THE BROOKINGS INSTITUTION

A BROOKINGS LEADERSHIP FORUM

"A CRITIQUE OF ADMINISTRATION POLICY ON HEALTH CARE, EDUCATION, AND THE ECONOMY" SENATOR EDWARD M. KENNEDY

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(TRANSCRIPT PREPARED FROM A TAPE RECORDING.)

PROCEEDINGS

MR. MANN: Good morning. I'm Tom Mann, a senior fellow here at Brookings, and I am delighted to welcome you to this Brookings Leadership Forum with Senator Edward Kennedy of Massachusetts.

The Forum provides high-level government officials the opportunity to address members of the Washington policy community and to share their insights and views on issues of importance to the country and to the world.

This morning, we welcome Senator Kennedy to discuss a range of domestic policy issues that divide our two parties in this critical election year.

Elected at age 30 to the Senate in 1962 to serve the remaining two years of President Kennedy's term, the Senator has been re-elected seven times and is now the fifth-longest-serving Senator in American history. Now, by my calculation, at the end of his next term -- the voters of Massachusetts, God, and Senator Byrd willing -- he will move to the number one position.

As a former chairman of the Judiciary and Labor Committees and a senior member as well of the Armed Services and Joint Economic Committees, Senator Kennedy has been an extraordinarily effective and productive legislator, in the majority and in the minority. As his biographer Adam Clymer wrote, Kennedy "deserves recognition not just as the leading Senator of his time, but as one of the greats in history-wise in the workings of this singular institution, especially its demand to be more than partisan to accomplish much."

Yet at the same time, the Senator has been a powerful national spokesman for his party, often issuing the clarion call to address the needs of the poor

and those left behind. In one of his most famous lines delivered now almost a quarter century ago, Senator Kennedy said, "For all those whose cares have been our concern, the work goes on, the cause endures, the hope still lives, and the dream shall never die."

Senator Edward Kennedy.

[Applause.]

[Presentation by Senator Kennedy.]

[Applause.]

Q&A Session

MR. MANN: Senator Kennedy has agreed to respond to questions that you might have. Please indicate to me that you have a question. We'll bring a mike to you. Identify yourself, and ask a really, really concise question.

While you're thinking about it, Senator, maybe I could pose a question.

The Senate and the House are deeply polarized today between the parties, although for decades you have managed to build coalitions across party lines.

Question: If John Kerry is elected to the White House, will you as a member of the Senate be in a position to build the kind of coalitions, oftentimes supermajorities in the Senate and majorities in the House, to deliver on promises that Senator Kerry is making in the campaign?

SENATOR KENNEDY: Well, I think the answer is we have seen over the broad history of the Senate and the House of Representatives where we have found common ground and common cause and been able to work together. I certainly remember working very closely with Bush I when we did the Americans with Disabilities Act. We worked on civil rights acts together, had strong bipartisan.

We've been working this last week, and we had a strictly partisan vote on the increase in the minimum wage. It's been increased 11 times. Five of times were supported by Republican Presidents.

For 15 years, when I was on the--my first 15 years in the United States Senate on the Education Committee, we never had a partisan vote on education policy. We had some difference perhaps in the funding on that with appropriators about what was going to--but on policy issues, we didn't have that kind of partisanship.

What we have seen is a very dramatic shift and change, and I tried to outline the earlier reasons that I believe for it. And now what you have is effectively a paralyzed Senate of the United States.

Last week, for example, on what they call the TANF bill, the welfare bill, which has tried to move people from welfare to work, I offered the increase in the minimum wage. The Secretary of HHS, when he appeared and testified in favor of the TANF bill, said the best way to get people off welfare is to have them moving into a job that pays a livable wage. But because the Republicans didn't want to vote on it, they effectively required a cloture vote. The cloture wasn't there, so they pulled the bill. They pulled the State Department reauthorization bill, which many of you who know--Jim Steinberg--many of you who know the importance of the restructuring, is a key bill in terms of our national interest. Senator Lugar and Senator Biden, bipartisan bill in that committee.

I offered the minimum wage on that bill. The majority leader pulls the bill. They pull the bill on the restructuring of our tax code. The current tax code, which is shifting millions of jobs overseas, which we had two weeks ago on the floor of the United States Senate, because Maria Cantwell had a vote--wanted a vote on overtime.

We can't--that's--I can always remember a story of George Smathers, who was a friend of my brother's, and came up to him one day and said, "You know, this job would be great, Jack, if we didn't have to vote."

[Laughter.]

SENATOR KENNEDY: But that goes with the territory, and you have to vote. And the idea now that we are paralyzed in terms of action.

The second thing--part we're paralyzed is because of conferences. Even when you pass the bill, we don't--the Democrats are even not included in conference.

They can be named, but this is all tied in and written behind closed doors in the middle of the night by Republicans, and then presented back to the Senate. That's no way to do it. It wasn't the way that it was done before.

We've had other circumstances. When Al Simpson--when I was chairman of the Judiciary, Jack Brooks was chairman of the Judiciary Committee in the House of Representatives, Al Simpson, who was very conservative, on immigration he said, "We're not going to let that come to the floor, Ted, because you and Jack Brooks will whack that up in the conference and I'll get jammed on it." So I said, "What do you suggest?" He said, "Let's pre-conference it."

We pre-conferenced that. We settled on what the final outcome was going to be before the bill was actually passed. I didn't like it, but I knew that Simpson, even though he was conservative, understood the legislative process and wanted the process to go ahead.

There are all kinds of ways that this process can go ahead. That is not the way that this is being dealt with now.

And the final thing I'll say is these calls are not being made by the leadership of the House and the Senate. They're being made by the White House. We saw in the debates we had last week in the conference on multi-employer pension funds and single-employer pension funds. There are 35 million workers in the single-employer and 10 million in the multi-employer. And we had worked for five days and effectively worked out an agreement. The House had passed 100 percent of multi-employer. We reduced it to the neediest programs, the ones that would be threatened over the next two years. That was agreed on by Republicans and Democrats, House and Senate, on Thursday at noontime.

Then suddenly the White House got wind of it, and they said, "We're not going to pass a single help and assistance to the multi-year because they are labor-sponsored." And their position was a punitive, not a rational decision.

Now, if you're going to have that kind of hard-headedness and that kind of ideological basis, you've got institutions that paralyze. They don't understand. The Senate doesn't work that way. It never has and it never will. And you're not going to treat it--it isn't going to be just me that's going to have problems with it. The institution is going to have problems with it. And if this administration doesn't understand it--which they don't--they're going to have a different outcome in the fall.

MR. MANN: Thank you.

Yes, right here, please?

MR. WRIGHT: Good morning, Senator. Brad Wright from CNN. I'm just wondering: What do you see happening with interest rates as time goes forward? We're in a pretty high debt situation, yet interest rates remain pretty low.

7

SENATOR KENNEDY: The general sense--and I don't have special

knowledge of it, but I think the general sense is that there's going to be probably a

gradual increase on it. I don't think you're going to probably see any significant increase

between now and November. But I think it's--

[Laughter.]

MR. WRIGHT: Just coincidence.

SENATOR KENNEDY: It is what's going to eventually happen. I mean,

it's not only the interest on the interest rates, but if you look at what's happening in terms

of currency manipulation as well on the international market, which is disadvantaging

American workers and the administration is letting that go because they don't want to

fiddle around with the economy at all, is, I think, obviously irresponsible. Well, we

don't have a serious economic policy.

My general sense--and this I'm sort of in the mainstream on that issue.

[Laughter.]

SENATOR KENNEDY: --is that we'll probably have the modest

increase. We'll see less increases before November than we'll see afterwards.

MR. MANN: Yes, please?

MS.

: Senator, do you think in your wonderful diatribe and

accurate description of this administration you could also include the terrible lies about

the environment, like Clean Air Acts and space? It would be wonderful to add that.

Thank you.

SENATOR KENNEDY: Good suggestion.

[Laughter.]

SENATOR KENNEDY: I agree with you.

[Laughter.]

SENATOR KENNEDY: If Brookings invites me back, I'll have to start with that next time.

MR. MANN: Stop the press.

Yes, right here?

MR. CARDMAN: Good morning, Senator. I'm Michael Cardman (ph) with Education Daily. You've criticized the administration for funding No Child Left Behind at less than authorized levels. Did you get a verbal promise from the President that he would fund the bill at those levels? And if so, why did you accept it verbally rather than, in effect, getting it in writing?

SENATOR KENNEDY: Well, it was--as the other provisions in it, there was the general understanding. We had negotiations, probably three days, about those figures. If you look over the figures, the difference between the House and the Senate. We finally put the specific figures for three years. Then we did as necessary in the outer years. Those three years were very, very carefully negotiated with the White House.

Now, the President is not involved in every single one of these decisions, but we went down there on several different occasions when the negotiations were blocked or were at an impasse. And he involved himself in working those out. He had an understanding of exactly what was in there. This wasn't just a general casual kind of a statement and commitment. It's the same kind of commitment that I would have thought they'd make with regards to civil rights, which they have not.

If you look at the provisions that they have in there on the supplementary services, I can't ask the President when we write in there we're going to abide by the civil rights provisions, law, and then they go ahead and they will apply the civil rights

down to service areas but not service distributors. That happened. The reason I happen to know about that is because that is the--what we had, they called it the Grove City case, which we passed legislation to overcome it. That was the unbelievable decision of the Supreme Court that said when the Federal Congress said that they didn't want money that they appropriated in education to be used in discriminatory purposes, the Supreme Court said as long as they don't discriminate in the financial aid office where the money comes in, it doesn't make any difference what they do in terms of discriminating against women, housing, sports, or anything else at the rest of the university.

Imagine the Supreme Court coming up with that decision? Well, we overrode that. Overrode the--the Civil Rights Restoration Action. Is that right? And I see some people here who were very instrumental on it.

We said that wherever the Federal money went, that's what the Congress intended. We don't want Federal taxpayers' money used in any form of discriminating for any purposes on it.

This is another example that they have. I can't ask the President when he writes that about whether he intended to not do the right things on civil rights. There was no question. George Miller--I don't consider this a pledge to me. Let me make it very clear. This is--and I'm upset about it because I care about education, I care about the issue.

But the fact is this pledge was made to parents. This pledge was made to students. This pledge was made to schools. This said you were going to have 100 percent performance by students, we're going to get 100 percent performance by teachers, we're going to get 100 percent performance by parents involving them. We're going to get the states to come together on curriculum reform, and we're going to get

well-trained people to do supplementary services. And we're going to provide the resources to do it.

And that was the commitment, and any of those people, certainly Congressman Miller, who were there every step of the way, has absolutely the same interpretation that I have.

MR. MANN: Gary?

MR. MITCHELL: Thanks, Senator. Gary Mitchell from the Mitchell Report. Conventional wisdom has it that vice presidential choices don't really make much difference in the final analysis, but I would guess that your brother demonstrated that vice presidential choices can often make a big difference. Without asking you to get into the name game--

SENATOR KENNEDY: Thank you.

[Laughter.]

MR. MITCHELL --I'm wondering if you could talk a little bit about what criteria, what characteristics are most important for John Kerry to think about in that selection process.

SENATOR KENNEDY: Well, I think, number one, the obvious one, and that is, be able to take on the responsibility as the President of the United States. That's the clearest overriding, overarching one, both in terms of foreign and domestic issues.

Beyond that, I mean, you have these lesser issues of, you know, compatibility and other personal interface issues. But my strong belief is you don't want someone on the second place that's going to distract from the person that's number one and their message to the country. That I think is the overarching and ought to be the overriding consideration. And I think we're in an age of high technology, information.

The location is obvious or where you come from has some importance. But I think more and more it--my strong suggestion, not anything new about it, is to have a nominee that's been thoroughly vetted and has the other qualities as well.

Number one is to have a very powerful, positive, upbeat, hopeful message as an alternative to the message that we have with this administration. Secondly, have a person that can take on the responsibilities of the President, be compatible. And, third, in no way be able to focus attention away from the nominee.

MR. MANN: We have time for one last question. On the aisle here, please.

MR. KELLEHER: Dennis Kelleher. I found it striking--and I wondering if you did also, Senator--the parallels with the funny numbers, the cooking the books, the lying, people at the top getting away with a lot of cash, and the corporate scandals. It's almost like Enron economics. I mean, they cooked the books. But it seems to me the parallels between what's happening with this administration and the parallels with the corporate crimes and misconduct, Enron, not just with--I mean, everybody got left holding the bag. Pensions are gone, workers are gone.

You look through time and time again, you take yours and you add the environment and everything else, and they're doing what they've been doing all along and they do well. I just wondered what you thought.

SENATOR KENNEDY: Well, I think that's--I like your thought.

[Laughter.]

SENATOR KENNEDY: No, in a serious way, I've come across that. I think you stated it very, very well, and I think it's an attitudinal viewpoint. You're

12

talking about the interchange, obviously, with many of those that were very much

involved, a number of corporations and involved in this, you know, transition.

I was kind of interested about all of the grief that Mr. Clarke got about

writing his book, and Karen Hughes is right back, she's written a book, she's right in the

White House. And, you know, are we going to hear about that at all? I mean, it's--there

is a dual kind of an attitude and judgment that they can't do anything wrong and

everyone else can't do anything right.

MR. MANN: Well, listen, I would like to thank Senator Kennedy for a

very lively presentation.

[Applause.]

SENATOR KENNEDY: Thanks a lot.

MR. MANN: Thank you for coming.

SENATOR KENNEDY: Thank you very, very much. Just great.