

Timothy Naftali

Hello, I'm Timothy Naftali, Director-Designate of the Richard Nixon Library and Museum. It's April 3, 2007. I'm in New York City with Mr. Peter Flanigan. I'm interviewing him for the Richard Nixon Presidential Oral History Program, and I'm accompanied today by Paul Musgrave and David Greenberg. Mr. Flanigan, thank you very much for joining us today.

Peter Flanigan

Pleasure.

Timothy Naftali

Would you tell us please when you first met Richard Nixon?

Peter Flanigan

I'll tell you how I got to first meet him. In the summer of '59, I was on a very undemanding business trip to Europe and thinking about what was going on politically and concluded that I believed that Richard Nixon should be next President of the United States, which meant, therefore, that I did not believe Mr. Rockefeller, the other Republican candidate and my governor, or Jack Kennedy, whose family I had known well for some years, should be the President. And when I came back that September, I told my father, who was then running a bank, what my conclusions were, that I intended to get involved. And he said, well, that's interesting. Why don't you come to lunch tomorrow because Bob Finch, who was then Vice President Nixon's administrative assistant, was coming in to lunch. And I went in and told Bob Finch, who subsequently became a dear, dear friend, what I was going to do, and he said, "Well, we have this arrangement with Governor Rockefeller that if he doesn't organize in California, we won't organize in New York." I said, "Well, you can have any arrangement that you want with Governor Rockefeller, but I am going to follow my political inclinations." I'd been involved in local politics a bit. And he said, "Well, if that's the case, we have this friend of ours by the name of Bob Haldeman who's with an advertising agency here in New York and just stay in touch with him." Bob, of course, also became a very, very dear friend, both of them with their wives and families. So we started this little organization called New Yorkers for Nixon. Exactly a year before the election, we went public and, to my enormous surprise, there was all this attention and, of course, one reason for the attention was it was in Rockefeller's back yard, and the other was that I had known, again through father, a number of Eisenhower's close friends like Bill Robinson, who then ran Coca Cola who was a bridge player and a golfing friend of Ike's, and I got them to come on my board. This was then taken by the press, erroneously, as a backhanded way for Eisenhower to endorse Nixon. So it was a fantastic event. The next morning I went in my office, I was then a partner of this Dillon Read, an investment bank firm and I was kind of proud of myself. But the early morning meeting, my partner said gee, we saw it in the papers. That was quite something. At that time I had gotten clearance to do this from the then practicing partner, but not from the owner who was Clarence Dillon, who was his father. Halfway through the meeting, I asked to go and have a telephone call with Mr. Dillon, and I presumed he, too, was going to congratulate me. Instead, at which, he said, "Flanigan, don't you know we don't get involved in primaries?" And I said, "No, Mr. Dillon, I did not know that." In fact, I'd cleared this with the senior partner. He said, "Don't you think you should go on a leave of absence?" Which I had not

thought of at all, but I did, for a year, so that cleared me for a year. And that was such a successful event that he then -- Nixon then -- asked me in indirectly to come to Washington and talk about organizing the volunteers, the non-party people, for his campaign nationally, and I did, and that's when I met him and then I was there from that time on.

Timothy Naftali

What was the objective of the Citizens for Nixon?

Peter Flanigan

It was to replicate the volunteers for Ike, or whatever they called that, which was to broaden the campaign beyond the confines of the Republican Party, which was certainly a minority party, and to bring in Independents and Democrats and, in fact, to run the campaign in the Southern states. He knew that the Republican Party in the Southern states really had no clout so what he wanted was an Independent and, if possible, a Democrat-led organization running his campaign, and he suggested a fellow who had done it for Ike by the name of Red Blount who subsequently became Postmaster General, a wonderful fellow. And Red took on that task of organizing the Southern states and did a fantastic job. We did pretty well there.

Timothy Naftali

So was this sort of the beginning of the Southern strategies?

Peter Flanigan

Yes, it was. I had never thought about it that way but in a sense it was. It was the same impulse.

Timothy Naftali

Do you know anything about the Park Avenue Accords with Nelson Rockefeller?

Peter Flanigan

I know only what was publicly acknowledged. We were in Chicago at the time the Convention was heating up and we were somewhat surprised that it had happened and, of course, our conservative base wasn't wild about an agreement with Rockefeller, but thoughtful people were and the turning point that pulled the sting for conservatives was Barry Goldwater's incredible seconding or supporting speech for Nixon, to put our shoulders to the wheel. That cleared all that problem away.

Timothy Naftali

We've heard from Mel Laird that Eisenhower wasn't happy with aspects of this agreement with Rockefeller.

Peter Flanigan

I have no knowledge of that. The relationship with Eisenhower, as far as I could see it, was entirely correct leading up to the nomination. He didn't take sides. And after that, while he was personally, as best I could see, supported [break in audio] his staff really weren't, and the first time Ike got on the campaign trail was when he came to a big rally in Philadelphia, but you could see that -- and I could understand this -- his staff couldn't help but be unhappy that the people who were probably going to take their jobs were doing so well.

Timothy Naftali

What were you doing during the campaign in 1960? What [unintelligible]?

Peter Flanigan

I headed the national Volunteers for Nixon-Lodge, whose job was to organize in every state a parallel organization to the Republican organizations and if it was a strong Republican state, they didn't have a lot to do, and if it was a weak Republican state, like the South, this parallel organization often carried the burden of the campaign.

Timothy Naftali

At the end of the campaign, Vice-President Nixon became pessimistic about campaigning. How were you feeling at the end of the '60 campaign? Did you think you were going to win?

Peter Flanigan

Yeah, I did, but I was not then and am not now as acute as a political observer as Dick Nixon was, and he never showed that to me, but I was not on the road with him. I was back in Washington managing the organization and not with him on the road. I did know he was pessimistic, and as it turned out, I think it's generally accepted that an honest count in a few states would have given him the victory.

Timothy Naftali

Did you do any polling after the debates? After the first debate?

Peter Flanigan

That was not our business.

Timothy Naftali

What were people saying? That you had this parallel organization, what were people saying?

Peter Flanigan

What you heard. He didn't do very well, except for people who heard it on the radio who thought he did very well. But remember, he'd just come out of the hospital. He'd had some kind of a leg problem. So, you know, he just didn't look as well as Jack Kennedy, but very few of us do.

Timothy Naftali

In your interview with Mr. Whitaker, you talked a little bit about -- many years ago John Whitaker -- you talked a little bit about the issue of religion.

Peter Flanigan

In my interview or your interview with Whitaker?

Timothy Naftali

Your interview a long time ago.

Peter Flanigan

Hmm.

Timothy Naftali

Many, many years ago, John kindly shared this with us. What role do you think religion played in this instance?

Peter Flanigan

Overwhelming and Bobby Kennedy, to his credit, played it like a yo-yo. He was brilliant in the way he managed that religious issue. In 1956, the previous run by Ike against Stevenson, the Catholics voted, if I recall, 50 percent Republican, 50 percent Democrat, and that was a trend that had been going on for some years. In 1960, they voted 25 percent Republican, 75 percent Democrat. That's a quarter of a quarter of a voting population, or maybe a 6 percent swing. There was no reason for that except for the fact that the Catholics wanted a Catholic. You might ask what was the off setting feeling on the part of the protestants because, if you go back to the Al Smith campaign, it was clear that there was a significant offsetting vote. I don't think there was any, and there was a lot of effort on our part to start something along that line, and Nixon was absolutely adamant that he would not have that injected into the campaign. In fact, we did sneak -- a fellow named Dave Mahoney and I and some others -- got a sort of an independent advertisement in some of the papers, I can't even remember the details -- and when Nixon heard about it, he tried to find out who was responsible for that because he would have had their scalp. Of course, nobody admitted it. But I thought that was one of the many examples of the nobility of the man. Let me tell you how it worked out. When we were coming back from Los Angeles the day after the election results, and we had lost by a hair, we came back on a chartered, large airplane. He took the first two seats, and he'd ask some of us, one-by-one, to come on up and sit with him. We were lower than a snake's belly, of course, and he was trying to raise our spirits, and he said to me,

"Well, Peter, there's one thing we've done in any event. We've laid to rest the religious issue in political campaigns." I couldn't bring myself to say, "Mr. Vice-President, we've done it a little damage but it's not totally gone." But he recognized how important it was not to let that issue poison the atmosphere. The second thing about that trip that I found of such nobility is when we got off the plane -- by that time it's dark in Washington, lights were on and thousands of reporters all saying, "Mr. Nixon, do you think the campaign was stolen?" "Mr. Nixon, we understand you're getting a lot of advice to call a recount in," whatever it is, Illinois, Missouri, South Carolina. "Mr. Nixon, I hear you're getting a lot of money to pay for that." And he said, "I've instructed my staff to send any money back, to say, 'No, we are not going to have a recount,'" and explained that later to us, he said, "I will not cast a cloud on the legitimacy of the Presidency of the United States." Compare that with the 2000 election.

Timothy Naftali

You had an organization in Illinois, didn't you, I believe?

Peter Flanigan

I'm sure we did. I don't remember any of the details.

Timothy Naftali

I'm just wondering what people were saying to you.

Peter Flanigan

I don't recall.

David Greenberg

Can I jump in? Apologies for -- I had the wrong address. David Greenberg, good to see you. I'm interested in this particular issue and wanted to ask you about it, so glad it came up, because in the press accounts of those times, the names leading the recount fight, because there were court challenges filed in I think eleven different states, were Bob Finch and Len Hall. And so there was a lot of speculation well, could Finch and Hall be doing this without Nixon's kind of tacit approval, and you know that is sort of --

Peter Flanigan

Hall, yes. Hall would do it any way. Finch, no.

David Greenberg

So what's your surmise about what was going on with these court challenges?

Peter Flanigan

I don't know; I'm only telling you what he said at the time.

David Greenberg

Before you start, I just want to grab a pen. Oh, there you go.

Timothy Naftali

I asked Mr. Flanigan if his organization, if people in his organization, how they reacted to the debates and --

Peter Flanigan

I didn't get a reaction from the organization per se.

Timothy Naftali

Which Southern states did you find a bit more accepting? Let's put it this way, states where you thought there was hope for future development?

Peter Flanigan

Well, I can only mention the one that just sticks in my mind so clearly and that was Oklahoma and Oklahoma wound up being a Southern state as about politically then, was part of the Bible Belt and was totally Democratic. So I was having trouble finding somebody who could set up this organization in Oklahoma, and I heard that there was a fellow in town who was the then chairman of the Republican Party in the State of Oklahoma and I ought to talk to him, a fellow by the name of Henry Bellman. So I said fine, and he came in to see me, and he was just built square and all muscle, and he had a sunburned face, and I said, "What do you do?" And he said, "I farm a quarter section outside of Tulsa." I said, "How did you get in this business?" He said, well, he said, "I was on the Tarawa and the Marines when they landed, and I was sitting there trying to keep my head down and thought to myself there's got to be a better way to run a railroad than this," so I determined I'd get into politics when I got home. So I signed up in the Republican Party." He said, "There weren't very many of us and the then-chairman ran off to San Francisco with both the bank account and the secretary so that left me." So I said well, "That's great. Now, Mr. Bellman, here's what we're going to do. You've got a very Democratic state. I need a very prominent Democrat who will lead an organization supporting Nixon in the campaign." And he said, "Well, he said let me understand this. I'm supposed to build the Republican Party as the chairman, and you want someone else to run the campaign." I said, "Mr. Bellman, you don't understand. First we're going to win the election, then we're going to build the Republican Party." He said, "Well, I'll think about that." I never laid a glove on that guy. I thought he was, you know, just a farmer. I never laid a glove on him for the whole campaign. I never got a name out of him. I don't think we had an organization. We carried Oklahoma with the largest plurality in history. He got -- I forget the fellow's name -- to run for senator, a Republican, and won. He then ran for governor and won. He then ran for the Senate and won. So we had both senators and the governor. After two terms, just like Cincinnatus, he laid down his sword and picked up his plow and went back. He was replaced by a Democrat governor and the Democrat governor said, "Henry, we've got an awful problem with our state retirement plan. Will you come and fix it?" He did. Then he went back again to his farm and then the Republicans said, "Will you come and run for governor again?" He said, "I will, but only if you'll agree that we're going to integrate our schools because this just isn't right, and money isn't going to change it." "I don't know, Henry, we'll lose. You can't do that." "Then find

some other candidate." Well, finally they couldn't find another one. They made him the nominee. The Democrats hired old yellow school buses, planted them on the corner of streets and gave out baseball bats so they beat on the school bus showing how much they disliked Bellman's plank for proposal for integration. Henry won again. He did integrate the schools. Then he went back again to his farm, an absolutely stunning man, and that state sticks in my memory. It was totally Democrat, and he turned it, and it's been turned ever since.

David Greenberg

Was civil rights an issue that you then used to attract Republicans in these states in that period?

Peter Flanigan

Don't remember. I mean, whatever the platform was, that was our platform. We weren't engaged in policy making. We were engaged in trying to get votes.

David Greenberg

Both parties were facing this in the '60s. Do you go for the white South or do you go for the black vote and then it increasingly became one or the other. Did you have discussions with Nixon about this question?

Peter Flanigan

No, that wasn't my area. I had a few discussions on economics because I came out of the investment banking business. I did not see that little down turn in the economy that happened on October of '60. Interestingly enough, Burns did see it and warned about it. I think it had some effect. You know, anything would have an effect on that close to an election.

Timothy Naftali

Do you have any other questions?

David Greenberg

No, I'm not sure exactly what you covered. Then would you proceed with what you've got.

Timothy Naftali

Nixon loses and later he comes to New York. Did you participate in any way helping him?

Peter Flanigan

Sure, in fact, I remember a session shortly after he lost in which people like Haldeman and Finch and Ehrlichman and I guess Klein, and I don't remember who else, maybe Len Hall, I don't know, in which we talked about whether he should or shouldn't run for governor and largely the bad advice, including my own, was yes, he should run for governor in order to have that platform for the next election. Obviously it was after that he came to New York. His friend Don Kendall, who would use the Mudge

Rose firm as his lawyer, urged that he take him, which they did, and so his office was down on Wall Street as was mine, just a couple of blocks away. So, you know, by the time the dust settled on the '64 campaign, we were already discussing the '68 campaign and what to do and how to go about it. Bill Safire joined and Len Garment was then in the firm, he joined, like John Mitchell, of course, was in the firm. Ray Price came along, Frank Shakespeare not long after that and then I remember -- I can't remember the date -- but for some reason he had -- at least for that afternoon and evening -- he had a living room in a suite in the Waldorf Towers in which we sat down and tried to look forward, into the four years or three years or whatever it was at the time hence, and where would we expect, in the Republican Convention, the votes to go. And we added them all up, and he got the nomination and however many years later it was, the night of the Convention, we were within 5 percent. That's not to say that there weren't some states that were different, but the total was just about where he -- we, but largely he -- predicted.

David Greenberg

Do you recall were you thinking about Reagan or at that point was it more Rockefeller and the so-called liberal wing of the Party that seemed like the competition.

Peter Flanigan

The competition then was Romney. He was the lead competition in 1968. I've never fully understood why just saying he'd been brainwashed on Vietnam should take him out of the running, anymore than I understood why Muskie, later on, by crying when someone's insulting his wife, should have lost, but so be it. But it was -- and, yes, there was Rockefeller but I don't, you know, given the then nature of the Republican Party, except for Rockefeller's name and money, I don't think he was, in our view, the major competition.

David Greenberg

Nor was it at that point did it seem to be coming from the right, whether Reagan or someone of that -

Peter Flanigan

Well, obviously we knew he was there, but I have to say I didn't at the time think he was really a real opposition, though I remember on the floor of the convention when Peter Coors who was very much a supporter of his came up and grabbed me by the lapels and said, "You guys are not doing this right. You guys are stealing the election," which, of course -- the nomination -- which of course we weren't, but no, I didn't think he was a major contender.

David Greenberg

Were you concerned about the role of the Birchers in some of these Southern states? I know the Republicans --

Peter Flanigan

No, not us guys, but you know, we weren't dealing -- well, now we're talking about '68 -- in that one, I was the deputy campaign manager -- and the answer is, I don't recall that. I mean, we thought they were a little nuts.

David Greenberg

Are we up to '68 [unintelligible]?

Timothy Naftali

Well, I wanted to ask him about Maurice Stans because unfortunately, we can't interview him. Can you tell us a little bit about the '66 mid-term campaign, which is really important to understanding Nixon's return in '68? You worked with him at the time.

Peter Flanigan

No, I can't tell you anything about that really insofar as how did he pick the people he would support, et cetera. You know, I think the '60 campaign in which he worked very hard for the Republicans around the country was just as important as the '66 campaign, in fact, I think maybe more important in rehabilitating, getting himself ready for '68. It happened again in '66, but I don't remember the details.

David Greenberg

We're up to '68.

David Greenberg

Well, one question that often comes up in '68 is the new Nixon, right, as it was talked about, that Nixon seemed that year to win over a lot of people in the press and commentators who had been skeptical of the earlier Nixon. Did you see changes in Nixon sort of over this period in the '60s? Was there something to the new Nixon that people were talking about?

Peter Flanigan

I don't think so. I think he was extremely well presented by those television programs that Frank Shakespeare designed, "Meet the People" or something, and I think that was his métier, and he handled it very well. You know, Nixon was a very complicated -- that's self-evident, everybody knows that -- human being. He could be noble, as I suggest, I think he was in '60. He was noble in saying, once he became President, for the good of the country, we have to save, we have to win this war. It's not my war; it's Kennedy and Johnson's war. They handed it to me and, in fact, we're running it down in troops and casualties from the day we got in here. But, inevitably, it became Nixon's war because he was President, and he knew that. He knew that he'd be stuck with this very difficult political problem. But he also knew that it would be a tragedy for the United States if we were then to run out. Knowing that and having essentially solved it, it was doubly tragic. It was only because he had to resign that he lost it. He knew -- or he didn't know -- but he was scared to turn on the full power of our Air Force against the North Vietnamese until he was confident that the Chinese and Russians weren't going to

respond and [unintelligible] make sure this wasn't going to blow up into a bigger conflict. And it took him four years with the trips to China and the trips to Russia to give him that confidence.

David Greenberg

I'm sorry, what he thought [break in audio]

Timothy Naftali

You were saying that you thought President Nixon was a complicated human being.

Peter Flanigan

Yeah, I'm trying to prove what an extraordinarily patriotic man he was, and he held the Presidency in such high esteem and when he stained it and had to resign, I'm sure psychosomatically that's why he got so sick shortly there after. On the other hand, he could be on occasion pretty nasty as when he said about Pat -- I forget Pat's last name, had been the sub-commander who came in and helped him, became FBI Director and --

Timothy Naftali

Gray.

Peter Flanigan

Yeah, Pat Gray, when he let John Ehrlichman say without contradicting him that we'd let Pat twist slowly in the wind. What an awful thing to say about a guy who'd really made sacrifices for him. You know, I think the next day he would have gone out on a limb for Pat, but he wasn't an angel. But basically he was an extraordinarily honorable man and a deep patriot.

Timothy Naftali

Some people argue that the '60 campaign -- that the outcome of the '60 campaign -- traumatized him, some of the anger rolled out from that experience. You knew him through this period. Did you see the effect on him of the '60 campaign?

Peter Flanigan

No, I'd see that. I didn't think he was an angry man when he was around. I saw him once -- we just ran into each other. He was on some kind of a business trip in Germany and so was I, so we spent a day on the Rhine with him and Pat. No, I didn't see that at all.

David Greenberg

Still on 1968, you mentioned Frank Shakespeare and these television spots. Were you involved with thinking about this new media strategy? I mean, you know when Price had written these famous

memos that often get quoted. Were you involved in thinking about television, the media and how this might be done differently in the new age?

Peter Flanigan

No, not at all. We were -- John Mitchell was chairman and I was deputy chairman. Our business was not to run the traveling party and that kind of thing, and as far as I was concerned, unless it had some deep political effect, not to get into the business of policy, and Maury was raising the money and doing it brilliantly. Our business was to see that the campaign as a national effort through the -- obviously we ran the Party at that point -- through the party mechanism and other mechanisms were turning out the vote, getting the story to all of the people, et cetera. And John Mitchell, who I had known and I liked a lot, the modus operandi which got him eventually into the trouble he got into which was he had all of this stuff on his desk, and he'd sort of reach down and pull out one, and he thought that was the most important issue, and he would deal with that issue, and he'd deal with it very insightfully leaving the rest of it to me, which was less important, and that was what a deputy's supposed to do. But that left the deputy with the responsibility of exercising some judgment about what to do because he didn't then come and check on each of those issues. I'm sure that's what happened in '68, that his deputy, Jeb Magruder --

Timothy Naftali

'72.

Peter Flanigan

'72, sorry, that's what I meant, '72. His deputy, Jeb Magruder, was, quite frankly, a lightweight, and he was being, I'm sure, pushed, you know, "Jeb, you run the best possible campaign, and you can be deputy secretary of something and to do that, the best campaign, you've got to get all the information you can on the other side." So then they get into these illegal things, which I know you could put an unacceptable proposal before Mitchell, and he said, "Jeb, that's crazy. Of course we're not going to do that." My hunch is here he didn't put the revised one before -- or Mitchell didn't pay attention because he was thinking about something else. I don't think he was the person who designed the stupidities of Watergate.

Timothy Naftali

When you say you know, you know from the testimony --

Peter Flanigan

Yes, yes, yes.

Timothy Naftali

What role did political intelligence play in the '68 campaign, if any?

Peter Flanigan

I'm sure it played a big role. Question is was it legitimate intelligence or otherwise. I remember we had some work in New Jersey where we had the friendship of one of the typical Democratic New Jersey [unintelligible], and we used that to our advantage, and I can't even remember if we carried the state. We must have. Of course we did because we carried all of the states except Massachusetts, didn't we?

Timothy Naftali

I was thinking in '68.

Peter Flanigan

Oh, '68, that's right. I can't even remember whether we carried the state. But in any event, all the normal things, trying to find out what the other guys are going to do and say, send people around to follow them, but not illegal things.

Timothy Naftali

Did you know, at your level, that Vice-President Nixon had talked with LBJ about Humphrey when Humphrey started to distance himself from LBJ in the '68 campaign?

Peter Flanigan

No, I knew they talked a lot, but I don't remember that. I had a funny exchange with LBJ one night. I was living in Washington for that campaign early on, and I was at some ambassador's dinner, and LBJ was two away from me, some lady and then LBJ. Finally, he leans over and he says, "Flanigan, you work for Dick Nixon, don't you?" "Yes, I do, Senator." He says, "Well, I want you to tell him something. Tell him to keep his nose out of my kitchen, and I'll keep my nose out of his." I thought that was sort of amusing, typical Johnsonian remark.

David Greenberg

Do you recall what the strategy was for how you were going to win in '68? Which states you had to pick up or, you know, what [unintelligible]?

Peter Flanigan

Oh, sure, and it was built on that meeting that I told you about earlier and it didn't change much.

David Greenberg

What was the overall gist of it?

Peter Flanigan

I really can't remember that.

Timothy Naftali

You said that you were optimistic. Tell me, were you optimistic at the end of the '68 campaign?

Peter Flanigan

Oh yeah, I was, and it was closer than we thought it would be.

Timothy Naftali

So you were surprised at how close it was?

Peter Flanigan

Yes.

Timothy Naftali

Do you recall which states were the surprises?

Peter Flanigan

I don't.

Timothy Naftali

To what extent did lessons from the '60 campaign shape the way in which you did the '68 campaign? Do you remember any lessons? We know one, which is that Nixon didn't go to all 50 states this time.

Peter Flanigan

I can't remember that. I'm sure they were there. I hope we were smart enough to learn something.

David Greenberg

How about any recollections of the role that Wallace played in the calculus?

Peter Flanigan

Don't remember that either.

Timothy Naftali

You win, and it's now time for the transition. What role do you play in the transition?

Peter Flanigan

First, the least important but somewhat the most amusing. Nixon -- okay, the campaign's over. It shocked me how often there was very little thinking about something that was really important the next step, but you have to think about it in order to get there, like choosing the Vice President and the day after the election, Nixon said well, I'm going to run this transition from New York, which was unusual, and everybody said, "Well, Flanigan, you live in New York, and we're going on vacation. Find us some real estate." I didn't know one transition from another and I had no idea what kind of real estate except I knew that it had to be secure, so I got a couple of floors at the Pierre, and that sort of was amusing. And then he said that he would like me to run the business of choosing the non-career appointees, and there were a couple of thousand or something, this little book full of -- but he said don't worry about the Cabinet secretaries; I'll do that. And so I got a very interesting group of people, Bill Casey signed on to help. Annelise Anderson, Marty Anderson's wife -- she was terrific -- signed on to help. A guy called Cal Knutsen [phonetic sp] who'd never done anything in politics, just smart, president of a timber company and was available, signed on to help. And we sat down trying to put together a book of nominees that we would propose we'd give to the Cabinet officers, hopefully, to guide them because Nixon said you've got to take care of our friends, which is what you do. Hopefully you try and get good ones. We got some good ones; we got some bad ones. I did go in to him and say, "Look, I know that you suggested you would pick all the secretaries, but I think you ought to look at Red Blunt." I'd mentioned him from the '60 campaign. He'd been head of the Chamber of Commerce, head of whatever it is of manufacturers and ran a big company. "For Defense," I said, "Extraordinary manager." He said, "Well, I think I need a politician so I've asked Mel Laird to do that and David Packard to run the place." But he said, "Do you think he'd like to be postmaster general?" And I said, "You know what? I'm not so sure about that, Mr. President." And he said, "Well ask him." So I called Red, who was the chairman of the Board of Trustees of the University of Alabama. It was a Saturday afternoon and he was obviously at a ball game, football game, but the White House operators can get anybody so they got him on the phone. I said, "Red, the President would very much like you to come on up here and talk to him on Monday." He said, "What about?" I said, "Well, he wonders if you'd like to be postmaster general." "Postmaster general! What would I do that for?" And I said, "Now Red, come on up and talk to him. He's going to be President of the United States; you ought to come up and talk to him." So Red comes up and we go to his suite and he had Bryce Harlow -- you all know Bryce, the noblest Roman of them all, there and the President said, "Red, you know the largest employer in the United States -- I guess this included GM at the time -- is the post office." And Red said, "Yes, I know that Mr. President." And Red said, "Have you ever read the Kappel Report?" And Fred Kappel had just resigned as head of AT&T, and he'd done a report on what you should do about the post office which is essentially take it out of the Executive Branch of the government and set it up as a government corporation with a board of trustees to run it. And Nixon said, "Yes I have." And Red said, "Well, Mr. President, if you're willing to implement that Kappel Report, I'll take the job." And the President said, "Red, every time you charge up Capitol Hill, I'm going to charge up there with you." So Red said, "Okay, I'll do it," and he left the room. When he left, to my horror, Nixon and Bryce Harlow leaned back and laughed and said, "That guy really thinks he can take all of those appointed jobs, who's going to be postmaster general, et cetera, away from the Congress? That they're going to give up the biggest honey pot they've got?" And I thought to myself, my goodness, I can't believe that they took Red their old friend, and led him down that garden path. Eighteen months later, Nixon signed the legislation taking the postal office out of the Executive Branch and making it into an independent corporation and getting Kappel as its [unintelligible] and a blue ribbon group of trustees, very interesting. It shows what a good operator Red Blunt was.

Timothy Naftali

He's responsible for that?

Peter Flanigan

He is totally responsible. It never would have happened with anybody but him. Anyway, we then prepared these loose-leaf notebooks with every deputy secretary, assistant secretary, deputy assistant secretary, et cetera, and it was interesting to look at the response. Mel Laird threw it out the window. He paid not the least attention. And the secretary of agriculture practically did everything we recommended. Of course, he didn't have that much political -- George Schultz was in Labor and who was a great friend, an extremely able man, looked at it, and he tried to respond, but he called up and said, "I think I ought to have this guy for assistant for this," and I'd say, "Oh, that's fine, George, but tell me about him." "Well, he's a Democrat." And then he'd call back the next day and he had this fellow, great guy, by the name of Moskowitz -- I think that's his name -- who's now chairman of the Chicago Fed. He wanted him for something else, and he was a Democrat. So he called up -- he called up for a guy called -- and I can't remember his name, but he was a wonderful man, terrific guy, later became Ambassador to Japan -- as his deputy. And I said, "Well, George" -- by this time I knew the question to ask -- "What's his politics?" "He's an Independent." I said, "George, you don't get it. This is a political operation. We've got to show Republicans that we think Republicans know how to run the government." He said, "Yeah, okay, okay." He said, "I'll be back." Called back the next day; he said, "He's a Republican." [laughter] And he turned out to be a great deputy secretary and a very fine ambassador to Japan and a good friend and a wonderful guy. But that is what happened. During the transition, that was essentially my job, and then he very kindly offered me a few positions, which I didn't take. And so he was inaugurated, wonderful day, and I went back to my office and hated myself for not having taken them.

Timothy Naftali

Would you tell us one of them?

Peter Flanigan

Well, he first said would you like to be ambassador to the U.K.? And I thought, Judas Priest, do I want to go to all those cocktail parties? And then would you like to be the economic assistant secretary in state? So I called Doug Dillon who'd been deputy, and he said, "Look, you won't have any clout in the inter-departmental discussions if you're not a deputy secretary instead of an assistant," and there were already two deputies. So I told that to Bill Rogers. He said, "Look, I'll try and get it for you, but I've already given those away." Then he asked if I'd like to run AID, and I knew I didn't want to run AID because I'd been in the Marshall Plan for a couple years and thought that was a boondoggle. Anyway, I hated myself for going back to investment banking and then he very kindly asked me to come back because they hadn't finished staffing it, so I went back, ostensibly for six weeks, and then he asked me to be an assistant and take on some other responsibilities, which I did.

Timothy Naftali

How did you become point person on the Selective Service issue? Why did they want you to get rid of General Hershey?

Peter Flanigan

You know, when you say I became point person, I became point person on removing General Hershey. And I suppose, because that was a person and a point of personnel and I'd been that at one point, and nobody else liked that lousy job. Bryce Harlow had suggested to me earlier that this business of appointments was a terrible job. I said, "Why was it a terrible job?" I said, "You know, try and get people to do good things." He said, "Because for every friend you make, you make three enemies," and so maybe nobody else wanted to do that. And Nixon thought and I thought, I agreed, quite properly, that the way in which that working in the Vietnam War was terrible. We had tried to clean it up. And it was a political burden that wasn't necessary. So I went over to see General Hershey. I said, "General, the President is a great admirer of yours, and he thinks you're wonderful. You've been a great citizen. And he thinks that we ought to change the nature of this office, but he wants to give you a state dinner in the White House, and you'll have a fly-by," all these things. And Hershey looked and he said, "Now, Peter." He said, "I understand what you're saying." And he said, "You're probably -- he's probably right." He said, "I can take care of myself. I can see that I can wash my own shirts. Don't you worry about that. You tell him he doesn't have to give me a dinner." And I said, "General, he won't take no for an answer on that." He said, "Well, all right." And he came to the dinner, and he said about the same thing to Nixon. You know, he wasn't taken in by any of it, and he didn't disagree. But that was the way it went, and he was extraordinary as a great human being and a fine man. But why I was picked, I presume because everybody thought it was a lousy job, and I wasn't smart enough to duck. But anyway, I didn't mind it because I liked being with him.

Timothy Naftali

How did you get the Apollo portfolio?

Peter Flanigan

I don't quite know that either. My responsibility, you know, I think there were initially six assistants, and technically they were all equal, but it was perfectly clear that, in the political sense, Haldeman was primus inter pares and in the eyes of Nixon, with regard to important issues, Henry was the most important, and I hope you're doing this with Henry. But my responsibilities were the commerce department, the treasury department and the regulatory agencies and, left over from the staffing issue, was non-career ambassadors. So obviously the Apollo thing didn't fall into anybody's otherwise normal place so that came to me. There were only six of us so they had to put it somewhere, and Frank Borman was then officed with me, and the only thing I really remember about that was Nixon trying to be there for the pick-up and working with Safire on what we would say about the plaque that was going to be put on the moon, that was Safire's number one, first step for mankind et cetera. But that's all I remember about that.

Timothy Naftali

Do you remember dealing with Apollo 13?

Peter Flanigan

With whom?

Timothy Naftali

Apollo 13.

Peter Flanigan

No.

Timothy Naftali

It was almost catastrophic.

Peter Flanigan

Did I have anything to do with it?

Timothy Naftali

Well, no, you're not responsible for it, but how Nixon handling it was nearly a catastrophe.

Peter Flanigan

I do not remember it.

Timothy Naftali

I wondered if you recalled sessions during that crisis.

Peter Flanigan

No.

Timothy Naftali

And the last Apollo question I have for you is where were you when they landed on the moon?

Peter Flanigan

Probably in the White House looking at the television, but with whom I don't know.

Timothy Naftali

And what was the discussion like about the future of the Apollo program? At a certain point, we'd gone to the moon, I think, seven times and there was an issue --

Peter Flanigan

Don't remember, and I'd guess I would not have been in on it. I'll bet you that was a Bureau of the Budget/ political decision. And I would bet the Bureau -- if I had to bet, I know we shouldn't bet -- but I'd have thought the Bureau would be against it, and the politicians would be for it.

Timothy Naftali

Let's talk about some of your other employees. Let's talk about treasurer.

Peter Flanigan

That was an interesting... Well, the first one was David Kennedy, very nice man. I don't remember any particular big issues. And the next one was Connolly, I think. I forget when the deputies -- then it was Shultz. I know Bill Simon was Shultz's Deputy. Before that -- was it Volker before that? -- and before that, that economist from Texas that was very --

Timothy Naftali

Hal Packers [phonetic sp] ?

Peter Flanigan

Who?

Timothy Naftali

Hal Packers [unintelligible], but what do you recall -- I mean, there are some great issues that the treasury has to deal with in this period, the gold standard.

Peter Flanigan

Yeah, that was a misfortune for me. I had a friend with whom I used to sail. He had a boat up in Maine, and we'd go off where no one could find us, and it was over the 4th of July weekend -- do I recall, when they slammed the gold window? Anyway, one of those weekends I was supposed to go with this guy, so on Wednesday I went to the President and I said, "Well, Mr. President, I want to take a few days off, and I'll go away tomorrow and be back on Monday or something." He said, "Fine," he said, "Just go ahead." And then this issue came up and I don't know what -- I thought something was brewing, but anyway he said, "See if we can get Flanigan back," and they couldn't find me because we didn't have a radio. So I wasn't at Camp David when that happened. My memory was that they went off the gold standard because the British had asked to convert a significant amount of dollars into gold at \$42 an ounce which, once they did that, every central bank in the world would do it and then we'd lose our gold at \$42 an ounce which was a fiction anyway. So they did slam the gold window and, as part of it, and this was the bad part I think, he instituted wage and price controls, and the background of that was that Connolly was advising him and we, a bunch of us, Shultz, Maury and I, went down to the Business Council, which was then the group of business leaders around the country, just before this decision, and they were all concerned about wage pressures -- wages were going up -- and they all said we have to contain wages. And the answer is, if you tried to legislate the chicken to contain wages, you

going to have to contain prices, too, because you can't let prices go up if people's income don't go up. And Burns, instead of being a classic economist as we thought he was, kept talking about we should have some regime. What's a regime? Either it doesn't work or it does work. If it works, you have to control both of them, so he wasn't against it as he should have been and Congress, always being shallow on this kind of thinking, was talking about -- and it was a Democratic Congress -- was talking about imposing wage and price controls. So at this meeting of the Business Council down somewhere in Virginia, one after another of these big business leaders would get up and call for wage and price controls, particularly the then Chairman of Chrysler. The only guy who got up and fought it was Kendall so when we came back, we had to report to the President that all these business leaders, supposedly his friends, were for wage and price controls. And Connally, then, for whom Nixon had high regard, I think, largely as a politician -- and he was a good politician -- but he certainly had no principles in these areas. I think he was a fine human being, he just didn't know, like [phonetic sp] Nixon; therefore he didn't have any principles. He said, "Well, look, the fellows in Congress want wage and price controls? Give them wage and price controls." So they did do that up there, which I think was a terrible mistake. The person to discuss this with is Safire who was there. Would have been Herb Stein, but Herb's not with us any more. I don't know who else -- Shultz, Shultz. I think Connally was equally wrong on trying to deal with exchange rates. He really didn't have a clue, but he loved stomping up and down with a big gun at his hip. He was also wrong in what to do about the Penn Central. He wanted to bail them out. And he was wrong -- it was he, when all of us had advised against it, that would not advise going gun [phonetic sp] wage and price controls the second time. So I think he was a very decent guy, and I loved him. He had a wonderful wife, but he just didn't have a set of principles that really went with the free-market world.

Timothy Naftali

Was there a way to get around his influence to get to the President? What were the President's basic --

Peter Flanigan

When he became secretary of the treasury, Nixon said, "Peter, your job is to keep Connally happy." That was tough.

Timothy Naftali

What were President Nixon's basic economic beliefs?

Peter Flanigan

You know, when he said we're all Keynesians now, he was just talking about the fact that you have to do something. He'd worked in a wage and price control arrangement right after the War.

Timothy Naftali

[Unintelligible].

Peter Flanigan

He knew it. Nixon's only real interest was foreign affairs, how do we manage to get out with honor of Vietnam and how do we open up with China and Russia and everything was subordinated to that.

Timothy Naftali

What kind of holding did you have to do with Commerce when the Nixon administration started to pass environmental legislation -- I'm sorry -- to push toward environmental legislation and create EPA?

Peter Flanigan

I don't remember that we had to do any of it.

Timothy Naftali

There wasn't any push back from -- I don't remember that. I don't think Stans would have pushed back on that.

David Greenberg

Can I go back to Connally for one minute?

Peter Flanigan

Yeah, sure.

David Greenberg

Because he was someone who kind of came onto the scene and seemed to really captured the President's attention and loyalty. He talked about him as a successor. In the task of keeping Connally happy, did you get a sense of why he had sort of risen to become this sort of favorite star?

Peter Flanigan

Well, he was a Southern Democrat who, you know, Governor of Texas, was thought of as a great politician. I mean, his one vote at the convention, I forget the year, when he only got one vote after spending 30 million dollars, which suggests he wasn't quite the politician that Nixon thought he was. He was a very charismatic figure and a great speaker and fun to be with.

Timothy Naftali

When historians look at the issue of textile policy in Japan, this was a knotty issue for you.

Peter Flanigan

Oh, what an issue! The issue -- everybody tried to solve it; first Maury Stans, and then it came to me because by that time -- well, I guess it was still on me -- and the difficulty was dealing with Wilbur

Mills, and none of us knew Wilbur had the Fanny Fox in him. I remember going down to see Wilbur, wherever it was in the South with his mother in this very modest house and, you know, butter wouldn't melt in his mouth. And I thought we had an agreement with Wilbur where the Japanese would give in and when it was all set, there was then an issue on some other Ways and Means, probably it was taxes, and Nixon had a breakfast with him, and Wilbur sat down, "I want to talk about this," and Wilbur started talking about textiles, and Nixon went "uh-huh, uh-huh, uh-huh," meaning yes, I hear you, I hear you, I hear you, and Wilbur thought he was saying -- I guess Wilbur thought he was saying, "uh-huh, I agree with you." So Wilbur then told the negotiating team from Japan that the President agreed with his position, and this became public, and it hit the fan, of course, but it was a little late, but it was a dreadful problem to try and get it solved. Ed Birchdon [phonetic sp] and I thought we had it solved, maybe we didn't but we thought Wilbur Mills had agreed with us, but then he backed out. Anyway, that's what happened. That's the best I can remember but it was a knotty issue, a knotty issue for all of us.

Timothy Naftali

Because you at the same time had to deal with the Japanese regarding, regarding the overseas bases.

Peter Flanigan

Mm-hmm, you know, that really didn't come up at my level. We dealt solely on the economic level.

Timothy Naftali

This Okinawa business?

Peter Flanigan

Yeah and our textile people were adamant and their textile people were terrific at managing the Japanese negotiators.

Timothy Naftali

Now tell us -- there was this knotty -- this was sort of a public dispute between you and William F. Buckley over whether or not he would support John Ashbrook -- I guess that was his name -- a Conservative candidate.

Peter Flanigan

Whether I?

Timothy Naftali

No, you wanted, whether -- the issue was Richard Nixon was supporting James Buckley who was running and since he was supporting James Buckley, would William F. Buckley back away from supporting this Conservative challenger?

Peter Flanigan

I don't remember that at all and I'm really surprised. Jim and Bill were then and are today amongst my dearest friends, so something's wrong about that.

David Greenberg

Well, in '72 there was -- you must remember this kind of Conservative challenge to Nixon and Buckley, Bill Buckley, at least, was unhappy with, you know, détente and so on and so they got behind Ashbrook.

Peter Flanigan

For President?

David Greenberg

Yeah, it was a primary challenge. Everyone knew it wouldn't amount to much, but it was a symbolic thing.

Peter Flanigan

I don't remember it at all, at all. I'm really surprised that my name got involved in that, because those are two good friends, and I would have thought I'd heard it.

Timothy Naftali

Tell us -- another knotty problem was the grain deal with the Soviet Union.

Peter Flanigan

I can't remember the details.

Timothy Naftali

Last two questions, then we're done. How should historians think about the I.T. & T. issue? What was this issue? How should they think about it?

Peter Flanigan

Pure, unadulterated politics. They were trying to get at Nixon. I.T. & T. owned the Sheraton chain. The Sheraton chain had a hotel in San Diego. As has happened, as I understand it, in every convention effort in the world, the big hotels that benefit make contributions to the convention committee. At the same time, there was an anti-trust case trying to get I.T. & T. to get rid of Hartford insurance -- was that it? Something like that and I wasn't even aware of this other issue. The issue went, as it should, to the Justice Department, and John Mitchell kicked it down to Kleindienst [phonetic sp] and the question was what effect would it have on the market if I.T. & T. had to divest itself of this insurance company, whatever it was? And since that was an economic thing, it came to me, and I said I don't

know what effect it would have on the market, but let's ask somebody who's in the market. So I asked a fellow who I had -- was very smart and had worked with but was on his own -- to make a study, and he made a study, and he didn't give a hoot which way it came out but he said, "Yes, it would be a significant market upset. I gave the study to Kleindienst and the Justice Department then did not force the divestiture. Now, why it got -- I don't know how it got there or why it didn't go to the Trade Commission, but anyway it didn't and the Democrats wanted to suggest that the payment by Sheraton to the convention committee bought the Justice Department's willingness to let the merger stay -- not to force the divestiture. That's my memory of the thing.

Timothy Naftali

Now the White House didn't have you testify to this.

Peter Flanigan

Yeah, because you don't let Presidential aides testify as to the advice they give, and that's what's going to happen now as to whether Bush's aides testify in this Gonzales firing case.

Timothy Naftali

It might have cleared the air though.

Peter Flanigan

You know, it wouldn't clear the air because it's a political issue. They don't care about what the facts are; they want what are the sound bites. What can they accuse you of regardless of how you testify and it would be a terrible item [phonetic sp] if they were to break the understanding that you do not make White House officials testify on the advice they give the President, for the President, to other people. That's confidential; otherwise, he won't get any good advice.

Timothy Naftali

You got, unfortunately, pulled into this Watergate business to some extent.

Peter Flanigan

Yeah, mm-hmm.

Timothy Naftali

Same problem? Was it politics?

Peter Flanigan

Sure, that whole thing was politics. I don't think Haldeman should have gone to jail. I know Bud Krogh shouldn't have gone to jail. I got to where they couldn't confirm me for an ambassador to Spain solely on politics. Jaworski, who had been the special prosecutor or whatever that was of that, had looked at my case. Twice there, they found some, totally unexpected for me, memoranda that said I

was not doing what they were trying to accuse me of doing and doing the opposite as a matter of fact. And so Jaworski told the White House that I was cleared so go ahead and send his name up and Hugh Scott went to Jaworski and got a document saying that, then Jaworski resigned -- I forget the name of the fellow who took his place. By the time I was up for confirmation, this guy --

Timothy Naftali

Henry [unintelligible] .

Peter Flanigan

What?

Timothy Naftali

Henry [unintelligible]

Peter Flanigan

I forget. In any event, by the time I went up, Bobby Byrd went to him and said is it true that Flanigan is okay, and he said we don't give white washes or black washes to anybody. The investigation is still open. It hadn't been officially closed, but it was over with. So that got into a big battle, but that's clearly political.

Timothy Naftali

Were those memoranda contradicted what Herb Kalmbach had said. Wasn't that the issue?

Peter Flanigan

Yeah, yeah, that's right. Well, Kalmbach, he was plea-bargaining. He went to jail, and I think he got an easier sentence, and Kalmbach neglected to tell them that he had told me he had found two ambassadorships in Europe, and I had to save them for two \$25,000 contributions, one to Fife Symington and one to Pedge DeRoulee [phonetic sp] and I said, "You can't do that," and he said, "Well, I've done it." So I called my secretary and said get Ambassador Symington, get Ambassador DeRoulee on the phone, and when I got them I said, "I understand that you were promised ambassadorships in Europe. I want you to know that those promises are not legal and are not binding and do you want your money back?" And DeRoulee said, "Oh, I know that there were no promises. Keep the money, of course not." And Fife Symington said, "Oh, I've got to talk to," I said, "Look, Fife, you have no promise. You may have your money back if you want it. Just let us know." So, after that then, Kalmbach had said to me, "Who should I go to to get" -- I said, "I don't know. Who are you talking to?" He said well, "Well, there's this gal in New York. How much should I" -- I said, "If she wants to be an ambassador, there's no agreement to make her an ambassador." He said, "How much should I ask?" I said, I don't know -- a couple of hundred thousand bucks, a few more? And he did but I didn't say if she gave \$200,000 bucks she'd be made an ambassador, and that's the issue. You can't sell ambassadorships. You can certainly raise money from people who want to be ambassadors.

David Greenberg

That still goes on, of course.

Peter Flanigan

Oh, my god! It's getting worse. It's much more expensive --

Timothy Naftali

But it's a narrow, it's a hard, it's a narrow line -- you've got to be careful.

Peter Flanigan

Yes, but he must have known that I was alive to this issue when, right in front of him, I told people that there was no promise, and it was that memorandum -- subsequently there was another memorandum. There was a memorandum from -- hmm, forget this guy's name; he was down the line a little -- from Haldeman saying, "You've got to take ambassadorships away from Flanigan. He's impeding fundraising." And Haldeman had written him on the side saying, "Flanigan's doing the right thing. Leave him alone." That's the one that really took care of that problem.