Conversations with Bill Kristol

Guest: Josh Bolten, White House Chief of Staff (2006-2009);
Director, Office of Management and Budget (2003-2006);
White House Deputy Chief of Staff (2001-2003)

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I: (0:15 – 38:33) From 9/11 to the Financial Crisis

KRISTOL: Hi I'm Bill Kristol, welcome back to CONVERSATIONS. I'm very pleased to be joined today by Josh Bolten, an old friend and acquaintance from various administrations. Served with real distinction in the Reagan, first Bush, second Bush administrations and now President of the Business Roundtable; had other jobs in the private sector in between to keep you going, I suppose. And most notably served all eight years, every day of the George W. Bush administration as Deputy Chief of Staff, Director of the Office of Management and Budget, and Chief of Staff. That's pretty –

BOLTEN: Two years as Deputy Chief of Staff, three years as budget director, three years as Chief of Staff, and two years before that as Policy Director of President Bush's campaign. So it was almost exactly ten years from end to end with my tenure with President Bush.

KRISTOL: There is a lot to be learned from you about campaigns, the White House, the Office of Management and Budget – of "management and budget"? What is its official title?

BOLTEN: Office of Management and Budget.

KRISTOL: We can come back and do further conversations on this. Okay. So, you're in the White House – OMB counts as the White House, I guess. So, you're really in the White House eight years. What was the most memorable day, the moment that 20 years from now you'll look back on and still shake your head about? Was there one?

BOLTEN: Sure. I mean, anybody who served in government on September 11, 2001 has to count that as the most memorable day of their service. And it was for me, because as Deputy Chief of Staff in the White House, I was the acting Chief of Staff in the White House. Because, as was our habit, the Chief of Staff, Andy Card – my predecessor and a great mentor – Andy traveled with the President, typically, wherever he went. On 9/11, those who were at least alive and able to pay attention at that point know that he was not at the White House; he was in Florida doing an education event. Andy was with him; I was back at the White House on what was otherwise a very routine and insignificant day, with responsibility for running the White House.

KRISTOL: I forgot, did they fly down early that morning or had they been there over night?

BOLTEN: Very early that morning.

KRISTOL: So, they had taken off, Air Force One, and you would run the senior staff?

BOLTEN: It was a normal, actually kind of sleepy, senior-staff day. We were relatively early back from everybody's first summer break that they had taken since the start of the administration. A lot of folks had traveled with the president down to Florida, because I think there were both substantive policy events and some political events down there. Probably a slightly larger crew than normal, from senior staff, accompanying the President down to his event. So, it was a very pleasant sleepy day until the planes hit.

KRISTOL: Walk us through it. Obviously, we could spend an hour on this – we won't, but walk us through it. You're sitting in the Deputy Chief of Staff's office, which is right next to the Chief of Staff's office, down the hall from the Oval Office.

BOLTEN: The West Wing – as you know, Bill, very well, because you hung out there quite a bit – it's a tiny place. So, the Deputy Chief of Staff shares a suite with the Chief of Staff, and there's a reception area in between. The Chief of Staff has the large corner office – large by West Wing standards – and the Deputy Chief of Staff has a modest, what most people would consider a modest-size office across the reception area. In the private sector it would be a tiny office. It would go to an associate – that size, an associate in the law firm would have. But the three rules of real estate apply, no place more profoundly than in the White House: location, location, location. That suite is just, you know, 20 yards down from the Oval Office.

KRISTOL: And not far from the Vice President's office?

BOLTEN: Right next door is the Vice President's office.

KRISTOL: So, what happens?

BOLTEN: A routine day. I have the TV on in the background, and I see TV coverage of one of the towers having been hit by a plane. The initial reports were that it was a small plane, and I assumed that, you know, a neophyte pilot had gone astray or it was a solo pilot who had had a heart attack. Something like that. I thought, "Oh boy, that's a tragedy," but not an uncommon or peculiar thing.

But then, as it began to develop, and it was clear that it was not a Cessna or something that had gone into the building, I walked down to the situation room, which, as you know, it's in the ground floor below the main floor of the West Wing. Right next to the White House mess. Which is, it's really a communication center. It has secure facilities for meetings, and it has representatives from the intelligence agencies, and so on, who man a communications center. Not as fancy as what you see in a Disney movie, but that's basically the idea.

KRISTOL: Permanently staffed, right?

BOLTEN: Permanently staffed by professional people, but who have communication with all the intelligence agencies and all of the non-intelligence agencies in government. It's supposed to be the information nerve center for the White House. I went down there because I figured I'd get a better sense of what was going on, and it looked troubling. While I was down there a – we saw on the screen the second plane hit the tower. And it was at that moment my heart sank, and I knew that it was very grave situation.

KRISTOL: So, you did what? Did Andy Card know this at the same time as you did on the road, or did the President know? Who calls whom, and how does that work?

BOLTEN: There's always a National Security Advisor traveling with the President. So the Situation Room, by routine protocol, would have been directly in touch with the National Security Advisor, or I think in this case, the Chief of Staff to the National Security Council was traveling with them and would have notified whoever was the National Security Advisor with the President at the time. I'm thinking it was Steve Hadley because Condi Rice was in the White House. Steve was the Deputy. They would have been informed, but the information would have been flowing very rapidly down there.

But what I did first was, I said, "Where's Dr. Rice?" And they said, "She's in that conference room right there," meeting with her whole staff for her regular big senior staff meeting. So, I walked in to a meeting of about 30 people and she started to introduce me, "Oh, this is Josh Bolten, our Chief of Staff," and I waved her off and I just pulled her out, and I said, "A second plane has hit the other tower. This is an attack."

So she got it immediately. She disbanded the meeting and she and I went up the Vice President's office, which is where, then, for the White House, the authority would be – with her as National Security Advisor, me as acting Chief of Staff in the White House, and the Vice President sitting in for the President in the White House. Although, the decision-making authority still rests with the President at that moment.

KRISTOL: And he was in his office?

BOLTEN: He was in his office. We talked about what might need to be done and so on, and while we were having our conversation, a secret service agent – a big secret service agent – came in and said, "Mr. Vice President, we have to leave now." He came around behind – he was obviously part of the Vice President's detail. We were standing. The agent came in around behind the Vice President, picked him up from behind, and started running with him. So, you know, the Vice President's legs were kind of moving but he was basically being moved by a secret service agent with great urgency. Leaving Condi and me standing there.

KRISTOL: You guys aren't in the line of succession, so no one cares.

BOLTEN: As Deputy Chief of Staff, I didn't even have secret service protection. Condi had some, but she's not in the line of succession so – they care about taking care of her, but it's not the top priority. So, we talked a bit about what to do and eventually did what fortunately we had been trained to do, which was make our way to a bunker that, prior to 9/11, the existence of which was classified but which is no longer classified. And we made our way down to that bunker and joined the Vice President there to be the command center for a White House that was being evacuated by the secret service.

KRISTOL: That's where those photos are from that morning of the Vice President and Condi and you and some others? Yeah. I can't remember, did you – we'll get off this in a minute and move on, but this is amazing. I remember it, too – and of course, I was just a bystander – but did you stay there? How long did you stay there? Did you stay there for the day or did you evacuate that eventually and move elsewhere?

BOLTEN: We stayed the entire time.

KRISTOL: I know they evacuated the other people from the White House. A couple of the speech writers came to our office, one of whom had worked at *The Standard* before, because they needed a computer to work from. This was pre-iPhone, and they commandeered one of our offices at *The Weekly Standard*. They ended up reassembling at a law firm downtown or something.

BOLTEN: There were several reassembly points but none of this had been scripted out in advance. We were ill-prepared for an attack on the homeland, but we were better prepared than our predecessors,

who may have been better prepared than their own. And in fact, the facilities we were using weren't built for the purpose of an attack on the homeland; they were built for Cold War purposes.
This was where the senior staff was supposed to go in the event of a nuclear attack from the Soviet Union – which, thanks in part to the efforts that you participated in, was no longer a threat and had not been for 20 years. Well, 10 years at that point. Really, the sense of threat and necessity for preparedness had atrophied in the meantime.

We, fortunately, had a Deputy Chief of Staff for Operations who had made sure to the train the senior staff about the existence of the bunker. But I knew from talking to many predecessors from the Clinton Administration that they had not even known the bunker existed. So they would not have known that there even was such a place to go to. And we had no plans for where people should go. The most telling part of our lack of preparedness was the difficulty of communicating, which you made reference to. Where it was hard to tell people where to go, from our own staff; it was hard to connect with the rest of the government.

And interestingly, it was hard to communicate with the American people – because the President had been, the secret service had lifted the President out of Florida and he was in the air on his way to an Air Force base, not too far away. We all agreed – the Vice President speaking on the phone to the President – agreed that it would be useful for somebody from the White House to go on the air and give a message of continuity, comfort, and so on. And we had no way to do that, because the White House grounds had been evacuated; we didn't know whether it was safe to come out, and the press room had been evacuated. So, there was no press to film the event or no cameras to film the event – even if we had wanted to say something. The first US government official of any kind, that I'm aware of, to make a statement about 9/11 I think was Senator John McCain, who happened to be at the CNN studios for an unrelated interview.

KRISTOL: Is that right? I forgot that. I mean, there's so much more we could say, but any other takeaways from you from that day? Moments or things you'd want people to know? People rose to occasion, it seems to me, in general. Is that your–

BOLTEN: People did. Inside the White House, all the people that we worked with, there was shock; there was horror. I think there was great empathy for the people who perished in the attack. I mean, it was hard to watch that footage without being very, deeply moved and having in your thoughts not just the victims but all the family and friends of those people who were probably watching on TV as their loved ones died.

But through all of that, the government apparatus, I thought, performed well – given the constraints that we had on our technological capability to communicate and direct things. One of the things that did happen on 9/11 in the bunker was that we were able to draw into the bunker some key US government officials. I eventually tracked down our communications director, Karen Hughes, who had been off-campus at the time of the attack and she had gone to, as most moms did at that moment, she'd gone to pick up her son at school. I had tracked her down, and I think we found a military vehicle to get her and bring her down to the White House. And she ended up being the official that the White House sent out to make a public statement – but it was several hours after the attack, and the venue she used was the FBI's press room. The FBI being a pretty secure place and not too far from the White House; that's where she went to go make a public pronouncement.

KRISTOL: At the end of the day, you were there when the President came back obviously, what was that like?

BOLTEN: That was, as horrifying as 9/11 was, that was memorable in a goosebumps kind of way. I was on a conference call with the President, who had been strongly advised by the secret service not to return to Washington until the next day until they were confident that it was secure, that there were no more flights in the air, and so on. And he said, "Absolutely not. The people need to see the President at the White House at this moment." So, you know, "As soon as we can get the logistics worked out I'm on

my way back." He flew back into Washington. I don't remember what time he arrived but it was late afternoon, early evening. Our Chief Speech Writer, Mike Gerson, who may have been one of the people hanging out at your office.

KRISTOL: I don't remember. It was John McConnell, I think, and David Frum. I can't remember.

BOLTEN: They had been working already, on remarks, so he was back in the White House. Most of the senior staff was back in the White House by the time the President arrived. While he was still on the ground at the Air Force Base – in Nebraska, I think it was – the President had already convened a national-security conference call, videoconference. He'd given out instructions. By the time he landed back, the speech writers, you know, he'd already told the speech writers the key messages that he wanted to convey. They sat down, immediately started working on it, and he went on television.

It wasn't the best appearance of his presidency, but it was pretty darn good under the circumstances, and delivered the right message. The performance of, I thought, the whole government apparatus, of the people with whom I worked in the White House, I thought through the whole thing was exemplary. Appreciating the gravity of the situation, not panicking, and understanding the importance of the presidency at this moment. Not for the people of New York City, for whom we could do relatively little – that was up to the emergency responders there – but for the rest of the country and the world.

KRISTOL: Yes, I think that's right. That's well said, and that's hard to – one's own thoughts go back to so many other things that happened that day and the days after. But maybe we should jump ahead. That was the most memorable moment in the White House. Scariest moment in the White House? Was that also 9/11?

BOLTEN: Interesting, most people would think that 9/11 would have been the scariest moment, and it was scary, but it was also a moment of some determination and clarity of purpose. As soon as we began to understand over a period of hours what had happened, there was clarity of purpose in the government. There was never a doubt in my mind, and I think most people's minds, that we were not going to let this event intimidate the United States of America. And we basically knew what to do about it. The intelligence agencies were, even the day it happened, were pretty close to figuring out who did it. The President and his National Security Council were already at work on punishing the guilty and making sure it didn't happen again. Then, the job for the rest of the government would be to try and harden America against any kind of similar attack. So, I think you get most scared in government when you don't know what to do. We knew what to do on 9/11.

The scariest moment for me, as a government official, was during the financial crisis seven years later, at the end of President Bush's eight-year term, which was a cascading crisis that unfolded over a period of weeks, usually on the weekend. And, I think everybody involved in that will admit that many times we thought we knew what the right thing to do was but we weren't sure. And, many times, we were wrong about what the right thing to do was. The world's greatest experts on financial markets were perplexed about how to handle it and how to prevent the world from spiraling into an event similar to or worse than the Great Depression. Which is how the Fed Chairman, Ben Bernanke, described the possible outcome to President Bush in the midst of the crisis.

KRISTOL: I remember talking to, not so much to you but to your deputy, Joel Kaplan, some during those unbelievably long days you worked and just trying to get some clarity, since I had to pop-off about it on TV, or write about it in the magazine, or I guess, my *New York Times* column that year.

You had some experience – you've worked at Goldman Sachs and had experience in finance. My sense is that you really ran that response – obviously not telling Ben Bernanke what to do about the money supply – but, out of the White House chief of staff's office, I guess that magnitude of event is going to run out of the White House? While obviously paying due respect to the Treasury Department, the Fed, and all these other agencies, right?

BOLTEN: There's a lot of control and centralization in the White House when presidential-level decisions need to be made. That's the way it should be. That's the way it needs to be. In the case of the financial crisis, we were blessed to have at the Treasury Department Hank Paulson, who had been Chairman of Goldman Sachs for a number of years, and had spent most of his life in the financial markets and was probably, by both experience and disposition, among the best people on the planet to have been in charge of the Treasury Department at that moment.

We also had at the Fed a brilliant economist and, I think superb steward of US monetary supply, in Ben Bernanke, who had done his doctoral work on The Great Depression. And as a third leg to that stool we had, as the President of the New York Fed, which was a crucial place because the New York Fed had supervisory responsibility over all of the entities that were in the process of failing during the financial crisis, we had there a fella named Tim Geithner, who was well experienced in government service and through both Republican and Democratic administrations, and ended up being President Obama's appointment to Treasury Secretary. So, we had a troika of decision makers on whom the President relied heavily.

So, although you're right that in a crisis like that the decision making has to be centralized in the White House, the President, in turn, relied very heavily on Paulson, backed up by Bernanke, backed by Geithner. We were in – during the crisis, we were in, hourly is an exaggeration, but every few hours in touch with those officials. In particular, from the White House, in touch with Paulson, who communicated during the crisis sometimes several times a day with the President. It was my job as Chief of Staff to make sure that communication was clear, that the directions to the rest of the government were clear, and that the President had what he needed to make good and timely decisions.

KRISTOL: Was there a moment when you realized, gee, this isn't just an unfortunate recession or a bit of a financial problem, like that we've seen before, or read about even before, this is a once in a generation, maybe once in a lifetime moment? Was it obvious? Was there a day when you woke up –

BOLTEN: You know, I don't remember the moment when I realized the magnitude of the crisis that we were in the midst of, because there were so many of those moments that seemed to happen every weekend for a period of a couple of months in the late summer and fall of 2008. The really sinking moment I remember, and I'm surprised I don't remember the date now, was I think toward the end of September, when it had become clear that the only way that we could prevent a death spiral in the financial markets was for the US government to step in massively with money and, basically, bail out the people who were responsible for the crisis in the first place.

A horrifying thing for a President of any stripe to have to do, but we needed to go to Congress to get that money. And we had requested $700 billion dollars. That's *billion* with a *B*. $700 billion dollars to be appropriated by the Congress to the President to hand out to the people whom everybody blamed for the crisis in the first place. Not surprisingly, this was a hard sell on Capitol Hill – especially with the President's own party. You know, Democrats didn't like it because it was a bail out of the banks, whom they don't like. And Republicans didn't like it because it was a *bail out*. More tax dollars being spent on what they viewed as subsidies to the private sector that should stew in their own juice.

So, we had a really hard time twisting arms, persuading members of Congress to go along, and eventually, the time came when we couldn't wait any longer, we needed to get the money, and we and the leadership in the House decided you know we need to go for a vote. Republican leadership in the House decided we needed to go for a vote. And it was one of those rare instances where we decided to go for a vote not knowing how it was going to come out. We went into the vote that day nervous, and it turned out with justification. The vote failed. Republicans and Democrats deserted us, but the tough votes were the Republican votes who deserted their President who was asking for this money and authority. And on that day, I think the stock market lost more of its value than it had ever in its history. I think it was 700 points on the Dow that it lost on that one day.

Fortunately it was a Friday, which gave people an opportunity to recover. And so, the next week we set about trying to figure out, "Okay, how do we modify the proposal a little bit? How do we bring aboard more members?" And the really interesting thing is, the members, it being a Friday, there was a break coming up – I think for either Rosh Hashanah or Yom Kippur – so they had to go home to the constituents. And the constituents, who under most circumstances would have said, "Hell no. I'm not having my tax dollars go to bail out those Wall St people," they would have seen their 401k's decline by 10 percent or more in just a few days, and so they put a little heat on the congressmen, and they came back with a better attitude and we eventually go it.

That Friday when the vote failed, and I saw the vote going down – you know you're watching the little ticker of Republicans, "aye," and Democrats and the numbers kind of move a bit because they can change their votes – I saw the number of "aye" votes wasn't going to get above 218, and then the votes really started to – they sort of crested somewhere and then they just really started to drop off as the stampede effect was taking place. I've rarely had a sinking moment like that in my 20 years in public service; I hope I never see such an event again.

KRISTOL: By the time you left on January 20th, 2009, and handed it over to President Obama, did you guys think – I mean, whatever one thinks about his stimulus and other decisions he made – did you basically think we were going to get out of the woods okay, and we had been through the worst of it? I can't remember anymore how long –

BOLTEN: Yeah. Once we eventually, we got the TARP in place, once we had put in place mechanisms to prevent the auto companies from going bankrupt – which they were threatening to do in early January without some relief – once those events were in place, most of us who had worked on it were confident that the worst of the crisis was over. Now, it wasn't clear that there wouldn't be aftershocks and so on. It turned out there weren't, but basically, the financial crisis was over before inauguration day on January 20th. We didn't know that for sure.

KRISTOL: And the ripple effect in the real economy continued.

BOLTEN: The ripple effect in the real economy, but the disintegration of financial markets, which was what was threatened during the financial crisis, that prospect had ended by the time we handed over the keys to the Obama administration.

KRISTOL: How much do you think it's a fair criticism to say that even if people did respond well in the crisis and in the moment, they didn't see it coming. The experts weren't as expert as they thought. There are more-sophisticated and less-sophisticated versions of, let's call it, this populous critique of expertise, but I've always thought the combination of some failures and the execution of the war in Iraq and the failure to see it coming in '07 and '08 – a lot of confidence that this couldn't happen again if you listen to Alan Greenspan or even Bernanke in his first year, early years as Fed chairman – those two together really did combine to lay the groundwork for a resurgent populism on both the left and the right.

BOLTEN: Yeah, I think they did.

KRISTOL: Maybe unfair, but that's life. It's hard to tell people.

BOLTEN: Actually, I'm not in the crowd that thinks it's deeply unfair. Government has a responsibility to perform just like any company does, and government failed to anticipate and prevent the financial crisis. Now, we responded, I think, effectively when it happened. But, I think, you know, your average citizen has reason to expect that government shouldn't allow things to get to that point in the first place.

You know, Bill, I think as much as that, the loss of confidence in our governing institutions that the financial crisis engendered, I think that had a huge effect on the kind of political atmosphere we're facing

today. As well as just the after effects of the financial crisis – where the, you know, the stock market eventually recovered, wealthy people eventually recovered, but middle-class Americans didn't. And there are still, many of them still haven't gotten back to the place and the value of their home, in the buying power of the family income, and so on, that they had before the crisis. I think that's really fueling the kind of pessimistic, not just anti-government but anti-institution sentiment, that is fueling today's populism.

KRISTOL: It's like a delayed effect, maybe, I think.

BOLTEN: Or an ongoing effect. I think what we're experiencing today didn't suddenly happen upon us. I think it's been building. Certainly, going back the ten years to the financial crisis, but probably a decade or two before that. It's been building over time to the point where a large proportion of middle-class Americans will tell pollsters that they don't think their kids will have a better life than they had. And, to me, that's a tipping point in our politics.

KRISTOL: I think that number started to tip over about three or four years after the financial crisis. I think Bill Galston made this point, actually in a conversation like this. People did think, "Okay we've got through it and we'll come back and things will get back to growth." And then they started to realize at some point that, "I'm never going to quite make it back to where I was. Or the prospects are never going to make it back to where I thought they would be. Or my kids' prospects don't look so great." Suddenly the kind of pessimism becomes much deeper than, "We've been through a rough patch but we'll back to normal," so to speak.

BOLTEN: Here's an interesting thing, which is in some polling that I've seen if you ask people, "Are you today roughly where you expected to be when you were in college?" You get wealthy people answering, "Yes." You get very poor people answering, "Yes." And the people who are most disappointed and disaffected are the people in the middle.

The very poor never expected to do any better. The very rich are sort of blessed from the beginning, born on 3rd base, and it's the folks in the middle who largely white, middle-class Americans, who feel most let down and disaffected. And I think that's your Trump voter.

II: (38:33 – 1:21:20) Managing the White House

KRISTOL: That's a long conversation in its own right. I want to get back to the White House and those seven years in between September 11, 2001 and September 2008, particularly your tenure as Chief of Staff. I just think people would be fascinated. What is it like? Is it quite like "The West Wing" on the one hand, or a political science textbook on the other? How does it work when you're Chief of Staff to the President? How does your day begin? What happens each day? Is there a typical day? Maybe every day is itself, I don't know? What would surprise people on the outside to [learn]?

BOLTEN: Actually, "West Wing" is a pretty – I vaguely recall – is a pretty good facsimile. I stopped watching it when I got to the West Wing because I figured I do this for a living, why do I need to watch this for entertainment?

When the President asked me to be Chief of Staff near the beginning of 2006 –

KRISTOL: So, what happened? He thought it was time for a change. Andy had been Chief of Staff for five years –

BOLTEN: Five years, which by the way, made him the longest-serving Chief of Staff in modern history. I think only one Chief of Staff in history served longer than Andy, it was Sherman Adams, who was one of the first Chiefs of Staff serving President Eisenhower.

KRISTOL: So, you're over at the Office of Management and Budget –

BOLTEN: I'm at the Office of Management and Budget –

KRISTOL: So, what happens? How do you get asked to be the Chief of Staff by the President?

BOLTEN: President calls me up and says, you know, "I'm thinking of making a change, and Andy and I are talking about it, and he and I agree that you're the best replacement." Of course, you say yes.

And I remember right after it was announced, somebody came up to me and said, "How could you do this? You've been going flat out for all five plus years of this administration, Deputy Chief of Staff, budget director, you were on the campaign before that. How do you have the energy to take on the toughest job below the President in Washington?"

I realized the only thing that crossed my mind was "Thank God, I don't have to be the budget director anymore." Because that is a hard job.

And here's the difference, which may help clarify the roles: the budget director has to be on top of everything in the budget. At the time I was doing it, it was $3.5 trillion, it's now $4 trillion. You got to know something about everything to help make the decisions on how are you going to allocate resources and so on. And you don't get to decide, really, what's in your inbox. You have to deal with the inbox as it is.

The luxury in becoming Chief of Staff is you get to serve the President directly, and you help decide what issues the President is going to focus on. And if you're doing your job right, you're helping the President focus on the real presidential issues and you're pushing off all of the other decision making to the many capable members of the White House staff and the cabinet. So, there's the luxury – you don't get to choose what's in the inbox necessarily, but you have a luxury of narrowing things down to the truly presidential issues. That, I found, was a huge luxury in moving from OMB to Chief of Staff.

The other luxury was working for George W. Bush, who is a fantastic human being and a superb leader. There's no substitute, if you want to be a successful Chief of Staff, there's no substitute to having a good president.

KRISTOL: Having good bosses in general, in life, is a good recipe. I always tell young people that.

BOLTEN: Always find a good boss. Then you'll be fine. I hope you tell the people that work for you that. They've arrived.

KRISTOL: I do. I tell them they should move on as quickly as possible.

BOLTEN: They've arrived.

KRISTOL: So, what's it like? You're running – I guess it's hard to try and make yourself not get bogged down in the day-to-day schedule, and this and that, and press interview here. But I guess, when you're White House Chief of Staff you delegate that the Press Secretary, and Communications Director, and so forth.

BOLTEN: You do. I was blessed in that way too, both in the quality of the staff around the President and in the cabinet, but also blessed to come in toward the end, in the last third of the administration, when we had well established protocols and people knew what they were doing. So, you know, messing with the schedule, interviews, all that kind of thing, I cared about that and I periodically [had to] be involved, and I certainly had to be informed. But I didn't have to bear that burden myself: there were people whom I trusted to make those judgements and those recommendations more than I trusted my own.

KRISTOL: And whom the President trusted.

BOLTEN: And whom the President trusted. And the President trusted me. That was very important. He always backed me up, so that whatever I wanted to do with personnel or anything else he was – If it wasn't within my purview, he was completely supportive, and that gave me the authority to do my job effectively.

KRISTOL: Any applicable fights with cabinet secretaries you'd like tell us about? They haven't reported otherwise, I suppose, some of them.

BOLTEN: We had relatively few. We made some changes in the cabinet when I came in – when I came in was a good time to make some changes. So there were changes in the cabinet; there were changes in the White House staff. I made a change in the press secretary, for example. Who, at the time that I came in, I did not think he was doing a good job representing the President, although he had been entirely loyal and decent and a long-time serving the President.

But the President asked me, "So, what changes do you want to make in the staff?" And I said, "I want to replace the press secretary." And he said, "Why?" I said, "Because I don't think he's representing you as effectively as you want to be represented." So, the President, I think a little reluctantly only out of loyalty, he said, "Fine." So, that's what we did. We had a new press secretary roughly around the same time that I started my job.

KRISTOL: You started in early '06?

BOLTEN: Early '06, yes.

KRISTOL: I remember coming to see you once or twice. Really more like a middle-man bringing people in who were making the case for the surge in Iraq, which you were more involved in, I would say maybe, than was publicly reported at the time, in middle or late '06. Obviously one couldn't let it be known that you were considering a major change until you do the change and get the Secretary of Defense on board and all that. But you played an appreciable role in that, I think, you and Steve Hadley, our National Security Advisor.

BOLTEN: I did. Steve had the principle role in advising the President, but I noticed something early on in my tenure as Chief of Staff, which was that I didn't think the bad news was getting to the President as clearly as it otherwise might. And here's where my fresh perspective had a lot to do with it, which was I was getting a lot of my news from TV and from listening to the Sunday shows, on which you would appear periodically, and from sort of listening to voices who wanted to educate the neophyte Chief of Staff. Including, and prominently, you.

I know you're not supposed to be the subject of these interviews, but I may turn it back on you. But presumably, you had a point of view about the way the war was being won; you saw a new Chief of Staff come in who needed education, or who was coming in relatively uneducated on the subject, and you seized that opportunity. You and I had known each other for a number of years; I had confidence in your judgment, and I remember you brought in General Keane and Fred Kagan.

KRISTOL: We had lunch in your office with you and Joel Kaplan, your deputy – Not at that stage.

BOLTEN: Not at that stage. It would have been a different conversation because Steve had been involved the whole way.

KRISTOL: Well, it was less that you needed to be educated, it was more that you didn't have a stake, I would say. You could make a change without having to criticize.

BOLTEN: I needed to be educated, which is why I had lunch with you.

KRISTOL: Why new people are better is also because they don't have investment in the older policy. That's right, I think it was just you and Joel Kaplan.

BOLTEN: And it would have been a different conversation had Steve been there, because you were able to sort of back up the first principles and so on. What you and Keane and Kagan said coincided with what I had observed in my few weeks as Chief of Staff, which was that the President was, I think, getting an unrealistic view of how well the then current trajectory in our strategy and tactics were proceeding.

You were quite persuasive with me and helped make me an advocate for a shift in direction. A shift was probably coming, but if at that moment you had had to bet, the shift probably would have been cut our loses and get out, not the much more dangerous and consequential path of doubling down and seeking to provide some security for the civilians in Iraq, which we hadn't, before then, not really viewed as our mission in Iraq.

I rarely spoke up in meetings with the President when other people who were typically far more expert than I were in the room. I commonly gave my opinion afterwards, and I commonly passed on to the President what people were saying outside of the Oval Office – especially if was different, as it often was, from what people were saying inside the Oval Office. And so, in partnership with Steve Hadley, who was himself headed in the same direction, we supported the President in his own instincts that this needs to change. As against the consensus advice, including of the joint chiefs, we need to take this in a different and more aggressive direction if we want the result to be good.

KRISTOL: And what you guys did was a model of managing that kind of thing in the middle of an administration – it's one thing to make the switch in-between the administration or whatever, but obviously that was difficult.

BOLTEN: Strong credit on that to Steve Hadley, who, below the President, worked with the then Chairman of the Chiefs, Pete Pace. The two of them were very good partners in bringing along what could have been a very recalcitrant and resistant uniform service to what was being asked to them. Because it's one thing for politicians to make those kind of judgements, and put extra stress on the force, and place more of our young men and women in harm's way; it's another thing for the uniform people to do that. Huge credit to Steve Hadley and Pete Pace in creating, if not a consensus, a wide spread acceptance and support for the surge policy that ultimately proved, I think, hugely successful.

KRISTOL: You don't have to answer this obviously if you don't want, but you were actually White House Chief of Staff, and as you say, of a well-functioning White House, which made a good pivot there and did well in late '08; though, I guess they could blame you for not anticipating for what happened between but, you know, anyway –

So, now we have the Trump administration. We're speaking in late March of 2017, leaving aside personalities and details, how much, in general, how important it is to have a strong Chief of Staff, coherent White House, everyone on the same page? Do you buy the argument that sometimes it's the case for a team of rivals, or at least in the early months of an administration a shake down is going to happen anyway? I'm just curious. I mean, we all read about it and watch it, but you were sort of there. Maybe you're too biased to your own particular experience so we can discount that, but I'm just curious how important you think it?

BOLTEN: So, discount –

KRISTOL: One could say, for example, one could say, well, Reagan's was sort of chaotic but at the end of the day, if you're going in the right direction, that sort of swamps out all the details of, you know, various in-artful, you know, press statements and zigs and zags. That would be the argument for why it doesn't matter, the internal mechanics don't matter that much.

BOLTEN: So, discount what I have to say, because everybody always thinks that whatever they did is the best and only way to do it. I mentioned I was blessed by the President I had, and the colleagues I had, and the structure that we had that contributed to a rational decision making.

However you might feel about the principles that were applied or the pre-dispositions, whether you agree with the Iraq War or the surge and so on, the Bush White House, in most instances, managed the process of decision-making well. I am one who believes that it is extremely important to have a good and coherent decision-making process.

Now, it's always turbulent at the start of administrations; it's always somewhat disorganized. It's an inherently very difficult thing to do. In part because you write on a completely blank slate.

I don't think anybody who hasn't experienced it – you have, both in and out – the extent to which the White House itself is completely empty on inaugural day. I've now seen it twice leaving and once entering. The physical emblem of it is really striking that the day before inauguration day there are all these people in there doing their jobs and these decisions are being made and so on. Overnight the carpenters and painters are in tearing stuff out, recarpeting, putting some walls in that the new folks want. And when the new crowd walks in any time after noon on January 20th, there's nothing on the walls, there's nothing on or in the desks – the computers are there but their memories have been whipped clean, and if you're lucky, you know what you're phone number is.

And so, there's not a big infrastructure on which to fall back where things are just happening normally. Every White House has to create it from scratch on its own.

KRISTOL: Especially when you're taking over form the other party.

BOLTEN: Especially when you're taking over from the other party but not exclusively.

KRISTOL: The one time I was there in '89, taking over from, Vice President Bush taking over from President Reagan, it was a little easier I think.

BOLTEN: Easier but–

KRISTOL: Still I had no idea what I was doing or what I was supposed to do. No one gives you like a list of things that you're supposed to do on your first day.

BOLTEN: There's no job description. There's nothing. You probably knew you had a meeting to go to but the person who was calling that meeting might not even know how to reach all of the people who were supposed to come to that meeting. So, have a little sympathy and tolerance for the turbulence that always comes.

That said, the quality of decisions, I believe, is directly, follows directly in relationship to the quality of the decision-making process. And there is nothing wrong with a team of rivals in the sense of giving the president access to a wide range of disagreeing opinions. In fact, in my view, that serves the president best. So, the president should have debates and disagreements between all of his senior advisors at some point. And should sort out what the best decision is coming out of those disagreements. That's often how you come to the best decision is you let the ideas and the proposals compete.

The problem arises when the process of making those decisions in unclear. Where there isn't clearly one Chief of Staff in charge, running that process, I think the president is ill-served.

KRISTOL: And you always felt you did have that?

BOLTEN: I had it because it came from the boss.

KRISTOL: He thought that was the way to run it?

BOLTEN: Absolutely. Everybody in the government, they might not have had much respect for me and my opinions, and I'm sure many of them were justified in a low opinion of my own views or abilities, but everybody in the Bush White House respected my authority as Chief of Staff because it came from the President.

KRISTOL: And the Cabinet Secretaries.

BOLTEN: The cabinet secretaries, exactly the same. They knew if they wanted to get to the President, they would have to go through the process that we set up. They also knew that I, as Chief of Staff, as Andy Card had before me, would treat everybody fairly. So that nobody would be denied access because we didn't like their views or anything like that, but they would have to go through the right process so that everybody with an interest in a particularly important issue – that is to say, a presidential issue – would have an opportunity to have their views heard by the President in a forum, in a format that made it possible for the President to make a rational decision.

To me, that is the absolute essence of good governance out of the White House, and to the extent that this White House is struggling with that, I think they will find they are making much better decisions, executing much better, once they get that in place.

KRISTOL: Some of these articles about internal White House practices written by people who obviously never worked in the White House, and often haven't really covered closely, is sometimes pretty misleading.

I think there was one phony, or as Trump would say, "fake news" fuss about the National Security Advisor, H.R. McMaster, whom I think we both know (and in fact who was one of the strategists of the surge, having implemented it a little himself in 2005 when he was a colonel, lieutenant colonel maybe) – did he have walk in privileges for the President? He didn't and that was – he allegedly didn't and that was supposed to show that he was not as important as, I don't know, Steve Bannon or something. The whole idea, and I tried to explain it to someone – I mean, I've only ever been a Vice Presidential Chief of Staff – the whole phrase is sort of meaningless. Do you agree with that? What does that mean even?

BOLTEN: I do. It's completely meaningless. Maybe it means whoever can get past the President's assistant and get into the Oval Office, but if you're standing outside of the Oval Office and the President wants to see you, you get walk-in privileges.

KRISTOL: In the real world, I don't know, say the Israeli's bomb the Syrian reactor – let's just take something that has been written about and reported. How does it work? Steve Hadley, I suppose, is the first person to hear about this from the Situation Room as the National Security Advisor; does he just run up to the President, to the Oval Office? Does he call you first? Does he stop by your office to pick you up?

BOLTEN: In our system, he would stop by my office to pick me up.

Now, in our system, I arrived at the White House at usually about 6:15 or 6:20 in the morning. Steve would have been there for at least a half hour before that. The reason we did that is that President Bush would get to his desk in the Oval Office every morning at 6:45. He was a very disciplined man and remarkably awakens, I think, without alarm every morning at 5:15, regardless of where he is, which makes international travel a little difficult. So, I would be the first in to see the President, usually I'd give him five or ten minutes to get settled and go through papers and things like that, but I would be in to see him before 7 a.m. every morning.

KRISTOL: He would buzz for you or you would just walk over?

BOLTEN: I would just walk in. The door is open. You walk past his assistants and the door to the Oval Office is open, and in our system, the Chief of Staff just walks in and you start chatting with the President about his day, about what's on his calendar, about why the speech he's giving is no good. And what can be done about it.

KRISTOL: It's always good to hear that from the press secretary at 6:55 a.m., I'm sure.

BOLTEN: And what can be done about it between now and noon when he's giving the speech. And then shortly after 7:00, Steve Hadley, the National Security Advisor, would come in – and I would always try to stay off national security topics until Steve got there – and the conversation would shift, mostly between the President and Steve, to national security issues. So, if it was something important but in the routine course of things, Steve would bring it up at that time. But if it was a dramatic development, like the one you described, then Steve would be directly in to see the President and would pick me up on the way. We had a great partnership in that respect.

KRISTOL: And then, if it had happened overnight, the President would say we need to get Secretary of Defense Gates and CIA Director Tenet or whoever it was, in there and they would be buzzed and told to get there within half an hour?

BOLTEN: Steve might do that himself overnight, just say the President is going to want to see, he's asleep, but he's going to want to see all of you. For some things, the National Security Advisor might decide that the President needs to be awakened. The big question, "Shall we awaken the President?" And for that purpose, typically the National Security Advisor would alert the Chief of Staff and get his go ahead to awaken the President. That's one of the joys of the Chief of Staff's job – you get to be the filter of the occasion on which the president gets awakened.

KRISTOL: Was President Bush okay with being awakened?

BOLTEN: I guess. It's stuff like, you know, "Your daughter is in jail," kind of thing that you don't want to keep from him but you don't want to be the one that – by the way, I should say, that never ended up in jail. There was the occasional scrape with the authorities, but two fabulous young women, who were at the time college-age kids.

KRISTOL: Not the call you want to make, I think that's probably true.

BOLTEN: But that's one of the things the Chief of Staff gets to do.

KRISTOL: How much would say the Chief of Staff's 12-hour day, maybe 14-hour day, is taken up with stuff that is planned ahead of time? You're going to have a review of, I don't know, some initiative coming down the pike, or thinking about the speech three weeks from now, or scheduling meeting – I don't know, did you run those? And how much of it is, "This has happened, and we need to have a meeting in an hour on X topic?"

BOLTEN: During the day, I mean, the President's time is scheduled in very small increments and it's full. It's in ten minute increments. It's almost as bad as a lawyer. Billing you $100 bucks for the ten minutes, or more, I guess.

KRISTOL: I think you're a little out of touch on the rates, there. Not that I would know – but your colleagues at The Business Round Table would.

BOLTEN: Yeah, they would know you're paying more than that now.

But, for the Chief of Staff, I would typically plan to be with the President through probably about two-thirds of his schedule for the day.

You know, there's a third that's ceremonial. Receiving the first Girl Scout cookies, greeting the NCAA Championship basketball team or something. Some of those things you really want to go to, but you sort of have to budget your time and be a little cautious about not doing too much spectating. So, most of the day is done on that sort of routine thing.

But there are points in the day when the stuff that's likely to be breaking and important would naturally come up. On President Bush's schedule every morning there was a national-security briefing. And so, it might just be the CIA's report on routine stuff, but we would commandeer that if there was an important national-security event, that meeting would be taken over by whatever was happening then.

If it was an important economic-policy development, we probably already have, on the President's schedule, time to be briefed by his economic advisors. And so, you know, the Secretary of the Treasury and the Chairman of the Fed might already be in there, or the Secretary of the Treasury, the head of the National Economic Council, the US Trade Representative, they're probably already, at some point, on the President's schedule – unless it's something completely out of the blue, in which case you reshuffle and put something on.

For the Chief of Staff, then, I lived most of the President's day, between 6:45 and roughly 6 in the evening when he would go up to the residence to have dinner with his family. My day really started as soon as his day ended, because that was then my chance to go back to my office, really return phone calls, do some reading, do some emails and have a few meetings, even. Have some of my own meetings.

So, like my predecessor, and like the National Security Advisor, I rarely had anything less than a 16-hour day and 18 was more typical. But I got to say, I never felt depressed. I don't know how you felt coming into work every day, but I felt I was one of the luckiest guys in the world.

KRISTOL: No, I did too. Obviously, I had one one-hundredth of the responsibility or even the work, but I had very much the same experience. With certain relief sometimes – saying goodbye the Vice President, who was a wonderful boss, Vice President Quayle, who would go off, and his kids were pretty little when he was Vice President, and he would go off around 6 or 6:30 to have dinner with them at the Vice President's residence and see them while they were still awake, even, and help them with homework and so forth, and I would have a big sigh of relief. "Okay, now he's gone."

BOLTEN: Now you can start your day.

KRISTOL: Now, we do have like – infinitely smaller than your staff, but we do have a Vice Presidential staff to worry about – we have trips coming up; we have someone who has a complaint about something. You sort of start doing your own work to some degree once he leaves.

BOLTEN: It's all the same.

KRISTOL: You're both a staffer to the President and running a pretty big organization, which you could delegate a lot of, but you maybe can't not return a call to a cabinet secretary or to a–

BOLTEN: As a former Chief of Staff you probably also had this experience, which is that one of your principle responsibilities is to make sure that the boss is, not just well cared for, but is in good shape, and properly rested and has a chance to exercise and so on. Because it's not just the pampering of the principal, P-A-L principal, it's how you make it possible for him to do his job properly.

President Bush used to comment regularly when he was dealing with some of his foreign counterparts, he was very attuned to what their mental state was and what their physical condition was. He would say, "President so and so isn't getting enough sleep and he's making bad decisions." Or you know, "So and so is too worried and is making bad decisions."

The one sure way to make President Bush angry, who was otherwise a very easy to work for boss, but one of the sure ways to make him angry was to make him late; to make it impossible for him to get 40 minutes of exercise; and to make it difficult for him to get a full night's rest so that he could do his job properly.

He's not a self-pamperer in any way, but he, you know, having been around the presidency in his dad's time, having been a governor himself for a while, he knew that the most important thing he could do to make sure he was doing his job well was take good care of himself. And that falls on the Chief of Staff to make sure that he's able to do that.

KRISTOL: Yeah, I didn't really, Vice President Quayle took care of that – and was in better shape than I am. Is in better shape than I am. I just let him worry about that. But I'm glad you worried about that.

Maybe just take a few minutes, how did you get into this in the first place? I think people would be interested in that. You didn't start off as an OMB Director, or a Deputy Chief of Staff, or even as US Trade Rep, all those high positions you had. People forget that sometimes that you were once a kid coming out of law school. Is that your first government job, really?

BOLTEN: Law school? Actually, I served in all three branches of the federal government by the time I was 30. So, I came out of law school, and I was a law clerk for a year. So, I got to serve in the judicial branch. I went to work as a lawyer at the State Department in a civil service job, which was a fantastic experience. I got some experience in private practice.

But then an opening came up in the field that I was then working in, which was international trade law. A great job showed up on Capitol Hill for the committee that writes the trade laws. In the Senate, it's the Senate Finance Committee. They needed, there was a vacancy in trade counsel. I wouldn't have planned it that way; I would have, at a minimum, tried to become a partner in a law firm or something, establish some financial security before I jumped back into government. But the opportunity was too good, and I knew that the window doesn't open that often and it certainly doesn't open wide, so I jumped through it and became, I think at the age of 30, Trade Counsel to the Senate Finance Committee. Which was my first job in the political side of government.

KRISTOL: Who was your boss there?

BOLTEN: Bob Packwood [R, OR] was chairman of the Senate Finance Committee.

KRISTOL: Very powerful chairman and a very knowledgeable one.

BOLTEN: With a personal issue that I think derailed an otherwise brilliant career. He was a superb Senator, very substantive, on trade issues fantastic, and in many ways, had himself an excellent boss, who was the man who originated and sheparded through the last major tax reform that we had in this country.

It's quite telling that it was 31 years ago, 1986, that we last had a major tax reform. And it happened because Bob Packwood went off with my boss, the Staff Director of the Senate Finance Committee, Bill Diefenderfer, and they had a couple of pitchers of beer at the Irish Times after a particularly depressing markup on a tax bill in the Senate Finance Committee, and they decided to throw it all out. They were in the process of just adding more barnacles onto an already overly-complex tax code to try to win votes here and there, and they just threw it all out. They started from scratch. Radical simplification.

And, with the support of a bunch of Democrats in the Senate – Bill Bradley was the progenitor of many of those ideas – they got it through. And they got it through a Democratic house, a Republican Senate, and signed by a Republican president. And if there's a way to emulate that experience in the current environment, that will be much to the good because we definitely need radical reform of our tax code.

KRISTOL: I'd forgotten that you'd worked for Senate Finance and for Packwood. I think of you so much – I guess when I first met you, you were already in the executive branch.

What was your job in the first Bush administration? You ended up at US Trade Representative, but you didn't start as US Trade [Representative]?

BOLTEN: I did.

KRISTOL: Oh, you did?

BOLTEN: During the second Reagan term, I was on Capitol Hill as the Republican Trade Counsel to the Senate Finance Committee. And when President Bush, Bush 41, got elected in 1988, it was a natural transition for me to take the expertise that I had in trade law and move it into the executive branch. So I became the general counsel –

KRISTOL: That's right, but you didn't start as *the* trade rep. You were general counsel?

BOLTEN: I was general counsel to the representative.

KRISTOL: Who was, Carla Hills?

BOLTEN: Carla Hills was a brilliant trade representative.

KRISTOL: That's when we were still trying to liberalize trade.

BOLTEN: She successfully negotiated both the, what's now called the World Trade Organization, and she negotiated the NAFTA. So much criticized today but really, I think, one of the most important and positive economic developments of our time was the successful negotiation of the NAFTA. Which was, this history is often lost, it was negotiated by President Bush 41. It was negotiated and signed by president Bush 41. Carla Hill was in the lead.

And, it was then implemented courageously by Democratic President Bill Clinton, against the wishes of most the rank and file of his party. And I think it's a demonstration of good substantive judgment but also political courage, for which President Clinton deserves a lot of credit.

KRISTOL: He got it ratified by the Democratic Congress, I think in the lame duck session of '94. Is that right? Or was it late '93, maybe?

BOLTEN: I think it was '93.

KRISTOL: Yeah, so Democratic Congress. But with Republican votes, more than Democratic.

BOLTEN: With more Republican than Democratic votes, but to have the new Democratic president taking the lead on it, I think it would not have happened without that.

KRISTOL: I'll let you go, but you'll forget this: I think we met when you were general counsel to the trade rep and I was Vice President Quayle's Chief of Staff, and Vice President Quayle was asked by the president, as vice presidents are, to do various tasks – some of them fun, some of them a little onerous –

but one of ours was to – Carla Hill did this routinely with all the trade negotiations, including with the Japanese, and the issue of the day was – first of all, we had a huge deficit with Japan, they were taking over the country, they were buying Rockefeller Center, they were a threat, all this stuff.

We were supposed to open up the Japanese auto market to American autos, which was very difficult at the time and, for all I know, still is.

We must have had half a dozen trips to Japan, which is a long flight and the Asia thing it's just tough when you're a staffer, because this is pre-email and pre-iPhone, so I just remember those trips being grueling. You'd have to be up during the night in Japan to be in touch with people in the office in the US. I remember meeting you and Carla Hill, she often came on these trips, but you would come to brief the Vice President so he was fully up to speed on whatever extremely complex little thing in their auto law, really. It didn't look like a violation – it didn't look like they were blocking all these, but de facto they were blocking all imports by requiring cars have a certain something or another that American cars didn't have or whatever. I usually tuned out of those meetings and let you and Carla explain it to the Vice President, who knew a lot more of this than I did, I must say.

KRISTOL: Yeah, by the way, I remember the Vice President being very, very attentive and astute.

KRISTOL: He was from Indiana, obviously, which had a very big auto industry at that point. He was supportive of a lot of auto workers, actually, he had gotten a lot of union votes when he ran for the Senate, and he was interested in those issues.

BOLTEN: I'm hopeful that the new administration will take on their trade negotiating responsibilities with similar seriousness and with a similar objective, which is not the restriction of trade but the expansion of trade by leveling the playing field where US companies are unfairly discriminated against. But otherwise, let competition play out. That's what's going to be best for us and for the global economy, which is what's best for us in the end.

KRISTOL: Those are good words on which to end. And I'm sure the President is watching this conversation and he'll take these words to heart. Josh, thank you very much, and thank you for joining us on CONVERSATIONS.

[END]