



## EDWARD M. KENNEDY ORAL HISTORY PROJECT

### INTERVIEW WITH RASHI FEIN

March 21, 2007  
Location, Location

#### Interviewers

Janet Heining, chair  
James Sterling Young

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TRANSCRIPT

INTERVIEW WITH RASHI FEIN

March 21, 2007

**Fein:** To the degree that I have done oral histories, I've swallowed hard at times, but never had inhibitions. I think that the purpose of the endeavor is, as near as possible, to tell one's recollections, even all of the warts.

**Heininger:** And that's what he wants.

**Fein:** I don't know how we first came to meet. I had worked at the Council of Economic Advisers, but it's a little removed from the President of the United States—that is as a staff member. Lee White, Mike Feldman, Ted Sorensen may well have known my name because they saw it on a memo, or because (as with the first two) we had worked together on various issues, but by the time that memo reached the President, I rather suspect that he had more important things to do than to remember names that came across a few memos.

**Heininger:** You served under John Kennedy?

**Fein:** Yes. That came about—and I don't know that it's relevant, but maybe it is, because it's part of the perspective that he had, and that may well have spun off on his brothers. The Council of Economic Advisers, set up under the Full Employment Act in 1946, traditionally had worried about macro policy, monetary and fiscal policy, unemployment, inflation, and so on. Walter Heller, as chairman under Kennedy, but I think very much reflecting the President's interests, determined that—how did he put it? This is a President who believes that economics has something to say about everything. I stress the something to say, not everything to say.

So I came, though my interests were Social Security, welfare, and health, and I got the portfolio of HEW [Health, Education, and Welfare]. Labor and manpower issues, retraining, what my right-wing friends would call the “do-good programs,” except they don't think they do good. Out of that came a deep association with various members of the executive branch, but because I was in the executive branch, really no association with the legislative branch. I worked with Wilbur Cohen; I worked with HEW. But I worked at a different level than would have involved me with anyone in the legislative branch, and certainly not the judicial.

After the assassination, I had moved over, a month before or so, to Brookings, got involved a bit with OEO [Office of Economic Opportunity]. I considered going to OEO, but had just come to Brookings, so I stayed there, but continued my involvement and found that I was involved with Bobby Kennedy when he was campaigning for the Presidency, for the nomination. I think that was partly because of my—[*interruption*]

**Fein:** Even as Senator of the state of New York, I'd come to know Peter Edelman and the substantive issues involved. He was worrying about all kinds of things that I worried about, health matters and so on and so forth. Maybe all of that added up to the Senator knowing about me when I came to Harvard. Whatever it was, I remember our first meeting, which was in Boston at his home. I went with an associate dean of Harvard Medical School, and it was basically a "Let's get to know each other."

**Young:** This was Ted or Bobby?

**Fein:** This was Ted. It had to be after '68, because that's when I came to Harvard, and I would guess that it was '69, '70, maybe '71.

**Young:** After Robert's assassination.

**Fein:** After Robert's assassination as well, yes. That was '68, the late spring. I was at that time very interested in the health arena, and very interested in health insurance, and was one of the few economists in the field. It wasn't really even a field. I suppose some notoriety attached to that and to the fact that I had—I was an unusual economist, I suppose. I was more interested in government than in the market. I was less interested in finding all of the reasons that we shouldn't or couldn't afford to do things, and more interested in making what I consider to be a better world, which was not the normal posture of economists. I think that's fair. That criticism will still hold.

**Heininger:** Not trained at Chicago?

**Fein:** Not trained at Chicago. First of all, not trained. I'm old enough to feel that I was educated and not trained, a small but important distinction, at least for those who are old, but certainly not Chicago. As a matter of fact it was Hopkins, and it was at a time when Hopkins was quite conservative, but the small group of us always felt that while we lost the argument with our senior professor, it was only because he had more experience, not because he really had validity on his side.

I had been, as a consequence of my interests, associated with the liberals who were interested in national health insurance, and that meant Wilbur Cohen, and the AFL-CIO [American Federation of Labor-Congress of Industrial Organizations] folks, all of that. It meant the people in OEO. That was part of where I was, and that meant that I somehow or other got involved, peripherally at first, with the Committee for National Health Insurance, which was an outgrowth of labor and in particular, the United Automobile Workers, an outgrowth of something that had been called the Committee of One Hundred—one hundred distinguished Americans on a letterhead in favor of national health insurance. This was where I belonged.

On the other hand, I was asked, first by Kennedy and then by various others, to testify before the Senate Labor and Public Welfare Committee, the Joint Economic Committee, things like that. I had built up this image that I shouldn't get too close to the CNHI [Committee for National Health Insurance] because I was the objective professor who was going to come and testify, and if I was on the board of the CNHI, by definition I wasn't the objective professor. It's a lot of foolishness because everybody knew where I stood. It wasn't a game, it was naiveté on my part. So that's why I use the word "peripheral" involvement with the CNHI. I came to learn that

Kennedy and his staff had more than a peripheral involvement with the CNHI, that this was very important.

“Checking with labor” was an expression that was used and so on, but I think it was more than checking with labor. I think it was two things. There were not an awful lot of experts and people who knew a lot about health insurance, and certainly who knew a lot about what a universal health insurance plan would look like and how much it would cost. Therefore, there was, on the part of Kennedy’s staff, a willingness to listen, seek help even, from the experts who sat around the table at the CNHI.

I do not mean to imply in any sense that the Senator was in the AFL-CIO’s pocket on these issues; indeed as time went on, he demonstrated more than a degree of independence, in particular in the Kennedy-[Wilbur] Mills era. But there was a working together and a talking to each other that went beyond viewing labor as an interest group that the Senator had to kowtow to, rather looking to labor as people who had long experience and knew what kinds of things might not work or would work, et cetera.

I think there may well have been another association that was not “hot,” as it were, but was there. A number of my former students had joined Senator Kennedy’s staff. David Blumenthal was at Harvard Medical School. I knew him as a student. He knew me. Phil Caper had worked with me. I do not want to imply that I was some *éminence gris* hovering behind. I don’t know that they got the jobs because of some connection, and I’m sure that I must have said something or written some letter, and maybe it made a difference somewhere. They worked on things very independently.

I do not mean to imply and would not imply that David Blumenthal, when he was there, called me daily, weekly, monthly. Phil called me a little more. We knew each other a little better, but even so. But there were a lot of connections. I had testified a few times before committees that Kennedy was a member of, every time introduced by him in terms that I should show my grandchildren, except that they know enough to know about the rhetoric of Washington.

The first time that I seriously remember spending time with the Senator is of some importance, simply because of what I think I learned about him that evening. It was an evening before the confirmation hearings for Roger Egeberg. So this puts it—[Richard] Nixon takes over in ’73? No. Nixon takes over in ’69.

**Heininger:** Egeberg was, I think, ’70.

**Fein:** That’s right. Nixon takes over. He wants John Knowles; he doesn’t get John Knowles. He goes to Roger Egeberg. What Kennedy wanted from a small group—Al [Alonzo] Yerby was there, Lee [Lisbeth] Schorr was there. I hesitated only to determine whether to refer to her as Lee Schorr or Lee Bamberger. By then she was Lee Schorr, having already married. I was there, various staff members were there, including Carey Parker. That’s where much of the association began.

I now am remembering. It all (our association, that is) began at Wentworth by the Sea in the summer of ’68 at a conference on medicine in the ghetto. I was there, as were lots of other people, and Carey Parker was there. That’s where we met, and it was out of that that subsequent

things happened. What the Senator wanted that evening was to discuss the kinds of things that he might want to ask questions about to Roger Egeberg, with the hope that he would get Roger Egeberg to say things on the record that he, the Senator, might later be able to hold him to or refer to.

What was interesting about the evening and what was important was that he was sitting, as I recall it, on a sofa off to my left—we must have begun at 7:30 or 8:00, and he didn't say anything other than open up the meeting. That was it, and he just sat there. We were having a very nice conversation. Carey Parker and I assume others were asking relevant questions. The others, by the way, were not David or Phil. They were not the substantive people, they were from the legislative side. It was that kind of an atmosphere. At some point, I seem to remember saying to myself, *This is fun, but it's got no relevance to a sensible agenda because the Senator hasn't said a word and it's not clear that he's paying attention or is with it. He is sleeping with his eyes open.*

Later in the evening, I would guess ten o'clock but I could be wrong, he said, "Well, we're going to have to break up in a half hour, so let me pursue some things that were said." I recall quite vividly that almost the first, if not the first question was, "Early on, Al, Rashi said such and such, and you disagreed with him, but that issue was never pursued. I'd like to find out a little more about why you disagree, and I'd like to hear from Rashi, what his response would be," or words to that effect. What I learned over the next half hour was that he was awake, he had paid attention, he had absorbed, he had processed information, and he had put it together.

I don't know that it was a tour de force, but first of all, it was very nice to know that the evening had not been a waste of time. More important, I was struck by how much he knew, because he had asked the right questions, and I wondered how he knew it. I think this was on a Wednesday or Thursday. It was in the summer. I recall that I flew down from the summer place at Lake George, New York, and I flew back the next day. My mother-in-law, for reasons that I did not understand or know, did not like Ted Kennedy. Just didn't like him. I vividly recall that it was two days after I got back when she walked into my study up there on a Saturday and said, "Well, that trip and your political career is over," because Chappaquiddick had happened that weekend.

**Young:** That's '69.

**Fein:** I didn't know I had a political career, but I nonetheless was distressed, both at her comment and at the event. Over the years, and I would say the years between '69, '70, '71—we can continue to about '75. I have not looked at any of the files. I don't keep good files, but I haven't even looked at what I do have, so this is off the top of my head. My recollection is that I saw some of the staff members. I know I talked a fair amount with Phil after the HMO [Health Maintenance Organization] Act, and I saw whoever it was, Larry Horowitz, at various times—whatever it was before. I still related a lot to Carey Parker, Stan Jones of course. I was involved, but I don't remember any special involvement—"special" meaning I don't remember subjects with the Senator.

I remember being in the office a number of times, talking with him. I remember being to the house in McLean a number of times. As we were breaking up one evening, his saying, "I've got a talk at such and such a place—" It was a union meeting, a union convention the next day—

“How do I explain how it’s going to work?” Meaning, how universal—we didn’t call it universal—national health insurance will work. I remember saying, “For tomorrow it’s enough to say it’s going to work the way the social security system works.”

I don’t recall particular subjects that came up over those years, but I do remember, on the occasions where I testified and at meetings that I held, coming to understand that though there were times when I saw him on television, at a hearing or whatever, that the English was not Churchillian, it wasn’t wonderful prose, but that this college professor, Rashi Fein, had better understand that that does not mean that he doesn’t know the subject. I was really impressed by how much he knew about how many things. And I did not know how he knew it.

How does a fellow who’s very busy absorb as much as he had to absorb? Analytical mind, et cetera. You have to know what it is you’re going to subject to the analysis. I can’t remember names, and I don’t remember data, but this went beyond data. I came to believe—this is conjecture, a hypothesis—I came to believe that when you don’t know the right answer to a question and your staff hasn’t anticipated the question and hasn’t briefed you, you have to figure out on your own how you react to a statement or a proposal made by somebody who is sitting across the desk or testifying. I came to believe that what one does and what the Senator did was rely on a value system.

Let me take you back a tiny bit to explain what I mean, because I think if I’m right, it’s important, but I don’t know whether I’m right. Jack Kennedy, in a speech in Washington one day at the Pan-American Health Organization of all places, or maybe the speech was held there, in essence said that we have come to a time of very complex problems. These are technical problems that need technical solutions. He either implied very strongly or actually said, not “Ideology is dead,”—he didn’t steal that from Dan Bell—but that these are non-ideological issues, technical issues requiring technical answers.

The then chaplain at Yale, [William Sloane] Coffin, wrote an article in *The Reporter* magazine, saying, “Mr. President, not so. You’re talking about a tax cut. The progressiveness of that tax cut is an ideological issue,” and went through a number of such issues. My hypothesis is that in his gut, Ted Kennedy, when confronted with an issue that he hadn’t met, decided to choose, *Let me give my gut ideologic response based on experience and values rather than say that’s a technical issue and I don’t have the technical answer, but I’ll turn to my staff.*

I think it’s not that he had to say something, it’s that I think he fell into or chose to assume, in my view correctly—that’s why I’m being very cautious about whether the hypothesis is right; it’s just one that I may hope is right—that when in doubt, decide how you want this game, this society, to come out. Let me illustrate that with a brief story, and I’ll make it even briefer. The context is not important, but on an occasion where I said about the blizzard of ’68—was that the blizzard? No, it wasn’t the blizzard of ’68. Seventy-eight.

**Heininger:** Seventy-eight.

**Fein:** Yes, the blizzard of ’78 was our blizzard, where it was delightful, there were no cars on the road. There were no cars out there, no smog, the snow was pristine and white, and we took long walks and had a week of vacation and so on. It was quite remarkable that I was corrected, with

some anger, by the Senator, who said, “You say it was nice? I flew over the homes that had been destroyed. I flew in the helicopter over the houses that had been washed away, the furniture that was still lying out there in the backyard.” He even put it in terms of “where the little people live, so don’t tell me it was nice.” I was struck then that here’s a guy who seems to use as a template, for all kinds of things, things as simple as a blizzard: What is its impact on distributional equity?

**Heininger:** Was this Ted who said this?

**Fein:** Yes. So I think that ties in with my hypothesis. If I don’t have an answer, let me turn to that which I care a lot about—distributional equity. How would it work out? That will give me the answer of where I am. So my hypothesis is, if you asked him tomorrow: “Do we need more primary care physicians or do we need more dermatologists to take care of wrinkles?” and he didn’t know the answer, he would come up automatically and say primary care, and not because he knew we need more primary care, but because he would think, *Well, what do primary care people do and what do people taking care of wrinkles do? Obviously I care more about the former than the latter.*

**Young:** This is a very interesting hypothesis. I think it’s more than that, and it’s something that is of great interest in this project. These are impressions that I get. The possibility that rather than when he doesn’t know the answer, he uses this template, is it possible that the template informs the answer? This comes up in healthcare. For example, it’s unfair that people should be sick and there should be no national obligation to care for the sick, and it’s what the effect of the problem is, where the problem lies.

**Fein:** Yes.

**Young:** And then you can get into costs and how we do it. Is that possible, that there’s certain—

**Fein:** Oh yes. I think—

**Young:** Did you ever wonder how he got so involved in matters of public health? What was it? It wasn’t a technical thing that got him in there. It was something else.

**Fein:** No.

**Young:** These are the questions that I’ve raised.

**Fein:** Somebody once gave me a hypothesis or a statement of why he got interested in health. I don’t recall it. I really don’t know. This is a person who could have gotten interested equally in housing and spoken as passionately about housing issues and housing assistance. He obviously was interested. He could have made his life’s work hunger, but it was health. I don’t know, but I do think that he knows where he stands on the big things and would react in terms of fairness. This is well before Patrick [Kennedy]. He found it and he spoke as if he found it offensive.

When I say he spoke as if he found it, it’s worth more than noting that Ted Kennedy was more like Bobby than like Jack in terms of his willingness to reveal himself, to reveal emotion, to reveal where he stood in a passionate emotional sense. That may well be because his older brother and his next brother were assassinated, and so what am I trying to make believe? But for

whatever reason, I recall feeling that unlike Bobby, Jack Kennedy was cool. He wasn't going to show—maybe he thought it was a bit feminine, but it was Bobby who cried when the swimming pool in the high school in Washington didn't have any water in it in the summertime because the cement had cracked and it leaked.

Jack would have told somebody to take care of the problem, but he wouldn't have cried in front of the reporter. Ted would. It's not just a matter of the style with which he speaks.

I intersected with him on health, which doesn't mean I'm not interested in other things, as it does not mean he wasn't interested in other things. All of my remarks about how much he knew about health, I could also make, having watched him on TV in hearings on judicial matters and so on. I can respect the fact that an awful lot of people, colleagues and others, would say about him what they would say about any Senator who seemed to know so much—"That staff work is terrific. They're passing him those pieces of paper, even though I can't see that they're passing him those pieces of paper." I can bear testimony that that wasn't so in the health field, and I have no reason to think it was so in other fields. I think other people understood it. I was present by accident.

Ted Kennedy, Paul Wellstone, and I were going to speak to a group of state legislators about healthcare, and it was two or three days after Paul Wellstone had been sworn in as a Senator. I got there and Ted wasn't there yet. I saw Paul Wellstone, walked up, and I introduced myself. He looked at me and said, "I've read every book you've written." I said, "Senator, you've been three days in Washington and already you speak in Washington hyperbole?" He looked at me and with some anger said, "I was a college professor. Let me name them." And he named them all. I bit my tongue because I was about to say, "Senator, you've got terrific staff," when I thought *How far can you go in insulting the guy?* He actually had.

Kennedy came and said hello to me and Paul, and said to Paul Wellstone, "I'd love to have you on my committee." I guess it was labor and public welfare. Paul Wellstone said, "I'd love to be there." And Kennedy said, "I know that you've asked for that. Are you going to be with me?" They both knew what they were talking about, and I figured it out. Wellstone said, "I ran on national health insurance, not on incrementalism. I owe it to my constituents." Kennedy said, "I understand that, but are you going to be with me?"

It was very clear that he wasn't going to get this assignment unless he—and Kennedy said, "OK. You campaigned on this. You can be with it, but when it fails and doesn't have the votes, will you be with me?" I don't know whether Kennedy said will you be with me or Wellstone said, "I'll have to honor my pledge to my constituents, but if it won't go forward, I will be with you." I don't remember which way it worked out, but everything was fine.

I was intrigued by the fact that here was this rather significant discussion that involved power. It involved assignment on a committee, an assignment that was very important to both individuals. They knew I was there and I was permitted to listen in on all of this, which I would have thought would go on behind my back.

**Young:** Was Kennedy saying, "If you don't get the whole loaf, are you going to be with me, if we have to do it incrementally?"

**Fein:** Yes. That's what that debate—



**Young:** Because Wellstone said he's against incrementalism. You're against the ism but you're going to do it.

**Fein:** If it comes to that, will you agree that half a loaf is better than none? He wanted that commitment, and he got it. Now that was much later. Originally Kennedy was for Kennedy-[Martha] Griffiths. It was a tax-based program, what we today would call "single payer," a phrase that is difficult to describe. Or you could call it "Medicare for all," and that support continued for some time.

Now we move to Stan Jones, Stuart Altman, and the negotiations with the Nixon folks— Stuart representing the Nixon folks and Stan representing the Senator. I was not involved in any of that. I was in Montreal for a meeting and came back either on late Saturday or early Sunday, probably late Saturday. I think I remember picking up the Sunday *Times* and finding this big announcement that Kennedy and Mills had gotten together to respond to the Nixon initiative.

I read it, and I read it with interest, because I had said, two days earlier that in the U.S. we would have deductibles and co-insurance and Kennedy-Mills indeed had that kind of cost-sharing. But the most important aspect of the program was the first departure for Kennedy from the model of Kennedy-Griffiths, which was, as Medicare is, tax-based—everybody pays a tax, everybody has insurance that's funded out of that tax. Now there was a departure to a mandated approach—employers will provide health insurance. That was a very big deal. Nixon already had put it forward with CHIP, Comprehensive Health Insurance Program. This was the Kennedy-Mills response, which everybody had to take very seriously, both because of Kennedy and even more because of Wilbur Mills, Chairman of the House Ways and Means, which is where all of this has to originate, because it's all tax.

**Heininger:** Although actually employer mandates would not have had to originate there. In fact, I think Mills had to scramble to insist that there be something in there so that we maintain my jurisdiction.

**Fein:** OK. [Harry] Truman had no funding for his plan, so that it wouldn't have to go to Senate Finance. Similarly [Ralph] Yarborough, after he lost to [Lloyd] Bentsen, was still a lame duck, held hearings where he stripped away all of the financing stuff so that he could legitimately, as chair of Labor and Public Welfare, hold hearings. But you're right.

There was a second point to the Kennedy-Mills, and that, as I just noted, is there was a significant deductible. Up to that time I remember arguing a number of times, getting a little flippant about it, saying to conservatives who were debating with me that, "Look, you're in favor of a deductible. I'm in favor of a deductible. The only difference between us is the level of the deductible. I say zero dollars and you say some other number." It's a great line, but it doesn't hold water.

I had said in Montreal, as I was discussing with students at McGill, when the U.S. comes to national health insurance, we will have deductibles and coinsurance. That is a given. Medicare has it and it's in our insurance tradition. So when I picked up the paper and found that there was a deductible, I was not shocked, but that was the first time that labor basically walked away. Now why? Ostensibly because of the deductible, the coinsurance, and the mandating.

I think that labor overplayed its hand, believing that in this November election in 1974 we would get a very liberal Congress, and that Kennedy's political acumen was wrong, that he was settling for less than they would be able to get after the election. I think it was that kind of simple strategy, with an overlay. I am quite convinced because the cast of characters was such that it makes sense, an overlay of, "That son of a bitch went off the reservation without even telling us. We read about it in the papers." I think there was a certain degree of anger, irritation. I may be wrong, but they're human.

**Young:** Was that true at UAW [United Auto Workers] as well as AFL-CIO, or were there some differences?

**Fein:** I think there were always some differences between the Leonard Woodcock, [Douglas] Fraser UAW and the AFL-CIO. The AFL-CIO was always represented by Bert Seidman, but Bert was taking his orders from higher up, which either was Lane Kirkland or George Meany. There was a certain imbalance. The CNHI was chaired by the president of the UAW, and then there were people sitting around the table, and the people were the heads of the teachers' union, the head of this, the head of that. By then I had come to understand that I had a label on me anyway. I might as well, therefore, spend time with my friend. So I was sitting around that table in contrast with my earlier, *I don't want to be seen in this building so that people will think that I am neutral.*

**Heininger:** Were you officially a member in the late '60s?

**Fein:** I became one later when Isidore Falk could no longer handle the task of chairing the technical committee. I became the chair of the technical committee of the board, but not a member of the board, and subsequent to that, I became a member of the board. By the end, it was Doug Fraser and the executive director, Mel Glasser, and I, who would have our little meeting to decide what would happen.

**Young:** This was the Committee on National Health—

**Fein:** National Health Insurance. Now I should be clear. It goes without saying, but I'm going to say it so that you know that I know it too. There is a political world in which it often happens that individuals who are involved in something as I was sometimes consciously inflate their own importance. Sometimes, however, they simply fail to recognize that there are other circles that are concentric, overlapping, and a lot of other stuff's going on that they don't know about.

I am convinced that if I were to go through the minutes, the records, the archives of the UAW and of the CNHI at Wayne State, which include Doug Fraser's records and his relationships with Mel Glasser, that I would learn things that I now don't know, about me and about what was really going on. I shouldn't say really going on, it was about what was going on, but there were other things that were also going on, so no one knows everything that is really going on. Nonetheless, the three of us would have lunch and meetings and I always was aware, and I think Doug was, that there were also meetings just between Mel and me, and just between Doug and Mel, and occasionally even a conversation just with Doug and me.

**Heininger:** Do you remember when you replaced the chair of the technical committee and when you actually went on the board? Were you part of that Committee of One Hundred to begin with?

**Fein:** No.

**Heininger:** Was that a precursor to—the Committee of One Hundred was a separate one.

**Fein:** The Committee of One Hundred becomes the Committee for National Health Insurance.

**Heininger:** Were they of different composition or the same composition?

**Fein:** The Committee of One Hundred, in my recollection, was one hundred distinguished names on a letterhead. Bob Ebert, Dean of the Harvard Medical School. I mean that's pretty good when you get the Dean of Harvard Medical School. But they didn't meet, and when it became more active, and the UAW moved in to a greater extent, Walter Reuther was gone. It had started with Walter Reuther and Kennedy. Involving Kennedy wouldn't have—it's not clear what the Committee of One Hundred was other than the names on a letterhead.

**Heininger:** OK. But then it became more active, and that's when it turned into the Committee for National Health Insurance?

**Fein:** Yes.

**Heininger:** Was that around '70, or is that later than that?

**Fein:** I would guess that it was probably around '68, '70. That's my guess. That I can look up.

**Heininger:** I would like to talk to Mel Glasser too.

**Fein:** You won't; he's dead.

**Heininger:** Who is the one who's still left? Somebody said yesterday there was another person. Maybe it was Bert Seidman who's still alive?

**Fein:** No. Bert's dead. The only one preceding Mel, it's a one-syllable name.

**Heininger:** Max Fine.

**Fein:** Max Fine, yes. I should remember the Fine part of it, even though he spells it F-I-N-E. Max was there at the beginning. Max was replaced by Mel. I was not so heavily involved that I know why he was replaced or whether he was replaced or whether Mel replaced him after he left. I don't know that dynamic.

**Heininger:** I just have to get the chronology straight.

**Fein:** Nothing happens in the summer of '74. The Nixon program doesn't have the votes. The Kennedy-Mills doesn't have the votes. The AMA [American Medical Association] proposal doesn't have the votes. Everybody can make alliances to block everything. Then labor does get

what it had hoped, a much more liberal Congress in the '74 election, but in many ways the moment had passed, to be replaced by Watergate, or the moment had passed and would have passed, even without Watergate. The history of national health insurance is a difficult one to figure out why each thing failed, but when enough things have failed, you begin to think that there's some underlying problem that might—it's not just the event that Watergate happened. In any case it did happen.

[Jimmy] Carter comes in, with all of the tensions, Joe Califano and Kennedy and Carter, and that's when I really came to spend a lot of time working with the Kennedy people, with Larry Horowitz and others, because what we were trying to do was to create a bill that would meet Carter's criteria. There's got to be a role for the insurance companies, et cetera, a Kennedy bill that would be acceptable to Carter.

What we were trying to achieve was something that we had tried to achieve much earlier, during some of the post initial Kennedy-Mills, because post initial Kennedy-Mills, there's still a lot of additional work that Beth Myers was involved in, that I was involved in. I was writing memos and developing plans that would achieve what Wilbur Mills wanted and what Kennedy wanted.

Kennedy wanted progressivity. Wilbur Mills wanted something that wouldn't look like a tax. How do you create something that doesn't look like a tax but is progressive, has many of the characteristics of the tax, with a guy who is as smart as Wilbur Mills, who says, "I don't want any fake stuff going on. I don't want it to be this, but it can be progressive." Voluntarily progressive—that's what priests, ministers or rabbis can talk about on Sunday, but this is not what gets you Monday through Saturday. I shouldn't include the Saturday if I'm including the rabbis. Monday through Friday, Monday through Thursday to take account of Imans.

I was going to Washington once a week, every week. I doubt that it was really all that often. I had a wonderful chairman of the department who paid for it all, a dean who was interested and made the money available. Representing the AFL-CIO at that time was Karen Ignagni, who is now the President of the America's Health Insurance Plans.

**Heininger:** She now represents the other side, right?

**Fein:** Oh boy, does she. We created something that did not go anywhere. I think there were at least two reasons that it didn't go anywhere. Two reasons that I could think of. One, the President and Kennedy came apart on a basic matter, and I abstract from all of the other things in their relationships, which of course in the real world one wouldn't abstract from. I mean it's part of the story, but it isn't part of the story that I knew.

The part that I knew was that Kennedy was willing to say, "We don't have to do it all at once. But we do have to do it with a timetable. We don't want to have the same debate every two years or every four years. I can live with—let's begin with children, let's then go to age 25, age 35, but I want it in the law, even though I recognize that of course that doesn't bind some future Congress. They could undo it. Still, let's have the debate once and it automatically phases in."

**Young:** And have all that plan built into the first piece of legislation.

**Fein:** Absolutely. Carter's approach was—and the words became important here, as I recall it. Kennedy's was called "phasing." Carter's was called—I'd have to look it up, but it wasn't phasing. It was, "OK, let's do the first step and then there will be some triggers, and if it works well, then we will say OK, now let's have a debate about doing the next step." Not "Let's do the next step" but "Let's have a debate about doing the next step." And Kennedy thought that that was just not going to work.

Carter wouldn't give in. Carter's approach had a certain engineering logic to it, and I use engineering because that's what he was, but I shouldn't. It had its certain appeal. We'll put it that way, a certain logic. Let's see whether it works and if it works, let's then talk about doing more. Kennedy's had a certain logic, which was that we can't assume that we can win this battle against forces that are arrayed against us every time. Let's pass a law and we can always take it back. I don't even want to talk about that, but we all know that, and let's do the whole thing, although the whole thing may be done over a period of time. That was totally unacceptable to the White House.

**Heininger:** For financial reasons or for ideological reasons?

**Fein:** If I had to guess, I would say for political reasons. As one looks back on it, was Carter going to take a Kennedy bill and say, "I support it"? He wanted to create his own.

**Young:** Where was Joe Califano in all of this?

**Fein:** Califano at that point is Secretary of HEW.

**Young:** But I mean politically.

**Fein:** Politically. When you read Califano's book, he was torn, but he was loyal to Carter. I think he was. Julie [Julius] Richmond, Hale Champion, they were there. They were trying to create something. It was a bunch of guys who believed in Kennedy and Kennedy's approach, but who were trying to create a Kennedy-like approach for Carter, which was tough to do, given that Carter had in the White House Joe Onek and a variety of other people. Who was the fellow who was his policy guy, who's a lawyer in Atlanta?

**Young:** Jack Bronson?

**Fein:** No.

**Young:** Stu Eizenstat.

**Fein:** Stu Eizenstat. They did not come with a history like the undersecretary, Hale Champion, who had been a legislative assistant for a Congressman from the Midwest, who was very left, liberal, and by the standards of the day, probably left-wing. Julie Richmond. These were—even Joe—these were people who came out of a different era, they came with a sense of history. They happened to think that that's important. Joe didn't know as much in that sense of history. When he came in, I was asked by his staff to prepare for him—two people were asked to prepare for him—a background document on national health insurance.

**Heininger:** Is this for Nixon's staff?

**Fein:** For Califano. So this is the summer of '77. I wrote a 100-page piece on what the issues had been, where various factions came apart, et cetera. Alain Enthoven wrote a piece on what a good market-based national health insurance plan would look like, and I think in those two papers you had represented the two voices that were impinging on Joe Califano. I'd had no association with the Nixon staff but two. One, I had been told by friends—I was serving on a committee for Social Security—they no longer could cut any travel orders for me.

Somebody up there in HEW said no, and Stuart Altman in fact, additionally told me that he'd be glad to call me, but he couldn't invite me down. Then there were friends who were also going to call me, but always told me that they called from an outside line, which I thought was bizarre until I learned that there was an enemies list—it wasn't necessarily bizarre.

I had been invited, together with Victor Fuchs and Bob Eiler, to do a one-day seminar for the Nixon staff. That included Lou Butler from HEW, Herb Stein, Chairman of the Council of Economic Advisers then, somebody from the Bureau of the Budget. It hadn't yet become the Office of Management and Budget. Some White House guys, including the lawyer who predated the Nixon gift of its papers, and we spent a day in which the Nixon people made it clear that they didn't really like Medicare, but it was there. They felt that a proper approach would have been to take care of poor elderly people but not all elderly people. So it was compassionate conservatism, if you will.

Around four o'clock—this is totally irrelevant to the Ted Kennedy thing. It's just a nice story, but we should drop it. So let me return to the earlier topic. I would guess, if I had to guess, that the reasons that Kennedy and Carter came apart were that it was inevitable that Kennedy and Carter would come apart politically, and in addition, there were these deep ideological differences in terms of the structure of a bill. In his heart of hearts, Kennedy does not need a role for the insurance companies. Kennedy might arrive at that for political reasons and say, "These are very powerful institutions. Let me figure out how I can constrain them, but give them something so that they will not be as opposed as they otherwise might be." I think in contrast, the people around Carter were people who believed much more in market-based solutions.

Specifically, as an example, I was on a plane with I believe the Vice President of John Hancock, who turned to me—we were sitting next to each other—and said, "You academics have it all wrong. You are angered with us, the insurance companies. You think we want to be the underwriters and we really want to run the show. We don't. We don't like to be the underwriters. We don't like to try and guess the risks in writing health insurance. But what we do want is what we have in Medicare; we want to process the pieces of paper.

"We want to make our money by paying the bills and getting the money from Social Security to pay the bills, because if you're on Medicare you know that you get that letter, 'This is not a bill.' It's not coming from Social Security headquarters in Baltimore, it's coming from a carrier who has a contract to do that, and that's lucrative, and there's no risk involved. You just get your 8 or 10 or 12 percent, whatever it is that you've negotiated, and it's your fee. We're very good on that. Give us that and we can do business with you."

I remember that conversation; it was many years ago. I assume it to still be the case, I'm not sure. Kennedy, I think, would say, "If that's the case, they're going to get 9 percent. Social Security could do it for 4 percent. I'm losing 5 percent. That's a lot of money, but it may be worth losing that 5 percent and not having the opposition of the insurance companies, because I remember what the insurance industry did to the [William J.] Clinton program." But I think that when Carter was saying, "I want a role for the insurance companies," he was not making a political statement. I think he was making the statement about what he envisioned was this wonderful public/private mix and so on.

**Young:** Nixon had wanted the same, had had the same feeling as Carter.

**Fein:** Yes.

**Heininger:** Who was this that told you that, that they just wanted the processing?

**Young:** Hancock.

**Heininger:** He was the Vice President of Hancock.

**Fein:** Yes.

**Heininger:** That's a very interesting statement, because that is one of the big debates that underlies all of this, what the insurance companies really need out of this. And that's the first that I've heard that somebody in the insurance industry was willing to admit that it was lucrative enough to just get that 9 percent and not have to take on any risk.

**Fein:** Right.

**Heininger:** Because that's not how it's ultimately played out.

**Fein:** No. Well, if I were representing the insurance industry, I would say, "You know, that's a nice private conversation, but what scares me is that once you develop that, then some day, somebody's going to say, 'Why are we paying them 9 percent when we can do it ourselves?'" So there's the camel's nose under the tent kind of thing.

**Heininger:** But that debate has never arisen over Medicare—

**Fein:** No.

**Heininger:** —where they're getting 9 percent.

**Fein:** No.

**Heininger:** Nobody's ever said we should give it to somebody else.

**Fein:** Absolutely not. There's a lot of money involved. Uwe Reinhardt is right. What we call health expenditures somebody else calls income. I remember getting on the elevator at Brookings, in the garage. I had just driven in on a Sunday evening. I had to pick up something in the office, and the elevator stopped at the first floor. Kermit Gordon, who was then the President

of Brookings, whom I of course had known when he was on the Council of Economic Advisers and then head of the Bureau of the Budget, got on.

Kermit looked awful. He looked totally drained, and I said, “Kermit, what’s wrong?” He said, “I’m chairing the committee that is developing all of the criteria that the Congress didn’t develop for payment to hospitals under Medicare. How hospitals shall be reimbursed for their costs. I’m chairing the committee that is defining what are those costs. What do you include in costs?”

I said, “So why do you look so awful? He said, “Because I get this feeling after a weekend with that committee that all that stands between the American hospital industry and Fort Knox is a lonely Kermit Gordon.” [laughter] So there’s a lot of money involved in all of this.

Anyway, there was, I think, a second reason that the “Kennedy healthcare for all,” which is what we called it, didn’t go anywhere. Again, it’s a theory I hold, a hypothesis. If you can’t explain it, it’s tough to rally the troops behind it.

I might even have a footnote. If you can’t explain it, you ought to ask yourself, *Is it going to work?* If there are so many steps and each step has a certain error rate, what is the error rate going to be at the end of the process? I can honestly say that I worked on that bill. I was as instrumental as anyone in developing it, maybe more instrumental than any single other person. I knew it forward and backward. On pain of death, I could not tell you now what it was, and that’s not because I’ve gotten older. I have, but that’s not the explanation there. It was so complicated that I suspect I forgot it within six months.

**Young:** Now which bill is this?

**Fein:** This is the bill that we’re developing in the late 1970s to meet the Carter criteria and our own. Kennedy was smart enough—further evidence—to know all this, that it was complicated, because while he understood the bill, the night that I explained it to the 30 or however many union presidents who had dinner at his home in McLean, and I finished explaining it—and these were not people to whom you could just say, “Oh, it will work like Social Security”—Kennedy looked at me and said, “That’s very good, but Rashi, will it work?”

I think what he was saying, out loud, which was hardly the time to say it, was, “That is so damn complicated, will it really work?” There is something very difficult when other Senators who aren’t as engrossed in health as Ted Kennedy, and the general public, which may be all uptight about this, that, and other thing in the health field but they aren’t experts and they’re not going to become experts, are going to respond negatively to something about which it could be said, “There must be a simpler way,” the line that Harry and Louise used. There was no Harry and Louise, but that was a bill like—hell, I think the Clinton bill was simple compared to what we had constructed.

**Heininger:** Really?

**Fein:** That’s an exaggeration, but it was very complicated.

**Young:** So this was in ’78.



**Fein:** This was in '78, '79. What then happens is Kennedy runs against Carter for the nomination.

**Young:** There was a midterm.

**Fein:** So this is preceding that, because remember in the fall of '80 [Ronald] Reagan is elected. So this has to be about '78, '79.

**Young:** I'm trying to place it as to when. There was a sort of a midterm convention under Carter.

**Fein:** Oh, yes.

**Young:** Kennedy went down there in Knoxville or somewhere—

**Fein:** That would have been '78, the midterm.

**Young:** —'78 and did a rousing labor speech, and went after Carter on healthcare. So he had, by that time—

**Fein:** Yes, the break.

**Young:** —he and labor were like that, and that was where Ham [Hamilton] Jordan said about Kennedy, "He's going to run for President." So did these meetings where Kennedy says, "Will it work?" occur after?

**Fein:** They occurred in March of '78, because they occurred shortly after the blizzard. The story of the blizzard occurred as we were having drinks before that dinner. So March or maybe it was even early April. I had a sabbatical January through April of '80, so I was not involved in the attempt to wrest control, get the nomination, and all of that. My only involvement was some correspondence with Peter Edelman prior to my departure.

A number of us, and I'm sure I know why, were distressed—not about Ted running but about the campaign that he was waging. I wrote a long letter to Peter Edelman. "Somebody ought to tell him to be himself and not play a role that he isn't playing well." I got back the long letter from Peter, essentially saying, yes, you're right, but nobody can tell him that or he isn't listening. I don't remember the details of the letter. And with that I left town.

My relationship with Ted was—I'll give you two little instances, not because my relationship with Ted is important, but because they both say something about him. I think it ought to be fairly clear that while I was heavily involved with a lot of stuff in the health field, given his broad agenda, health was only a small part of that and there were a lot of other people. I was not Larry Tribe, to whom he turned a lot on all the constitutional issues.

He knew me, but it turned out that I had a cousin that I didn't know about, a distant cousin in Moscow who was a physicist and who wanted to get out of the Soviet Union, and while he hadn't worked on anything that was of national security import, he was a physicist and he could not get a visa to emigrate. The family asked me whether I could intervene, and I only knew one Senator, so I wrote Ted Kennedy. I received a very rapid response, with a note that said my note

came at a very propitious time, because he was seeing Ambassador [Anatoly] Dobrynin that afternoon or the next day, and he would raise it with him or he intended to raise it with him. A reply came back, as I recall, before he saw Dobrynin.

Two or three years later, I got a call from Kennedy's office saying Ambassador Dobrynin has notified Senator Kennedy that your cousin is getting a visa. Your cousin does not know that yet, and it would be appreciated if you would keep your mouth shut until he learns it from the authorities in Moscow. Whether Dobrynin kept the file of "I've been asked to do this and when it happens, I'll call in some chips" or whether Dobrynin actually did something, who knows? I certainly don't and I doubt that the Senator does.

I was not a big donor to campaigns. I was not financing anything. I was a professor at Harvard who had helped out on health, and yet he responded quickly. I don't think that it was entirely due to our relationship. I think it was also part of that fairness framework, the way he thought about things.

The other matter was—I don't recall the details, but I know that just before I went to London for my sabbatical, I became aware that the Senator was speaking at an American Jewish Congress (though perhaps it was the American Jewish Committee) dinner. I don't know how I also came across the fact that Honey Fitz [John Fitzgerald] had spoken at a banquet of the same organization, obviously many, many years earlier. I made an assumption, which I'm sure was right, that there was no way that Ted would know that, but that he might find it useful in the first three sentences of his address, so I dropped him a note with that information (to which he graciously responded), which does indicate, I suppose, that we did have enough of a relationship.

When I came back from London, Reagan won in November, and someone on Kennedy's staff—it was a new face to me, I did not know who this person was—came to a meeting of the CHNI requesting that the Senator would appreciate it if we would endorse the Healthcare for All Americans Act, which we had developed during the Carter thing. He wanted to either introduce it again or talk about it or whatever, but he wanted us to say we support it.

I, by then, was a significant presence on the board, and chair of the technical committee, and I argued against that, saying that whatever virtues our plan had, much of the virtue was related to the fact that we thought the President might endorse it and it could go. It wasn't a great bill, but what the hell, it was a lot better than what we had, but under Reagan obviously, it wasn't going to go anywhere and it was sufficiently compromised, so that this was not the place for us to start. My political science theory or labor arbitration theory says you don't start with a compromise. That's where you end.

You don't start with and put on the table your minimum offer, because you're only going to go—and I won. That is to say my arguments carried the day, which was not pleasant—it must have been even more difficult for the others, because the others were more in the political world than they were saying no to a request by Ted Kennedy. But it was not pleasant for me. It certainly wasn't pleasant for whoever the young new staff member was, to go back and say whatever it was that he said. And that was kind of the end, although the caveat that—Doug Fraser's papers may indicate that I'm quite wrong—that was the end, certainly, of the relationship. I don't think it was that fact alone. Things were petering out.

**Young:** The relationship between—

**Fein:** Between Kennedy and the committee.

**Young:** Not you and Kennedy?

**Fein:** No. Kennedy was moving more toward: It ain't going to happen. Let me make the world a better place by taking a little here and a little there. It isn't even a half a loaf, but you know what? A quarter of a loaf is a quarter of a loaf. So you have legislation like the COBRA [Consolidated Omnibus Budget Reconciliation Act] legislation and the women's health legislation, all of them good things but very different from where we all had been.

**Young:** Children's.

**Fein:** Children's. With all of the difficulties of mandating, the CNHI was still for "Let's go all the way." We had convinced ourselves of the validity of the things that Kennedy had been talking about earlier. There were even hearings at one point, before the Senate Finance Committee, of which Kennedy was not a member. Bill Bradley was on the committee, I recall, and Kennedy testified before that committee and I did as well. I was testifying on behalf of the CNHI. Kennedy was testifying on behalf of Kennedy, I don't think it was a bill. He had all charts.

Kennedy came up before we began. He saw me and walked over and said, "Still fighting the good fight?" And I said yes. In his testimony, near the end, he said with some passion—I think he would have said it had I not been present, but I think he said it pointedly to me because I was present—"There are those who will say this is just a small step and who will say that a Canadian-like system is better, and I don't disagree. A Canadian-like system would be better, but it isn't going to happen now and I don't want to hold hostage those people who can be helped to a dream." He said it very well. He said it with feeling, he said it with passion. You could take that and put it into a high school debate verbatim to win your point.

My own relationship with him after that became much less. The CNHI still continued, and continued up until the Clinton era. In fact, one of my regrets is that at a certain point, a woman in Connecticut, Norwalk, Greenwich, I don't remember where, left the CNHI a million dollars, which was the first time we had money. The only terms of the will were that the CNHI received the legacy if a Kennedy-Griffiths-like bill had not yet been enacted—and if it had been, Vanderbilt would get the money. Vanderbilt chose not to fight me because it was clear it hadn't been enacted. There was no ambiguity about that.

Mel Glasser didn't know what to do with the money, and in the throes of the—Mel had a stroke and died, and I was the youngest person on the board. That tells you something about how we had not reproduced ourselves, and I certainly didn't want to be the executive director. It wasn't clear who would be. Doug Fraser was about to retire, and the next President—the whole thing had changed. Doug decided that the money, the \$800,000, \$900,000 that was left, should be given to the AFL-CIO to support its campaign in favor of the Clinton health bill, and that was the end of the CNHI.

My own relationship with Kennedy, there was not that CNHI umbrella. There was a different set of agenda items. I have had a lot of respect—this is going to come out sounding odd. It's true, and yet is at variance with the fundamental fact that I'll come to in a second. I've had a lot of respect for the idea that, OK Rashi, you've been involved in a lot, you know a lot of history and so on. But at a certain point in time, young people are coming in and it's time for you to back off and let them take over.

I say that sounds very logical, and I really have come to believe it over the criticism from some of my kids, but it sounds absolutely crazy, since our discussion is about a very senior Senator who gives no evidence of believing what I just said. I'm very glad he doesn't because he shouldn't. His contribution is immense and far more than any junior would be able to present. So maybe I should take a page from Ted Kennedy and not give up.

The cast of characters changed at his office, and when I wrote my book in 1987 and the publisher, Harvard Press, said, "Do you want any blurbs?"—blurbs were not as big a deal in '87 as they are today—I said no. Somebody said, "Well, what about Ted Kennedy?" I wouldn't ask Ted Kennedy. This is not important enough to bother him. The book that came out two years ago, the publisher was much more concerned about blurbs. My colleague with whom I wrote it was much more concerned about blurbs, so I dropped a note to Carey Parker and said, "Would you deal with the following problem? Would the Senator write a blurb?" The Senator wrote one or Carey wrote. There is a blurb on the back from Ted Kennedy. I don't think our relationship petered out because I opposed a CNHI re-endorsement of health care for all Americans.

**Young:** I'd like to go back to something that you said a little while ago, about his comment at the end of the testimony at that committee meeting, "I will not hold hostage to a dream." I'm thinking about his speech at the Democratic convention, which he had lost to Carter, the Presidential nomination, "The dream shall not die." That was the realist speaking the second time in the committee.

**Fein:** OK. In the committee—

**Young:** He's also the pragmatist.

**Fein:** Let me back up. I'm not sure, and I would have no way other than going to the hearings, the written record, to know whether he used the word "dream." I know he said, "I'm not going to hold hostage this generation, a generation that can be helped." But I'm not sure about "to a dream."

**Young:** Even though the word may not have been the same, the—

**Fein:** My judgment is that he is pragmatic, that he does feel that people can be helped, that he doesn't have the votes to do more than he can do, that he will push as far as he can push and accomplish as much as he can accomplish. Those of us who sit on the sidelines, many of us have come to the same view with one caveat. We then say "but" because we know where we want to end up. We ought to be certain that each of the individual things we do is a step toward that and not something we would have to undo in order to reach that.

Kennedy doesn't say that. Now, why doesn't he say that? Perhaps because politically there's some risk in sketching where he wants to end up. People who might support this say, "Oh, this is really designed to get to there, and I don't want to get *there*." Maybe I'm being overly—he's a Senator, he's not a professor, and he doesn't have to have the footnote that calls every statement in the text into some mild question.

Do I think that he could today, if he had to, if he wanted to, if he felt that it wasn't risking something he believed in that he could accomplish, that he could deliver a passionate speech about what national health insurance ought to look like and will look like someday? I'd like to think he could, and I do think he could. Has he done it? No. Are there reasons, pragmatic? Yes. Are those reasons valid always? No. I think that he has been more supportive of the Massachusetts initiative that he should be, but that's Massachusetts politics as well.

I can think of two things that he was supportive of where I think he was pragmatic and got snookered. One is No Child Left Behind. It was early. I think he assumed better of the President than he had reason to, but it was early and maybe he thought it would all work out.

The second was Part D Medicare. It was Kennedy who made it possible for the Senate to pass a bill that then went into conference with the House. If he had not made it possible, there would have been no conference, there would have been no Part D. He made it possible for a fairly decent Senate bill to go into conference with a bad House bill in a political environment in which I think he operated. The only excuse I can find is that he operated by the old rules and the old understandings that there would be a conference. He didn't realize that these guys played a different kind of hardball in which the only Democrat in the room was, if I recall correctly, [James] Bacchus, and the House prevailed in that conference. Then he couldn't stop it in the Senate. I don't know how he sees it. That's how I see it.

I think that on balance, Part D was a bad bill. It would be interesting to know whether he would say it is a bad bill, but even bad as it is, it's the best we could get, and the President was going to be there for a long period of time, or would he say, "You know, Rashi, you were right, because it's going to be very hard to undo it." Those are judgment calls. He's not infallible. On the other hand, he does know a lot more about the political elements than I.

**Young:** Do you have any thoughts on Kennedy and Clinton?

**Fein:** That's interesting. Clinton, of course—

**Young:** I mean here was the third, it seems to me, opportunity Kennedy might have had to push NHI [National Health Insurance] or some reasonable facsimile thereof, first under Nixon, and that went kerflooey, then under Carter, and that never went anywhere, and now he has a President who comes in fully committed, and Kennedy is not visible much of anyplace, at least in the news.

**Fein:** He certainly wasn't. He was not even as visible in his anger, if he was angry, as [Daniel] Pat Moynihan was, or [Daniel] Rostenkowski. That's interesting, because it's clear to everybody that I know that the Clinton people could not stomach the Carter people. They weren't going to ask any question of any Carter—Kennedy, I don't know.

**Young:** I think he and Clinton had a good relationship.

**Fein:** I think so. I'm going to generalize from other data, which may or may not be a legitimate thing to do. I'm going to say whom did the Clinton people not talk to? They didn't talk to Rostenkowski, they didn't talk to Moynihan, didn't talk to Kennedy. They didn't talk to—it's a long list of Carter people. They didn't talk to me. I think they really believed that they didn't want to talk to anybody. They wanted to have their task forces. Ira Magaziner was going to have a whole new way of looking at things, and they paid a price because at least a lot of those people could have been bought off before their noses got out of joint with what we used to say in the Kennedy administration about our colleagues at the universities when I was on the staff of the CEA, which was, "God, they can be bought so cheaply. Lunch in the White House mess, that's all you need." We used to say it with disdain, but it was true, and probably would have worked as well with us.

That's an interesting thing because it raises an interesting question about the role that Ted Kennedy plays in the health field. This has been a conversation about the plusses. Knowledgeable, committed, right set of values, you name it. A potential minus is how he is viewed by others who might have an idea or might have a good agenda.

Here I will not give the name, but I can think of one member of the House of Representatives who is very smart, obviously not Pete [Fortney] Stark. I mean Pete Stark came at the wrong time. Pete Stark is very smart. Pete Stark is not inhibited by Kennedy. He had his own ideas, but I know there are people who feel inhibited by Kennedy—"I can't come out and develop an idea. I would owe it to the Senator to bring it to him first"—so he hovers in the background.

Maybe there's a minus that he's been in control of an agenda and others have not been able to push things as far. But I don't want to exaggerate that, because there is a Pete Stark in the House, because [Charles] Grassley on the Republican side and Bacchus on the Democratic side now in Senate Finance are making all kinds of sounds in which the big, long hearings the other day in front of them, and the word Kennedy was not in any of the summaries that I read on the web. Now that's interesting.

**Heininger:** But if you look at the effort under Clinton, it went through two phases. There was the big public Ira Magaziner, Hillary [Rodham Clinton]-led phase, cast of 500, that if you look at it in objective terms, was never going to go anywhere because you can't develop something that takes that many people into account. Then there was the second phase, and that was the truly legislative phase where Rostenkowski did come out with a bill, and there was a Republican effort of a small coterie of what few moderates were left at that point, of [Robert] Packwood and [John] Danforth and a couple of other people, [John] Chafee, who were working together and working a bit with [Robert] Dole. The question really becomes when those efforts converged in the spring of '94, it seemed at the time that Kennedy was out of the loop. [George] Mitchell takes it over by the time June comes around, and this somehow becomes Mitchell's effort.

**Young:** Meanwhile Moynihan has put welfare reform first.

**Fein:** Yes.

**Heininger:** Right.

**Young:** He won't have anything to do with it.

**Heininger:** Right. I mean in some ways you can argue he was sidelined, and the question is: Was he sidelined because everybody knew where he ultimately would be and wanted to be, or were there other people feeling there were things Kennedy was missing and hadn't included or they wanted their own plan? But that spring through June is pretty murky as to where was Kennedy and why was he not very visible? You can argue it bypassed his committee. It was really a Ways and Means through Finance. But he still was not visible, and he was not in the press. I'm not saying he's totally invisible. He wasn't making speeches, but this was not a Kennedy effort.

**Young:** It was a Clinton effort.

**Heininger:** But even so.

**Young:** You would have thought the Clinton folks would have found some way to build him in. Maybe they did and we just don't know about it.

**Heininger:** I don't think so.

**Fein:** I think you're right. That's interesting. I don't know.

**Heininger:** Was this the majority leader who needed to be majority leader and assert his control over the process?

**Fein:** Or was it just that people had grown tired, they had heard Kennedy enough?

**Heininger:** Or was this a recognition that it wasn't going to go anywhere?

**Young:** I have heard that it took Mitchell to take on Moynihan, who was chair of Finance.

**Fein:** That's interesting. I've got more than half a dozen books, which I have not read, that purport, some in great detail, to tell me the story of the failures of national health insurance, a number of them rather detailed with archival research and all of that, on the Clinton—that will be interesting. I will at least look in the index for the word Kennedy and see, and get in touch with you if I find anything. So he's Mr. Health, except that he isn't Mr. Health, except in some circles that are inhibited because of this, that, or the other relationship with him and don't want to—

**Young:** Well, I suppose theoretically there's another possibility—that his absence helps to explain why it didn't go forward.

**Fein:** And it's also possible that the marriage was wonderful for him, it was great, it was terrific, but it is also a fact that he's not a youngster any more. I cannot imagine that he has the energy that he once had.

**Heininger:** I don't know. [*laughs*] I don't know.

**Young:** Well, Rashi, I don't know, because I didn't know him then, but during the course of this project, I guess I've had 14 interviews with him, and it seems to me that his energy level is very high.

**Fein:** OK, so it's not that with less energy he's been devoting himself to other issues rather than health.

**Heininger:** I would not look at that and say that that would be the likely explanation.

**Young:** We'll see where it goes.

**Fein:** To the best of your feel, is it reflected in quality or quantity of staff?

**Heininger:** No.

**Fein:** He's got a health staff that is just as able.

**Heininger:** Oh yes, just as able. If anything there's an additional one, which is: Did he sense that this wasn't going to go anywhere, and that it was better to drop out?

**Young:** I don't know. I have not had any interviews with him on healthcare. That's in the future.

**Heininger:** But what we're trying to do is to explore the issues that you'll need to raise with him, and this is one.

**Young:** Sure. I'm trying to think. After the interviews, he often says, "Sit down. Let's have some lunch," and he talks about the issues of the day. The last interview was just before the session convened, that weekend before, and he was talking about his healthcare, what he was going to be doing and how he's going to start it out and it's going to be different this time. I didn't get enough of it to really understand, but then I went on the website and I saw what he had been talking about, his own "Medicare for All" it's now called, and it's NHI all over again. So I don't know that he's—it's a puzzle.

**Fein:** After our last meeting in Washington—the precursor to today—Phil Caper sent me a memo that he, Phil, had sent to the Senator. We had a long conversation and I decided that I would send the Senator a memo and try to get involved. It would be up to him and all that. I owed it to what I believed in. It's something that I fear got lost—that something this and something that, and the paper gets buried and Phil's memo gets buried.

Yesterday cleaning up the study in case we were going to sit in the study, I came across it under a pile of stuff. But I will use this whole enterprise as an introduction to sending him a memo, because if he is in fact—I don't want to say something is going to happen, who knows, but there's going to be a heck of a lot more conversation and debate about health and national health insurance than there has been, and I think it would be wonderful if Kennedy took some leadership for the following reason.

In the last election, [John] Kerry came up with a plan, and that plan died when Kerry was defeated. I think most people thought that it was an idea that he was throwing out because he was



running for President, and you have to have said something, and that was the beginning and that was the end of it.

In fact, any knowledgeable observer, without even looking at the plan, but knowledgeable about the American political system, would have said, “I don’t have to look at the plan and its detailing inside, whether it’s good, bad, or indifferent. If he’s elected, one thing I know is that what will actually come forth from the administration as a bill will be different from what he has articulated on the campaign stump, although there will be many elements that will enable him to say, ‘This is where I was.’” The details do make a difference, and on the campaign stump you don’t get the details.

I have expressed to various folks the wish—it can’t be more than that—I wish we had a system as once we did where the party, whatever that is, could develop a plan such that if the Democrat lost, the plan would remain alive, as was the case with Medicare for many years, and if the President won, that would be the basis, and it wouldn’t be just a campaign document, it would represent more than that. And there had been such a process. Harry McPherson led it and Arthur Krim was involved, in which lots of us met on lots of issues and developed something for the convention, and there are all kinds of processes possible.

It would be nice for Kennedy to take the leadership, because one thing is absolutely clear—Kennedy is not going to be the Presidential candidate. He won’t be the Presidential candidate and therefore what he comes out for will have a certain life of its own, to be sustained by him and by those who agree with it, which I think would be much better than Hillary coming up with a set of somewhat vague principles, [Barack] Obama coming up with a set of vague principles. [John] Edwards has done much better than vagueness, but that may be a reason that the others will try and be vague, and specificity will be lacking. Without specificity I think the American people can be frustrated by the system that doesn’t really inform them.

The one thing that I think—the Senator is old enough and has had enough scars to understand, which the Clintons hadn’t had in ’93. If you’re talking about a comprehensive approach, not let’s do children, period, it isn’t going to happen the first time the American public becomes acquainted with the proposal. Medicare, which was so simple relative to national health insurance, took eight years. It didn’t get out of committee but it remained on the agenda. It came back every time. There were senior citizen groups; there was organization; there was education. People knew what they were in favor of or what they were opposed to.

I believe that the Medicare model is what the Clintons departed from, at high cost. The Medicare model is the model that anybody who had some respect for the historical record has to at least reckon with, and I think more than reckon with if you’re going to do something comprehensive. If you’re going to do kids, we’ve got enough stuff on the books now, so that that’s easily done.

**Young:** But doesn’t that put the insurance companies out of business, unless it is in fact only claims processing they’re interested in? On the other hand, you’ve got these pension and Medicare costs that are killing the corporations.

**Fein:** They’re killing the corporations. General Motors and Ford and Chrysler—when I am asked, “Why aren’t they there trying to get national health insurance?” my flippant response is,

“Because this is a triumph of ideology over self-interests.” There is a tremendous growth in skepticism about insurance companies that’s easy to sense.

At the same time, this administration has increased the skepticism about the competence of government. On the other hand, it has done such a job that I could be wrong. Maybe they’ve done such a miserable job on fighting the war—I’m not talking about whether we should or shouldn’t have gotten into it—on Katrina, on Walter Reed, that in a sense it is no longer necessary to say, or perhaps people don’t say, government is incompetent. Perhaps they say, “Those sons of guns out there, those Republicans really have chosen to do bad things, to back the truck up to the treasury building. Or maybe they’re just incompetent.” Maybe, in other words, it’s reached a point when I just say I don’t know.

Maybe it’s reached a point where it’s no longer the bumper sticker that says, “If you like the U.S. Post Office, you’ll love national health insurance.” Now the bumper sticker is more pointedly against Republicans than against government.

I don’t know. It’s possible. That’s the straw that I’m grasping at, but it’s also clearly the case that it’s going to take a long time to rebuild the confidence of the civil service and the confidence of government. The days when my students wanted to go to work for the United States Government have disappeared, not because they’re not idealistic, not because of that at all, but because government workers have been insulted for years. I think it’s fair to say starting with Carter, certainly, there’s skepticism about the nature of the agenda that government has. So the American public will have great difficulty, and maybe it’s good that it will take a number of years for something to be enacted, because the worst thing that could happen is by some fluke it’s enacted quickly and then you find that you really can’t run it because you don’t have the kind of personnel that you need.

**Young:** I’ve taken a look at his book, *Getting America on Track*, and of course it’s everything from A to Z, and he does not mince words on healthcare or on Iraq or any of these other things. It’s a statement and a program for the new Democratic era.

**Fein:** The man thinks big, which is sort of amazing. He’s able to think big, and yet on things that he is vitally interested in, thinks small, that is knows a lot of details, not just a bunch of vague statements. My intersection with him and my observation of him is different from my intersection with and observation of any other Senator. I’d like to think there are others like him, though. He is a remarkable individual and has been a remarkable Senator, but you don’t become a remarkable Senator without first being a remarkable person, and I think that he is. I’m sure there are others.

**Young:** I don’t see any signs of the old man looking back.

**Fein:** Well that’s great.

**Young:** From him. What I see is his next step—let’s get with it, here we go. At least he projects that, certainly. He’s very hot on some things now. He gets going in some of these interviews on certain subjects.

**Fein:** He must get very irritated in all of those times that he hears and reads the statements, “Well, everybody voted for the war,” which of course he didn’t. Senator [Robert] Byrd didn’t; 25 didn’t.

**Young:** He’s apparently staying in the background on that issue right now. There’s enough Presidential stuff at the moment.

**Heininger:** You have been very generous with your time.

**Fein:** I enjoy talking about that guy, and I enjoy, I must say, recollections, nostalgia. A curious man. My wife was the first woman head of the Combined Jewish Philanthropies in Boston, and the first woman campaign chairman, though I would say the first person who was a campaign chairman who was there without being a big giver, and similarly for the Presidency. She wasn’t a developer, her husband wasn’t a developer. He wasn’t a this, he wasn’t a that, so it was sheer competence, but this was some years ago. Nonetheless, every September, when the Jewish holidays come, the first year she got a phone call from Ted Kennedy. We were both convinced—I was convinced—that it was very nice that he’s so thoughtful.

I was also convinced that he made a recording and it’s like [Thomas] Menino when we have a snowstorm. “If you’re elderly, look out for yourself” and it goes all day, but it wasn’t a recording, and he must call hundreds of people. With some people it’s damn good politics, but he apparently does it with others where he’s smart enough to know this isn’t damn good politics. It’s very nice but it doesn’t bounce back politically. It’s just plain nice.

He also has a remarkable memory. I bumped into him. There was an event where he was going to be honored, and I knew that I wouldn’t be able to stay, so I came really early so that I could bump into him before and congratulate him and so on. He’s coming up the escalator in the Westin Hotel, and I was standing at the top. “Oh hi, Rashi. We’ve been in this fight a long time together, haven’t we?” And so on and so forth. I said something like, “I remember the first time that I testified. You and Martha Griffiths were sitting on the stage, Joint Finance Committee. He said, “But that’s not where it began,” and started reeling off stuff that only if I went to a book would I realize that by golly, he’s got it right and I had it wrong. “Yes, don’t you remember this?” Sure, Al [Alfred] Smith could remember 10,000 names and so on, but for a politician it’s easier to remember 10,000 names than to remember the detail and the piece of legislation that didn’t go anywhere and hasn’t gone anywhere over all these years. So he’s not in a state of denial, let’s say, about that.

If I had to sum up, in one sentence, the explanation for what I consider to be this phenomenal performance, I would say there are other members of the Senate. They each have their own reasons, some venal, some ego, some this, some that, for doing what they do, advancing pieces of legislation that they advance. Ted Kennedy is what he is in the Senate because he cares about the issues that he talks about. He wasn’t on No Child Left Behind for this or that trivial reason. It’s because he cares about children. Maybe he was wrong and maybe he was right. He is for health because he cares about it. His performance derives through the fact that this is serious business and he cares about it.

Paul Wellstone would have ultimately—very different obviously, but would have—I’m not suggesting he would have become a buddy of Ted Kennedy’s, but I could see Paul Wellstone 20 years in the Senate. One saying about him is that his performance was related very directly to the intensity of passion and emotion that he brought to issues because he cared about them, deeply cared about them. I think that is the case with Kennedy. It ain’t just a job.

**Heininger:** A calling.

**Fein:** Yes. When I think of that first campaign for the Senate, against [Edward] McCormack, it does make you wonder about what you should look for in candidates, because you don’t necessarily see all the things you may be getting. When you’re lucky, you get much more than you bargained for. So thank you for being interested.

**Heininger:** This was very useful.

**Young:** If it’s interesting for you, I can’t begin to say how interesting it is for us, and particularly for me. This is my retirement project.

**Fein:** It’s not a bad one. And every evening you say to yourself, Thank goodness that some Senator who was really a nothing didn’t come along and say, “I’d love to have an oral history.”

**Young:** OK.

**Heininger:** The answer to that might have been no.

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