally very well, and Bush is the opposite of that. So they never had a particularly—it was cordial and pleasant. There was no animus or anything, but it wasn't like a gee-haw kind of thing.

Jones: I've forgotten whether he had any experience in Washington.

Spellings: No, he did not have any.

Riley: Is your own portfolio during the course of the transition restricted to education?

Spellings: I'll never forget the day that Clay Johnson—I'm sitting in my office. This is in the waning days of the Texas Governor business. We won, I'm cleaning out my desk, and Clay comes in and says, "Andy Card wants to talk to you."

I had met Andy Card. This is election night, real election night. Andy had already been selected. He wanted to meet me. So Andy Card and Joe and Diane Allbaugh and I had dinner, the first time I met Andy. He had not been announced as Chief of Staff at this point. Clay Johnson comes

and says, “Andy wants to talk to you.” I said, “About what?” He said, “I think they’re going to ask you to be the Domestic Policy Advisor.” I said, “You’ve got to be kidding me.”

I was thinking maybe I would go to D.C., maybe I wouldn’t even go and maybe I could be the education chick. I was just stunned when Andy did call. This is classic. Maybe you’ve heard this story because Karen has written it. He starts, “The President wants you to be the Domestic Policy Advisor, but I just want to tell you something. You will never see your children. Washington is a meat grinder. It’s the most painful—” He just went on and on about how awful it was going to be. He gave Karen Hughes the same treatment. So Karen and I compared notes and said, “Oh, my God, there’s no way we can do this, we’re just going to have to stay behind. We can’t.”

Karen was going to see the President that day and she said, “I’m just going to tell Bush that this is not for us, and of course you can talk to him after.” So she did. The next thing I know Andy Card gets a call from Bush saying, “Are you running off the mothers?” Then Andy Card calls back sheepishly and says, “I was just trying to make sure you knew what all was involved.” Needless to say, the mothers did not get run off, and we went to Washington.

Riley: But during the period of the transition, up until that point, your emphasis was entirely on education.

Spellings: Yes, because it was going to be the first thing up. Literally, the first day on the job, the first week on the job, we’ve got to have some stuff. We’ve got to have some meetings and some people and some paper and some Members of Congress and I don’t know how the hell we got through that. I remember Beth Ann Bryan and I were bumbling around the White House and kind of backed into the Oval Office. We looked around and, “I think this is the Oval Office.” On that side door, not going through the front door. This is before any kind of staff secretary stuff or processing. It was crazy.

Riley: I just want to bear down here to be sure that during the transition, your education portfolio included everything, personnel as well as the development of this piece of legislation that is coming up.

Spellings: Yes, you bet. Paige was getting confirmed and bringing his staff and his chief of staff and various people he wanted to bring from Houston, all that.

Riley: Can you say anything more about the business of getting that blueprint ready during the period of the transition, the legislation that is a roadmap rather than something that is—?

Jones: And along with that your contacts with the outgoing administration.

Spellings: OK, two great questions. We had a transition team, which you have in here, obviously the high-falutin’ types, and then we had a working team and Sandy and I and Sarah Youssef were the main writers and drivers, and we farmed out various pieces of it. Have you seen that document? I need to get you that too. Was it called the blueprint?

Kuzmich: I think it was called the blueprint.

Riley: I’m pretty sure it was.

Kuzmich: It was an outline.

Spellings: It was an outline, but it had enough substance to say how things would work. It was notionally pretty complete. It wasn't legislative language, but it talked about how often things would be done and how long the timeframes would be. It was almost an executive summary for a piece of legislation without the legislation.

Riley: Right.

Spellings: So we had to develop that and have it ready basically for Day One. It strikes me, I'm only thinking about this now, the first big push Bush made when he ran for President was on education, and the first thing he did when he was President was education. I think that speaks to a couple of things. One is his level of comfort. We wanted him and needed him to show well right out of the box, have command of the subject, intensity of personal feeling about it, authenticity. We had all of that.

Jones: So that was the first week.

Spellings: Literally that first day on the job, that first week on the job. During that first week, you can pull the schedules we had, I can't remember which thing was on which day but we had the so-called big four, the leading Members of Congress come over. We had them over for a movie—I need to tell you that story. We went to a school in Anacostia with key staff and the leadership and the First Lady, we met with the principal of the school with everybody in tow. I can't remember that we ever did that again. It was highly unusual to have that sort of thing happen.

We had a thing in the Roosevelt Room with the preeminent reading researchers. Every single day that week was education something or other.

Kuzmich: You should mention the meeting.

Spellings: Yes, before all of that he hosted a lunch in Austin with leading legislative influencers and legislators at the Governor's Mansion.

Riley: Explicitly on education.

Spellings: Explicitly on education. It was George Miller and John Boehner and [Johnny] Isakson, and you can find the names, but not Ted Kennedy. Judd Gregg was there, not Jim Jeffords.

Riley: You're putting this meeting together?

Spellings: I'm putting the substance of the meeting together. Actually, Judd Gregg, who was Bush's debate partner, he was the Al Gore. He's from New Hampshire, as you all know. They'd known each other for a long time. If you run for President you spend some time in New Hampshire. They have a good personal relationship and did have for a long time. So he trusted Judd to figure out the right legislative types who ought to be included.

Riley: OK.

Spellings: He knew Boehner less well, had campaigned with Boehner, but he deferred to Judd, that's how he got the invitation list. I had nothing to do with, "Let's not invite Ted Kennedy" or whatever.

Riley: So what happens at the meeting?

Spellings: George Miller sits next to Bush. There are probably three tables of eight, something like that, there were about 25 people. Bush got up and made a speech about how much he believed in this stuff; how passionate he was. He showed immediately his command of the subject and his passion for the subject. The nation had just come through this divisive and intense election. He got that. "Here's a place where we can come together. It is important that we're part of showing our country working and healing. Let's get to work."

He sat next to Miller. Miller was very impressed and very forward leaning. I remember, not really even thinking, what do I know about Washington? Obviously I knew that Ted Kennedy was going to be important. Why wasn't he there, why wasn't Jeffords there? For some reason that never occurred to me, but it became abundantly clear that we were going to need to get him involved.

It was basically a good will, "I mean business, I'm going to be bipartisan. I'm really serious about this stuff." It was interactive too. They talked about how they tried to reauthorize it twice and they couldn't get it done, and it was going to be helpful to have the Republicans be part of the solution and not part of the problem and all of that. "We need you, Mr. President, to get your team in line." That was true too. So that was all fine and dandy, and we had good feelings coming into Washington to work on it.

Riley: But this is where the signals are beginning to emanate that choice is not a crucial piece of the package? Does it happen this early?

Spellings: No, not that early.

Rhodes: I was curious to hear you discuss the dynamic with Gregg and Boehner because historically Gregg had a pretty conservative legislative record.

Spellings: Yes.

Rhodes: Boehner hadn't previously been largely involved in education, but in the Republican revolution he had been on the train to abolish the Department of Education.

Spellings: Right.

Rhodes: So how did that play out?

Spellings: What had just happened was that Boehner had been spurned as part of the leadership and the booby prize was the chairman of the Education Committee, which he was like, "You've got to be kidding me." He didn't like any of this stuff. I've said this *this week*, Arne Duncan was

running around talking about it. They're going to have a reauthorization some time. Baloney. They're not. You have to make the politics right. George Bush ran on education as one of his key pillars. We spent hundreds of millions of dollars on advertising, organizing, and everything else. He campaigned with all these people, literally every dang Member of the Congress practically stood on a platform with him, and while he was talking about education he brought along—Left to their own devices Republicans are not dialed in to closing the achievement gap. That's not where they live. It's not that they didn't get there, but it wasn't an accident. Absolutely it wasn't an accident.

And Judd, in fact they came a long way from where they started. We used to joke about it. When John Boehner cries these giant tears about how it is the most important legislation of his career—no kidding, right?

Kuzmich: Yes.

Spellings: From someone who started out adamantly opposed.

Nelson: I'm interested that with an issue so important to Bush, the choice of the Education Secretary came toward the end, that it was regarded as one of those offices that might be implied for filling a slot, a conservative slot. That even though this was going to involve a major legislative initiative, you chose somebody who had no Washington experience.

Spellings: Two things I would say about that. With all modesty, I think he thought, *Margaret is going to take care of whatever needs to happen on that*. So we had a level of comfort. And on our side of the aisle the only kind of Republicans you can find are those who want to abolish the damn place. Seriously, who are we going to get? Somebody with a criminal record or someone who wants to abolish the thing or a Texan?

Nelson: So the assumption was that this was going to be driven out of the White House. Development of the bill.

Spellings: Absolutely.

Nelson: Selling the bill.

Spellings: Yes.

Nelson: And was Rod Paige seen as somebody who would be really good at implementing the bill?

Spellings: First of all, starting an agency and getting your act together and getting stepped up and confirmed—You remember the tail end of the Clinton administration they put all those regulations in place. The Department of Education hadn't had a clean audit in a dozen years. It was a mess, a real mess. So Paige's job was to go over and set up shop and start cleaning up the place and staffing. What do we have, what do we not have? What are these regulations that were just dark-of-night stuff? The meat-and-potatoes stuff. It was always that we were going to run the policy out of the White House.

Nelson: When it came to the choice of assistant secretaries and so on of Education did you defer to Paige or did you develop those nominees yourself?

Spellings: More the latter than the former but not solely. Gene Hickok was, to the extent the conservatives were unhappy—it's not that they were unhappy with Paige, but we picked a traditional educator. Here's why we picked Paige. He was a traditional educator pretty much. Former dean of an ed school, superintendent.

Rhodes: The Texans were not unhappy with him, right?

Spellings: No, and that's for the SMU people to find out about. But we saw somebody who could sell the soap to the establishment in a very credible way. He'd done the stuff in Houston, he was African American, he closed the achievement gap. He believed all this. For real. It wasn't a fake thing, and he was running the fifth-largest school district in the country.

Jones: Was there ever a point at which you were considered initially?

Spellings: Not that I'm aware of, nor would I have been the right person. I wouldn't have been the right person at the time.

Jones: You didn't think about it?

Spellings: Hell, no, I wanted to be at the White House. That's where the action was and where we were going to do the stuff.

Jones: You were going to say something about that transition period and the work during that time, having contacts with the Clinton administration, the Department of Education?

Spellings: Oh, yes. It was after we moved from the Bush/Cheney transition that we paid for to the one the government paid for. I called Bruce Reed and went over and saw him, John Bridgeland and I did together. John was going to be my deputy, and we spent an hour or so with Bruce, maybe it was longer than that. Saw the office. Bruce is a delightful human being. It was a tomb over there, as you might imagine. But he was very forthcoming with advice. Then when I was named, I called all my predecessors. I called Jim Pinkerton, talked to a bunch of them. Said, "What advice do you have?"

Nelson: Reed was obviously a major DLC figure who I'm sure had been paying attention.

Spellings: Yes, we talked about it of course.

Nelson: Did he say, "I like what I think you're going to be trying to do in this"?

Spellings: He was very affirmative personally and couldn't have been nicer. We did talk about some of the commonalities. He gave me, it's tradition, but Gordon Liddy had started it. You probably know this story, a bottle of scotch for the Domestic Policy Advisor and you leave it for your successor? Bruce Reed gave me the scotch at the time. He also showed me the office where Bruce was and I was. I don't know if that's still the Domestic Policy Office today. Is that where Melody Barnes is?

Kuzmich: I think it is.

Spellings: Prior to 9/11 you used to be able to go through this little storage closet in your office and there's a window and a little ladder and you could climb out onto the roof of the West Wing. You could go up there and wander around, have a cocktail, have the greatest view of the city.

Riley: With a bottle of scotch.

Spellings: So we wandered out onto the roof. After 9/11 when they put the sharpshooters out there they closed it down. There was a "hometown girl makes good" story in the Austin *American Statesman* with a picture of me standing on the roof.

Riley: We missed that in the briefing books. How did John Bridgeland become your assistant? Was that your choice or did Andy or others designate?

Spellings: I'm going to say he was not my choice. He wasn't my choice. The staffing of the White House, both at the assistant and the deputy level, was somebody's master plan. Of course I knew Bridge from the campaign and was thrilled to have him, loved him to death. That seemed like a great idea. What I had and knew was not what he had and knew, and we were a great team.

Riley: What did he know? What were your differences?

Spellings: He had been on the Hill, worked for Rob Portman and had the D.C. pedigree, which I did not. I knew George Bush better and had the President's trust and confidence. So we were a great team. I was just a girl from Texas, I didn't know all the niceties that it mattered where you park and people's titles and all of that. I remember Bridge being quite insistent about, he wanted to be my deputy, that was all fine and dandy, but he also wanted to have the title, a "tiara" as Josh Bolten called it at the time and I still remember that phraseology, of the chairman of the Domestic Policy Council.

The Domestic Policy Council per se is an act of fiction. It is a structure, but it is not something like you meet as a body and decide stuff. So, fine.

Riley: That explains that, because it is a bit of a mystery trying to read through the materials that are available, some of which are in the book and some are not, about exactly what the structure was there. From the outside you're trying to see what the structure—

Spellings: I remember this, Josh had it on our do list. Bridge and I, good Lord, it was like being in a foxhole together. We had to hire staff. Josh kept hammering on us about getting the Clinton executive orders re-up'ed and modified or tweaked or whatever we were going to have done with them to create our Policy Council. It was months. Of course Bridge had the action on that because he was a lawyer. What we did was basically re-upped the Clinton structure, which worked fine. The only thing that's material about the thing is what bucket an issue goes into. Is it a domestic matter or is it an NEC [National Economic Council] matter?

Because of Mark McClellan's role we had the healthy part of Health, so we had flu—the flu was nothing at the time, but we had AIDS [acquired immune deficiency syndrome] and we had

diseases, and they had Medicare and Medicaid. They had Medicare and Medicaid and we had everything else.

Nelson: In the health area.

Spellings: And domestic policy.

Nelson: Were there any other—

Spellings: There were arguments about what to do with the environmental crowd. They ended up with us. Not arguments, there were discussions about that. There were things you could easily slice or dice. Social Security was sort of—There were some things we shared a little bit. The technology stuff ended up at NEC, probably should have been with us. NASA [National Aeronautics & Space Administration] was with us, you could argue—so it was just what bucket this stuff should go in.

Nelson: Card tells you that you won't see your children, Bush says something to indicate you will. In practice is Card describing the job accurately? Do you get to go home at night?

Spellings: My children were in school, so this is January and I have two sisters who live in D.C. I commuted back and forth to Austin to let my kids finish out the school year in that last semester, that January-to-May time frame. I went home every weekend or sometimes every other weekend, they were with their dad. It worked out pretty well in the sense that they weren't getting disrupted and I could be all White House all the time and get my bearings. Those were the days when we'd show up at the White House at 6:00 or 6:30 in the morning, 7:30 senior staff meeting every single morning. We'd get there around 6:30 and start to sort through so you'd have something to say at 7:30. I left usually around 9, 10 o'clock at night.

We worked, in the early days, half a day on Saturday, until noon. So Saturday afternoon was your only day to get to the dry cleaners and so on. Holly, I don't know if you remember this story, but one time I had not been to the cleaners at all. I was there on a Saturday, not having gone home, and George H. W. Bush was wandering around the White House for some reason. He was in town visiting his son. I hadn't been to the cleaners, and the only clothes I had to wear was a pair of leather pants. This was 10 years ago, so I was a little cuter and a little slimmer then. So there I am in my leather pants, and of course you always stand up when the President of the United States comes in. I'm like, *Oh no, I have to stand up in these leather pants*. I stood up behind the desk hoping he wouldn't notice. Of course he did and said, "Man, you're looking pretty foxy today." He probably doesn't remember it, but I digress.

Jones: Maybe he does.

Rhodes: You said you had some interesting or funny stories to say about romancing Democrats on NCLB.

Spellings: We need to talk about that baby, and then we need to talk about [Joseph] Lieberman and [Evan] Bayh. That first week we had a movie night with all the important Members of Congress and their spouses. Miller came with his wife, and Kennedy and Vicki [Kennedy] came and Boehner. We had hotdogs and hamburgers, very informal. Then we went to the White House

movie theater, and the movie was *Thirteen Days*, about the Cuban Missile Crisis. And the whole thing, if you've seen the movie, is basically in the Oval Office.

Here we are at the White House movie theater; down the hall you can see past the colonnade toward the Oval Office. George Bush and Ted Kennedy were sitting in the front row together, watching this story about JFK [John Fitzgerald Kennedy], the brother of, in the White House, the Oval Office. And I thought, *What in the hell am I doing here?* It was surreal. Can you imagine?

We had to get Kennedy motivated to move on education. There was this, "I didn't get invited to that lunch—" I don't know that we overtly thought it would work out like this at the time, we just thought we had to get started some way or another. So Joe Lieberman, who had been hugely Mr. DLC and had gone into a lot of this stuff and was very receptive to a lot of these ideas, and Evan Bayh created a little bit of a rump group and they started working. Holly can say more about this because she was more party to the actual guts of it, but Kennedy got wind of all of this and he was not—

Kuzmich: We'd meet in the evening. In the day we'd negotiate with Kennedy and the committee and then in the evening we'd have this sort of—

Spellings: The rump group.

Kuzmich: The rump group. Who no one knew was meeting.

Spellings: Then Kennedy got word of it, and it kicked him into high gear because he was not to be upstaged by some rump group, and we were off to the races.

Nelson: So he wasn't so offended by his exclusion from various things that he decided to stomp on this. Instead he said—

Spellings: He said, "I'll take that mantle."

Nelson: That's interesting.

Spellings: Yes.

Nelson: Who knew enough about Kennedy to know that is how he would be likely to respond instead of responding in a very antagonistic way because he'd been snubbed?

Spellings: Particularly after the whole lunch incident?

Nelson: Yes.

Spellings: I don't know that Nick Calio knew him well enough. Bush—and part of this was going on—so that's the sort of staff skulduggery going on, but meanwhile back at the ranch Bush and Kennedy had had some interaction at this point. This is where some of this choice stuff comes into play. The first time they're in the Oval Office together, and being there just personally and seeing this firsthand I should write about this in my own voice at some point. But seeing them start to establish a trust relationship, kind of lean forward and say, "Can we work

together?" That happens say on Monday. Wednesday night it's the movies. Thursday we're at the school together. So for Ted Kennedy to be at three Bush-organized education things the first week on the job after this horrible campaign and after all this, he was giving him the benefit of the doubt. If there are any political dynasties in our country it's those.

Nelson: That's true.

Spellings: When they met in the Oval Office, and I think this was really important to Kennedy, Bush said, "OK, we're going to let the press in for a little photo." It wasn't a press conference or anything like that, it was just a photo release. For the amateur newbie President two days on the job saying, "OK, the only thing the press is going to want to know is are you going to agree on vouchers or have you thrown vouchers over or whatever about vouchers. They're going to ask and here's what I'm going to say. I'm going to say we've had a collegial, constructive, productive meeting and we're going to work together." In other words, I'm not going to take the bait. I'm not going to grandstand; I'm not going to whatever. He didn't say, "I suggest you do the same" or anything like that, it was just, "Here's what I'm going to do."

I think Kennedy respected that, and he didn't take the bait either. So when he went out into the sticks afterward, I was following him out there, he just said, "It's a great start."

Riley: I know we've got to watch the time, we've only got about five minutes, but you had known Governor Bush for a long time and we really haven't, other than this point on Kennedy, focused very much attention on him during the transition. As a result of the Florida events, to get a picture of how he's responding to this. Are you watching a man who is in personal transition here?

Spellings: Definitely.

Riley: Is he trying to figure out, "How do I become President at the moment I'm being inaugurated?" Can you walk us through this a little bit?

Spellings: Definitely. Obviously he had advice from his dad, from Andy Card, from pros around who had done it. But I think what Bush instinctively knew or had figured out by virtue of all this advice was that the thing to do was to own it, to be the President. Remember the whole Clinton stealing the W's and having pizza parties and wearing jeans in the White House. We were going to respect the office and the honor of the office, and it connoted a humility that this is bigger than me. He did understand his place in history and the need to heal and the need to balance using political capital for some end, getting some things done, accomplishing some things. He didn't want to be just a wet blanket. But also understand that he had to do some things that demonstrated that bringing together.

Jones: My impression is that did not just begin with his finally having won.

Spellings: You're right.

Jones: He thought about it. Let's start when the election itself was held, on election night, he appeared, at least to me at the time, he had begun then for sure to think about himself as being President and what it meant.

Spellings: Absolutely. Yes.

Jones: There were two photos in the *New York Times* right after. One is Gore playing touch football, and the other is Bush meeting with Condi Rice, Andy Card, and Cheney, I believe, and the whole notion was they had begun to think about looking forward to a transition. It was time to think Presidential. That's my impression, I'm just asking you.

Spellings: No, that's absolutely right. I think Bush understood the time and the situation. This is what people need to know about George Bush. He's not tone-deaf. In fact, quite the contrary. He is the most in-tune person with human beings. He could read a situation better than anybody I've ever known. He understood what place he was going to have to take and what he was going to have to do.

Riley: Did you notice any changes in him during this period?

Spellings: The whole thing was excruciating in the sense of do we or don't we and having to keep your cool. I guess he was not seen out and about all that much. Or when he went out, he was very measured and calm. Conveying that kind of persona. But, yes, you could see him coming to terms with not only being the President of the United States, which on a good day is a big deal, but in this extraordinary historic circumstance.

Riley: Maybe we ought to break here.

Spellings: We're going to go have our call.

[BREAK]

Riley: OK, we're back after lunch. I have two questions to start with. The first one is based on a conversation we had at lunch about record keeping, and this is as good a time as any to pose the question to you about whether you kept a diary, or what your own thinking was as a public official about recording your thoughts outside memos and so forth.

Spellings: You're aware that you think, *Oh, my gosh, this is all historic and I ought to be doing some of that*, but you're also working 18 hours a day, and you literally have no time to do it at all. Someone gave me a mini tape recorder while I was in the White House, maybe for Christmas the first year after I got there. I remember using it one time. I came across it the other day cleaning out my car. I should listen to it. But I used it one time when we were working on immigration, which I do want to talk about as a policy thing.

We were working on immigration policy before 9/11 and if I do say modestly, if I, Margaret, have a stamp on anything, it is on immigration policy and on education.

Riley: OK.

Spellings: One day we had a meeting. Immigration is like the opposite of education. I was telling you all the things about it like, "This is my deal, nobody bug me." We did our own thing. We didn't have to check with anybody but George Bush. We used to say, "We only have one vote, but it's his." Cheney did not like a lot of the stuff we were doing, nor did his staff—we'll get into that. But immigration was the opposite. You have to get consensus with Colin Powell, Elaine Chao, John Ashcroft, Condi Rice, and David what's his face who worked for Cheney.

Riley: Addington.

Spellings: Addington, how could I forget? All on the same wavelength, and it was virtually impossible. One day we had a principals meeting in my office and it was David, Ashcroft, Colin Powell, Elaine Chao, I think Condi was there. We weren't going to get there. We had totally different points of view on the matter. I took out my little recorder on the way home from work that day and talked about it. That's probably the one thing I committed to some kind of record.

Riley: We'd be happy to have it transcribed for you if you'd like. We can put it as an appendix to the interview and insert it right here. But beyond that your comments off the tape have indicated that you were pretty careful about—

Spellings: *Very* careful. The only thing I would say that I have in terms of a record are speeches I gave and that kind of thing, which are sanitized to some degree, of course.

Riley: Sure. But were you given instructions by the counsel's office when you came in to beware of recording anything?

Spellings: I might not have listened to what they told me anyway, but they probably did tell me. We had all these rules about the Staff Secretary and stuff like that. We never followed them on something. We were not supposed to share things with agencies. How could they do their work? It was ridiculous for us not to involve the people responsible. If you trust them enough to be running these government agencies, you have to share stuff with them. There were all sorts of rules. I just didn't think it was prudent, and I'd seen a lot of people go down with the ship because of things they'd written.

Nelson: You weren't supposed to share stuff with the agencies?

Spellings: This is not the Bush administration necessarily; I think it is just standard protocol. We were not to share, of course, internal White House memos. We were not to share calendars. You don't want the President's calendar floating around. I didn't send them a copy, but I would call Paige once a week and say, "Here's what's going on." Not just Paige but Tommy Thompson, tell them, "Hey, we're going to have an event the second week of August. Get ready." But with the rules we were supposed to follow, literally you call them the *day before* and tell them what he's saying in the speech. It's stupid.

Kuzmich: We weren't supposed to share speeches.

Spellings: We weren't supposed to share speeches. Then what really irritated me when I got on the other side of the aisle was when they would start to follow the rules and then someone would find other ways. I'm like, "I know about those rules."

Nelson: If the President was going to give a speech on education policy the Secretary of Education wasn't given an opportunity to look at it in advance?

Spellings: No.

Nelson: Much less offer suggestions.

Spellings: Officially, no. But I would certainly share it with the people I thought needed to have it, yes.

Riley: And the rules are coming from the Chief of Staff or from the Staff Secretary? You mentioned the Staff Secretary a couple of times.

Spellings: Enforced by Staff Secretary really. General counsel and Staff Secretary more than the Chief of Staff. And likewise things about the budget.

Kuzmich: Right.

Spellings: Budget development. Good Lord. And it frankly doesn't serve the Presidency or the President very well to have that kind of ridiculous ignorance.

Jones: But the process of developing speeches or developing a budget and so forth clearly is interagency, between the White House and—

Spellings: Absolutely. But officially you're not supposed to tell them stuff so they can make it coherent. There is this idea that once you leave the 40 acres of the University of Texas campus—how many acres is the White House complex?

Nelson: Eighteen.

Spellings: Anyway, this idea that anyone in the White House can be trusted and anybody outside of it, including your allies in the Congress, really can't be is stupid. Of course it's not true, so I didn't operate like that.

Jones: So there is a concept of the Presidency as an institution apart from the rest of the government.

Spellings: Yes, and maybe part of that was Bush related and maybe not, I don't know. Bush himself would never, if he really thought about this he wouldn't have said, "Don't tell Rod Paige what we're up to" by any stretch. He would just assume that—

Kuzmich: It was more about paper trail; they were really just concerned about paper trails.

Riley: Holly, when do you come on the scene?

Kuzmich: In '02.

Riley: So the procedures have been pretty well established. You were where before?

Kuzmich: I was in Congress.

Riley: Working for whom?

Kuzmich: Dan Coats of Indiana and then Tim Hutchinson of Arkansas.

Spellings: So Holly was present for all the negotiations on No Child Left Behind, and Sandy Kress and I—he always said I was the Air Force and he was the Army. He was up there with Holly and others every day having pizza parties, literally writing the law line by line. I was doing more generic management of the domestic policy process including immigration.

Riley: I want to ask one more question about the transition period, and we'll get that behind us and move on. There's a question about the administration's response to the election results. You're coming into office after a bitterly contested election, without a popular-vote majority. There were some who suggested the administration ought to move more toward the center, move more toward the Democrats' position as an approach to governing because there wasn't a mandate. That was not what happened.

Spellings: Not what happened.

Riley: My question is, was there ever serious consideration given to doing anything other than what was done, and what can you tell us about the decisions to plow pretty much full speed ahead as though the election had been a normal election?

Spellings: I don't think there was ever any consideration that we were going to change his strategy toward a coalition-government approach. I do think there were some issues, and one of the reasons we led out on education was that was an exemplar of something where we were not going to go straight into the buzz saw of contention and why Kennedy and others were so important to that. We knew we were going to have to stare down our Members or take a bunch of unwilling suitors where they didn't want to go. There was definitely some design in that, a different kind of Republican, that that was the first thing we led out on.

Meanwhile, or simultaneously, there were the red-meat tax cuts for those who didn't find satisfaction there. We were doing tax cuts at the same time. A little something for everybody.

Jones: I'd like to have you reflect on the risks and rewards of sort of poaching on the other side with education policy, where you've taken on an issue that, as you've described, was not really what the Republicans would want to do. At the same time it attracts some Democrats and throws them off pace. Can you talk about the risks and rewards of doing that?

Spellings: This is Karl's statistic, not—

Jones: Because it's really a part of the whole emphasis and part of what Russell was saying, was talked about at the time, you need bipartisanship and so forth.

Spellings: Right, absolutely. I need to get the statistic for you. Holly might remember it. Karl used to talk about it. If education was your number-one issue, your likelihood of voting for Bill Clinton over Bob Dole was like 20 points—

Nelson: In ’96?

Spellings: Yes. But by the time Bush/Gore happened you were just as likely to vote for Bush as you were for Gore if education was your number-one issue. A *huge* change. And as I said some have posited that that was the difference in such a close race.

OK, so risks and rewards, and we see this playing out right now with Obama on education, which is an interesting dimension too. First, the policy had been rooted in our practice over the previous six years in Texas. I’d been involved in education reform in Texas since the mid-’80s with the [H. Ross] Perot Commission and Governor Mark White, I was working for a Democrat at the time. We had a long bipartisan history in Texas of doing this. It wasn’t something we created out of whole cloth.

I’ll never forget talking with Jim Hunt, the former Governor of North Carolina, about this. When he was Governor of North Carolina, Bush was Governor of Texas, Republican and Democrat. We were the poster children for doing the same kind of policy from your governing base and governing center. We had a lot of record. The risks of it are the entire orthodoxy of the Republican Party is in a whole different place at the federal level. It’s easier to do those sorts of things as Governor than as a federal politician, co-opting some of the things that were going on at the DLC, using the vacuum of the absence of action on ESEA and two previous attempts. So it was a combination of factors.

We could not pass No Child Left Behind today through the Congress, couldn’t do it, and I’m not sure Republicans will ever again get to where we got them for two reasons. A, they didn’t know what we were doing. Seriously, they had no idea of the full effect of it. They had no idea that we were going to be—“Achievement gap? What? Does that apply to us? We’re in suburbia.” No, we’re going to talk about how well special ed and Hispanics have been doing in your suburban town, we’re talking about Charlottesville. So we coaxed them into buying into the policy when they had no real idea because it wasn’t in their wheelhouse what the consequences would be, that’s A.

And B, just the Ted Kennedy and Bush, that he had run on it. It was just a moment in time that we could have done that. That’s not really risk or reward per se, but it was risky and the rewards affirmed what he had represented himself to be, compassionate and different. We did it. That’s one of the reasons we did it first too. We had the high noon, along with the tax cuts, a little sweet, a little sour.

Jones: Certainly one of the risks politically, it seems to me, would be that the more you appear to be moving in the direction of proposals that the other party has backed at some time, the more you lose folks on your side.

Spellings: Right.

Jones: So there is a political management problem there.

Spellings: Right.

Jones: What are the costs of doing that in just getting the legislation approved but also for the future and other policy—?

Spellings: We tried to reframe the argument away from federalism and into accountability for taxpayer dollars. That was it. Just accountability period. The other thing we had going for us is that you're also known by your enemies. So the unions hated it too. This is true of immigration also. Education has this weird, or we set it up actually, alliance between the business community and the civil rights community versus the unions and the arch conservatives. It is a coalition that we nurtured and found ways to support through external organizations and all of that that mattered then a whole lot and will matter again if they ever can do it. But Holly, you ought to speak to that because you were party to when we were saying "no federal role" and now all of a sudden people were buying into—

Kuzmich: It was the spending piece that was new, and the accountability for taxpayer dollars that was new and different and got Republicans on board. You had a harder time in the House than in the Senate. You've got enough conservatives in the Senate.

Spellings: Definitely.

Kuzmich: Including people I worked for to agree with that, but in the House you had the Pete Hoekstras of the world pushing you.

Spellings: And never supporting it in fact.

Kuzmich: Right, and you had more of a rebellion there.

Spellings: Yes, we definitely did. But we also had the virtue of controlling the rules and controlling the process better. So even rabble-rousers can't undo you over there.

Jones: But I take it the voucher piece, from what you said earlier, was in there to try to hold the arch conservatives on the Hill. But you also, from the way you described it, were inclined to get rid of it if it meant he couldn't hold the Democrats.

Spellings: Yes. The thing about the voucher deal, and there's a lot more than deserves to be said about it and has been said about it. First of all, designing a voucher program from Washington D.C. in an enterprise that is 90 percent funded by state and local government is just—even if you wanted to do it, you couldn't. And God knows we tried. We designed weird little pots of money if people did it. This is subsequent to No Child Left Behind to try to scratch the itch. So it's hard to do from Washington.

And it was never going to pass. We didn't have enough *Republican* support to do it. When we came to Washington I knew very clearly what George Bush wanted and needed to have in this law, and it was annual assessment, disaggregated data, and some kind of consequences for failure, period. Three simple things. It's a 1,200-page bill or a 1,500-page bill with reading and teacher fitness and blah, blah, blah, but those were the three things we had to have.

Bush and I had a conversation about this. This is true in the Texas legislative environment, which is clearly more conservative. He was not delusional that he was going to get this stuff. It was political. Did we throw it away too soon? Who knows? Who cares? It doesn't matter.

Rhodes: So in addition to the voucher component, my recollection is that there are two aspects of the original movement that might have appealed to the conservative Members, the straight A's piece, the charter states piece, and the grant consolidation. You add 50-odd programs to buy some industry and then the straight A's piece to get the flexibility for moving funds around.

Spellings: Yes.

Rhodes: To what extent were these seen as being politically feasible in the long run, or were they bargaining chips with the Democrats? I know people like Gregg, straight A's, his concerns were that was a big deal.

Spellings: Yes, they were certainly important. If the story line is vouchers got traded out right away, these other things we got down to the wire with them.

Kuzmich: Yes.

Spellings: We held on and we got some stuff. We got the consequences, and we got supplemental services, and we got a little more going on the block grant.

Kuzmich: We got enough consolidation (of funding).

Spellings: We got enough consolidation to say we did. I should let Holly talk to you about this process because she was way more granularly involved in it, but the staff would grind through all that they could and then there were principal-level issues reserved for that process. We spent six or seven weeks with amendments on the Senate floor. Can you imagine taking *seven weeks* of legislative time on education?

Kuzmich: With 300 amendments.

Spellings: Three hundred amendments. I don't know what the health care bill was, it might have been 300 amendments, but they weren't that long and it's health care. So it was quite a luxury, and we had started the conference process before the August break.

Kuzmich: In June.

Spellings: We'd gotten some things done and then by the time the August recess came things were sort of deteriorating. That's why Bush was in a school on 9/11. We were going to jumpstart the whole thing with the after Labor Day, back-to-school thing, and try to get it done. Obviously 9/11 blew all that temporarily.

Then there was this amazing esprit de corps on the Hill to show some coming-togetherness, and we got it done by year end.

Kuzmich: And actually to go to both of your points, if I can go back a little bit in terms of why Republicans were willing, even though we didn't get vouchers and we didn't get straight A's, it was important that we had tried twice before to reauthorize and had no success and had very little leadership. So when we had a President come in who loved the issue and cared about it and had a plan, it was sort of like, "We've got somebody who is going to drive the train. So we're willing to—"

Spellings: And we're going to have a victory. We were positive we were going to have a big, fat legislative victory on something that was not our territory.

Kuzmich: Right. So you were willing to deal more and understand and the whole accountability for taxpayer dollars. We had been talking in the Clinton years about funding for class size and school construction. It was all about money with no results orientation.

Spellings: And uniforms.

Kuzmich: So people loved the results orientation and people fought hard for straight A's, but at the end of the day we didn't have states who knew what they were going to do with it, which was our biggest problem.

Spellings: Exactly.

Rhodes: That's interesting.

Kuzmich: We didn't have states who knew what they were going to do with the flexibility of straight A's, which was basically give them, as long as they increase student achievement they can do whatever they want with the federal money. Then we'd go to our own states and say, "What will you do with this?" They'd say, "Why don't you just give us our Title I dollars?"

Rhodes: One of the things he said, maybe it was just the Democrats, they worried that they wanted the flexibility from the student achievement, right? They wanted more flexibility.

Spellings: They did. Yes.

Kuzmich: Hell, yes.

Spellings: These are the people who are going to be racing to the top now, we want to believe. Whatever the precursor to that was that was on the books in the Clinton—

Kuzmich: IASA [Improving America's Schools Act].

Spellings: IASA, there was some kind of waiver authority. Texas had more waivers than the rest of the country combined. We asked for them and got them.

Kuzmich: And flex.

Spellings: And flex, that's what it was, we were the ed-flexing-est state going.

Nelson: So you can forget that this bill was not a new piece of legislation really, it was a renewal of the Elementary and Secondary Education Act, which Democrats had been trying to renew**.**

Spellings: Right.

Nelson: So that made it less of an uphill fight than most new pieces of legislation coming from a Republican President.

Spellings: Yes and no. It also can mitigate against the motivation because the thing is on the books and it is going to ride on every year, and nothing bad happens if you don't.

Nelson: So it was a mixed blessing.

Spellings: A little bit of a mixed blessing.

Nelson: I had a question about Lieberman because before lunch Holly mentioned these rump-group meetings, your term, with Lieberman and Bayh. First of all, here's Lieberman, soon to be Vice President who wasn't, so it is interesting that he would be open to constructive legislative cooperation.

Spellings: That's Joe Lieberman, that really is Joe Lieberman. He's way too good of a human being to be in the Congress [*laughter*] but somehow it worked out that way. Really.

Kuzmich: And did he have legislation before on this?

Spellings: Yes, he did.

Kuzmich: That was the DLC's model.

Spellings: Yes, and they had a catchy name to it.

Kuzmich: We were all frustrated with our committee, the Republicans in Education were frustrated with our committee dynamic.

Spellings: And still are and remain so today. This is the other thing. We had Jeffords and [Michael] Enzi. We had little to work with. John Boehner, thank God, we had him on the House side, and we had some decent people on the House side, that guy from Florida who got beaten. I think, of course, McCain was good.

Kuzmich: Ric Keller.

Spellings: Ric Keller. We had something to work with, we were just out of gas on the Senate side. Judd was more of an appropriator and was on the committee and ended up—

Kuzmich: And Frist.

Spellings: Frist.

Kuzmich: There were just about five of us.

Spellings: But we had to cobble together, Susan Collins, [Richard] Burr, and Isakson were both in the House.

Kuzmich: It was Gregg, Frist, Hutchinson, Collins. It was Lieberman and Bayh and [Blanche] Lincoln.

Spellings: And [Mary] Landrieu was kind of—

Kuzmich: And Landrieu.

Spellings: And on choice, we ended up eventually getting, as you know, the D.C. choice thing, God rest its soul, which was a huge legislative victory. Talk about an ugly way to do it. But we got it.

Riley: Can you tell us a little about your working relationships with the other units in the White House on this? Is Nick Calio spending a lot of time on this?

Spellings: We spent a ton of time with Nick and his shop, I assume he's on your list.

Riley: He will be.

Spellings: If I do say, the first team we had in the White House in the early days of the Bush administration, the first two years was the absolute A team. We had an unbelievable cast of characters at every level. Nick was a total pro, and his people were fabulous, including Townsend McNitt, who had been Judd Gregg's chief of staff, and Dick Diamond, who was Dick Armey's number-one guy. This was the A team. So, yes, we were highly involved with them.

Riley: So this wasn't a secondary piece of the action?

Spellings: Absolutely not. There were two things going in the early days of the Bush administration: the tax cuts and No Child Left Behind. And relationship-type stuff, that's another thing they were working on. It was a really great group.

Oh, this is unique and the only other example I can think of during my time in the White House was the creation of the Homeland Security Department, where we at the White House had a place at the table in a Congressional negotiation and a major, significant, literally writing down every word kind of way. The standard order of the day was and continues to be, and President Obama has been roundly criticized for this, is you say, "OK, this is my priority, here's my budget, here are a few general ideas, core principles or whatever. Get after it." That was absolutely not the case with No Child Left Behind. We invented an idea that Republicans didn't know anything about. We had a record and knew a lot about it.

Then we had a big campaign, we spent a lot of money, we cultivated them. We developed a pretty intense blueprint, and we went to work side by side with them. As I said, in the entire four years I was there the only thing that came close to anything that looked like that was the creation of the Homeland Security Department, which was a totally new concept.

Riley: Who else in the White House orbit is being drawn into this on a routine basis?

Spellings: Public Liaison, Barry Jackson and Lezlee Westine and that crowd. We created, or caused to be created is more accurate, ABE, Americans for Better Education, which Ed Gillespie ran and Marc Lampkin. We had this external group.

Kuzmich: You actually used Nina [Rees] in the Vice President's Office on the choice side.

Spellings: Yes, that's right. We had a friendly and good, competent person, the first, last, and only one we had in the Vice President's Office, on this subject anyway. She was very constructive. She had been involved with the development thing. We ended up having a quite chilly relationship with the Vice President on this issue.

Jones: On education?

Spellings: On education, yes. This is where—we only had one vote but it was Bush.

Jones: And in the department?

Spellings: You mean did the department have involvement in this stuff?

Jones: The Department of Education, yes.

Spellings: What role did they have? They provided us a lot of data and numbers, and they provided us a lot of lawyers.

Kuzmich: They sat in on the drafting.

Spellings: But Paige was really not very involved at all.

Kuzmich: He was more out selling it, handling the legislation.

Spellings: And building the department.

Jones: And the department's Congressional Liaison person?

Spellings: That was Karen Johnson, wasn't it?

Kuzmich: No, it was Becky Campoverde.

Spellings: Oh, Becky, yes. She was kind of involved but not really.

Jones: Probably more through Nick then.

Spellings: Heck, yes, absolutely. This was a White House-driven effort.

Nelson: So you were listing the other White House units that were involved. OPL [Office of Public Liaison] was one.

Spellings: Public Liaison, OMB [Office of Management and Budget] on the budget side. The Vice President only to manage the choice community.

Kuzmich: IGA [Office of Intergovernmental Affairs]?

Spellings: Oh, the general counsel's office. I'll never forget this. This was a David Addington thing. I guess it was David. Literally on the eve of negotiating, and we're at the finish line on No Child Left Behind, like the conference report, and David Addington decides it is unconstitutional for us to do individual disaggregation of data by student group. You see how funny this is? It violated some sort of equal protection deal in that it singled out classes and groups of people, students by race. It's the whole frigging guts of the policy!

So I march in to Al Gonzales and I'm like, "What?!" Al got it all back on track. But literally, they have this whole argument about how—I guess I can see how you can get there. We don't classify people by race.

Riley: Was Gonzales involved in this at all other than this?

Spellings: No. I mean the general counsel lawyers. They were involved, not in an opining kind of way.

Kuzmich: Supportive.

Spellings: Supportive technically, making the language say what you want it to say.

Jones: I should probably know this, and I'm sure Jesse does, but it all begins with ESEA reauthorization, right?

Spellings: Yes.

Jones: Then HR1 is introduced. Give me the explanation of how that went. What was HR1? Was it bringing together everything that had been done to that point?

Spellings: Here's what happened as I recall. In the first meeting with the principals, Kennedy was the one who raised this issue. He said, "We're going to make this S1," and then Boehner said, "We're going to make it HR1." So in the very first conversation with Bush, it's number one. Bush always called it No Child Left Behind. It was a major gesture for them to name the law the campaign name. It was a very important signal.

Jones: Where did that name come from, No Child Left Behind, what was the origin of that?

Spellings: This is actually a very interesting story. I think Karen Hughes captured the phrase, I would give her credit, but the Children's Defense Fund and Marian Wright Edelman, their slogan is "Leave No Child Behind." So after we invent No Child Left Behind, enter Marian Wright Edelman and her lawyers, who write a letter to the campaign and say, "We're going to sue for our name back. You've got to stop using 'No Child Left Behind' because it's ours." So we have a lawyer-to-lawyer set-to and somehow we worked it out, and she said we could have it. Not that it was hers to give.

Rhodes: Could you tell the story of the highly qualified teacher provisions because obviously the accountability got a lot of press at the time, but it is a really important group of conditions that

were created for No Child Left Behind. I'm trying to think about the original proposal, to what degree the specificity about the highly qualified teacher, how that ended up.

Spellings: There were three things we had to have: annual testing, disaggregated data, and consequences for accountability. All that teacher stuff was for the Democrats basically.

Rhodes: Was that Kati Haycock?

Spellings: That was Kati and George Miller. Whenever you do any kind of legislation, there has to be a little something for everybody, right? That was their thing. Holly, you can speak to how much—we didn't care that much. Have teacher training, don't have teacher training. What we want to know is how are the kids doing.

Kuzmich: We literally just put it to the side.

Rhodes: So it was George Miller who was—going all the way back he had—home schoolers and teacher training.

Spellings: Definitely.

Rhodes: OK.

Spellings: Back to a little something for everybody, there is a lot of stuff—there's the whole military recruiting and the school-safety thing and the Boy Scouts.

Kuzmich: School prayer.

Spellings: That school-safety mess, that was a nightmare. We had something about school safety in our blueprint, but that was completely—it was a real wart on No Child Left Behind, persistently dangerous. That was their deal.

Riley: Where were the President's own interventions most important during the course of getting this through?

Spellings: He met regularly with the big four. At least monthly. He would call and check in on them. I think his interventions were important to say, "I really care about this, let's get it done." It was also important because every time he met with them he could engage on the topic in very substantive and meaningful ways, and it gave them a shot in the arm. He traveled with them, he would go out and do events on education in people's districts, that sort of thing. He was paying attention.

I was from a state legislative background. I was thinking, *What is taking so long?* But the idea that we wrote a 1,200-page bill in less than a year with 9/11 in the middle of it, in an area that is completely unorthodox for a Republican, how the hell did we ever do that? Never underestimate good-luck charms.

Nelson: You mentioned earlier the senior staff meetings of which you were a part. I'm interested in general about what happened in senior staff meetings and what their focus was. Maybe you

could also talk in particular about how No Child Left Behind was dealt with at those meetings during this fight to get Congress to enact it.

Spellings: The senior staff meetings were a way for us to, in a very collegial and quick way, compare notes, check signals for the day. You're doing this, I'm doing this. OK, are you going to call So-and-So or am I going to call So-and-So? What about this? Did you hear this? I got a letter from Representative So-and-So. A lot of informal checking in, a little bit of go around the room. We got smarter about it as we went and became a more seasoned and more coherent staff together, but that was the purpose of it. They normally weren't more than a half hour. It was just kind of a check-in.

Nelson: No Child Left Behind must have been a recurring topic in one way or another.

Spellings: Yes.

Nelson: How would that come up at a senior staff meeting? Can you remember any important details?

Spellings: One of the ways you kick off discussions is, "What's the President doing today, and what's he doing next week?" So his activity becomes a way to frame—OK, if they're coming down here on so-and-so, that means we'd better get such-and-such done before then. So it is in that framework that you talk about issues.

Riley: If that's the case, how much input did you have into his scheduling?

Spellings: We'll get into the strategy kind of thing. We have scheduling and then we have strategy. More in those days than I—because we were so domestically focused for a while.

Riley: Right.

Spellings: You were privy to the scheduling discussions if your issue was part of the real estate. When it got time for campaign events, fund-raisers, and all that sort of stuff I wasn't really involved in it.

Riley: Is Karl the one driving the schedule?

Spellings: Karl, from the day he started to the day he left, drove the schedule. Not solely, but he had the pen, and it was with the Chief of Staff and with Joe Hagen, who was the logistical guy, and Karl.

Riley: How far out would Karl typically plan the schedule?

Spellings: Notionally we would do it monthly. There was a big board up there, so this is education week and this is welfare week and this is a foreign travel week and this is a whatever.

Riley: Who decides which week belongs to what? If this is going to be education week.

Spellings: It's an art, not a science. So if UNESCO [United Nations Educational, Scientific, and Cultural Organization] or some foreign thing is a date, that gets stuck on in that way. Congressional activities, breaks, retreats, political things, holidays, the anniversary of the Americans with Disabilities Act, Martin Luther King Day. All sorts of things get on first and you build around that.

Riley: OK.

Spellings: We were pretty scientific about it, and Karen Hughes was very involved in this and wanted to arc a message and do a few things in a high quality way for a longer period of time. President Obama is doing it right now. You can easily fall in the trap, and we did too from time to time, oh, my God, it's the disabilities now and then it was MLK [Martin Luther King Jr.] Day and it's Nancy Pelosi's birthday and you're sitting there and what are you about? You're not about anything. Seriously.

Nelson: You said you got better at senior staff meetings over time. What does that mean? What did you get better at?

Spellings: We got to know each other better for starters, and we knew where we each had external relationships or abilities that could support each other. It got to the point where I was the "talk to Ted Kennedy" gal, even on other stuff because he liked me or vice versa. I was nowhere near the choice crowd. Let someone else do that. Even though I was Little Miss Education, John Bridgeland would manage that or with other people. So you send in your best athlete for the right setting.

Rhodes: You talked about the big four.

Spellings: The evolving big four.

Rhodes: What role did you and the administration play in cultivating the big four and trying to keep the big four the center of this effort? I can imagine things falling apart in different ways.

Spellings: It was essential and a big key to our success because you get more than four people trying to negotiate on something like this, and forget it, you're off to the races. You have to have a George Miller and a John Boehner managing through their team and being the funnel for your interactions with them. Jim Jeffords was part of the four and then it was Judd Gregg and then it was Ted Kennedy who was and was not part of it.

Kuzmich: You all worked hard at it.

Spellings: Yes, we definitely did. There was a lot of criticism at the end: "How come these four people get to decide everything?" But we sprinkled a lot of holy water on them. The bill-signing day, in fact I have this. Russell, I should send this to you, you should have it in your place, but it's my most treasured possession. It is the vote count, the tabulation from the Senate the day the bill passed, which was 87 to 10, the handwritten deal. And my friend and fellow Texan Mac Thornberry, who was Congressman for Amarillo, was in the chair during the vote, so I have the vote tabulation from the House, and I have the program from Air Force One all signed by all the big four and the President and the Secretary. I have the signing pen and the bill draft.

Jones: I'd hang onto that if I were you.

Spellings: Yes, I could get something good on eBay for it. The day of the bill signing we couldn't go to California, but we went on that day to three of the four homes of the big four. We started in Massachusetts, then we went to New Hampshire, then to Ohio, then here. That's kind of a big deal. We never did that any other time that I can remember. It was fun.

Riley: You've talked about how impressive the original team was, and usually one would give a lot of credit to a Chief of Staff both for piecing a team together and for keeping the team operating well. Can you talk a little about Andy Card in that role and what his presence meant to the operation of the team?

Spellings: Andy is a person who keeps everybody humble. There are no stars of the show. It is all about the President at all times. Andy Card is the most humble, self-deprecating person. You would think he was a shoe salesman, not a Chief of Staff, seriously. He would say stuff like, "Don't get excited about riding on Air Force One. Everybody is going to get their turn." He was just disciplined about, "Keep your head down, keep your mouth shut, and keep moving." Like his way to recruit me to come to Washington was to tell me how awful it was going to be. The same with Karen Hughes. It wasn't about you. It's an honor and all of that, but just a general tone of humility and hard work.

Riley: Was there an emphasis placed on staff anonymity? In doing research work on your time there, we had some challenges because your name doesn't show up in the paper all that much.

Spellings: That's the Andy Card way. We were behind the scenes. We were stewards for the President. We're famous for this. There wasn't a lot of leaking, there wasn't a lot of "I'm the big cheese" deal. We weren't sitting in the front row of any fashion shows in New York. Seriously, that just wasn't the way it was done. I didn't think that was much of a hardship. In fact, I used to laugh at the press shop. We had to deal with them. They didn't do policy and I didn't do press. You don't want your press shop making policy.

Nelson: Was there a time in the course of '01 when it seemed like this was going to fail, that one way or another this bill—?

Spellings: It was seriously in the ditch at the August recess. It was starting to smell. People were like, "Not this again." We were down to how many angels on the head of a pin kind of thing, the real hard, knotty stuff. People were worn out. Then 9/11, and then the money, negotiating the money. We capitulated to a major degree—not a major degree. In the scheme of things now it seems like a rounding error, for God's sake, a measly $22 billion for a 1,200-page reauthorization. We thought a billion dollars for Reading First was a huge deal. And it was, it was three times bigger than the previous reading money.

Rhodes: Can I ask a question about the negotiations over the authorization because you hear different things. Later on the Democrats say, "Oh, the administration reneged on its commitment." Then you hear stories that there was a kind of gentlemen's agreement about future authorization. I'm curious to get your take. Is there an untold story? I don't know if you can go on the record or not.

Spellings: I think I would say a couple of things. One is, communicating with Ted Kennedy is definitely an art and not a science. There was always this reading between the lines as to where he needed to get. I think Bush and Kennedy, to the extent that there was an agreement, talked past each other. "We're going to get there." There was all this nuanced communication. No one said, "OK, how about $22 billion?" "No. How about $17?" It was not like that. We'll do the right thing as long as you—that sort of thing, right? There was a lot of that. That, of course, could lead to misunderstanding on both sides. I think the guts of the misunderstanding was, what do you put in authorization and what do you put in a budget? There you have it.

Nelson: Which makes me wonder why the big four, meaning the two leaders of education-related committees, did not involve the appropriations people from the start or close to the start?

Spellings: Of course, Judd was the most important appropriator who was going to have—

Kuzmich: He was on the committee at least.

Spellings: And the person who had probably the most influence on our side in the appropriations arena. So when you got Judd you got that handle. Pretty much if you got Ted Kennedy he could get his side in line wherever. The long and the short of it is we didn't need to.

Nelson: That's the Senate. What about the House side?

Spellings: Was [Charles] Jerry Lewis the chairman at that time? No, it was Bill Thomas.

Kuzmich: He was Ways and Means.

Spellings: Who was it? I can't even remember who it was.

Nelson: I think it was Bill Thomas, Chair of Appropriations, House Appropriations.

Spellings: As you can see, it was so inconsequential we can't even remember who it was.

Nelson: But later that turned out to be problematic, the money side of it. Did I hear you say that earlier?

Spellings: Yes, it later proved to be problematic. We agreed to whatever number it was. It was good enough to get the job done, and in the first budget after the enactment all is well. Then in year two, now nearly two full years pass before any controversy is provoked.

Nelson: I understand.

Spellings: It was not an issue in the short run.

Riley: Do you want to elaborate on what happens at that point?

Spellings: By that point we're at war. The Homeland Security Department is getting stood up, and there are other exigencies. They said the deal was off, the deal *was* off. And to the extent that we would always say, "The deal was on, we honored the deal, the authorization level was X." The thing about this, the money thing, and this is true today, it's a no-win deal. There's not

enough money in the world to ever get to an agreement with all the parties, and there's nothing greater than zero that will make the hawks happy.

Kuzmich: I was going to say this is a perennial difference between Republicans and Democrats, on authorization levels.

Jones: David Broder said in his wrap-up piece in December of '01 after it passed that the 9/11 terrorist attack was a tonic for education reform. You mentioned yourself that it seemed to have gotten a boost.

Spellings: Yes.

Jones: What exactly does that mean and why, if it is as you suggested that here was a chance to show we can work together in a time of stress and strain and not only on national security issues but a domestic issue as well, but why education?

Spellings: In the aftermath of 9/11 there was incredible good will and patriotism on the Hill and a sense of we're going to pull together on everything. We're all Americans first. We can't do much but we can do *this.* This amazing esprit de corps at the staff level, at the Member level. It probably transcended other things too I would expect, not just education. But there was this amazing dewiness or glow over doing things productively.

Jones: The interesting thing to me is that it didn't carry over to other domestic issues because the President wanted a stimulus package, which he argued was associated with the security issues. He wanted a piece of trade legislation giving him more authority, and the same kind of argument was used that we needed to be together on these things. And in fact, there were a couple of others. But education—

Spellings: We were at the goal line though, and we had gone all the way to damn near the end. We just needed a little push over the top.

Jones: What you're saying is that the kind of preparation that was done was done.

Spellings: Absolutely.

Jones: So this was ready, and those others are very contentious issues anyway.

Spellings: Right.

Jones: And they weren't that far along.

Spellings: Right, exactly. What I think people don't appreciate about education is that not only had we prepped this thing with a year of legislative stuff, building on this vacuum that occurred with two previous authorization attempts, but the entire political buildup to it. So it just stuns me. People say, "Let's have a reauthorization this year." Is No Child Left Behind going to be reauthorized? Hell, no. We haven't begun to put pen to paper, and no Members of Congress are calling for it. It's hard to do this stuff, and it takes a lot of doing on all dimensions.

Jones: This was a big deal, almost a quantum increase in the role of the national government in what had been traditionally a state and local area, almost akin to Medicaid, I suppose.

Spellings: Speaking of, we did basically the prescription drug benefit, which was not unlike that too.

Jones: That's true. But what I'm interested in, particularly in your case because later you come to be in charge of its implementation, did you anticipate at all what would be coming up later in having a national program of this type, which would have to be administered with 50 different states and God knows how many local areas?

Spellings: That's what I said. We could never have passed it if they actually knew what it was. I say that somewhat tongue in cheek but not really. Yes, I did the implementation, and I took over the department after we were several years into it. There was definitely some furor and angst and anxiety, especially from [Brian] Baird on the House side but Gregg too, about how No Child Left Behind was getting implemented, that we let the forces of darkness define it and could never recover from it in a rhetorical sense.

Jones: Explain that to me. I didn't quite follow that.

Spellings: Well, "too much testing" and "teaching to the test" and "it's command and control." The department never did a very good job of—First of all, this is going to be very hard to do because they didn't want to do it. States were not going to ever be willing to embrace accountability. But we didn't really ever frame it right. So by the time I got there, there was a lot of ill will, bad feeling, and the idea that things had been applied very capriciously. It was unfair, and the planners had been punished and the laggards were carrying it.

Jones: We'll get into that, but I want you to concentrate now on your anticipation of—

Spellings: What would happen?

Jones: Yes, because this is going to be a major change and whether in anticipating what this major change would be you realized what was coming down the pike or that the process of putting this together revealed some of what was going to happen in the implementation.

Spellings: I was naïve probably in the sense that I underappreciated and came to fully understand the unbelievable differences in our country as it relates to orientation toward something. The stuff we were talking about we've been doing in Texas since the mid-'80s. What's the big deal? Early child, pre-K [kindergarten], testing, achievement gaps. Contrast that with New Hampshire where they don't have compulsory attendance until the age of eight. What's their state slogan?

Kuzmich: Live free or die.

Spellings: Live free or die, and they apply that to education also. The amazing differences about our country. So I thought I had some sense of this—there's Texas, there's North Carolina—but not a real understanding that when you start throwing in Wyoming there are amazing differences in our country.

Jones: We're going to go through that with health care.

Spellings: We definitely are, we absolutely are.

Jones: In a mega way.

Rhodes: I have a question that piggybacks on Chuck's question. When this legislation was being formed, it's an enormous bill that is very technical, and some of the people who would have been in the best position to potentially evaluate this are the people who would most likely be opposed to it, some old hands on the education side, the unions and the administrative groups. How was it that things didn't blow up earlier? Was the process insulated? Were they not able to get active? Did they not understand the technical details? How was it that much of the response to No Child Left Behind comes after because in some ways No Child Left Behind builds on IASA. It's much more detailed and specific, but there have been some aspects, if it had a template. It wasn't enforced ultimately.

Spellings: Right.

Rhodes: How was it that some of this was able to sustain this very rigorous framework without these people involved?

Spellings: For some of them because they're completely incompetent on the Hill. The AASA [American Association for School Administrators] and NSBA [National School Boards Association] weren't worth the powder to blow them away, literally. But there were a couple of effective ones like Mike Casserly at the Council of Great City Schools. He ended up being at the table, and he negotiated some stuff on behalf of the big urban districts. Kati Haycock knew the details. Most of them are completely ineffectual and were irrelevant. A few were not, and they got listened to.

Kuzmich: They weren't necessarily constructive.

Spellings: They weren't constructive.

Kuzmich: Mike knew how to be constructive.

Spellings: The other thing was we got outfoxed on accountability on one important dimension. This I definitely should write about at some point. The Texas accountability plan and the North Carolina accountability plan were the model of how this got created. They were a growth notion, and they were accountability systems, but they were far less rigorous, if you will, to this absolute target defined as grade-level proficiency than what is in the federal law now.

We got boxed in by EdTrust [Education Trust] and George Miller with John Boehner acceding to that, and we knew what the stuff looked like in real life.

Rhodes: In a 12-year—

Spellings: We knew what the stuff looked like in real life because we had done it, and they didn't, but how could we be for less accountability than the Democrats and our Republicans? So

we're like, "OK, roll them." And that's where we are today honestly. The other thing is, I think there was some real, "Gulp. OK." Not that it was an afterthought, but the whole special ed, No Child Left Behind with—then having those things with some modifiers and some tweaks and stuff, and we'll get into the rationale for the policy but that was another, "Well, OK."

Rhodes: It was my impression that people like Haycock, that this was about Hispanic and African American students who get shunted into—

Spellings: Right. But the special ed population getting completely included and subsumed in this was—it got in and then it was never going to get out.

Nelson: Margaret, you ended up passing this bill with huge majorities in both the House and the Senate, so I'm guessing there was a decision somewhere along the way to continue to make enough concessions on the small matters to get to the big majorities instead of stopping when you had a sufficient majority to pass it. Do you remember a point at which you all said, "Let's do what it takes to get as big a majority as possible"?

Spellings: People are not paying that much attention to the detail in a 1,200-page bill. If you get Ted Kennedy you're getting the Democrats. If you get Judd Gregg and John Boehner you're getting the Republicans. There's a lot of faith in them as part of the process. It was how much could they stomach and grind through and defend personally and both of them, on the Senate side in particular, but Boehner and Miller too, *they knew the stuff*.

You don't debate a bill for six weeks without your principals knowing what is in it and going on. You should see some of the context. Just to beat off every single amendment and talk about, "Well, here's what we're doing and on page 28 and section blah blah." There was incredible ownership by the four principals.

Riley: Are you on the Hill during the six weeks of debate?

Spellings: A good bit of it we were watching on C-SPAN [Cable-Satellite Public Affairs Network] or up there.

Riley: So you're in constant communications with folks?

Spellings: And our legislative people.

Kuzmich: Townsend was there every day.

Spellings: Townsend was there every day. Kristen Chadwick was there every day.

Riley: Is it fair to say that 95 percent of your time is being spent on education during this period?

Spellings: No. By this time it is in process and we have people up there, but I'm also the Domestic Policy Advisor, period. So we are grinding through, you'll see as the policy memos come out as part of the library. There are a lot of things we're grinding through. The 9/11 stuff, immigration prior to that. The AIDS Office. There's a lot of mail to move.

My primary role in this, in addition to making sure that things the President needed were happening, was to interface with *him* and to have policy time and things related to him. But we had a great team, and they were doing their thing. I didn't write one word of No Child Left Behind.

Jones: Should we move to immigration?

Riley: If we move to immigration it doesn't mean that we're leaving No Child Left Behind.

Jones: No, just in sequence. That was preoccupying you quite a bit.

Riley: I think so because you even said when you were here before that there was an important story about immigration. I think it is a good time, let's go ahead.

Spellings: Yes, let's talk about it because I don't think anybody really knows much of the story. Bush comes to town. He wants to be a different kind of Republican, and the two exemplars are what? Education and immigration. A lot had been written during the campaign about Pete Wilson and California, X; Texas and George Bush, Y. George Bush probably couldn't be elected in Texas with an attitude like that about—This is the way this wacky immigration has gone, just horrible.

Riley: Is there a cultural difference between California and Texas that accounts for that?

Spellings: Yes, absolutely. There's tons of intermarriage, and when you have a thousand-mile border that will get you. And Bush speaks Spanish himself. What was difficult was—when you have principals between Colin Powell on one side and Elaine Chao, John Ashcroft, maybe someone around her but she was probably the most concerned, and David Addington and the Vice President over here, Condi obviously, Colin Powell, I'm over here, the President, just a spectrum of variance.

What I loved about immigration policy is, unlike education where it is a one-man show, one-agent forum, *everyone* in the White House is involved in this, the National Economic Council, the National Security Council, all the diplomatic people, obviously the Domestic Policy Council. It touches every single agency, every area of policy, everyone has equity in immigration. It's literally hanging from the rafters in the Oval Office to have the principals-level discussion that affected all parties. Unlike education, you get Rod Paige and that's it, let's go.

But we began to develop it around these notions of separating the pathway to citizenship from legal status, which is the guts of the Bush plan. It got shelved after 9/11. Then we picked it back up again and fully fleshed it out and unveiled it and released it in, was it '03?

Kuzmich: Yes, '03.

Spellings: Yes, it was well before the campaign. It died for lack of a second—We didn't scorch the earth or anything like that. It was a priority, but we didn't pound it into the ground, and Bush got elected and there you have it. Then after the election we went immediately into Social Security and burned up a year and a half beating our heads against the wall on personal accounts,

that nightmare. It says in Bush's book, the one that is coming out, that we should have done immigration before Social Security.

Immigration we ended up getting to so late in the administration and with Rush Limbaugh and John, Sarah Palin, all these forces, we could never—even with Ted Kennedy, Jon Kyl, John McCain, George Bush, Mel [Melquíades] Martinez, [Ken] Salazar. We had a star-studded lineup in the Senate, but we could not get it over the line. The actual policy itself that was picked up at the end of the administration was developed on what we laid out in '03, which was—I don't know if you know or care about the policy to put people in legal status. I don't think that's amnesty per se because it's not making them citizens or putting them on a pathway to citizenship, but lots of people see it as such. George Bush was famous for not wanting to deport 14 million people, seeing immigration as an asset to the country, not a detriment, finding the way to develop a market-based approach to immigration.

Right now in the law there's the crab picker's visa and the ag [agriculture] visa and the this visa and the that visa. It is Byzantine. There are country limits. It's completely unworkable. My biggest regret about the Bush administration is that not only did we not pass anything, but we ended up setting the issue back by virtue of—not just us, Rush Limbaugh has plenty of blame to take in my opinion, but setting the issue back.

Jones: If we go back to the summer of '01, prior to 9/11, are you saying that you couldn't possibly, comparing it with education, get to where you were in education principally because of the variation in the principals who would have to be involved?

Spellings: Definitely.

Jones: Did you make *any* progress?

Spellings: Eventually, but it took us to '03 to do it with 9/11 in the middle of it.

Jones: Where were you on 9/11 on that issue?

Spellings: Trying to bring through issues with principals who were philosophically in a very different place and trying to kick them off and define and refine the issues.

Jones: So you are still in the problem-definition phase?

Spellings: No, we had defined the problem. We were trying to find ways to build consensus around core things, between the very disparate principals.

Jones: Do I recall that Vicente Fox came just prior?

Spellings: Yes.

Jones: Can you talk about that?

Spellings: Let's see, he came, it was the first State dinner and it was maybe in—

Jones: Early September?

Spellings: Maybe late summer, early September, something like that. I was thinking July or something.

Riley: This is 2001?

Jones: Yes, 2001.

Spellings: Yes, 2001, and Bush talked about the need to do it. We didn't have much to say about it except that we were working on it and Cabinet officials were listening to needs and concerns. We had put a marker down that we cared about it, and we were going to work on the progress.

Nelson: It is interesting to me that you mentioned Bush's two innovations as a Republican, education and immigration, but wasn't there a third in faith-based initiatives? Why did that not end up being part of Domestic Policy?

Spellings: It was, it absolutely was, and we beat our heads against the wall legislatively. Joe Lieberman helped us a lot, but we could never get around the hiring discrimination stuff. We ended up eventually doing a lot of things, as much as we could, by Executive order.

Nelson: I was thinking that was a separate office.

Spellings: Yes, it was.

Nelson: John DiIulio—

Spellings: Reported to me.

Nelson: John DiIulio leaves the administration probably earlier than you were expecting him to.

Spellings: Earlier but later than I would have liked him to.

Riley: Do tell.

Nelson: We're all ears.

Spellings: Don't you remember, he wrote that terrible article in *Vanity Fair* that said we were the *Mayberry RFD* White House. Talk about a professorial pontificator.

Nelson: What was the story that led up to that unhappy departure? On this A team, on a set of issues that was important to the President, why didn't that work out?

Spellings: He didn't know how you got things done on the Hill. He had no legislative or political ability or background. He was used to being the wise authority on public policy, an academic, cerebral writer, blah, blah, blah, which is all fine and dandy if you're trying to sell books, but if you're trying to pass legislation—He had an arrogance to him that could never get off the mat on the Hill.

Riley: Margaret, how did he end up in that position?

Spellings: He had been helpful on the campaign. He was a Democrat. He was part of our quest to create a well-rounded White House, and he was an interesting character in that regard.

Riley: He and the President—?

Spellings: He and the President had a relationship. He is a good thinker. He is an entrepreneurial scholar and all of that. That's all fine and dandy, but that does not equal the ability to help get things done on the Hill.

Riley: Did you have the principal action on immigration during that first year?

Spellings: Yes.

Riley: So you're the one who has helped define the problem, and you're sniffing around to see where is there a potential—?

Spellings: Yes.

Riley: Who are your biggest allies and your biggest detractors?

Spellings: I very much enjoyed John Ashcroft and enjoyed working with him. He was a very pleasant person to deal with and very competent, his people were competent, but he saw a lot of this very differently. The Vice President had difficulty with this, Elaine Chao had struggles with this.

Powell had some folks at the State Department, not himself solely but his operatives, who were off the reservation the other way. They were like, "Give everybody citizenship starting today." So to try and find commonality, what was the name of that woman, she ended up getting fired, [Ed. note: Mary Wright?], who was Powell's lead deputy on this thing. The immigration policy stuff basically got cooked in those early days. It was starting to get cooked before 9/11, and then it did get cooked in '03. When we unveiled it legislatively it ended up taking on some other dimensions like the DREAM [Development, Relief, and Education for Alien Minors] Act and some things like that had gotten negotiated. But basically Bush had a pretty dove-ish approach to immigration, too much so for a lot of people in his party.

Nelson: You were saying earlier that by '03, at least within the administration, you'd arrived at a policy, but it wasn't going to go anywhere on the Hill. Were there thoughts then, *What can we do through the President's own party? What can we do through Executive orders or through the budget that goes to enforcement as it goes to budget, goes to things that are more immigrant friendly?* Because the Bush administration eventually becomes famous for looking for ways to make policy unilaterally. Did that show up at all on immigration?

Spellings: No, not on that issue because it is so Byzantine, and there are so many bright-line requirements of the law. What do you do with a country limit and these various silos of visas? We didn't really have any maneuvering room to do that. The other thing that ended up happening, and this is long after I left the White House and was at the Department of Education,

this need to secure the borders, even though the plan we laid out in '03 certainly was comprehensive, it had border security, not that damn fence but it had a border security thing and the regularization dimensions also.

Then the political life was, "We've got to get that border secured before you can even talk about it," and [Michael] Chertoff ended up with that fence. I think that was an appropriations deal. I don't know that that was enacted into the statute, but they funded the thing.

Nelson: You did quite a bit through executive action on faith-based.

Spellings: Yes. Mostly.

Nelson: Did that come out of your office, those ideas?

Spellings: Yes. DiIulio leaves and Jim Towey, who was a fabulous guy and continues to be a good friend and you ought to have him on your list, but he was a great lawyer. He had been Mother Teresa's lawyer, which always tickled Bush. Mother Teresa needs a lawyer? Yes, she did.

Jones: What have we come to?

Riley: The defamation suit from Christopher Hitchens, for one thing.

Spellings: Wonderful guy. He had worked for Jeb in Florida and all that. Basically, he did the whole thing administratively. It was a nonstarter on the Hill.

Kuzmich: We tried though.

Spellings: We tried and tried.

Nelson: I'm curious as to when you started getting a real feel that OK, if we bump into resistance on Capitol Hill, there are probably things we can do, and that becomes your thinking earlier in the process than at the outset.

Spellings: Just generally?

Nelson: Across the board.

Spellings: That's true. We tried to reauthorize No Child Left Behind before we left. It is up every six years. The first year we could, '07, we couldn't get there. That became clear. Rather than wait—and I'm sure glad I did—we started a process that led us to a major rule making that went final in the fall of '08. It had all the dressing up of a negotiated rule-making even though *per se* it wasn't a negotiated rule-making. I went to 20-some states in four months doing these town hall meetings about how we're going to tweak and improve No Child Left Behind while we could. A lot of those things set the table and are there today, the growth idea.

Nelson: At least on stem cell, another pre-9/11 issue, that I think from the beginning was going to be handled through the President's own authority.

Spellings: Yes.

Nelson: Were you involved in that?

Spellings: Yes.

Nelson: How did it come to be an issue, and how did you go about addressing it, culminating in the President's August decision and speech?

Spellings: It was raised by the scientific community and through HHS [Department of Health and Human Services]. There was never any discussion that it was going to be anything but a Presidential initiative. This was an interesting process. Bush brought all these scientists together, interviewed them. He had appointed a commission that looked at it. But he himself did a lot of homework. He talked to ethicists and faith leaders and scientists. He talked to all sorts of people, and they decided a Presidential address was in order. He found this middle way to have his cake and eat it too on the issue, to use the existing lines to allow research to go forward but no more than that. To get buy-in from a lot of people externally—the faith community and the conservative community—that that was a reasoned approach. Not all of them liked that.

It wasn't enough for the arch, arch conservatives, and it was way too much for the—You get the idea. We never thought about doing that in any other way.

Nelson: Why does it become such a prominent Presidential-level decision? It wasn't an issue that had come up in the campaign.

Spellings: No.

Nelson: It wasn't an issue that you *had* to deal with.

Spellings: I'm not really remembering. Grant funds were being expended. I think it was just that the science had come to that level of maturity that you had to do something about it. I'll tell you what precipitated it, at least from our political world. JDRF, the Juvenile Diabetes Research Foundation, this was their number-one deal and they made it huge. They captured the issue.

Riley: Why then does that have an impact on the White House?

Spellings: They publicly created a thing we had to deal with.

Jones: There certainly was a lot of discussion and a lot of anticipation as to what the President would do, what he would say in his speech.

Spellings: Yes, Leon Kass, we wanted him—

Jones: Was there much reaction to the speech?

Spellings: Yes. I think it was pretty amazing that a President would give a Presidential address from the Oval Office in August on an issue like this. But it was one that was really personal for

him too. It says a lot about him, that he thought it rose to that level of treatment by him. The medium is the message kind of thing.

Riley: One of the briefing book pieces indicated that you are pro-choice?

Spellings: I was then.

Riley: Then, OK. Were you consulted by the President on your own perceptions about this issue, and do you recall conversations?

Spellings: The thing about this issue that's different from every other one is that this was a very personal process for him.

Nelson: Yes.

Spellings: Unlike every other thing where there were lower-level staff discussions to frame out the issues, pros and cons, that led up to a principals level. There are memos. There are recommendations. Everything grinds through the process, and there are standard protocols. That was absolutely not true on stem cell research. He inventoried himself, with guidance, as to whom to talk to. He was a fact finder in his own right. He didn't want any intermediaries. He gathered data in one-off ways from all of us and consulted a lot with the legal team about it. He almost had his own policy process.

Riley: Can you recall any other instances when he's done this?

Spellings: I cannot.

Riley: Interesting.

Spellings: No, it was a complete one-off in that way. Interesting that it developed like that.

Riley: I'm not foreclosing any other discussions, but where were you on 9/11? Tell us what it was like the day or two afterward.

Spellings: I was with Mrs. Bush on the Hill because she, as I'm sure you know, is not drawn to being a major public figure. Certainly wasn't then. This is less than a year into the Presidency. She was going to testify on reading, which was her love and passion and part of No Child Left Behind and early childhood issues. She was a teacher, educator, librarian. So Kennedy and Gregg were going to have a special hearing to allow her to come talk about reading things. She was very nervous about that. She wanted me to be with her.

Sandy was dispatched—I would normally have been with the President on a trip like that. The First Lady wanted a little moral support and policy expertise or whatever, so I went with her.

Riley: You knew her well?

Spellings: Yes. I'd worked for him for some time.

Riley: Of course, but it doesn't necessarily mean that you would have had a close relationship with the spouse.

Spellings: I'm much closer to Laura Bush now than I was then. I think she was generally—Gosh, as any person in their right mind would be. Do you want to go up and testify on the Hill? Especially after the whole Hillary [Clinton] thing? She was careful about that. She wanted to say her thing and be supportive and add value to the debate. I remember we were trying to kick start it back up and have something interesting to rally people around. But she didn't want to go there by herself. I had a relationship with these people, and we had worked around all of this stuff, knew something about policy.

Jones: I would want you there.

Riley: I was thinking I can't imagine anybody I'd rather have on my arm.

Spellings: I go over to the East Wing and I'm waiting for her there, and by the time she came down the first thing had happened but not the second thing. So we get in the car and on the way over to the Capitol the second thing happened, and we get over there and we're whisked into Kennedy's office. She has written about this. He had painted her a picture of yellow daffodils. Kennedy was something of an artist, so he presented her this painting. The whole morning was completely surreal.

Judd Gregg comes over, and it is just the three of them in there in shock. I'm out with the staff. We go into the hearing room to call it off. You should see the pictures. I looked at them not long ago. Anita McBride, her chief of staff, everyone was stunned. Laura Bush is about to cry. The whole thing was amazing, just to see the worry and angst on her face. But they called the hearing off, and the press asked her what parents should know and do. She said to keep children away from the TV, and off we went.

Then we load back in the car, and she and I and her press people—there were just a few of us, half a dozen people. We go off to an "undisclosed location." We get to the fifth or sixth floor of this undisclosed location in downtown Washington, D.C. This is 9/11, security issues in Washington? Why would we be worried about that? We're on the top floor of this building. I'm saying, "Maybe we shouldn't be up here." This is before the Pentagon thing. So we whisk down to the basement where we spent basically the rest of the day. She talked to her mother and her children. She finally talked to the President. We were in this large room like a file cabinet room or something. She just went off by herself in the file cabinet room. She would come out, but she did not want to be with us for hours and hours. She would come out and was plenty cordial, but clearly she was desperately worried about her husband.

Riley: Did she have a cell phone with her when she's going in? Is she making calls from that room?

Spellings: No, there was a landline in there, I guess.

Riley: OK, I understand.

Spellings: I don't know if it is secret anymore or whatever about the place. It was a government building where there were plenty of phones. It was a hard day. At some point they told us we could go back to the White House, so we did. It was like a ghost town. It was probably at this time four or five o'clock in the afternoon. By the time I show up, I've been incommunicado all day. I couldn't get into the White House. No one was there. None of our cell phones worked, what the hell? So I got in my car at five o'clock and went home because I couldn't call anyone.

Riley: Home was northern Virginia?

Spellings: Yes, and it was bizarre. It was literally a complete and total ghost town. Like a science fiction movie. So that's where I was on 9/11.

Riley: You went home that night.

Spellings: Yes.

Riley: Had you been in touch with your family?

Spellings: Yes, I had called them from the building.

Riley: Were you talking with people at work that night about whether you come in the next day?

Spellings: I finally reached Josh and I asked, "Do you want me to come back up there tonight?" Of course at this point Karen and company, they're working on the speech for the President and he said, "No, come back tomorrow at 6:30 in the morning." So I did not go back that night.

Riley: But you did go in the morning?

Spellings: Oh, yes, definitely.

Riley: And you were able to get into the White House OK?

Spellings: Yes, by then it was, I remember all the swirl of why—It was a stunning thing that the White House had no telecommunications, we didn't have security, we didn't have really much of anything to protect against. My staff was running, of course I needed to go check in with them. They ran from the building and across the street and all of that. I had to get them calmed down, not that I was calm myself. In fact, several lower-level staff people said, "We're not ever coming back," with this experience.

Nelson: Did you have a TV in that basement room? Did you know what was going on?

Spellings: They eventually brought a television into our little basement room.

Nelson: When the Pentagon was hit, did that heighten the situation where you are?

Spellings: Yes, clearly.

Nelson: What was different? Did they put you in a different room or were you just more anxious in the same room?

Spellings: No, no, we were on the sixth floor looking out the window and then they put us down in the basement.

Nelson: After the Pentagon was hit.

Spellings: Yes.

Riley: The next day, do you recall having meetings? Was there a senior staff meeting that day to figure out what to do next?

Spellings: The next day was pretty chaotic. Andy is starting—it was an organizational day, like "Now what do we do?" Everything is off, and now what are we each going to tackle? We in Domestic Policy ended up with the airline security, TSA [Transportation Security Administration] stuff, all the airline interface issues. Planes had been grounded. We got all that together, all the D.C. stuff, the planning commission, everything related to the Pentagon rebuild and all of that. What else did we get? New York, the damages, the creation of the special district around the Trade Center. Reuben Jeffery [III] ran that. So we had various things we were responsible for in addition to trying to figure out what would eventually put back together the rest of our business.

Riley: Was the question of the other business dealt with explicitly on the first day or was it just assumed that—

Spellings: It was assumed that it was off. Several weeks later we started to think about *When we pick up the pieces, what will that look like?* But I spent a hell of a lot of time with CEOs of airlines. Of course you remember the whole anthrax thing after that. The health people were dealing with anthrax.

Jones: When was your first meeting with the President afterward?

Spellings: We had a Cabinet meeting that Friday. I think 9/11 was a Tuesday and the Cabinet meeting was Friday. This is one of my favorite stories about him. I told you I was commuting back and forth in the spring of the year, and then of course my kids moved up during the summer. They had just started school in Virginia after Labor Day, and this was 9/11 or 9/15 or whatever. I saw him at the Cabinet meeting and he said, "How are your girls? How is your family?" which I thought was really—with all he had to worry about that he was worried about my kids starting school. I don't know how any of us really made it through any of that. You're just in shock, but I guess you just put one foot in front of the other.

Riley: Did you have a reading on him? This is a man you had known for a long time. What was your sense about how he was absorbing all the weight of this?

Spellings: He was very composed and had a kind of steely resolve. I think by this time anger was starting to build. You're flattened and then just like, "We're not going to take this lying down." That kind of emotion was starting to emerge. Just resolve by then.

Riley: Are there other members of the staff who play a particularly important role right now reinforcing that with him? Andy Card doesn't seem to me to be—

Spellings: Karen.

Riley: OK, Karen.

Spellings: Karen was an important cog in all of that because it was so much about conveying a sense of—people look to their President—Karen and Mike Gerson. What you say, how you say it, when you say it. They were really good. In fact, to go back to what we were doing, the First Lady was going to go on *Oprah* [Winfrey] and talk about what people ought to be doing about their families, and Dr. Phil [McGraw]. I'll always remember we were sitting on the phone talking to Dr. Phil, so it was completely like, "What domestic policy agenda?"

Riley: We can continue with this narrative, but I do want to ask in this context, you've mentioned the Vice President's role a couple of times before. Can you characterize what is happening with the Vice President as you're seeing him at this point? Is there any perceptible change in his relationship with the President or his role within the White House as a result of what has just happened? This is a guy who had a lot of Washington experience.

Spellings: Not that I saw because, except for seeing the President at the Cabinet meeting and having our assignments—I was used to seeing the President every day or two and then after that I didn't see him probably for two or three weeks in any kind of policy-type setting. So how the Cheney relationship was happening or changing in that period of time I do not know.

Nelson: At some point it would have occurred to you and others that there is this new spirit of (a) unity in Washington, and (b) desire to show that the government still works.

Spellings: Yes.

Nelson: At what point did you start thinking, *This has created a new environment for No Child Left Behind that we ought to take advantage of*?

Spellings: I would say probably three to four weeks later.

Nelson: That long.

Spellings: Three weeks.

Nelson: The good feeling hadn't worn off yet on Capitol Hill?

Spellings: No. I went to the Hill the day of the speech, the 9/11 speech.

Nelson: September 20.

Spellings: The September 20 speech. That was a completely unifying moment and an amazing speech. A week or two after that, there was, "What can *we* do?"

Nelson: In the Domestic Council?

Spellings: No, in the Congress. It was how can we move forward from this, and a need to be responsive to them. We at the White House had plenty to do to deal with all the incoming stuff.

The only way you could run it was through an executive. To deal with the airline industry and start to stand up TSA.

Jones: Did you have anything to do with the Patriot Act?

Spellings: The Patriot Act was in the domestic policy bucket technically, but again it was an area of policy that affected a lot of things. It ended up getting managed more out of the general counsel's office, and I was pleased to give it to them.

Riley: Because?

Spellings: I didn't know very much about—Diana Schacht was my Justice Department lawyer, brilliant attorney, and she was party to all these discussions, but because it was new territory.

Riley: Do you recall any exposure before 9/11 to these homeland security issues?

Spellings: No.

Riley: Or antiterrorism?

Spellings: No. We're trying to get more immigrants in the country, remember? [*laughter*]

Rhodes: You talk a little about how there is a sense that there is this moment of bipartisanship again and national unity, following the 9/11 attacks. Were there discussions at the time or in the ensuing weeks about what is going to happen when that ends? Or was there a sense that this unity might not endure, and there could be some kind of reversion back to a more partisan status quo? What are we going to do then? There are all these difficult issues to get through both domestically and in terms of foreign policy.

Nelson: It was like a second honeymoon period.

Spellings: Yes, it kind of was.

Nelson: You know the honeymoon period is going to end, did you know that about—?

Spellings: I don't think so.

Kuzmich: We were close enough that it didn't seem so far away.

Spellings: Yes, it didn't seem so far away. But then you start to head into an election cycle, and the glow begins to wear off.

Kuzmich: And the holidays were coming.

Spellings: Yes, sure.

Riley: I wonder if you could address in this context the business of actually standing back up No Child Left Behind, getting the big four together and the point at which you decide, "OK, now we're going to take it and we're going to run with it."

Spellings: I need to really reconstruct this. I'm 99 percent sure that Bush called Kennedy and Boehner, he didn't have a meeting with them or anything, but he called them on the phone and said, "Let's get this done." So that mattered to them. Given all that was going on, that was enough to kick start it. Of course there was all this, I don't know what the right word is. On the day of, he's in a school talking about No Child Left Behind.

Riley: That wasn't generally considered to be one of his finer moments though, unfairly, I think, because of what happened.

Spellings: No, but for people in the know about education, the fact that he was legitimately making an effort—

Riley: Sure, got you. Let's take a break now.

[BREAK]

Riley: We haven't done a complete blow-by-blow of the enactment of No Child Left Behind, but there may very well be some important pieces of the puzzle we haven't gotten to. What are the important pieces we didn't cover? Particularly if there are people involved whose roles are understated or if there are inflection points or decision points that are crucial, whether they're recorded elsewhere or not, it would be helpful for people to know it through this interview.

And then, just any general reflections in addition to what we've already talked about with respect to what happened in getting that extremely important piece of legislation teed up and ultimately enacted. And I would say this from the very beginning of the administration straight through to the signing ceremony.

Spellings: What I do think sometimes gets minimized is that while it is true that Paige was not highly involved in—The policy ideas were vague. It was getting negotiated. We had a lot of Hill involvement. We talked about it. But his role was as someone who was going around evangelizing in very credible ways. Way more than some white girl from suburbia could about what was at stake and what was at issue with No Child Left Behind and building a team in a new, large agency that was going to have this Herculean task of getting all this stuff up and running. And in a place that was in significant disarray.

The place hadn't had a clean audit in a dozen years. It was a mess, especially on the student financial aid side. Bill Hansen, talk about a character whose involvement is understated, was very important. Paige's first deputy. Paige was very much an outside guy on the sales part of it, and Bill ran the show and he's still kicking around.

The other thing I think is true generically across the government, it doesn't have anything to do with No Child Left Behind, but Clay Johnson and the M part of OMB. Bush is the MBA [master of business administration degree] President trying to figure out how to better manage agencies and all of that and create the protocols and then figure out how they were going to be applied

internally to each department. All of that stuff gets minimized, but it's important about how you run the government and how you are a good steward of taxpayer dollars.

Policywise, I think the whole role of NAEP [National Assessment of Educational Progress], the National Education Report Card as a check on the system and as an important public policy in its own right is very much minimized. All these people running around talking about national standards and how states have dumbed down and all this jazz couldn't be asserting that without the fact that we now have a system where every state is required to participate in this National Education Report Card. When we showed up, it was about half the states, and at any given time and sample it was a different cohort. It was a moving target of random data, but that's no longer the case. Also the reauthorization of the Institute for Education Sciences, which followed the reauthorization of No Child Left Behind.

As far as people, Laura Bush was an important—and becomes more so over time—an important public figure in the implementation and the selling of and the settling down of people in the field and on the Hill.

Riley: What does she bring to the picture that others did not? Often you will use the First Lady to reinforce the President's own commitment to something.

Spellings: Credibility as an educator. And just a very intelligent policy person with an interest in this area in her own right. She had the at-risk-youth stuff, what was that called?

Kuzmich: Helping America's Youth.

Spellings: Helping America's Youth. And she grew from 9/11, where she was afraid to go to the Hill by herself, to become a major advocate for women's rights around the world, a major advocate for better practices on behalf of at-risk kids, especially boys. She became an important policy figure in her own right as time went on.

The civil rights organizations were important. The civil rights and the business community. The business community in the initial enactment—we created this ABE thing and brought them in, but they were not very prominent nationally and became more so over time, at our urging.

The civil rights groups. Kati Haycock, Amy Wilkins, and Bill Taylor, in particular, were important, unheralded players.

Rhodes: I don't think we talked about this in detail but since it's such an important part of the law, would you be willing to talk about the fight over the AYP [adequate yearly progress] formula and the way AYP was ultimately enshrined in legislation? Can you talk about where the administration was, where you met resistance? I know there had been some journalistic reports that Sandy Kress backed off some formulations of AYP in response to criticism. And then he got criticism from the civil rights groups curious to hear—

Spellings: Do you want to talk about that, Holly?

Kuzmich: Well, I have a hard time honestly. We talked a little bit in the car about this.

Spellings: I have a hard time remembering it all.

Kuzmich: This was when Jeffords was still chairman. At some point we had some formulation of AYP, I don't even remember what it looked like, and Jeffords's chief of staff came to the meeting and all of a sudden did all of this homework. It basically modeled the formula we had, and it said there were too many—"Kids aren't going to make it and we're going to identify an overwhelming number of schools." It created a big shift, I remember, and that was his point. He came with this dramatic presentation, and everyone said, "Oh, we don't have it right."

That must have been in March or April before he switched parties because it was when he was still chairman.

Spellings: And when I hear that story, my God, we moved fast. Crap, we just got there January 20, and we're running models on AYP. And the Obama administration thinks they're going to have a reauthorization *this year*.

Kuzmich: The thing we did too, and I don't quite remember how we did this, we passed it out of committee in the Senate on March 8. When we came to the floor we had a whole replacement for the bill.

Spellings: A substitute. That was a substitute.

Kuzmich: Literally, we just switched it out. So between committee markup—and this is not normal practice—and coming to the floor, we rewrote it. But there was a general understanding that we were all doing that, and that was OK and we're going to keep going.

Spellings: Which, again, was sort of shocking.

Kuzmich: Doesn't happen very often.

Spellings: No.

Nelson: The Jeffords defection story is usually told as a blow to the Bush Presidency.

Spellings: But it ended up being the best thing that ever happened to No Child Left Behind, *no doubt about it.*

Riley: Why is that?

Spellings: Because Ted Kennedy believed in the stuff more than Jim Jeffords did by a country mile.

Kuzmich: And Judd Gregg then was a better advocate for the Republican Party than Jeffords was.

Spellings: Times 10. It was a winner all the way around.

Kuzmich: It didn't seem so in the short term.

Spellings: Well, clearly, not everyone at the White House felt that way.

Riley: Do you have any recollections about reactions to this?

Spellings: Theoretically all the brouhaha was over the Teacher of the Year. We used to laugh about the Teacher of the Year because that was the most snakebit event in the history of the world. The first year, we lost the majority over the doggone Teacher of the Year because we—and this was a Nick Calio deal. We were sort of punishing Jeffords for some reason and decided he wouldn't be invited to the Teacher of the Year event. So he had a big snit.

Cheney was sent up to go get him back on the reservation and keep him from leaving the party, and he literally promised him everything including full funding of IDEA [Individuals with Disabilities Education Act]. And we were like, "WHAT?! He's not worth it!" And that didn't work anyway.

And the second year, one of the Teacher of the Year finalists had had identity theft. The Friday before the Tuesday event, the Secret Service called and said, "This Teacher of the Year has committed every crime in the book. You can't have this person next to the President." So I called the head of the Teacher of the Year thing and said, "What in the hell?" And long story short, we found out it was a person whose identity had been stolen.

Nelson: I wanted to ask you about something other than No Child Left Behind.

Riley: Let's see if we can close this off.

Spellings: Let's do it. I'm sick of it. [*laughter*]

Riley: All right. There are two questions that I had written down—

Spellings: We didn't talk about higher ed at all. We can do that tomorrow.

Riley: OK. Were there other Governors who were important for you in this?

Spellings: During the implementation?

Riley: No, I mean during the sales job. Was Governor Bush an active participant in the Republican Governors Association or National Governors Association [NGA]?

Spellings: He was very popular, very well liked by them. I remember having a conversation with John Engler about—I guess this was before he went to NAM [National Association of Manufacturers]—about the role of the Governor. He wanted No Child Left Behind to have the Governor as the focal point and not the state board of education or the state agency or whatever.

Kuzmich: He had an amendment with this.

Spellings: Yes, we had an amendment with this, and he was on the warpath about it, and I think we lost.

Kuzmich: We lost.

Spellings: Yes, we lost. We did advance it. And who else? They weren't causing any trouble.

Kuzmich: Not individually. The NGA was pretty active.

Riley: But not on your side?

Kuzmich: They were on our side.

Spellings: They were on our side. They just had issues they wanted resolved. It was more legitimate questions and technical stuff.

Kuzmich: They were pretty good though.

Spellings: Yes. They were all right.

Kuzmich: They were more helpful than they were—

Spellings: They certainly were not in opposition.

Riley: Then the other question was about missteps. Were there any memorable places where you misjudged or missteps, or were there missed opportunities where maybe you could have gotten something that you didn't hang tough enough on?

Spellings: I don't know. Just because of the ration of crap we ended up taking over the choice thing, we probably should have pretended longer that it was going to pass. But that's about the only regret I would say.

Kuzmich: We should have cared more about the teacher stuff. In hindsight, but it was not well drafted.

Spellings: Like I said, we had our eye on the ball. What do we have to have? We had to have a requirement for accountability for every state that included blah, blah, blah, and when we got that it was all icing on the cake. It was all management of little stuff.

Rhodes: I heard and I actually read a quote from Sandy Kress that there had been interest in trying to hold states accountable for student achievement rights. And No Child Left Behind operates on schools and districts.

Kuzmich: A state AYP.

Rhodes: There was that idea of a state AYP and that you could impose funding penalties or other kinds of penalties on states. That ended up not getting into the bill. Was that a concern?

Spellings: No. That was probably a Sandy idea that just died a natural death. Seriously, we always used to tease him about the sort of wacky stuff, but no, that never had any traction.

Riley: All right.

Spellings: The other thing we probably wished we paid more attention to all these ancillary things that, my God, we're having a Supreme Court Justice get highlighted or ensnared around a feature of No Child Left Behind on the military recruiting.

Riley: We're not forbidden to come back to this, but if you're tired of it, Mike's got other questions and lots more ahead.

Nelson: Part of your portfolio was AIDS, and I know the most visible AIDS-related program that came out of the Bush Presidency was AIDS in Africa. Did it start out that way?

Spellings: In the initial days it was whether to keep or not keep—We had the AIDS Office and the Women's Office, and we knew we wanted to create the Faith-Based Office. After 9/11 we created the Freedom Corps Office, the volunteer thing also. This was long before we knew George Bush was going to leave one of the biggest legacies in AIDS ever.

But the office stuff and whether or not we were going to have an AIDS director and should they be—and we ended up with someone who was openly gay and all of that, Scott Evertz, who worked for me also. We ended up closing the Women's Office and keeping the AIDS Office. We also had issues around what ought to be Cabinet-level positions, and Joe Allbaugh wanted FEMA [Federal Emergency Management Agency] to be a Cabinet-level thing. We included it as part of the Cabinet, but it is not per se a Cabinet agency. We included the drug czar as a Cabinet department, but it's not really. All of those negotiations of who's in and who's out. That's part of the policy council discussion.

But on AIDS it was just workaday stuff in the early days. When we decided we were going to make a major push around a State of the Union initiative that was the PEPFAR [President's Emergency Plan for AIDS Relief] process, that was a major deal that began probably the summer before. Tony Fauci was highly involved in deciding the thing. Mark Dybul, who ran the AIDS Office for a long time, was a major part of the design of it, but I will say AIDS, No Child Left Behind, and immigration. When you see Bush described in a narrative he was an arch conservative, hard-line partisan with the exception of this, that, and the other thing. Those are always the exemplars of—

Nelson: How did AIDS become something the President picked up and ran with?

Spellings: He talks about this, I think, in his book and speeches. The whole "to whom much is given, much is expected" type thing. He had made a trip, and he had come to understand the breadth and the implications of the pandemic. Particularly in the 12 countries we initially captured, of course, and it's been extended to include others now. I think he just thought this was something that the great, big, prosperous United States of America had a moral responsibility to do something about.

This was not something that germinated with him. If that policy has an instigator within the White House, it was probably Josh Bolten. A lot of us worked on it, and it was super top secret. I can't believe we were able to keep it super top secret. People were stunned when it was announced as part of the State of the Union and recognized its order of magnitude. People could not *believe* George Bush would be taking on something like this, and it stayed the course and was another area where we had to bring Republicans on.

Nelson: This was the ’03 State of the Union, right? So most of the focus was on, “Are we going to war? Who’s going to win?” And then this ends up in the State of the Union.

You also said earlier that there were some jurisdictional things that needed to be decided involving your shop and NEC, but this sounds like it might be the second issue you’ve talked about where NSC staff might have a powerful stake. Immigration was one, and was that the case with PEPFAR?

Spellings: Yes, and we worked so that our little internal working team was Jendayi Frazer, who ended up becoming an ambassador, and Tony Fauci—this is where interagency process was important. Tony Fauci and Mark Dybul—this is a deputy-type thing at the time. Joe O’Neil, also openly gay, the second AIDS Director who worked for me. It was a combination of White House and agency people. I’m sure there were OMB people involved as it moved through the process. Kristen Silverberg, then the Deputy Chief of Staff’s office was highly involved.

Nelson: Did you organize this group? And did this group generate the big proposal that Bush ended up introducing?

Spellings: Yes.

Nelson: Yes to both?

Spellings: Yes. Did I organize it? Josh Bolten and I and others laid hands on it. It was a Chief of Staff–level group because it was such a big deal in terms of cost and equities around the White House.

Nelson: This also raises a question about the State of the Union address because we’ve heard different people talk about it, not just in the Bush administration but generally as the kind of clarifying exercise that once a year the departments and agencies get to submit their ideas, some of them get included in this speech, and then for the rest of the year at least the administration knows, “Here is what we’re about to shoot at.” Whether they’re in the White House or not.

Did you look on the State of the Union address process as having that sort of agenda-setting focus?

Spellings: Definitely. Talk about somebody who, not that he was unheralded, but is an important player even on our stuff is Mike Gerson. Mike Gerson is another person who was very critical to the AIDS initiative. Not because he was a great scientist and knew how to develop an initiative, but as someone who saw the need for and could convey the importance of something like that. And Bush always looked to him for visionary policy, out there stuff. Your former colleague.

Nelson: That could be the kind of thing that would drive somebody in your job crazy though. A speechwriter is out there by himself putting ideas into the Presidential mind.

Spellings: It would if you didn’t—but it didn’t, he was always on our side.

Kuzmich: He loved education.

Spellings: He loved education. And he was an ally. So that's why it didn't bother me that much. [*laughter*]

Nelson: Where are you in the White House now? Because I just caught something that made me think you are—

Kuzmich: Mike used to work for Senator Coats.

Nelson: Oh, I see.

Kuzmich: He and I were on the Hill together long ago. But I was in Domestic Policy doing education.

Riley: And you started in '02?

Kuzmich: I started in '02.

Riley: And what did you find when you came there? As a close observer it would be interesting to know, does it look on the inside like you thought it would look?

Kuzmich: I didn't know what it was going to look like. And you normally had two people on every policy issue. Sandy Kress had left after the bill passed, and then Sarah Youssef left about three weeks before I got there. We were knee deep in the implementation of No Child Left Behind, so we were starting the entire regulations process, which was diving into the deep end.

Riley: Right, which is the next phase of the story, about enactment. But why don't you two take us through then on implementation? Do you have a lot of time to celebrate and put on the funny hats and horrible clothes?

Spellings: No. Although we did do some of that. Kennedy had a big party and everyone came up. The dogs were there. It was a big deal.

Riley: Sunny and Splash?

Kuzmich: Yes.

Spellings: So we did have a little celebration.

Kuzmich: From my perspective, I didn't necessarily think about what I was getting into because on the Hill we were all sort of like, "Great, we're done." And that's when it all falls on the agency and the White House to regulate and get it going.

Spellings: And truthfully, I, and probably we, didn't pay as much attention as we might have to a good many of the details. We were certainly involved in a lot of them, but there were a lot of things that went through the meat grinder, and now we get accused of being—When I say no, I was not sitting there managing the Reading First grants out of the White House, I was trying to be the Domestic Policy Advisor, and maybe I should have, but there was a lot of stuff.

Kuzmich: There was, and that first big pressure was spring of ’03, and we needed to get all of our states approved with accountability plans. All of a sudden we felt the pressure of the clock ticking in that we had to get all 50 states doing annual assessments by ’05, and we had to get accountability plans in place, and we had to get the regs in place to guide all that.

Spellings: And we were late, and part of our angst with the states was that they were continually unhappy with not knowing what the rules of the road were going to be.

Riley: Those are being generated by the department?

Spellings: By the department.

Riley: OK. And your job is to ride herd on the department.

Kuzmich: Ride herd. Watch the details, they all go through OMB, so manage the to-ing and fro-ing between OMB and the department and weigh in on things that were important and make sure the process was moving.

Riley: Margaret, how much of your daily time is invested—?

Spellings: Not very much. Only when a fire broke out or Paige called me. Holly, and David Dunn subsequently, spent a lot of time doing that. Nobody was paying much attention at the White House except for us. Little did we know how critical all this would be—and this is going to be true with health care and prescription drugs and everything else, but I had moved on from a lot of it at the time.

We got a good bit right, but we got a lot wrong. The teacher stuff was a mess. We were in contention with the states from the very beginning. They didn’t really want to do any of it anyway. They didn’t like being accountable. So Paige ended up being the poster child for everything they loved to hate about it. And the Hill took it out on him. That would have happened to anybody.

Rhodes: I just wanted to ask what role you played in managing the blowback, so that at some point in ’02 or ’03 Utah is talking about not taking any NEC money to get away from—I think Virginia passes a resolution in ’03 and says that this is—Was the response mostly handled at the departmental level, was it White House staff, was it both?

Kuzmich: Yes, both.

Spellings: Both.

Rhodes: They were Republican states, especially Utah.

Spellings: Both. I have to say, God bless Karl Rove. Barry Jackson was a little more of a reluctant suitor for sure, but Bush and Karl stood strong on it. It actually helped us in the press world that we were willing to stare down our own brethren about closing the achievement gap for Hispanic kids. That’s a pretty good place to be.

Kuzmich: That's when we'd get the Bill Taylors of the world.

Spellings: They knew we were for real. And we proved we were serious. And in the aftermath we made good on the money, so we had some goodwill working for us with the Democrats.

Riley: Is any more of this bleeding over elsewhere in the White House? Are you hearing from anybody else that you have to get the ship in order or you have to control this because it has the potential to damage the President?

Spellings: I do remember some hot phone calls from Paula Nowakowski and Boehner—we needed to attend to it. There was definitely some unhappiness around implementation by the election cycle.

Kuzmich: Partly the natural course of things, though, because that's when it became real in the states and then it was like, "This is what this is?"

Spellings: "We're not for it after all."

Kuzmich: And people on the Hill said, "This is what this is?" and it became real.

Rhodes: Did they think you weren't going to enforce it? Because the prior experience was the Clinton administration—

Kuzmich: Give a waiver.

Rhodes: Yes.

Spellings: Yes, and this is the thing about Paige that was really—he was tough on stuff with our support. His inclination was to be tough, and of course, we supported him and we knew we had to start—It's like teaching a class. You don't start out giving them goodies, giving them a walk the first day, you let out the leash little by little.

I had the easier job to be conciliatory after he had been a—

Kuzmich: Boehner cared a lot about not giving any waivers, and we said, "We're not going to give you waivers. The Clinton administration gave too many waivers and they let everyone off the hook, so we're not going to do it." And as time goes by and states start saying, "We need more time," they would call their Senator, and it became harder to manage.

Spellings: Definitely.

Riley: And how does it find its way to you? Is the Hill calling you directly? Or are they going through Legislative Affairs?

Kuzmich: A little bit, yes, the committees.

Spellings: Both.

Kuzmich: Any way they can get in the door.

Riley: Is this taking any of the President's time or is this at a level—?

Spellings: No.

Riley: You're able to keep it controlled enough that it doesn't come to him.

Spellings: Definitely.

Riley: Are there further education events scheduled as a continuing sign of his devotion to this enterprise, or have you now put a bow around this topic?

Spellings: No, he punched the ticket in somewhat regular ways, but that got increasingly more difficult over time. He always did the requisite back-to-school thing and No Child Left Behind anniversary thing, which was in January, and the Teacher of the Year thing in the spring. At least once a quarter, if not more often, there was some sort of education event and the First Lady more than that. So we got plenty of attention.

Kuzmich: And then a lot during the campaign. In '04.

Spellings: Yes, a lot during the campaign.

Riley: Sure.

Kuzmich: We revisited it a little bit.

Riley: And was there follow-up policy in education that was the next natural step? Are you dealing with higher ed or something like that?

Spellings: I was, but this is—I'm still mad about it actually.

Riley: Well, I'm glad I asked. [*laughter*]

Spellings: So *forever*, all throughout—in the last two years of the time in the White House, I really wanted the President to engage in higher education. That's where we spend lots more money than we do in K through 12. Lord, you talk about achievement gap, global competitiveness, blah, blah, blah. I wanted him to be the first guy out on that. Nobody had talked about it for decades literally, but Cheney hated it. He was like, "Finest system in the world. We don't need to do anything. We don't need to talk about anything." I tried every way possible to—end runs for years. Finally I got over to the Department of Education and created this higher education—

Nelson: What did you want to do?

Riley: You can be honest.

Spellings: Really look at the financing because we had this conglomeration of programs, Stafford and Perkins and Pell. It was just a mess, and there was no coherence to the financing system.

Nelson: You mean for student tuition and so on, for scholarships.

Spellings: Right. More accountability and transparency, fixing the accreditation system or doing some things that would cause that to be more coherent, more results oriented. And then worry about the high school stuff, dealing with the access piece. Now, we're talking about this stuff in '05. It's easy for us to sit here in 2010 and say, "Oh, that sounds like a good idea because—" I kept calling it the next big thing in domestic policy, but I could not get any interest in the White House, so we did it ourselves. I had a really good higher ed commission, a lot of notables, academics, Governors on the thing and did a really important report that is now getting—It's an idea whose time has come in a lot of ways.

And the Obama administration, God bless them, have embraced a good bit of it, but I do regret that Bush wasn't, being the Education President, as vigorous and muscular as he had been on K-12. He wasn't opposed to me doing it, but it would have had a lot more heft if he had—

Nelson: Had he shown any signs when he was Governor of Texas that he cared nearly as much about higher ed as he did about K through 12?

Spellings: He did not care as much about higher ed in Texas because he always thought those guys could fend for themselves, and they did. They had lobbyists crawling all over the Capitol and influential governing boards, and he had appointments to those boards and worked on them and our higher ed coordinating board and all that. But he just didn't think it was something he needed to engage in, and he thought they were a bunch of elites running around trying to out-elite each other, and what he wanted to work on was the achievement gap stuff.

Nelson: So you thought you could move him into an area—?

Spellings: Exactly.

Nelson: By the force of your own—?

Spellings: Right. But for other forces I could have. [*laughter*]

Riley: You have on several occasions mentioned the Vice President's name, and I'd like to get you to be more systematic in talking about his role in the domestic policy area across the board. Because in some of what we hear, there seems to be a division in his attention, that he's from Day One principally interested in foreign policy and that's where his imprint is. Yet we're hearing from you that, no, in fact he had his hands in your area with some—

Spellings: He really didn't, his staff did. I used to say that the best thing that ever happened to No Child Left Behind was that Dick Cheney didn't care that much about it. He himself did not. His staff was from a different orthodoxy. They were more in the "demolish the Department of Education" crowd. Actually, Nina was perfectly fine and dandy, and she ended up coming to work for the department so that was no problem. But thereafter, their own personal agendas were not for us. But the Vice wasn't really paying attention because he didn't care that much about this stuff.

Riley: But how big a staff did he have of people who would have wanted to have their fingers in your pie?

Spellings: He had a domestic staff of probably half a dozen people, one of whom was a nuisance to us in Education. We always ended up outvoting him, but just a pain in the neck and that was true in terms of the White House and after the fact.

Riley: You've mentioned David Addington's name on at least two occasions—

Spellings: Because he was over focused on every document that ever came through any kind of clearance process, he would often weigh in at the eleventh hour with something to be parsed or questioned. And it wasn't things that were unmanageable or that ultimately didn't get cured or healed, it was just a pain. Just their whole orientation was different from what we were trying to do, and you just had to say, "We don't care what you think, you got outvoted."

Riley: Did any of them ever rise to the level of Presidential concern or attention?

Spellings: The higher ed thing, I think people just laughed at me about it. Bush was like, "There she goes again," or Cheney would always say, "We've got the finest system in the world. We don't need to be talking about higher education."

Nelson: Is this first term? Second term?

Spellings: Both. I was trying to get it as a White House initiative in the first term, but then in the second term—

Nelson: Because Lynne Cheney was such a prominent critic of left-wing trends in higher ed when she was—

Spellings: Right. Her actual lack of involvement in the entire time is really interesting. When I first got there I thought, *Oh, my gosh, I'm going to have to really figure out how to*—and she had been involved in the development of the policy stuff in the first place. She could not have been more hands off. She did her thing. We had a very cordial relationship. No problem whatsoever. It was odd.

Nelson: Sounds like it was a pleasant surprise.

Spellings: It was a pleasant surprise. Seriously. And she was great. I remember we were out at an AEI [American Enterprise Institute for Public Policy Research] event or something, and she and I were on a panel together and she was staring down that odious Charles Murray, you know Charles Murray?

Riley: Yes.

Spellings: And he's talking about "No Child Left Behind is a farce because everyone knows not all children can read" and all this, and my hair's on fire and she's coming to my defense.

Rhodes: You talk about higher education but I know that, at least from your speeches and writings, another area it seemed that you wanted to really press was to push No Child Left Behind into the high school level.

Spellings: Yes. We definitely did.

Rhodes: It's primarily a K–8 program.

Spellings: Absolutely.

Rhodes: And I'm just wondering if you could talk about where that idea came from, how it played out, and why its politics were any different from the earlier grades?

Spellings: The President believes that what gets measured gets done. Any improvement that gets done in education has been where we've measured, grades 3 through 8. And high schools—

Rhodes: High schools—

Spellings: Forget about it. We felt what's good for the goose is good for the gander with the understanding that it was going to be more complicated. Different set of issues but certainly not beyond the realm of possibility and plenty of states, including Texas, had done it. We beat our heads against the wall trying to get it done, and the Republicans wouldn't go there. Even though they had basically bought into—Boehner wouldn't go there.

Kuzmich: It was partly the timing. That's when they were a little leery about what NCLB actually meant.

Spellings: Yes, they figured it out.

Kuzmich: They knew testing had come in, and they saw it was more testing, and they said, "Not right now."

Spellings: Yes.

Kuzmich: And it was partly a tricky money issue because anything you do—Title I funding just doesn't go to high schools, so anything we did would have required more money and that was hard for the party to tackle.

Spellings: But it's hard to talk about improvements in high school and more accountability for high school without assessment, for God's sake.

Rhodes: NCLB has the, that's the one—

Spellings: One time of the state's choice. So you've got some 10th-grade assessment, 11th, exit, you know nothing.

Riley: Holly, how often did you have to call in the heavy artillery when you were dealing with your implementation questions? I'm trying to get a general sense about how White Houses work. Were you a Deputy Assistant to the President?

Kuzmich: I was lower than that. I was Associate Director.

Riley: Associate Director of?

Kuzmich: Domestic Policy.

Riley: Is it possible for somebody at your level to be the enforcer because you can use White House letterhead and so forth, or is there an expectation that you can speak for the White House and therefore you've got leverage in that capacity?

Kuzmich: The other person who worked with us, David Dunn, we did everything together and he was from Texas and I worked on the Hill. We complemented each other in the sense that I knew the Hill, and he was more senior than I was and just more seasoned. So when we would go to the Hill, we pretty much always went together with our Legislative Affairs shop.

Riley: OK.

Kuzmich: We could tackle a lot that way.

Spellings: Definitely.

Kuzmich: But there were often things that rose up to you—

Spellings: Yes.

Kuzmich: But you were able to settle a lot of fires.

Spellings: Yes.

Kuzmich: Because she had established a relationship—

Riley: Exactly.

Spellings: We did not go to the President with very much.

Kuzmich: No.

Spellings: I'll tell you what. I haven't worked for any other President. I worked for other Governors and stuff, but George Bush is the easiest person in the world to work for because you know exactly what he stands for and what he wants and where he's going. He has a core philosophy and a yardstick by which you—It's very easy to make a call on his behalf.

Riley: And he wants to delegate?

Spellings: He wants to delegate and he will delegate.

Kuzmich: And he trusted you, so—

Spellings: He trusted me and so as far as I know—

Kuzmich: We just sort of went.

Spellings: It never came back to haunt me. At least he never said so.

Riley: Well, that's the flip side of the coin I wanted to ask you about because one of the criticisms in other areas, not in your own area, was a President who preferred to delegate but perhaps was less willing to discipline when the tasks that were delegated didn't work out the way he wanted. Did you see this? Do you have any comments about that? In the foreign-policy area it becomes important much later on.

Spellings: Right. Which is not to say we didn't make plenty of mistakes and have issues. I will say one thing that was important, on things that either cost a lot of money or mattered a lot, not these one-off "how do you deal with Utah" or whatever. That's something Karl and I could figure out. We haven't talked about higher ed and some of the student loan so-called scandals but I wasn't making a multi-hundred-million-dollar decision by myself. Getting additional buy-in around the White House and having the final call, but having the support of the OMB, Chief of Staff office, NEC, whatever, so you had a little cover if and when the President was on the phone with you.

Riley: OK. What about Karl's role in all this? There are some accounts out there that say Karl was basically the chief domestic policy person.

Spellings: And the chief of everything else.

Riley: How true is that?

Spellings: Karl is an important character in the White House in every area, but there is too much stuff for that to be legitimate. Can you imagine? You think Karl Rove was involved in every regulatory, every policy thing in Transportation, Labor, Education, Justice, Veterans Affairs, the AIDS Office—?

Riley: All I know is what I read.

Spellings: It's just not realistic. It's not humanly possible. Did he have definite views on key things? Mike Gerson had that kind of standing too in a lot of ways, but he wasn't *running* the policy process.

Nelson: Question for Holly, following up on what you were talking about before, which was that you and David Dunn would go to the Hill. Let's say a problem arose in getting cooperation from the Education Department, what would you do then? Was your authority greater? Was it easier to just handle things with a phone call? Was there resistance of a different kind?

Kuzmich: We had a ton of interaction with the department. I think we got along with them well even when we disagreed with them, which made things easier. Luckily David and Margaret and I were a team, and they knew if we said it she was going to say the exact same thing, so there was no divide-and-conquer strategy with them. We worked with them a lot. It was not insignificant. We were still overseeing a lot of details from the White House.

Nelson: How involved was Paige?

Spellings: It was mainly Gene Hickok, who was the Under Secretary/Deputy, who oversaw the K-12 portfolio. So we did a lot of work with him and his team. Gene didn't have a D.C./Congressional background, so there was a lot of that reality that we helped bring to the department. Gene is supposedly writing a book. It was a role he wore well, but he ended up being kind of the tough guy. Paige and Hickok were the bad cops on the beat, and then they ended up being not very well liked in the field accordingly.

Kuzmich: We ran a lot of interference, I think.

Rhodes: There is a layer of appointees who would have been on the same page, but then there's this mass of career folks, so for X-odd number of years, perhaps decades, they've been doing compensatory education stuff. Accounting for grants. Did you have challenges at getting them to stay on your reservation? Was that wholly within the department or did you have—?

Kuzmich: We had more contact with the political appointees than we ever did with the crew. That was their thing. They managed their own career employees, and most of our interaction was with the politicals. Just in the sense of day-to-day contact and the budget and developing policy proposals and overseeing regulations and all of that. So that wasn't as much something we had to pay attention to.

Nelson: It sounds like the Presidential appointees over there really thought of themselves more as representing the President to their department than representing the career staff to you. Is that right?

Spellings: I would say so. If you had to make the choice.

Kuzmich: Yes.

Nelson: I could imagine somebody in Gene Hickok's job or even the Secretary's job coming back and saying, "Well, it's complicated," or "We're working on that," or other things where, "We need more time," where it's not "no" that they're saying, but you're not getting them to the point where you wanted to be by a certain date.

Spellings: Gene would do that from time to time. I remember on several occasions he would come over and make an appeal, and we had decided same subject, same subgroup, we talked about that.

Riley: Let me ask the flip side of the question. You're the President's chief Domestic Policy Advisor, you've got a number of other departments that you're the principal pipeline to. Was everybody as cooperative as Paige, and were there particular departments that were, for whatever reason, especially problematic for you?

Spellings: No, there weren't. The first answer to the question. I wouldn't say particularly problematic, just a different style of working together and establishing a relationship with them.

Tommy Thompson was a very skilled politician and knew how to get in the door other ways and a good operator, smart, able to get Hill support. You'd have to either figure out how to get Tommy Thompson in here and get him into some disciplined process or deal with all the free-wheeling that he would do. That's the down of it. The good of it is, great thinker, super creative, very effective. We were talking about this the other night. Kathleen Sebelius, where the hell is she? They've just passed this giant thing. And Thompson and [Michael O.] Leavitt both had much higher profiles on things, especially Thompson. He was down on the floor in the Senate. He got chided for it actually, working on prescription drugs and that kind of thing. So just managing the various personalities and such.

Riley: Sure. Who else did you have?

Spellings: Of course, by this time we had created the Homeland Security Council so that went from my bailiwick elsewhere. The book on [Thomas] Ridge was that he didn't know what was going on beneath him. He was a manager who, the idiots were running the asylum or whatever. That's a totally politically incorrect way to say it but whatever. He wasn't a very good manager.

[Anthony] Principi was fine. Veterans Affairs was a workaday deal to keep rolling.

Kuzmich: [Norman] Mineta.

Spellings: Mineta was great. He had a very strong deputy in Michael Jackson. We had a lot of dealings with them post 9/11 and Amtrak and every other transportation-related thing, highway funding clearly.

Riley: He's not suspect because he's a—?

Spellings: Not at all. He and the President were very fond of each other, and Michael Jackson had been one of Bill Bennett's deputies and was a bona fide, certified, card-carrying, highly pedigreed Republican.

Riley: Was he put there to keep an eye on him?

Spellings: No. Norm and Michael were very good friends. It certainly didn't hurt any. It helped in the giant scheme of things in a lot of ways, not the least of which was competency around the subject area. Gale Norton and the whole environmental realm ended up getting attached to CEQ [Commission on Environmental Quality], and the Vice President was highly involved in that. Those issues, frankly I didn't want to know about them and I didn't care about them. I didn't like them. And John Bridgeland managed and Jimmy Connaughton, of course, you know. So Bridge and I ended up dividing and conquering on stuff. The environmental stuff I ended up less involved with.

Ag was over in NEC. What else did we have?

Kuzmich: Labor.

Nelson: Oh, really?

Spellings: Labor. We had Chao, and Chao was there the whole eight years. And we had important stuff with them. Steven Law. She had a good team.

Riley: What kind of important stuff did you have with them?

Spellings: What was the thing I thought I'd never forget, the name or the number of the reg that—antiunion stuff basically. Not antiunion but cleaning up the prounion stuff that had—oh, crap, I can't remember the name of the stupid thing.

Riley: It's not the ergonomics?

Spellings: No, that was part of it. Ergonomics, we did that. No, the major thing was—I'm just brain dead. I'll tell you tomorrow. I've been sitting here for, you know, seven hours or whatever it is. But she could be a little bit of a challenge.

Riley: Elaine?

Spellings: Elaine, yes.

Riley: She's well connected, too.

Spellings: She's well connected and would forum shop, definitely. But once you get a process in place and stuff, they follow the rules. It's a collegial and congenial deal.

Riley: Did you see any of that?

Kuzmich: I mostly only saw Paige because the rest of our office had all the other portfolios, and we were small so it was automatic you'd hear about it.

Riley: All right. I'm just going to keep plowing ahead here, and we'll quit before five because you're getting tired and I don't want to wear you out because we've got a couple more hours tomorrow morning. I printed out a list of what's styled as Major Domestic Policy Initiatives during the Presidency. Let me go down this and see if anything pops. Any recollection you want to delve into.

Was there anything more about the tax packages from the first year or '03? Did you have a significant piece of that or was that all NEC?

Spellings: All NEC.

Riley: OK. Stem cell you said everything you want to say about that.

Spellings: We talked about that.

Riley: The Patriot Act.

Spellings: That was general counsel. We had a representative to that, but they drove it.

Riley: All right. In 2002, Job Creation and Worker Assistance Act.

Spellings: That was an OMB-driven money thing. We were party to the conversation, but it was not a major Presidential thing, it was a financial thing.

Riley: All right. What about Sarbanes-Oxley?

Spellings: That was an NEC thing.

Riley: OK. Homeland Security we talked about elsewhere.

Spellings: We talked about it.

Riley: Getting into '03, the next tax act we've already talked about that.

Spellings: Right.

Riley: Partial-birth abortion?

Spellings: That was ours.

Riley: All right. Why don't we talk a little bit about that?

Spellings: Internal to the White House that was a no-brainer process. Bush, as you know, has very definite personal ideas about this stuff. It wasn't complicated or hard to get through a policy process. It largely became a Congressional issue, of course, and then a judicial issue. So the heavy lifting was not on the policy side.

Nelson: Congress already passed that when Bill Clinton was President.

Spellings: Right.

Nelson: So it was there on the shelf. But you said earlier, "I was then," when Russell asked you if you were pro-choice, I guess meaning 2001, which suggests you changed your mind at some point.

Spellings: I went back to the Catholic Church, and it was part of my own faith journey and that sort of thing.

Nelson: So by the time this bill is—?

Spellings: Don't get me started on this topic. I just hate the way people get framed as either pro-choice or pro-life, and there is nothing in between. Parental notification and all of these sorts of issues, if you're pro-life then—you get what I'm saying. That it's just this black-and-white deal, and I don't think it's at all that way for most people truthfully.

Riley: Medicare health savings accounts?

Spellings: That was ours. Again, those were campaign proposals that didn't need a lot of cooking. We had developed them pretty thoroughly. Had a lot of support on our side of the aisle on the Hill, so that was no fuss, no muss.

Riley: You're working with Ted Kennedy on that again?

Spellings: I didn't personally. No.

Nelson: Before we get to '03, the 2002 midterm elections occur and against the usual historical record, the ranks of the Republicans grow. Republicans once again have the Senate. Did you notice any change in the political environment you were working in, on the issues you were working on in the Congress, that came out of that midterm election?

Spellings: They were hardening and getting more difficult to work with.

Nelson: Really.

Spellings: As the time passed, yes. It's sort of the honeymoon, the Republicans' "We're going to follow you anywhere" kind of thing. That began to wane.

Nelson: So you liked it better when they were—

Spellings: I liked it better when they were in love with us and didn't question what we were doing because they didn't understand it. [*laughter*]

Nelson: But that gain for the party in '02 owed a lot to the fund-raising and the campaign.

Spellings: Oh, yes. Absolutely.

Nelson: It would be pretty hard for a Republican who had been newly elected that year to say, "Well, the President—"

Spellings: No, no. Needless to say, we had the opportunity to remind them of that many, many times. Or Karl did. But they're not always grateful. And Obama is seeing that now. He's going to be the chief fund-raiser, but they also don't want to see him in public.

Riley: Sure. Are you particularly attentive to the midterm elections, or do you have too much work to do and leave that to somebody else?

Spellings: Karl is in high gear at this point, and No Child Left Behind in education is used as a major accomplishment, a major victory, a way to get things done, bipartisanship and so on. It certainly had its value politically.

Riley: And in '02, of course, following September 11, foreign policy is—

Spellings: Dominant.

Riley: How are you feeling about that? Are you feeling that you are in a backwater at this point?

Spellings: I wouldn't say backwater, but it was definitely hard to get energy from the President or attention from the President on this sort of a deal. And rightfully so. It wasn't like we were pouting about it; it just was the way of the world.

Riley: And other than the Homeland Security piece we've already talked about, is that in any way having an effect on the contents of your agenda?

Spellings: I think we were less ambitious about the kinds of things we were trying to do or expected to do.

Riley: OK. Here's a thought experiment in history. September 11 doesn't happen. What are the kinds of things getting teed up on the domestic agenda that you would have expected to become Presidential issues at that point that you might have followed on to—?

Spellings: We would have gotten immigration done immediately in the aftermath, with basically much of the same cast of characters in Education.

Riley: I see.

Rhodes: I have a question about health savings accounts because there is a narrative among some political scientists, particularly political scientists who would be liberals, that this was kind of a Karl Rove thing. That this was part of trying to create a permanent majority by shifting Medicare from a big public sector program to—

Spellings: Private sector.

Rhodes: That would be very reliant on the private sector. Were you having those discussions? Or was that just something that political science imposed on—?

Spellings: It's kind of like the Austin and the Houston mafia—

Rhodes: Yes.

Spellings: Health savings accounts, Bush didn't invent that. For goodness' sake.

Kuzmich: That was around for a long time.

Spellings: Yes. In fact, it was one of the things, and we try to do this as much as possible, where you can give owners—be for their stuff as much as you want them being for your stuff. It was their idea. We were for it.

Riley: Anything else on that? Margaret, how much attention are you giving to foreign-policy questions in your day-to-day life? Are you having hallway conversations with Condi Rice or others about what's going on? In the senior staff meetings, are you privy to debates?

Spellings: It permeates the White House. But all you are is a person with an opinion, you're not privy to the information necessary to make decisions. I do remember the "shock and awe" day. Everybody in the White House is gathered around the television, and we're all like, "Holy cow, this is it." There was an awareness of what was at stake and what was going on but not like, "Well, I don't think that's so—"

Riley: No, I understand but it's more a question—

Spellings: Some people do weigh in on stuff they have no business in but—

Nelson: I can imagine you thinking in those circumstances, *OK, we're at war. What can we do as a domestic staff that would be consistent with this war effort?*

Spellings: And we did think in that way. We talked about things for military families and the Freedom Corps stuff that was around initiatives. So, yes, definitely, the whole T-ball and the Easter egg roll where you are having things exclusively for military families as opposed to an open event. It pervades your consciousness.

Riley: But it's not clear from the outside whether you were even having hallway conversations about this, so that's why we're trying to get—

Spellings: You definitely are, but you're not weighing in. You're staying in your own lane.

Riley: OK. Did you take lunch in your office or down in the White House Mess?

Spellings: A little of both but mostly in my office. We were just busy. With other colleagues. You'd have a working lunch with other people.

Riley: Sure. And where are you getting your news from there? Are you getting press summaries that are circulated by the press corps? Are you reading the *Washington Times* every morning? Are you reading the *Post*?

Kuzmich: Never.

Spellings: Never. I was going to say the White House news bulletin. I have not really ever read the *Washington Times*, now or then.

Kuzmich: But the White House news bulletin was everything.

Spellings: Yes. Exactly.

Riley: And you would read it?

Spellings: In hard copy. Yes. Which is kind of amazing to think back now. In hard copy and every day on your desk—

Riley: And that was your principal source of news. Did you watch television?

Spellings: Sure. I didn't have it on all day like a lot of people did.

Riley: And you were also a press presence—

Spellings: Sure.

Riley: You liked doing press work?

Spellings: The only time any of us did press was at the request of the press shop. We were all very disciplined about that and didn't want to. I think a lot of people, maybe in other Presidential administrations, were trying to make a name or get in the newspaper. I was afraid of them for the most part. Not afraid of our press shop. I didn't want to have something attributed to me in the newspaper that the President or somebody would be reading about.

That was kind of a badge of, not disloyalty, but that was just something that wasn't done unless you were invited to comment. Nobody wanted to see your big old name in the paper.

Riley: Did Bob Woodward ever coming knocking on your door?

Spellings: You'd have all sorts of people nosing around like that. Who's that idiot? Dana Milbank. But here's the thing about that. After they try twice and get nothing out of you, they stop trying. But we're notorious for that. We're all really disciplined about it.

Riley: Your Milbank comment—

Spellings: And it wasn't a hardship as far as I was concerned.

Riley: Exactly.

Rhodes: Is that something that was made clear from the Presidential or from Chief of Staff level?

Spellings: Chief of Staff.

Rhodes: OK. This wasn't something the President was finding people who were doing that.

Spellings: But even down the ranks and stuff, it just wasn't done.

Kuzmich: No, and it wasn't ever explicitly said, it was just—

Riley: You just understood.

Kuzmich: Yes. It was the culture.

Riley: Was there a time ever in the first term that you thought, *I have to go back to Texas now*?

Spellings: I was always going to come for 12 or 18 months, and then one thing led to another and—Actually, at the end of the first term I thought, *I'm not going to stay another four years in that job*. So I didn't.

Riley: But you did. [*laughter*] Is there anything else out of '03?

Nelson: Did you ask about prescription drugs?

Riley: No, I did not.

Spellings: That was a big deal, needless to say.

Nelson: Yes, that was huge in ’03.

Spellings: NEC had the lead on it. We were certainly party to it, or my staff was. Big damn deal, major. The Republicans were not too damn happy about it. Bush was *super* committed to this.

People get these ideas that somehow the President was a reluctant suitor on all this stuff and got talked unwittingly into being for No Child Left Behind, for prescription drug benefit. Wrong. Wrong. Wrong. He was fully, fully committed.

Nelson: He made a lot of that on the campaign.

Spellings: Yes.

Nelson: The 2000 campaign, prescription drugs.

Spellings: Yes. And frankly, I think it’s one of the best-implemented things ever in the history of the government. Except after the first bobble in the early days of the implementation, it’s just gone flawlessly. It works. People love it. They pick their provider. They did a damn good job over there. McClellan and—

Riley: Of carrying it out.

Spellings: Of carrying it out. It costs a lot of money.

Riley: I’m aware of that. I was shocked because I pulled this page out of one of the books. It just goes to show you how flawed the scholarship is on the Bush Presidency. It doesn’t show up there, which is unbelievable, probably just a typo in the graphics. But, in any event, how does this get teed up? At what point does the process start churning to get this in a prepared state so that it can be enacted?

Spellings: This was not in my bailiwick, all the entitlement stuff, all the Social Security Commission and reform, and anything on the entitlement, big-government side, that was all over at NEC.

Riley: OK, NEC.

Spellings: But it was an outgrowth. I think the way the prescription drug got teed up was that it was clear we weren’t going to have comprehensive reform on a lot of other fronts, Social Security, Medicare, Medicaid, whatever. So we needed to do this. It was a good start.

Riley: OK. My surmise is that by ’03, you’re starting seriously to look toward reelection in ’04.

Spellings: Definitely.

Riley: Can you tell us a little about how the election presents itself? Rove has been already invoked as somebody who has been very busy. Does he become even more central at this point? And are you contemplating how to get things teed up in a way that they can be positives for you going into an election year?

Spellings: I'm sure this is going to be true in every White House, but you want to make sure you do damage control, keep bad news at bay, and try to maximize good news and/or actions. So we had a lot of that. We had a process we went through leading up to the convention, which was basically a compilation of everything we had accomplished. What Bush wanted to convey was that he came to town and said, "I'm going to do these things," and he did them in large measure.

It was a lot of proving up the Bush record and what had gotten done and what hadn't gotten done, and then trying to figure out the way forward with some new stuff without going crazy, either financially or—and in our arena, in education—

Kuzmich: It was the teacher incentive. High school competitiveness, we'd started with that.

Spellings: It wasn't as robust as the 2000 agenda, really, on any front domestically.

Rhodes: Was that because of the war or because you didn't have any ESEA opposition to piggyback on?

Spellings: Because of the war and because of resource issues as much as anything. We needed to keep all oars in the water.

Kuzmich: We didn't even have annual assessment at that time—it was '04.

Spellings: Yes.

Kuzmich: The annual assessment—

Spellings: Hadn't even come online. So we had plenty of stuff.

Kuzmich: Yes.

Spellings: What I remember vividly was feeling like, "OK, keep it quiet." No news is good news. It's out of the agencies, just get through.

Riley: So you're proactively engaging with people in the agencies to see if there are any trouble spots out there.

Spellings: The thing I remember the most about that phase was the whole flu stuff. The flu outbreak, which was raging into the fall, and our colleague Alan Gilbert—We literally wrote a memo *every single day* to Harriet Miers and the President about *the flu*. Because we didn't have enough vaccine.

Riley: Of course.

Spellings: We had no vaccine and the flu supplier chains—

Nelson: You don't have enough chickens.

Spellings: We didn't have chickens. One of the plants had gotten corrupted and they didn't—It was a nightmare.

Riley: Right, so you're—

Spellings: That was small ball. It wasn't like we were trying to envision new policy ideas. We were trying to keep the flu at bay.

Riley: Why don't we give you a break?

[BREAK]

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Riley: I have one piece of business we missed yesterday that I wanted to ask you about and that is Karen Hughes left.

Spellings: Yes.

Riley: You've talked about how important she was in a number of dimensions, and I wonder if you could talk about her departure and what it meant for you personally, if anything, because she was the other mother we talked about but also the extent to which she was missed and how the gap was filled in.

Spellings: For me personally she was and remains a good friend. She's not the only other mother in the White House, there's Dina Powell, who sat next to me at senior staff and did White House personnel, and there were a few others. But Harriet Miers and Condi were single women, and they didn't have the same kinds of challenges in trying to manage kids and all that, so I missed Karen. I think a number of us had been around the President for a long time, and we played off each other in this way. You can tell the President stuff he doesn't want to hear. She was particularly good at doing that. Sometimes he wasn't happy about it, but he always listened. She played a very important role in that.

When she left, I think the vacuum that was created actually was filled by Karl. In any organization there are personalities and dynamics. We had a very collegial, not tense, not stressful place to work by any stretch of the imagination, but there's a lot of intense stuff going on in the White House by the nature of the beast. So Karl became more important, and there were probably tensions between him and Andy, subsequently him and Josh, and the internal male politics. I need not explain to you all that there was too much testosterone.

All kidding aside, I think women have an important leavening power in an organization. They can say, "You don't know what the hell you're talking about." Karen and I and Mrs. Bush and others played that role.

Nelson: It's really interesting to me that Bush had more women in nonperipheral, nonsymbolic White House jobs, specifically you and Karen Hughes and Condoleezza Rice.

Spellings: Laura Bush used to say in her speeches, "Condi Rice is in charge of all national security policy, and Margaret Spellings is in charge of all domestic policy, and that seems about right to me." That was a standard line in her speech.

Nelson: Can you elaborate on that? Why this conservative Texas Republican would have a greater ease with having women close to him in senior positions than any previous President.

Spellings: Not to be too psycho-babble-y, but obviously his mother is an extremely strong personality and his sister. I think he was used to having that kind of relationship with women. I don't know that it is more complicated than that. We worked with him for a very long time, had a level of comfort with him and just an ease with him as to personality. Karen and I, Condi—we're women who are at ease with men in a professional way. I have a salty demeanor and Bush liked that. He acted differently around—traveling on Air Force One, especially in the campaign days, they would play cards. I shouldn't be telling you. Blake Gottesman was the farting champion of the universe. There was all this frat-house type stuff that went on that didn't go on when Karen and I or Condi were around. When women showed up, they were on their better behavior. Nothing completely unsavory but just juvenile behavior.

Riley: You included Mrs. Bush in the group. There's a conventional picture on the outside that she styled her role in a very different fashion. To be basically the First Lady in the Residence and then she had the reading program and that was it.

Spellings: It may have started out that way. Of course her children were younger and getting off to college and all of that. Laura's mother was elderly and moving across country. So I think in the early days it might have started out like that, but over the course of the eight years she became—I think a pivot point for her was when she did the radio address on women's rights in Afghanistan, sometime in the first term. I think she started to see the power of her influence and voice and that she had an important asset she could use for a greater good. She became involved in UNESCO and teacher training institutes all over the country, Africa. She also traveled a lot with her girls, and I think she saw that as a way to have an amazing family experience with her children *and* have something very useful to say on public policy.

She is extremely intelligent. She is a very bright, good thinker, good policy thinker in her own right.

Riley: Did she have good political instincts?

Spellings: Really good political instincts, protective of the President. More skeptical—that's not really the right word—more skeptical about people probably than he is in some ways. Probably a better gut check on people and things and situations, really good antenna.

Riley: Do you recall any circumstances where specifically she might have been helpful to him? You said she helped look out for him.

Spellings: We used to love it when she would travel with him because she would call him out on stuff. He was better behaved overall when she was around. Not that he was ill behaved. I'm not implying that.

Riley: We understand.

Spellings: She had a good influence on him. He was always in a better mood. He was more fun to be around. He was less distracted. They had and have a good relationship. It was more enjoyable to be around a trip environment when she was along.

Jones: He became more of a couple in a sense?

Spellings: Yes. He was less intense or something. He's a fidgety, agitated, wants-to-be-entertained kind of guy. She would attend to him. He'd bug us. We have a lot of stuff to get done ourselves.

Riley: More questions? It's fascinating because our colleague Richard Neustadt who has passed away used to write about the importance to Ronald Reagan of Nancy [Reagan].

Spellings: Yes, absolutely.

Riley: He talked about the "Nancy function" as something that was integrally important to understanding Reagan and how there's no guarantee that that function is going to be served in any successive White House because you can't define in advance what the character—

Spellings: The X factor.

Riley: But you're suggesting that in fact Laura did serve that function in a way that maybe we don't fully understand.

Spellings: And from a policy point of view as the second term went on—When I was in the department I had a harder time getting the President's attention on education just because of the things that were going on. It wasn't really him as much as it was the staff. I never could get any real estate on the Presidential calendar. It wasn't a raging issue. We didn't have particular—everything was marching forward. We were at war and so on.

So the First Lady was available to me to use in a way that really suggested the President, the White House, the highest levels. We used her a lot. I don't mean *used* her, she was glad to do it and it was mutually beneficial. I had the luxury of being able to tap into her in that way, which the head of EPA [Environmental Protection Agency] would not have been able to do.

Riley: Chuck, you had a couple of questions.

Jones: I'll follow up on yours. Neustadt also said that the importance was primarily because of the certainty of the relationship. There was no ambition typically, and sometimes there is with a First Lady.

Spellings: Yes.

Jones: It is someone you can absolutely depend on.

Spellings: Absolutely.

Jones: That leads me to a question about Cheney because Neustadt pointed out with the Vice President typically there is the ambition to be where the President is.

Spellings: Yes.

Jones: With Cheney there was not that. If he had the ambition it was certainly deep down. Going back to Russell's question yesterday about the chemistry between the President and others, where he felt comfortable, was that chemistry there between the President and Cheney?

Spellings: Between them personally, I'm not sure I would call it chemistry exactly. Bush did rely on Cheney and his wisdom and his experience. Bush is a trusting person. Maybe too much so in that case. There was a distinct culture between the Vice President's shop and the way they thought about things and the way the Bush team did. This gets more pronounced as time goes on. I remember a meeting we had right after the election in the second term, maybe right before—there was a lot of discussion about personnel changes. It was the Bush crowd. The Cheney people weren't part of that circle. They had a very different style of operating.

I never really trusted how they were maneuvering things. They would end run around in policy processes. They were less aboveboard in the way they operated. It was to my great benefit that they cared less about a lot of the domestic stuff and it was, "Who cares what goes on at the Department of Education?" Philosophically his team in particular didn't buy into the kinds of things we were doing. They had more important fish to fry in national security, in the energy realm. There were domestic policy areas they did care about but not housing, not veterans affairs particularly.

Jones: That's really interesting because what it says is regardless of the ambition of the Vice President personally, the staff may be operating if not a competitive system, at least one that is potentially not in mesh with the President's.

Spellings: Yes, it was kind of these one-off. You'll be able to tell as you go through this exercise just about the collegiality of the Bush team. Even though there was sparring, things came out in the wash and we were pretty aboveboard with each other. I'd get mad at Karl; he'd get mad at me. It was like a family. Then there was this sort of, "What's going on over there?" They'd call up agencies and departments and ask for information, extrajurisdictional, and there was always, in my view, a suspicion about what was their game over there? What were they doing and why? You have to ask Clay Johnson about this too because he was quite suspicious about that sort of thing.

Cheney is an interesting player in the sense that he was always—in a policy sense, you'd have these transparent processes, committees, lower-level staff, fact finding, what are the issues, blah-blah-blah, up to principals. You know how this works. And then time before the President, Cheney and his people were ciphers. They never said anything. It was always, "What the hell? Where are they going to show up next?" It was like a "Where's Waldo?" kind of thing.

Jones: That's fascinating.

Riley: Was there ever an occasion you can recall, Margaret, when this issue rose to the attention of the President and where he had to intervene and say, "Cut it out"?

Spellings: To be fair to the Vice, I think a lot of this stuff was his staff unbridled. I think often I felt the Vice President didn't care enough to be weighing in at this level. He wasn't personally, I don't think, killing any kind of discussion about higher education in America and the importance of it and so on. But his staff was *crazy* about it, they were just *nutty*. So there was never really a forum to raise things like this to the Vice President except through his staff.

Jones: Sure.

Spellings: Unlike the President, where you could raise *everything* to the President. But there was this kind of shadow deal going on over there that was a nuisance.

Nelson: You hear about Cheney in meetings with the President and others that he would not speak during those meetings, but he'd offer his advice afterward. It sounds like that was the way his staff operated at staff meetings, that they wouldn't speak at the meetings—

Spellings: Yes.

Nelson: But that didn't mean they weren't going off and doing something on the basis of their evaluation of what had happened.

Spellings: And their primary strategy, to answer your question, Russell, was the stall-out. Bush would say—I don't remember even what the issue was, but I remember being frustrated because we could—until you get the thing through the process it isn't ready to use up Presidential time on. There were a million monkey wrenches. I can't even remember what the issue was but it was like, "How come we can't get—" I'm like, "We're still grinding through the process." "I'm the decider." That kind of thing. You could never get it to the Presidential level because of all the monkey wrenches.

Jones: That's really fascinating because it almost sounds as though, if the Vice President's ambition to be President was clear, then you could understand what was going on. They're trying to style it or fashion it in the direction of the future when the President is no longer there, can no longer run. That at least would be understandable, and you could contribute to that or not. But in this regard it becomes a puzzle.

Spellings: I call Cheney an old-style Republican. He was the elder statesman of old-style Republicanism and was sought after by that crowd of old-style Republicans. People talk about how his philosophy evolved and the old Dick Cheney who was in the Congress was a different Dick Cheney than the Vice President. I can't speak to that; I didn't know him then. But he ended up being the forum for that point of view.

Bush, and a lot of people around him, were not hard over like that. Condi, me, Karen. Karl was sort of in the middle. I'm talking about philosophy and conservatism and orthodoxy. I think Cheney thought he was protecting the President, if I can think about motivation, from all these

wacky, inexperienced, too moderate folks. This plays out a lot in the foreign-policy realm with Condi, she'll talk to you about it or maybe she won't. Maybe I shouldn't be saying it either, but it's probably going to get all redacted, so don't get too excited.

Anyway, I think he thought he was doing the President a service in keeping things on the pathway.

Jones: That's very helpful.

Riley: Did you notice any change in their relationship over the eight years? Admittedly you're in a different position.

Spellings: Definitely, yes. This has been written about to the conclusion of the whole deal on [I. Lewis] Scooter Libby and his pardon. I don't think there's all that communication now. Even at the Bush Institute functions and all the things going forward now, there are no Cheney people at the table. It was funny to me, and this was true when we all went home on Air Force One, which I should tell you about. Bush left with who he came with. All the people he picked up along the way went back to wherever they came from, I guess. It's really interesting.

Jones: It's fascinating. May I switch subjects here?

Riley: Of course.

Jones: Can you explain, from your perspective, how it was that the press came to have more than just a negative reaction, in some cases just out-and-out—and academics too—almost an animus. In this very room a, how shall I put it, a well-known historian said to me in one of the breaks, "I *loathe* George Bush." I had to take out my hanky and wipe the froth off his mouth.

Spellings: Yes.

Jones: And yet at some point I expect him to write something about him.

Spellings: Why did he evoke that sort of reaction from so many people?

Jones: That's my question. And how did it affect you? You had quite good press relations in my impression.

Spellings: And I have been to plenty of cocktail parties and heard plenty of eminent and preeminent people say that sort of thing. But they also say, "Except for immigration, education, and AIDS." If people give Bush any credit, there is always a little postscript about those things. They are always the exemplars of bipartisanship contrasted with the war. I don't say this as I'm bragging or whatever.

Riley: Sure.

Spellings: To the extent that there is anything that was more consensus oriented, I had the great luxury of working on the things that were in that sweet spot of stuff. That's part of why I didn't

get snared. And, I have to say, making friends with Ted Kennedy early on ended up being very helpful.

Why do people vilify him so much? That is just a great question. He doesn't come across very well on television and there are the malapropisms and all that. I think people see him as not very smart and very shoot-from-the-hip cavalier, not very cerebral, hot-headed and reckless, and that scares people. He and Barack Obama are the exact opposite characters in one sense. Bush is emotional, hot-headed, and now we have Mr. Cool.

Rhodes: That's an interesting observation because you characterized it in a significant sense in terms of style, in presentation as opposed to policy and substance.

Spellings: Right.

Rhodes: People can have substantive policy disagreements you can argue about, taxes and the war in Iraq. You are suggesting it has to do with the presentation or the style itself.

Spellings: I think absolutely. When you think about the war and a lot of domestic policy, there are plenty of huge differences between Bush and Obama, but there are a lot of things in common too. The way he has handled the military. Keeping Bob Gates, education stuff. They beat the shit out of No Child Left Behind as a brand, but then is anybody calling out for abolishment of annual assessments? Are you kidding me? They now want to tie teacher pay to it. We had a pilot program. NEA [National Education Association] says, "This is the most antiunion President we've ever had," which offends me. [*laughter*]

Rhodes: They'll just rename it.

Spellings: Of course they'll rename it, big deal. That's the oldest political trick in the book, for God's sake. Anyway, you're right. It's strange.

Riley: Did he evoke this kind of negative reaction among communities in Texas?

Spellings: *Absolutely not*. He was *beloved*. But Texans are more like George Bush than—

Riley: Yes, but I'm using as a point of contrast Clinton, where Arkansas is filled with people who despise Bill Clinton.

Spellings: Yes.

Riley: That then becomes the base, if you will, for what happens on the national level. With Bush I raise the question because it seems to me that there evidently is no parallel, that you don't have a native community of Texans who seem to be investing their lives in undermining—

Spellings: No, and weeks after he left office, when he was probably at the lowest ebb and had been more vilified than ever, he got a standing ovation at Ranger Stadium and that's a big place. I think the general story line in Texas is our beloved George Bush, who did a great job as Governor, went up there, tried to do right. The fact that he is a faithful person has a lot of value in Texas. This core notion that he didn't let them get to him, he didn't become a Washington-

elite type—that was an asset. But also he got up there with Dick Cheney and those Washington people and they captured him, so there is a little bit of that.

Jones: Let me try a hypothesis on you. Again, talking about the media in particular. Family is very important to George Bush. His faith is very important. So to put it succinctly, if you've got your family on your side and Jesus Christ on your side, who needs the *New York Times* and the *Washington Post?*

Spellings: I don't think you're saying that in a tongue-in-cheek kind of way, and I think that's really how he felt. Of course he watched TV and read the newspaper and all that. People think he doesn't pay any attention to the news. It's not like he's unaware. But he absolutely felt like that, he was anchored by those things. This is what I was saying yesterday about how easy it was to work for him. A core orthodoxy and philosophy and a moral compass and reasons for being there. It was pretty straightforward. He didn't get out of bed every day and think, *Dear God, now what?*

I think the whole stimulus stuff and the financial stuff, the meltdown at the end, that was hard. He knew he had to do the right thing but square it with his MBA, market-based kind of philosophy. And he had a philosophy about education, about the war, about America's place in the world, about the economy and markets. It wasn't just a top-ten list of things. He was also an evolved enough person I guess is what I'm trying to say, and this book he's writing is going to talk about some of these things.

He did change his mind. He was reflective enough to say toward the end, "We've got to do something against the Republicans on the Hill on the economic stuff." We, at the department, in fact maybe I should talk about this, had all the student loan implications of that, which in the giant scheme of things is not huge, but it's $85 billion. It is not inconsequential and it's 18 million borrowers. So they keep you all in business. It's really important.

Rhodes: You mentioned Bush's faith. Obviously he was a very faithful person and his religion was important to him. Speaking about his popular perception and perception particularly in the press, the academy is a pretty liberal and often secular place, and I was just wondering if there were discussions in the administration about how his presentation of self in terms of his faith would shape particularly media portrayals and portrayals in the academy and if that might account for some of the—

Spellings: I think we saw it to the extent that that was even thought about, it was the exact opposite. It was like, "Great, we'd rather have Martha and Bob in Hoboken in love with George Bush than the *New York Times*." I think people understood, even though there was all that chatter about, "You're not a person who admits mistakes" and they call out, "Are you saying you made a mistake?" People with a faith background understood human frailty, and that was telegraphed over all of that.

Do you get to look at videos and pictures and those sorts of things? The way people would react to Bush—and this meant a ton to him, every single day, hundreds of times a day if he was out and about he'd hear, "I'm praying for you." That meant a lot to him, and it was authentic. Way

more people came up and said, "I'm praying for you" than said, "I read the *New York Times* and I agree with them about whatever." I'm not kidding.

Riley: Margaret, one of the things that is true of people of faith is that they have communities of people they rely on to help them with their earthly walk.

Spellings: Definitely.

Riley: Who did President Bush rely on to help personally sustain him through what must have been terrible times after 9/11 and then beyond?

Spellings: The First Lady definitely, Don Evans, Kirbyjon Caldwell, Billy Graham, and I'm sure there were others, but those are some of them. Andy Card, Cathy Card.

Riley: Is that right?

Spellings: When she was around.

Nelson: My impression is that he spent a lot of time with families of soldiers who had been killed and with the victims of 9/11 early in the administration. He spent a lot of time with them, was patient, listened to whatever they felt like they needed to tell him.

Spellings: Very much so. And a whole lot more of that than people realized. And going to Walter Reed, the same.

Nelson: So he was seeing some of the consequences in a very personal way.

Spellings: Definitely.

Nelson: The costs of the policies. All this to say he must have had a need at times to have people who could help him deal with it.

Spellings: Process all that.

Nelson: Process all that, that's a good way to put it.

Spellings: And this idea that he didn't fully appreciate the decisions that were being made and all of that, that's just wrong. This is another reason I love him so much. He is so dignified about how he comports himself. Ten thousand times a day, even today, Barack Obama is kicking the crap out of George Bush, and George Bush has not engaged *one time*. I think it says a whole lot about both of them.

Nelson: Contrast between the Bush as you described him being perceived as impulsive, reckless, and so on and the very orderly way in which he conducted himself and oversaw the staff in the White House. Things did run on time. There was a process—

Spellings: And discipline.

Nelson: —for people to respect. That really runs against the grain of the image of somebody who was the opposite of deliberate and formal and scheduled and so on.

Spellings: I would just call it good breeding, but Bush always knew instinctively and on a human emotional level how to connect with somebody and the right thing to do, way beyond often what staff would think of. He'd see a kid and he'd pull out a piece of paper and sign—"What's your name?" Anticipating what people would want and need and appreciate. Way from the early days when I first knew him all the way to now. He called Ted Kennedy on his birthday. He'd read something in the paper that So-and-So's daughter is getting married. Tons and tons and tons of this sort of thing.

One of my favorite stories, when he was a baby Governor, he had been probably a week in office, and Bob Johnson, the parliamentarian of the Texas Senate and the best friend of Bob Bullock, died very suddenly. There was a memorial thing at the Capitol. Bush, the new Governor who barely knew Bob Johnson, they'd met each other but were not even acquaintances. In the Senate chamber Bush was up there on the dais with Bullock, who was just bereft, and Betty King, the Secretary of the Senate, was reading this memorial resolution to Bob Johnson.

She started crying and couldn't get through the thing. I can't even tell the story without crying myself. He gets down off the dais and goes and puts his arm around her and finishes reading the thing. That's not something that a staff person says, "You know, that would be a really smart political thing to do." It's just how he reacts to people.

Jones: How did the discipline and orderliness show up in decision making? Can you give us examples of meeting with him? He's always said to be an on-time person.

Spellings: These stories became legendary. We left people. I'll never forget the time we left his press secretary. He was on a trip in the state of Texas. We were going out to Lufkin or whatever to do God knows what kind of event and Ray Sullivan, the press secretary, got ensnared with visiting with somebody and by damn we left him, just flat left him in Lufkin, Texas, and there you have it.

Riley: And there are long distances in Texas too. There's not a cab you can call.

Spellings: Of course that becomes lore. You did not want to be late for George Bush. Often you wanted to be early because he wanted to start early. He would not humiliate people, it was in good fun, but often we'd have policy meetings that would start *on time* that Bush would start early. Often it was Karl Rove who was coming in late. So here we are in the Oval Office and there's the empty chair, and Karl would come in and we'd already started. The President is sitting there and he'd say, "Glad you could join us, Mr. President" or something. He would in a very kidding way mock people who didn't respect the rules. So you figured it out. It wasn't a hardship to be on time and to work in a place that was so orderly and disciplined, and you could expect that in return from your colleagues. It was a good way to run.

Riley: Was there anybody in Washington who ran afoul of this, found themselves on the outs because they couldn't keep up with the time or they didn't display the proper discipline?

Spellings: I'm not sure it was about time, but there were people who played fast and loose with press things.

Riley: Really?

Spellings: David Frum, who was briefly a speechwriter. I think there were some suspicions about people who might be in it for their own reasons. That was my experience.

Jones: Was he a contemplative decision maker, did he make decisions in an orderly way and not postpone—?

Spellings: He did both. I would say that on the times that he was contemplating something—this is more of a gut—there were times when he knew the Vice President was not in agreement. That's just my experience. He would say, "Well, I'll think about that." Then the decision got conveyed extrajurisdictionally through the Chief of Staff or whatever. He'd sometimes, not often, send us back to the drawing board on big hairy things or when he needed more information. A lot of things are not easy calls. The reason the President has to decide stuff is because they're tough. If they were easy, you could decide them.

The policy process also functions in a way that even though there might be consensus through the process, when you get to the President and hear, "What does he care about? What is he thinking about? What matters to him? How is he reacting to So-and-So's argument?" That's where the refinement process occurs. You don't always finish the decision in that first round, especially on something complicated.

Riley: He didn't like state dinners, is that right? He didn't have many state dinners.

Spellings: He's just not one for a lot of that kind of thing.

Riley: Formal—

Spellings: He likes to socialize with people he really likes, but hanging out with people at obligatory events not so much. And God knows when you're President of the United States you do a *ton* of them. I think that's a little bit unfair. This is a person that when you're campaigning for President, he'd literally have to rest his hand from campaign events. You've heard other politicians talk about this or signing things. He'd have to take a break. Christmas party season, nightmare. Just on your feet day after day after day, grip and grin, signing stuff, shaking hands. He'd get worn out.

Riley: And his personal schedule? He liked to exercise? Needed exercise?

Spellings: Absolutely yes. I don't understand why people thought that was the mark of a lazy or whatever—The fact that we ran a tight ship and he got there at 6:30 or 7 o'clock in the morning and had a security briefing and then it was Chief of Staff time. And we'd have policy time in the morning or the afternoon and meet after an event in an orderly way, and he left the office at six o'clock with a huge briefing book for the next day. He took it home, ate dinner, and spent another two hours with it that evening before he went to bed at a reasonable hour, like at ten o'clock so he could get up. That seems like a pretty hard-working guy to me.

Riley: I don't want that schedule.

Spellings: As someone who understood that you had to get a good night's sleep and be a fit person to function at that level.

Rhodes: You mentioned he had to do a lot of events and hang out with people he didn't necessarily want to hang out with. Yet he was incredibly good at it and also very prolific. He did an amazing number of events in the 2002, 2004 campaigns.

Spellings: He liked campaigning with real people.

Rhodes: He raised a ton of money.

Spellings: He liked getting out of Washington. He liked campaigning and being around real people and having people come up and say, "I'm praying for you," and hearing about what's out in the real world. What he didn't like was Congressional barbecues and state this and that, bigger events with strangers. In fact Bush did, in lieu of state dinners, and I participated in many of them, he'd have informal, higher quality lunches and dinners, smaller dinners, around a table not much bigger than this instead of a lot of pomp and circumstance where you really don't get to talk to the person who is coming to see you anyway.

Riley: He was a reader?

Spellings: Very voracious reader. I'm sure you've read about the competition he and Karl had about how much they read.

Riley: Did you channel things to him that you thought he would like to read?

Spellings: Not particularly. The briefing books and stuff. He is absolutely a student of history, and he and Karl had that kind of relationship about telling each other what to read and using it to guide and learn from history as to how to think about contemporary events and issues.

Riley: And he preferred that kind of reading to fiction or detective novels or westerns?

Spellings: Absolutely.

Jones: Should we move on? We've got to get her into the department.

Riley: Yes, we've got to get you into the Secretary's position. So tell us how this comes about.

Spellings: I couldn't stay at the White House another four years. It's just a meat grinder. Yes, you have balance in your life, but you are on that phone all the time. Even when you're off, there's a Sunday afternoon conference call on whatever. There's a lot of mail to move. And I loved it. As you can tell, I was an expert in one subject area, but I was a traffic cop, a manager, a convener and a process broker and an honest broker and all of that. So I didn't mean to become an expert but keeping all of that going on harsh deadlines and so forth. I was glad to be free of literally being in a movie theater and thinking, *Oh, shit, you've got to leave.* Then you're out of the movie for 45 minutes and you never saw the movie. And Christmas Eve, and invariably

August was awful and the holidays. There was always something coming up. Not that you were mad about it or it was a burden, but it was limiting.

Riley: Sure.

Spellings: So I knew I was going to move up or move out or move back to Texas. I went with him to the Arizona debate, and Condi was there. I don't know what she was doing there, that was the domestic policy debate. I had gone out and been involved in the prep for all of that. Backstage in this dark hall, right before the debate, he put his arms around both of us and he said, "You girls play your cards right and you're moving up" or something like that. It was really sweet. He didn't violate any kind of promise or whatever.

Nelson: What did you take that to mean in your case?

Spellings: That if he won I might be moving into the Cabinet.

Nelson: Did you think specifically Secretary of Education?

Spellings: Sure. Paige, by this time, after he had had to take all the slings and arrows of the early, hard tough decisions on implementation, I think there was—Bush, this was true generally, the exception was going to be people staying eight years in a Cabinet job. The rule was, it's time for everybody to move around a little. That was certainly true at the White House too. That's how it came to pass. Not that it was a nonevent. I remember one day in my office after he was elected Bush said, "OK, you're doing it, right?" I said, "Doing what?" He said, "Going to Education. What do you think I'm talking about?" That kind of thing.

Riley: A disciplined process, to tap you and make sure you were ready.

Jones: It's interesting that President Bush had the lowest turnover in the first four years of any President, I believe, with the exception of maybe Woodrow Wilson in the 1900s, and the highest turnover going into the second term. So what it meant, of course, was virtually a new Cabinet.

Spellings: Of course those things are related. People who stayed four years now have to move on. I think people stayed four years because of 9/11 and the war. There was just never a good time to leave in that first four years.

Jones: But going into the second term you have a very different—

Spellings: *Very* different.

Jones: At least measured by the Cabinet, you have a very different Presidency.

Spellings: Absolutely, and a *very* different White House. Not that Josh was so different, but domestic policy damn sure was different. I think the way Bush thought about it was—and this was very overt, that he was going to send—he had his A team around him at the White House and then we were all getting deployed out to the Cabinet for two good reasons. One, to nail down the implementation of the policy stuff. He understood that Congressional action was going to wane at some point during all of that. And shift the locus of control from the White House to the

Cabinet agencies. And as a loyal friend and boss and mentor, he wanted to reward me and Al and Condi and others with the coup de grace of our careers.

Nelson: It sounds like you were thinking of this as a promotion.

Spellings: Yes.

Nelson: Even though you would be further from him.

Spellings: Yes.

Nelson: And from the seat of decision making.

Spellings: Yes.

Nelson: It also sounds like you thought of this as a job that was going to be, I won't say easier, but the hours would be more—

Spellings: Yes, I was going to be the principal.

Nelson: You were going to decide if there was going to be a phone call on Sunday afternoon.

Spellings: Exactly.

Nelson: On the other hand, you were going to be doing something on a bigger scale than you've ever done.

Spellings: Much more visibility. It was a different kind of role for me. I loved being a behind-the-scenes player and had done that my entire career.

Nelson: So there were pluses—

Spellings: There were definitely pluses and minuses. But I think you're right, being able to be a principal and run your own show and control your life. If you're staying eight years, you've got to get to a place where you can manage things.

Nelson: Was there a transition you were part of within the Domestic Policy Council? What did you do to facilitate things for your successor?

Spellings: Obviously I gave Karl Zinsmeister my two cents. We *hated* each other at the first. He was very much more conservative than I am and brought a whole new regime. All my people left. But we came to have an understanding. We got a cash choice and vouchers, and I'm like, "OK, knock yourself out." It took him a while to figure out that there was one person George Bush looked to on education, and it wasn't Karl Zinsmeister. He was kind of a nuisance in the short run. We came to have a good relationship eventually, but it was a very different deal.

Even when immigration did come up and they first used the policy we had articulated in '03. If you know anything about George Bush he is consistent, with few exceptions, economic

interventions being among them. His record from Texas is exactly the same as the last day of his administration essentially.

Rhodes: It seems to me that a pretty significant aspect of the move to the Education Department was that it also meant a lot of the policy-generation process would be moving from the White House to Education. If I understand correctly, during the creation of No Child Left Behind much of the structure came from the White House and your outfit, whereas as you shift to Education, does it also suggest a shift in the policy making?

Spellings: Yes, and the policies we articulated in 2000 around that were much more anemic. We had put the mother lode through the system, and it had yet to be implemented fully. So we had some charters and teacher-incentive funds, merit pay for teachers, things like that. But D.C. choice, others that were vigorous but not as significant as No Child Left Behind.

The other thing, and I know others will tell you this, when we left the Governor's Mansion and the state capital to come to the White House—transition times, in reality, there's planning and plotting and scheming, but in your own personal world you're like, "Oh, my God, I've got to be out of here in two hours." You throw stuff in a box and you go and you take an oath and they swear you in and then you have the official ceremony deal and go down to Andy Card's office and go out and get it done. There you have it. It's not something that there is a lot of visiting and chatting and contemplation. You just go.

Nelson: You didn't have a hand in the choice of your successor at the Domestic Policy Council?

Spellings: I did not.

Nelson: Did you think that was odd? Did you want to have a hand in the choice of your successor? You knew how important that person could be.

Spellings: Honestly, I didn't have a hand in Karl Zinsmeister. I was involved in suggesting other names, and at this point I think the conservatives were chomping at the bit for somebody of their ilk, and I wasn't a very good source for names like that. It's not like I'm some crazy liberal.

Riley: We know that.

Nelson: When you say "the conservatives" you make it sound like there was this cohort of people other than the President who were going to choose your successor. Why did President Bush listen to them?

Spellings: I think he thought it didn't matter. He had Al and me, the locus of control was shifting out of that. He was all war all the time and who cares?

Nelson: What about immigration policy?

Spellings: It was already cooked; the policy was already cooked. This was one of the things Zinsmeister and I ended up—First of all, Zinsmeister ended up really not managing immigration. It was Joel Kaplan and it moved to the Chief of Staff.

Nelson: OK.

Jones: Had he passed the bar yet?

Spellings: No, actually. He only passed the bar when he left the administration, seriously.

Riley: There's your problem. [*laughter*] Now we know why immigration didn't pass.

Spellings: Joel had been in the middle of the whole Homeland Security Department creation and the whole stimulus stuff, all the economic stuff. Zinsmeister really struggled, it was probably not a very comfortable place to work on some of these things that he didn't personally agree with.

I remember the day they put the DREAM Act on the immigration bill. The DREAM Act is for kids who were brought here at young ages who were not citizens but for all practical purposes are Americans. You come at age three and you—that they would be considered, for higher education purposes, citizens, for financing, financial aid, and so forth.

Nelson: What about it?

Spellings: He was mortified that a provision like that would have gone on the bill.

Nelson: Zinsmeister.

Riley: I take it you're not in favor of revisiting the 14th Amendment?

Spellings: They would come up with some wacky ideas that—whether it would come out of the Vice President's office or the general counsel, it was just like whack-a-mole, crazy stuff out of the White House. "We're not doing that, no." One of them was, and you all will appreciate this, some university policy about forums for multiple points of view. We would order it from the Department of Education that if you had a such-and-such, you also had to have a parity. If you had a gay-lesbian thing you had to have an anti-gay-lesbian thing. It was just crazy. No.

Riley: Were there things on your agenda that you generated at the Education Department that were not elements of continuity or weren't merely the execution of things that had been generated before?

Spellings: Absolutely.

Riley: What can you tell us?

Spellings: A couple of important points I want to make about the Department. One is, when I first got over there I hired a management consulting company to help me right the ship. It was kind of a mess. There was no policy process. Everything came up to Paige. There was no vetting. One thing I'd learned in four years was how to run a policy process. So we created that. I recruited, if I say modestly, some really good people like Tom Luce to come and run the policy shop. He had run for Governor of Texas and was an important Texan. He's from Dallas, not Houston or Austin, so he was part of the *Dallas* mafia. [*laughter*]

Rhodes: He goes back to Texas business and education.

Spellings: Yes, he goes back to Texas and runs the big Exxon-Mobil math and science initiative stuff. He's a fairly elderly gentleman now. So I reorganized the Department of Education.

I knew I needed to dial back the anxiety. The Hill was very irritated about how No Child Left Behind had been implemented. So I made this Mount Vernon speech about how we were going to provide, stay true to the bright-line core principles, but we were going to have some little safety valves. Did a bunch of pilot programs on growth and some other policy wonkery, special ed, a little policy relief valve. Scratched some of the more important issues. Traveled a lot, getting people on the reservation, doing a lot of listening about their concerns. Staying close to the Hill.

I had great relationships with the Hill thanks in no small part to Ted Kennedy and George Miller. They didn't always like what I did, but we very much communicated with each other. Absolutely no surprises, which held me in good stead on student loans and all of that. We really had a productive relationship.

As to things that were not in continuity with No Child Left Behind, there was all the higher ed stuff. I appointed a commission in '05, they completed their work in '06. It was called the Commission on the Future of Higher Education and became known as the Spellings Commission. It was, if I do modestly say, an unbelievable group of people. Chuck Vest; Jim Duderstadt; Jim Hunt, the former Governor of North Carolina; just really good thinkers. Nick Donofrio from IBM who is now a majordomo at the Kauffman Foundation. A community college president, et cetera. They traveled all over the country developing this report on access, affordability, and accountability.

The access and affordability stuff was, although the financial recommendations about how we need to consolidate programs and so forth were somewhat controversial, the main heat in the report was all about transparency in reporting, the accreditation process, and so forth. It certainly got the attention of the Hill. Lamar Alexander, former Secretary and obviously a Republican, became the standard bearer for the academy because he is above all a university president. The empire pushed back. So I was not ultimately victorious on a lot of the accountability stuff. However, fast-forward five years and my ideas seem eminently reasonable and anemic compared to some of the things that are now being suggested.

The Gates Foundation has now absolutely bought on to some reporting things and completion rates. President Obama has made college completion a huge deal. I think it was a good conversation starter about this topic. Higher-ed policy had not been discussed for decades. You talk about how high the Pell Grant ought to be, technical things, what the subsidy rate ought to be on FFEL [Federal Family Education Loan] loans, financing-related stuff primarily, but nobody had for a very long time. I don't know when previously anyone had talked about what are we trying to do in American education, for whom, and how. That was what we attempted to do.

Jones: Did you keep on some of the people from Paige's sub-Cabinet level? Assistant Secretaries, these kinds of folks?

Spellings: Some. I had a new legislative person. Ray Simon, who had been the head of the Elementary and Secondary Department, moved up to be my deputy. So there was continuity there. He was and is an educator, I'm not. He was probably the most notable example.

I had a new legislative person and a new chief of staff. I had created a new policy shop and had a new person. There were new press people. More change than similar. Probably Ray was the most notable person who stayed. Of course all the careerists.

Jones: Did you like the job?

Spellings: I loved the job a lot. It was really fun.

Jones: And Hill relationships you said were eased by the contacts you'd made that were comfortable, communication contacts with the Democrats.

Spellings: Yes. I had the opportunity to be more successful, I think, than Paige was just because, had I been the first person chosen I would have—I had a lot of assets. I knew them, I had relationships with them. People understood that I spoke for the President. I was a known quantity in Washington. There were a lot of things that made the job much easier. I was able to recruit people. I knew a lot of folks who would be good in the government as opposed to "Who?"

Jones: I once asked Bill Frenzel about shifts in the Cabinet and what it meant on the Hill. The principal point he made was that it just scrambles everything. So people we've contacted before, all of a sudden there's all this change, we don't know the new person. But what you're suggesting is that that kind of a change where you have someone who is in the policy area, important in developing and working on the Hill, is smooth.

Spellings: Very smooth, yes. And I think they had a real comfort with me. Obviously I'm a Republican, and they didn't agree with everything we were doing, particularly on financial issues. But my confirmation was about as smooth as you can get.

Rhodes: I wanted to ask you to talk a little more about that because at least the journalistic record and things you would see on TV indicate that '05, '06 is the period when Democrats started to rebel against No Child Left Behind, and there are really hot campaign speeches. Even going back to '04, campaign speeches against No Child Left Behind. Was there a disconnect between the public statements that especially Democrats were making and the relationships you were developing?

Spellings: Yes, absolutely. They had every opportunity and ability to overturn, change, and tweak. They would say, "Yes, it's bad, awful," but then do nothing. Kennedy, I get the joke, but he was extremely important. He kind of protected me. Miller was more overt about it but also really bought into the philosophy too. As I said, the big four had a lot of personal ownership in it.

Nelson: Why did you choose higher ed issues as a new agenda item in the second term?

Spellings: Just from a matter of public policy, I think it is a hugely important thing and we're not doing nearly well enough. We're losing ground internationally to China, India. Others are

picking up the pace. No, it's not the exact same thing we're doing and yes, the quality is not, blah-blah. Just the need. We're in a global knowledge economy, you know all that.

And by damn, after all these years when I was trying to get higher ed raised at the White House, I finally had the opportunity to *do it*. So there was some of that too, to put a marker down. I still regret, and still talk to him about it, that it was a huge missed opportunity for the President.

Nelson: To not do it in the first term?

Spellings: To not raise it in the second term. This could have been a big damn deal. It was a big deal even with little old me doing it. But if the President had talked about higher education, people get higher education, everybody gets it. It's just like regular old education, even more so in higher ed. People understand, I don't need to tell you all this. This is the key to the American dream. You talk about something that cuts across every demographic and every sort of better angel that we have in this country, and it's higher education. I think it was a missed opportunity.

Rhodes: How was the second-term agenda even in education shaped by what was one of the big developments of the second term, the challenges of the war in Iraq and how that shaped the President's approval rating and everything else that was going on domestically. Did that have an impact on the agenda items you wanted to bring or your plans for the ESEA reauthorization? I was just wondering how, with the war affecting everything else domestically and in terms of foreign policy—?

Spellings: Yes, it definitely did. First, in an administrative way, it was hard to get any kind of airtime or tension or resources for domestic priorities of any kind. You had to be creative about other ways to do it. It was hard to get any lift. Especially with somebody like Ted Kennedy. It put a chill on their relationship.

Kennedy would say awful things about the President publicly. Andy Card called him one day and said, "Ted, this just does not become you at all." And I think he dialed it back a bit, but yes, clearly it did. They didn't take it out on me personally, but obviously it was a hit. It meant we were not going to be cozy-wozy for the rest of the time. That's true of every other Cabinet department. I think I had some assets I could have used, like Laura Bush and my relationship with the President and the fact that I had some continuity. Much more so than Alphonso Jackson or whatever.

Nelson: I remember you saying things got harder for you after the '02 midterm because there were more Republicans.

Spellings: Yes.

Nelson: Did things get easier for you after the '06 midterm because the Democrats were in charge?

Spellings: In some ways, yes.

Nelson: Really, even then?

Spellings: Here's why. Then it's all about the executive branch. You don't even think about going to the Hill unless they're inviting you up to testify on something. Of course you have to show up. But the locus of control—it's not personal, it's just we're going to do everything we can in the executive branch and there you have it. So you stop playing footsy with them. There was that.

This is another thing I'm really proud of. Over Christmas or Thanksgiving of '07, it became abundantly clear to me that we were not going to pass the reauthorization. Oh, we would have loved to do that and nail the thing down for another six years, it would have been beautiful. And we tried in '07. George Miller, you know all that story. But in '07 I cooked up a plan myself. I'll never forget.

I wrote a memo. I was the principal, people were writing memos to me, not the other way around. I had a strategy meeting with my senior people. I wrote this memo: we're going to have a rule-making—and here's how we're going to do it. We're going to have these series of listening sessions or town hall meetings. We're going to go around and meet with all the chief state school officers in the first four months of '08. I went to 23 states or something like that, almost half the states.

I knew where we wanted to go. Part of this was process. We created a rule-making—sort of faux-negotiated a rule-making process—because I didn't want to trouble with all *that*, not that much. We wanted input, but not *that* much input. Then went through a process and the rule went final in the fall. There were a lot of consensus things that were really a salve and frankly still have taken away, even now, the urgency to enact a new law.

They were things like this growth model, which now nearly all the states are doing. No Child Left Behind tells you to get to an absolute target. This is a formula that allows you to get credit along the way for the progress you're making. States love that. The uniform high school graduation rate, which was very popular with the philanthropic community, the Gates Foundation and the National Governors Association, among others, although they all rhetorically were for uniform graduation rate but none of them bought into the actual way to do that until I ordered it.

So a vigorous regulatory package, most of which has stood. Part of the rule had a 14-day notification period for parents prior to the start of the school year for their options to access choice or supplemental services. The Obama administration has gotten rid of that. But for the most part, I would say 85 to 90 percent of that rule has stuck. That was a big effort toward the end of the administration. The thing I would want people to know about in one sentence about my term as Secretary was a sensible implementation approach to No Child Left Behind that let a little of the air out but held true to the bright-line principles.

I was also tough as nails on Virginia and Utah and lawsuits. It wasn't just sweet, there was plenty of sour too. But finding that right calibration. I worked hard to do that, the higher ed commission and using the administrative arena to shore up and nail down the things that were important to us as we left office. Then if I could say another one, smart management of Katrina and the student loan process in the aftermath of the '08 financial collapse.

Riley: Let's talk about that, but I want to give you a break.

[BREAK]

Riley: You made a lot of foreign trips when you were Secretary.

Spellings: I did, yes.

Riley: Tell us about those. What the purposes were and what you're picking up in terms of policy that would have a policy interest, whether you're getting political vibrations that are interesting in any way.

Spellings: There were a couple of policy reasons. One is we had rejoined UNESCO—we had been out since the Reagan administration—and Laura Bush was the honorary chair and we needed to show well. Paige had been over there several times and Mrs. Bush, as her policy interests started developing and getting more vigorous, wanted to make a mark in that context.

We were a big part of the creation of these teacher institutes around the world and some focus on literacy and reading. That was one reason. We, the Department of Education, had a staff person in Paris who was assigned to work through those issues with UNESCO.

Riley: How do you get that job?

Spellings: I know. They don't have it anymore. It was sort of exhibit A in the "profligate spending" Bush administration and the unilateralists that we were supposed to be we were not. We rejoined UNESCO and sent someone over there to work. It's a job. If you have to work on policies and processes to get your outcomes, whether it's an international forum—Not that it wasn't a great place to live, free housing and all of that, but anyway—

Riley: OK.

Spellings: The other reason was, and Condi and I had created this, delegations of university presidents to travel around the world to key localities to talk up or market American higher education in the aftermath of the visa declines that many institutions saw.

We had a summit on how to streamline visa processes and listened to the higher ed community about security issues and timeliness and all that. We had the summit, and then we created these delegations. I led delegations to Asia and Latin America, and I was supposed to go to Pakistan and Turkey but that never materialized because security issues overtook.

But it was great. We took about a dozen university presidents from across the swath of American higher education. So a community college president, elite types, and state institutions and went to a variety of countries and sold American higher education. We had meetings with major leaders.

In addition to that, we did some strategic things with key countries. We inked the first ever MOU [Memorandum of Understanding] on math and science education between the U.S. and Russia. Put some money in it.

Jones: MOU?

Spellings: Memorandum of Understanding. An official arrangement where scholars from three or four U.S. universities, Wisconsin I think was one of them, paired with three or four Russian universities to work some policy matters in math and science areas to create and enhance skill.

Because of my relationship with Bush, I also led Presidential delegations to various events including the World Expo and Aichi, Japan, the Paralympics in Torino. There are occasions when Presidential delegations are created to send notables and usually a Cabinet member leads them, so I did probably more than my fair share of those by virtue of the hook of education in some part and sometimes just my closeness to the President. I led a delegation to Babi Yar, Ukraine. I'm Ukrainian by descent.

So you add all that together and at the end of four years, you've visited 20-some-odd countries.

Riley: Were you well received abroad?

Spellings: Very much so.

Riley: You didn't have any ugly episodes of people who were angry about Iraq or anything like that.

Spellings: Not really. The other thing I did was travel twice to Afghanistan. Once with Mrs. Bush.

This is the other thing, and this is why it was used as a diplomatic tool. Education is a good place to start when you are trying to build consensus or find areas of commonality. I think that's why this MOU with the Russians was important.

Riley: OK. Mike, go ahead.

Nelson: You mentioned Katrina before the break and your actions in response to that crisis. Can you talk more about that?

Spellings: Katrina. I vividly remember where I was when it happened. I was in New Mexico doing a school visit, headed to Chicago. Having grown up in Houston, Texas, I knew this was going to be a big deal, and I called back to the office and got my deputy to get a team organized.

By the time I got to Chicago, it was clear things were really bad. I did a bunch of things, including using the same management consulting company, BCG [Boston Consulting Group], that I'd used to help me reorganize the department to help us figure out the way forward on a plan. We had had relationships with Mary Landrieu through the education-policy process. And one of the great things that happened to me and us in education is that the resources for schools

did not go through the Homeland Security Department. That was a *huge* plus, as you will know from everything you know about Katrina.

There was no bureaucracy. We got the money out the door lickety-split, and there was a lot of support for the things we were doing. Mrs. Bush became a strong advocate for New Orleans and the schools and the importance of the schools there.

I traveled there with her a number of times. I sent a team down there to manage the needs and figure out where things stood and what we could do to help. And I did a lot of policy-waiver stuff that accommodated, waived testing requirements. And relationships between New Orleans and Texas, where many of the students had gone, to facilitate data exchange, just a lot of stuff that I think was important to them. I think we got pretty high marks for how it was handled. But it was a big asset not to have to duel with the Homeland Security Department to be able to do it.

Nelson: You don't usually think of the Education Department as having to deal with traumatic crisis.

Spellings: Right.

Nelson: It's almost like crisis of higher education, but that's sort of an abstraction. This one was—

Spellings: An actual crisis.

Nelson: An actual crisis.

Spellings: And Virginia Tech also. We have a grant-making ability for situations like that, school shootings, and we deployed resources immediately, talked to the president of Virginia Tech. And then the President created, by Executive order, a fact-finding—or what-can-we-learn-and-glean-from-the-incident—It was Al Gonzales, me, and Mike Chertoff. We had several meetings around the country, listening sessions, and we made a series of recommendations and a bunch of clarifications about what FERPA [Family Education Rights and Privacy Act] does and does not allow and what can be told between law enforcement and educators and so forth. So that was another response event.

There were things I was proactively working on that we've talked a lot about but then clearly Katrina, Virginia Tech, the credit crisis.

Nelson: Virginia Tech, you said you channeled resources there? This is a bit of a surprise that the Department of Education would be sending resources to Virginia Tech.

Spellings: Sadly not. This was all created after Columbine, the ability for a federal agency to be able to—the funds that we had are mainly for counseling and healing of the community. And we sadly had a number of those situations during my time, but Virginia Tech was the most prominent.

Riley: I'm trying to remember if FEMA was within your area during your time in the White House.

Spellings: Not after the Homeland Security Department was created.

Riley: OK, but before that?

Spellings: Before, which was a fairly brief time period. Absolutely not during Katrina. During Katrina it was way over somewhere.

Riley: Exactly. But you were at Education by then.

Spellings: And I was at Education by then.

Riley: Is there anything notable about FEMA while you did have jurisdiction over it? Were there any red flags that there might be problems there?

Spellings: No. I don't think we had an incident at all really. Nothing consequential. There were some storms in the Gulf but nothing that would have brought us to the level of being concerned about it.

Riley: And were you a member of any ad hoc groups that were formed after Katrina to deal with the response? Or are you off on your own to deal with the one piece of it?

Spellings: We had a Cabinet meeting, and this is a famous Cabinet meeting. Bush was very frustrated: "What the *hell* is going on, people?" So we had a Cabinet meeting in the aftermath of the storm, and we all had to go around and tell what were we doing about it. This has been reported in the press. There was this exchange where Chertoff is talking about everything that's going on and that nobody has any housing needs and everything's going great. And Alphonso Jackson is looking as if his head is about to explode.

And he said, "Mr. President, that's not accurate." This is *not done* in a Cabinet meeting. Obviously all the truth was told, and things were sorted out, and a big row ensued between HUD [Housing and Urban Development] and Homeland over what the facts were. And Bush was just incredulous about it. He was like, "Alphonso, aren't you the Housing Secretary? How come you're not involved in this housing thing? Why is this, Chertoff?" This was all a little awkward for everyone else who was sitting there going, "Yikes."

Nelson: Was this a constructive meeting?

Spellings: It was, actually—and you know a Cabinet meeting obviously is more photo op than anything.

Riley: It may be obvious to some but—

Spellings: It's not a contentious, controversial setting. This is the only one in all my days—and I attended them as Domestic Policy Advisor, so pretty much every Cabinet meeting of the Bush administration that there is actually an exchange of some intensity.

Rhodes: I want to ask about that because you and Gonzales and Rice are all exported from the White House to the departments. Seems to be part of a general strategy to move some of the

locus of things into the departments in the second term. One might expect the Cabinet meetings would become more significant, more substantive, because many of the principals of the first term are now in that setting.

Spellings: The Cabinet meetings are really a way for the White House to tell the Cabinet stuff about budget issues and lay down some parameters. This was absolutely what happened every year. "OK, here's the state of affairs, here's our goal of where we want to be and here are the marching orders for the budget process and don't try any forum shopping." General admonitions about the rules of the road and how things were going to work so that everybody was hearing the same thing at the same time.

I'll never forget one Cabinet meeting where Bush said, "And that means you, Margaret and Condi." [*laughter*] He was just having fun. It was that kind of thing. Budget charts. We always got a war update. A Hill update. Generally a little political update. And what the President was thinking generally, his observations. What he was hearing out in the world. What was on his mind that he wanted all of us to hear. It was more of a White House-to-Cabinet conveyance than a discussion.

Riley: Bush himself found these valuable? Or did he have little patience with them? He's a high-energy guy. Is the body language *we've got to get through this*?

Spellings: They were all pretty brief. They were usually about an hour to an hour and a half in length.

Jones: Reagan dozed off.

Riley: I hear.

Spellings: There was no dozing. There was a world report and an economic report usually. Things that were hot. During the whole energy thing I remember [Samuel] Bodman giving a lot of reports about why gas was so much.

They were topical. I reported multiple times on things. Everybody had their turn. There was usually a "what's the situation," reacting to that part of the agenda and then what's going on in a topical area.

Jones: With whom did you work most, other Cabinet Secretaries?

Spellings: We worked with Justice a lot. And I didn't have to call Al that much unless I had a problem, which I did several times with his people, or to alert him to things we needed to do or do quickly. Mostly it was Al. We got the Justice Department involved in that settlement. So worked with Leavitt a good bit. He was involved in the Virginia Tech, too.

Socially I was closest to Bodman. The way the Cabinet was always lined up at the State of the Union or events was by the order they were created, so Bodman and I were almost always seated together. We just happened to like each other a lot and became friends, so I saw him a lot, not necessarily on business, although there was some of that. Math and science competitions and

stuff like that. His policy deputy was on my higher ed commission because there was such a focus on STEM [Science, Technology, Engineering, and Mathematics] preparation.

Nelson: Now that you are on the department end of the State of the Union, did your perspective on it change? Did you find the process worked as well when you're trying get into the speech as when you're managing other people's efforts to get into the speech?

Spellings: Of course I liked it better when I was closer to the process, but education was in every year and that was my goal. I wasn't always happy with where the language came out exactly. This is where I was telling you yesterday about how we thwarted the rules and involved the Cabinet officials and then they started following the rules on the State of the Union after I left, which was not to my advantage, so we would get pirated copies or find other ways to get it. Not from the Domestic Policy Council but through the political shop or NEC. My friend Al Hubbard. You just find other ways to get your business done.

Nelson: And if you don't like the way something has turned out in the pirated edition, what do you do?

Spellings: End run to the speechwriter. You have to do what you have to do on that because something that high profile—But it was frustrating. I know I was better able to fight my way through than somebody who hadn't been there, and I knew all the other doors you could walk through. Lord. Why is it so hard to do good? You don't want to be sitting, as a member of the Cabinet, hearing the President talk about your subject for the first time when the Congress is hearing it. That's not unreasonable.

Officially they would share it the afternoon before, but that's ridiculous. Especially with something that high profile, where you're going to have to really live with it.

Riley: Did you have a lot of interaction with the Cabinet secretary in the White House? Is that your main point of contact there?

Spellings: No. I had some reaction there, but no. I had other ways. Some of the Cabinet officials did use that, but by the time I got there it had been downgraded into more of an administrative function and was not really a very important person at the White House. I can't remember who it was the second go-round.

Riley: I don't know. This is interesting because this seems to be a White House where discipline and process are at a premium, and in other White Houses the Cabinet secretary has been not just the formal but the respected channel in and out.

Spellings: Right.

Riley: But you're suggesting that in the second term this—

Spellings: In the second term that was not true. And that function was played by the Chief of Staff's office.

Riley: The Chief of Staff's office.

Spellings: It still occurred and it was disciplined, but it wasn't that. That was more, "When do you need the box at the Kennedy Center and how many tickets do you need to the Easter egg roll?"

Riley: So more of the administrative—

Spellings: Literally, yes.

Riley: And was this also true during the first term?

Spellings: No. Albert Hawkins had come from Texas with the President and was a more influential character. He ended up not liking Washington or not feeling it was a very good fit for him. He left and it kind of drifted.

Riley: So while Hawkins was in the position it was the respected channel—

Spellings: Yes, but inasmuch as Albert didn't really know anything about how the federal government worked, it was sort of an odd fit. He had Bush's ear, and he was a very capable policy person in his own right. In fact, I always joked with him—of course, this was before the thing got downgraded—that I was in his job and he was in my job.

He had been a major budget guru in state government. He knew everything there was to know about Medicare and Medicaid and had a very generic public policy background. And I knew everybody and had all the relationships. But I'm glad it worked out the way it did.

Riley: So even in the first term the principal Cabinet officer contacts were through the Chief of Staff's office?

Spellings: No, I think they were through the policy councils on substantive issues. I had a relationship with all of them and so did my staff.

Riley: It may be common, look to my colleagues here—

Spellings: As I understand it in previous administrations, the Cabinet Liaison has some policy expertise in his or her own right. But the policy expertise was in the policy councils. Larry Lindsey and Steve Friedman and Al Hubbard. They had direct relationships with members of the Cabinet as did I, and we talked regularly.

Jones: How did you fit in so well right at the first? In talking about Hawkins, clearly you had very early a good sense of what to do, how to get fitted into the White House, who you had to work with, both on the Hill and within the agencies, and yet you didn't have that background.

Spellings: I don't know. I didn't know any of that absolutely, but I did have one thing going for me that few did. And that was the President's complete confidence and an understanding of who he was and what he wanted and that kind of mind meld. When we finally talked about whether I would be the Domestic Policy Advisor, I said, "Me? I don't have any—" and I basically gave that speech you just had. "I don't know anybody out there. I don't know anything about the Hill.

I hate Washington. I think that when it comes to education and domestic policy, most of what matters is going on at the state level. Why me?"

And then we talked through it and I actually said, "Well, I guess if you can be the President, I can be the Domestic Policy Advisor." [*laughter*] Think about it. He could and I could.

Jones: I think I have an answer to the question I asked you. The good personal relationships and a good realistic sense of both what ought to be done and what could be done, but it leads me also to a subject we've not talked about and that is both as Domestic Advisor and even more so as a Secretary in getting along with the principal interest groups, the teachers' unions and the various educational groups, both higher education and otherwise, and how that developed when you were Domestic Policy Advisor and then Secretary and if it changed in any way when you were Secretary.

Spellings: Again, I say we couldn't have done this any other time. Republicans have the luxury—or *we* did anyway—Republicans previously had no relationship with the education community or particularly the civil rights community. Top, side, or bottom. The fact was that this was all new territory, and there were assumptions made and expectations on both sides. Nobody ever expected a Republican administration to be rock solidly with the teachers' unions, so any kind of overture or discussion that was had was way more than we ever had before. We had much more collegiality with the AFT [American Federation of Teachers] than with the NEA.

Jones: Really?

Spellings: We worked closely with them on reading. Bush and I had developed a really excellent relationship with the head of the Houston AFT, a woman by the name of Gayle Fallon, who'll be discussed a lot in the SMU part of this. He liked her. In fact, when Bush took on education as an issue in Texas, it was precipitated in some part by an article he read in the *Texas Monthly* by a teacher who was one of her members, Nelson Smith, God rest his soul, who talked about trying to teach high school history to kids who couldn't read and just his frustrations as an educator. And Bush met with Nelson Smith. Gayle brought him up to Austin. He was a very humble high-school-history-teacher type, and we kind of made a star out him. So we had a great relationship with Gayle in Houston and the AFT, much more so than the NEA, really make some pretense of caring about kids and doing things that are kid related.

They had bought in rock solidly with the brain research and reading research, and we partnered a lot with them around getting that information out into the field. I had worked at the school boards association in Texas, so had some relationship with them, but in Washington they're all considered to be part of the blob. Those groups have much more influence in a state capital than they do up here on the Republican side of aisle.

We had no need to accommodate the teachers' unions or to meet their needs or demands. Again back to Ted Kennedy, he stared them down to get the things that we have in No Child Left Behind, and I'm sure took credit for killing vouchers and mitigating against some of the choice provisions we did have in the law.

Nelson: One thing about Katrina, and you described the President's own frustration at the Cabinet meeting, "What the hell is going on down there? Why are these problems still not being

addressed in a satisfactory way?" But there must have been a great deal of frustration too with the widespread media and public perception that this was a damning indictment. Bush's response was wildly inadequate, and this was a damning indictment of the administration. Ended up being a major political blow. What did that feel like? Did you all feel like, "Yes, we did get off the dime too slowly"?

Spellings: He writes about this a lot in the book that's coming out in November. None of this is going to see the light of day before that. There is a lot of discussion about state responsibility and Kathleen Blanco and what the Feds could do. And he writes about and was worried about the racial issues. And Kathleen Blanco said, "Do not come in here, we do not need it."

And even though it was clear bad things were happening, Bush struggled with and discusses how would a President send in the National Guard in a racially charged situation like that, around this Governor? And it was discussed, and we processed through that. I think he was very frustrated about the levels of bureaucracy, not only within the federal department but in interaction with the state of Louisiana. So when he tells his part of the story there is going to be a lot of that. Just seeing the need and not being able to execute.

Riley: I'm trying to remember why she was taking the position that she did. Did she honestly believe there was no need for federal intervention? Or was there a political dimension to this?

Spellings: I think she basically was not very competent and couldn't get her folks organized, so general competence was part of it. And I think she wanted to show the world that they could manage their business.

Nelson: And he had been a Governor. I'm guessing he had some appreciation that if she was going to take responsibility he ought to defer. But it seemed like there was nothing either President Bush or the administration could do after those first couple of days. And overcome the initial PR [public relations] damage.

Spellings: It seemed like that inside the White House, inside the administration. The thing about that was that even though all of us were affected by the consequences of it, there was really no way to act on it yourself, except through FEMA and the Homeland Security Department, and we were just so paralyzed, like "What do we do?" until the moneys were appropriated and we had some way to act.

But notwithstanding that, what was the Department of *Education* supposed to do? We had no authority to do anything. We had no means to do anything.

Nelson: I'm not even sure the school year had already started. Had it?

Spellings: It was probably the first or second week of school.

Nelson: So when you said earlier that you were able to pour resources, to act down there without having to go through Homeland Security, when did you start doing that? When were you able to start doing that?

Spellings: The financing passed pretty quickly. I would say within a month and within a few weeks after that we started getting resources down there. For government pace, pretty quickly. But—and I think this was true in the frustration about the Cabinet meeting, we all felt this—nobody had any authority to act. In an emergency situation, these people are implicated and they interact with the state, so you had this helplessness of wanting to do something without any real means to do it.

Nelson: Was the President second-guessing himself given that—?

Spellings: About the flyover?

Nelson: About the flyover, exactly, which was perceived as being insensitive. I know he wasn't being insensitive. He was thinking, *The President goes down there and it just complicates everything because of the security dimensions* and so on.

Spellings: And it was related to this whole Kathleen Blanco—how would you go down there and then not do anything?

Nelson: But was he critical of his own response as part of this frustration with the situation in the Gulf? Did he wish he had done it differently even though it would have been awkward, to say the least? You never heard him second-guess himself?

Spellings: I never heard him really second-guess—I think he felt like, *What a nightmare*. It was a bungled deal that it was—you'll read about this. He struggles with what might he have done differently, given all the other authorities and dimensions and so on. But clearly it didn't work out. It was the beginning of the end, honestly.

Riley: Did you have a reaction to the "Heckuva job, Brownie" comment that so much was made of publicly?

Spellings: Not really. Those kinds of throwaway things get said, there are 10,000 of those a President says a day to anyone. It was just a cheap shot in my humble opinion.

Riley: But it was consistent with your understanding of the way he tried to keep his team motivated?

Spellings: Exactly. He could have said, "Heckuva job, Margaret" on the day before the student loan stuff blew up. There are millions of those sorts of opportunities. It was kind of goofy. The thing about Katrina is we never got off our back foot after that.

Riley: We talked about Karen Hughes's departure, and in the second term there is legal trouble with Scooter Libby and Karl Rove in particular. How did that affect the good functioning of the machinery, and was there a morale problem within the White House and throughout the administration as a result of this?

Spellings: I was at the Department by then and was glad to not be in the middle of it. I do think there were some tensions. It was a more tense environment, especially after the whole Scott McClellan thing happened. An understanding that anybody you were talking with so casually

about important things or making—So when you read John DiIulio and Scott McClellan, you start to get the sense that you can get burned by the person sitting next to you who you thought was a pretty good egg, who you just had a beer with last night. It's not unlike what I can imagine happened in the *Rolling Stone* article just recently.

Karl Rove is a very good friend and I was kind of a sounding board for him on the frustrations he had, but I was glad not to be there in the middle of it, honestly.

Riley: And he felt hamstrung in his ability to work for the President at that point?

Spellings: No, that's not his way. He had a great public confident face within the White House but he was spending—and as you know he's been completely vindicated and all that, but it was very hard for him personally. It was hard for his family and he spent a butt load of money defending himself. Had a great lawyer, all of that.

But clearly it was a distraction and Karl came out the other end standing, but poor old Al Gonzales, and he'll get up off the mat now that he's been cleared, but what a tragedy. And was he naïve and inept and too trusting and all of that, yes, but—

Riley: That's on the U.S. attorneys.

Spellings: That's on the U.S. attorneys. Is that something you have your life and your career ruined over when you're the Attorney General of the United States and are in debt hundreds of thousands of dollars? "It's an honor to serve," as we often said to each other.

Jones: The fact that the Justice Department dropped all of that recently made page 15, I think.

Spellings: Yes, about a week ago.

Jones: There were no banner headlines.

Spellings: In fact, I saw Harriet and Karl at a Bush Institute event in the aftermath of that. Harriet had the good fortune of being represented pro bono by somebody, but it was unending amounts of time.

Riley: Were you surprised that Harriet was nominated to the Supreme Court?

Spellings: *Yes*.

Riley: Was she surprised, Holly?

Kuzmich: Yes.

Spellings: Yes, I was surprised. I'm a team player, I hope you can tell that, so I ended up doing a lot of interviews on her behalf. The fellow female colleague in the White House, but wow. God bless her, and I commend her for seeing where that was heading and taking herself out of the running, but that was not a good scene.

Riley: Well, it looks like in the second term in particular, the party is not showing the same level of deference to the President as it was during the first term. Is that accurate?

Spellings: Yes, it's accurate. That's just bound to happen no matter what and who and it shows up eventually. President Obama is having it show up pretty shortly.

Riley: Those are Democrats.

Spellings: The kinds of things they're doing to him *never* happened to us. The fact that Chairman [David] Obey is taking a meat ax to the President's budget and his prominent priorities so overtly, wow, that never happened to us.

Riley: But in the second term things are beginning to deteriorate. You mentioned earlier that you felt like even within the administration with the Scooter Libby thing that those, fissures may be too strong a word, but that the existence of the Vice President's camp then becomes a more pronounced division. Is that right?

Spellings: I would say. Yes.

Rhodes: In Education, the scheduled reauthorization is coming up. Was there a lot of pressure on the right, among conservative Republicans, to make a shift? I noticed in reading the blueprint for the reauthorization that a voucher component makes a reappearance with promised scholarships.

Spellings: Right.

Rhodes: Can you talk a little about the politics of this, and of course, he gets pretty salty. Bush vows to veto what the Democrats are offering. I just wanted to hear you talk about that.

Spellings: Not that any of us thought any of that would pass, but we clearly did put some choice stuff in there. We were never opposed to it; it was just the reality of what was possible.

Kuzmich: We had done it every year actually.

Spellings: We had done it every year.

Kuzmich: People forgot and thought it was a reemergence.

Spellings: What would you say about that question, Holly?

Kuzmich: About the voucher piece?

Spellings: Yes.

Kuzmich: The thing I thought was interesting is that people did see it as a reemergence, but every year since we had gotten to D.C., especially since we had gotten D.C. vouchers, we had that program in the budget and we usually tried to expand it to other cities. So this was a little bolder than what we had been doing before, but it wasn't a large shift from, OK, we're back to—

Spellings: And it wasn't any more passable than the first iteration.

Rhodes: Was there pressure from the means testing?

Spellings: There was a sense that they weren't going to defend it. They weren't going to try to kill it, but they were not going to help us. Which was why a reauthorization ended up not only not being possible, but ended up not being a good result for us either. The administrative approach was far superior. Frankly, I think that position continues to hold, not only for my equities but for the Obama administration's equities. There's no will or urgency to pass a good solid reform bill and they shouldn't. They shouldn't even open the Pandora's box.

Riley: One of the things you mentioned yesterday that we didn't talk about your time over at the White House was the strategery group. What was that? How did it come about?

Spellings: Karl was the instigator. We had a small staff, Alicia Clark and—

Kuzmich: Pete Wehner.

Spellings: —Pete Wehner were the people who ran it at first. It then became Barry Jackson for a while and I guess Pete also for a while. It was kind of a skunk works of people who looked at a lot of things. Polling data, we looked at calendar—You asked yesterday about how things got on the calendar. That was the place where we looked out on the horizon about big events, about the Congressional calendar. We tried to get ahead of things a little bit. And it was most of the principals at the White House, just the staff level, although there were some omissions. Al Gonzales was not—I guess there was always a desire to keep the general counsel and the legal whatever separate from a process that admittedly had political dimensions to it.

Polling data was presented. We talked about big speeches. We talked about the State of the Union. We met less than monthly and more than quarterly at night.

Riley: In the Residence?

Spellings: No. It was over in the old EOB [Executive Office Building], but Condi and/or Steve Hadley always came. It was the broad swath. Scooter Libby was included in those, so he was present. Chief of Staff. The principal levels, the assistants except for no Presidential personnel, no general counsel.

Riley: Was somebody from the party there? I don't remember who the chair of the party was.

Spellings: Ken Mehlman would come. Not always. Sometimes but not really. That was the exception not the rule.

Riley: OK. Did you ever go to the Grover Norquist meetings?

Spellings: I went one time. But no, that was not my crowd. [*laughter*]

Riley: You should have seen Holly's face when I asked the question.

Kuzmich: She loved it.

Spellings: And, of course, every White House does this. You want chicken, we got chicken, so I got trotted out with the women's groups, and so Tim Geoglein in Public Liaison, we had a whole person whose sole job was to manage the right wing, and he did a damn good job of it. He had relationship with them. I didn't. Great.

Riley: But one time was enough for you.

Spellings: One time was enough for me. It was to go over and explain No Child Left Behind, and people were hanging from the rafters. Did you go with me that day?

Kuzmich: I don't think so.

Spellings: Oh, Lord. I didn't want to go back. I could explain and defend it but—

Riley: Not a pleasant place to be.

Spellings: That was it exactly.

Riley: What are we missing?

Jones: I wanted to go back to some of the issues of Katrina and ask whether this came up for you in what, as Secretary of Education, was a major task of federalism. To put it briefly, whether you ever ran into the kind of difficulty of state-local—in this case, city of New Orleans—set of issues between the Governor and the mayor and that sort of thing. I know there is the Utah situation and some others, but can you talk about just problems of federalism, the national government saying, "This is the way it ought to be" and the issues associated with the various states.

Riley: I have to piggyback this on Chuck's question. That was one I was going to ask. This shows you the dilemmas future historians will have. This is from one page of the briefing book out of the [Robert] Maranto article that says basically President Bush is a "big government" conservative.

Spellings: Yes, I've heard that.

Riley: That he supports something like national greatness conservatism, which puts him at odds with the small-government conservatives, which was a big divide. So we have that interpretation. And then another highly regarded scholar in a book Chuck contributed to, this is not your article, who says George W. Bush wants a smaller government. So I've got directly conflicting interpretations, and I'd like to hear from you.

Spellings: I think both are true actually. And No Child Left Behind is always trotted out as the exemplar of that and not inaccurately. We required people to do testing. We required people to participate in educational report card. We required them to get to a goal, which was around a rationale that we are wasting all this money and we need to do this work that—it's a compact. It's sort of like highway funding. You have to have the 55-mph speed limit. So we had some fig leaves as to how we managed through that, but it was a different approach.

Now we also calibrated a lot of important parts of that, which we're seeing erode, in my opinion. Every state did its own standards, every state did its own assessments. We had the check on the system through NEA, but federalism is in the eye of the beholder and is always a thing that's evolving and recalibrating.

With Katrina, no issues of federalism. People were thrilled and pleased for federal solutions policywise, waivers and transfers and recognition between states on accountability and how to calculate kids who had left school—So a lot of need for some sort of coherent national policy—

Jones: Just your piece of it.

Spellings: Just our little piece of it, about the implications of kids being out of school for a long time and going other places, and did they count in that accountability system and all those sorts of issues. So no problem with Katrina. New Orleans owed the federal government $70 million on the day it blew away, and there was an understanding that there was complete ineptitude so nobody was going to stand up and complain too much about it. And we were sending *so much* money down there.

On Utah and Connecticut, among other, *yes*, major federalism issues. Really interestingly on both sides of the spectrum with Connecticut and Richard Blumenthal at one end and Jon Huntsman and whatever that legislator—what was that woman's name?

Kuzmich: Conservative.

Spellings: Arch, arch conservative, and trying to square the circle in the middle. But yes, very much so. Our defense was, "If you want the money, this is what you have to do to get it." And moral suasion and humiliation, especially places like Utah and Connecticut. We'd trot out their sorry results. In Utah's case when it came to Hispanics, in Connecticut's case when it came to African American kids. The shame factor. That came true in Virginia with the Hispanic assessment issues. We found a place where we blinked a bit and they did too. We approved a portfolio assessment that when we fast-forward is a far less rigorous assessment and a way for them to basically fake like the Hispanic kids are achieving to high levels, but they sort of met the letter of law in so doing.

Jones: Go the other way now. Particularly when you moved over to be Secretary, did you find that within the Department of Education bureaucracy you had a level of confidence in the bureaucracy?

Spellings: I did.

Jones: Which a lot of conservatives are suspicious of.

Spellings: This is another thing I learned in the four years that I interacted with them. We knew who the smart and good guys were and who the dopes were. The legal team was solid and in particular some, Joe Conaty. We couldn't have run the place without him. JoAnn Ryan. We knew who the best available athletes were over there in the career point of view. And who were more bought into the philosophy than not.

Jones: I've always been curious about the issue of measurement. Because so much of what is done in all government these days is dependent upon numbers, numbers that come to you as a decision maker. And certainly No Child Left Behind depended a lot on numbers. And, again, your confidence level in what came to you.

Spellings: We had a lot of process around trying to validate and assess how reliable the states' assessment data was. But we more or less relied on it, and they were always trying to game the system and continue to. Waiver submissions and trying to cook the books and so you have to—I fined Texas, which was a big deal because they expected me to be kind to them for exceptions, and I think it was with special ed issues that they had a terrible assessment system. Basically, taking a hard line or being consistent—consistent application of sanctions. You're right. The whole of No Child Left Behind was about results and numbers.

Jones: So flexibility comes to be a very important way out, right, for the issues that develop with the states?

Spellings: Yes, but I was and have the reputation of being pretty hawkish about all of that, not a waiver giver. There were a few isolated examples and overall the Mount Vernon speech is a framework of things we were going to apply broadly. I would say we learned some things as we applied the law, and we're going to modify them.

But none of this sweetheart deal. "You get a waiver. Utah, you're Republicans, we're worried about the politics there." I don't think we were ever accused of that. Maybe we were accused of it, but it didn't stick.

Rhodes: Can you talk a little bit about an important regulatory innovation, which was the emergence of the increasing use of growth models. Because right now this is presumably when the law does get reauthorized. That's when it will be an important feature that states probably will have to use a growth model.

Spellings: And virtually all of them are using the pilot program I set up through a regulatory process that frankly is not truly in keeping with the law.

Rhodes: Where did that come from? Were states demanding to use growth models? Were you pushing, "Look, the whole status level in the long run isn't going to be policy rather than politically successful"?

Spellings: Both. And the whole Texas system was built on a growth notion, so I was predisposed to it anyway. That was back to the thing where we got outfoxed—we got out-accountabilitied in the law, but I wasn't opposed to that sort of feature in the first place. And I'm proud that we created a framework that now is the place the states want and need to go. It makes more sense, it's fairer, and that's what they'll enact, but we don't have to enact it because there is already a rule on the books that allows for it.

There are some consensus policy things that have come out of that. The way choice is implemented. There are some tweaks that could happen, but they're not so consequential that there is any real need for a new law, in my opinion.

Riley: We talked earlier about the Vice President and his—

Spellings: Holly, you missed the best juicy parts. [*laughter*]

Riley: In the transcript we would welcome your observations, Holly, if you care to add any. But the effects of his not wanting to run for President on his own. This became then an especially interesting problem for you to deal with as 2008 approaches because there is no heir apparent.

Spellings: Right.

Riley: Within the White House and within the administration, are there discussions about how you deal with this? Or is everybody a free agent? Is there a preferred candidate among the likely candidates?

Spellings: Of course you know McCain and Bush did not have the coziest of relationships.

Riley: Really.

Spellings: You're kidding, right?

Riley: Yes, I am. But, you know, an audience 20 years from now might not recall that.

Spellings: But they got there.

Riley: What was the basis of their—?

Spellings: I think the internalizing of that for us, either at the staff level or in the Cabinet, was that we needed to stick to our knitting and nail down everything that was important to us, notwithstanding the election outcome. And frankly, McCain had been a good supporter of No Child Left Behind. *We* weren't going to have any problems, particularly.

Riley: But the tensions were on foreign-policy issues with McCain.

Spellings: Yes, and some energy stuff I would say. Immigration was an area where they agreed. It was as much style as it was substance domestically. But at that point we were—this is not a good way to say this—all about us. We needed to do what we needed to do, and we didn't have time to think about or worry about or fret about the campaign one way or the other, honestly.

Riley: Sure.

Spellings: And Bush did not engage that much in it.

Jones: The campaign?

Spellings: Yes.

Riley: Is that because of his own political standing?

Spellings: They didn't really want him engaged, as you know. So he had a free pass. And we had plenty to do and did plenty. When we were talking on the last day, *literally the last*, on January 20, we were putting out rules on student loan stuff. Not because we loved that issue and wanted to, because we needed to keep things moving forward.

Jones: But did you have a cordial relationship with the transition?

Spellings: Yes, we did. I knew Arne Duncan and we had worked together a good bit. Chicago was a pilot district for some of the special supplemental services stuff. I considered him a fellow reformer. He came to various events, and we had events to give him big checks for stuff, with him and the mayor. We had a very smooth transition.

Rhodes: Did they talk about what they were going to do? That is, did you have a sense outgoing what the administration had in store? Because the press accounts are that there was a fight, whether it was going to be the Arne Duncan faction or the [Linda] Darling-Hammond faction. Duncan wins and is that the signal, or did you have more specific discussions about what they were intending?

Spellings: We were pulling for Arne. The reform crowd wanted Joel Klein; he probably was their contender. Arne was a good second—not second choice but was also in that camp. I was happy when he was selected.

What's weird about it is our relationship with Arne and his team, the Chicago team, was very cordial, highly collegial, and pretty much in the same direction. The badasses from the transition team—remember those ornery people and they were very suspicious, and it was like you were getting a shakedown from the FBI [Federal Bureau of Investigation] or something. It was a very different approach.

Rhodes: The Washington people? The Democratic people or—?

Kuzmich: They would have a whole team of people just like we did.

Spellings: Yes, but they were not very nice to deal with.

Kuzmich: And half are sort of his Chicago people and the other half are campaign/D.C./ Democratic operatives—

Jones: Interest-group thugs?

Spellings: Yes.

Kuzmich: Interest groups.

Spellings: Union people. But it was different from the Arne relationship. And Arne, I think it's interesting, has a relationship with Obama not unlike the one I had with Bush. We were friends, we were local, we were all of that. But it was an all right process.

Riley: You said earlier you were on the airplane going back to Texas with the same bunch. Can you tell us about the flight back?

Spellings: Yes, that was really, really fun.

Riley: Why?

Spellings: It was fun. It was sentimental. It was kind of wistful. It was just a great final act or show closer, finale.

Riley: Who was on the plane?

Spellings: Karen, Karl, Don Evans, me, Joe Allbaugh, Clay Johnson, Jean Johnson Phillips, Laura, and I think Barbara was but Jenna [Bush] wasn't. Josh, of course, Joel Kaplan, Barry Jackson. Harriet Miers. His homies.

Riley: President in a good mood?

Spellings: A great mood. It was like a flying cocktail party.

Jones: Free at last.

Spellings: It wasn't like "school's out for summer" kind of thing. It was a feeling of accomplishment and goodwill and *veni, vidi, vici*. And then we went to Midland to this *unbelievable* hero's welcome and, of course, many of us were Texans so it was like going back to your high school reunion. Everybody knew a lot of people.

And then Karl hosted a dinner for a lot of us at one of Midland's finest restaurants, which ain't saying much. [*laughter*]

And then, the reason I'm telling you all this, so we celebrate, that's all fine and dandy. We all had come on Air Force One but it was Special Air Mission One because he wasn't the President. We get up the following morning and we all are dispersing—a number of us, myself, Josh Bolten, I can't remember.

Kuzmich: Dina?

Spellings: Dina, just a number of us. We meet in the lobby of the Holiday Inn and we get on the Holiday Inn van and go to the Midland Airport and we're all getting in through TSA, and it was the first time any of us had been through the TSA for a long time—ever in some cases. So it was the perfect ending to the perfect—it was like you woke up from the dream and there you are in the TSA line.

Riley: But it's striking to me, having been—again our experience over the last seven, eight years is interviewing Clinton people, and the same thing would not have been said about the Clinton people. They didn't go back to Arkansas, for one thing. But the other thing was the casualties from the Arkansas—

Spellings: Literally and figuratively.

Riley: There is a profound difference and I tried to think—there weren't any Texas casualties.

Spellings: Scott McClellan.

Riley: Scott, OK.

Spellings: He was the only one, but he wasn't really—

Riley: That was self-inflicted.

Spellings: Exactly. But no, not that I can recall.

Riley: There is nobody who goes to Washington and gets chewed up and spit out.

Spellings: Joe Allbaugh was not too damn happy about the way—He always wanted to be in the Cabinet and all of that, and his wife was very ill and he was grouchy, but that's about as close as you can get is grouchy.

Riley: It's a spectacular contrast.

Spellings: It really is, and the other thing I really treasure about the whole experience is how fond we all are of each other even now. The flying cocktail party deal, there is like, "Remember that guy? Can you believe?" So there is a lot of goodwill and good feeling and fondness. And that obviously started with Bush.

Riley: Have you read anything that you commend to people as an accurate account?

Spellings: Not yet.

Riley: Not yet. Not just of the time you served in Washington but of the man who was President. Has anybody gotten it right in your vantage point?

Spellings: Not yet. The thing about Karl Rove's book—and it's Karl's own personal story of how he got there and all that, but as the book ends—of course, this was his lens—it's too political to be representative. But everything about the actions and the story line is really through that lens. Bush is certainly a politician and a political person, but he wasn't worried about the Teacher of the Year. It had an effect, but when Karl writes about Hillary Clinton, there is all that petty little political, political with a small p, that was really un-Bush-like and you wouldn't see in something that was a characterization of him because he was so not like that.

Riley: Who would write the book that captures him best?

Spellings: I don't know.

Riley: You?

Spellings: Maybe Josh.

Riley: Josh. Josh doesn't strike me based on—

Spellings: He's not the kisser and teller. No.

Riley: Doesn't appear the person who would write it.

Spellings: No, and I don't think any of us who know him best would write the book. The definitive book. We'll see. I've read parts, but I haven't read the whole thing, *Decision Points*. I'm anxious to see how it's received and whether it's interpreted as credible and authentic or too defensive or whatever.

I will say that the parts that I've read, especially the education part, they're very generous about other people.

Riley: Which is characteristic—

Spellings: Yes, which is very characteristic of him.

Riley: Well, we've reached our appointed hour and I can't tell you how much we enjoyed this and how illuminating it's been. We learned so much.

Spellings: I'm glad to be early while you all are still interested in the Bush administration. [*laughter*]

Riley: We're going to be interested for a long time, I assure you. But you've done us quite a service.

Spellings: Well, thank you, Russell, and don't call me for 30 more hours of interviews. Not that I'm not glad to come back, but in Texas we say, "When the horse dies, get off."

Riley: I hear you. I'm not going to declare this a dead horse. We do appreciate it. There is a lot of rich material here. Review the transcript and add if there are places where we've missed something.