

Oral History: Stuart K. Spencer
Part 1
Ronald Reagan for Governor:
"It Was Quite a Journey"
Interviewed by Lou Cannon
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Palm Desert, California

Lou Cannon: We're in Palm Desert California, at the home of Stuart K. Spencer, who is, I think, the most important Republican political consultant we've had in my time. And I'm Lou Cannon who has written several biographies on Ronald Reagan. And we're having a conversation. I'm interviewing Stu Spencer for Open California, which is made possible by a grant from the California State Library.

I'd like to start this interview, Stu, by asking you a few questions about your early days in politics. You were a parks and recreation director at Alhambra, and Bill Roberts used to say he was in television -- he was selling television sets. And you formed, what I think is one of the most unlikely political partnerships in America. And I want to ask you two questions but I'd like you to tell us how it happened, but I'd also like to know how you and Bill knew so darn much about politics?

Stuart Spencer: Well, the first question you asked, about how we met was... He was... You're right, he worked for Ken Crane; he sold television sets. And we would always bill him as a television guy, like he was the producer. But we're both in the Young Republicans. That's in the '50s, in the Eisenhower era. And we were very active in the Young Republicans. And he was selling television sets and I was director of recreation for a city, small city. And that's how we met. The best way to say it, it was our avocation, politics. And so we met there and I got so interested in avocation that I was helping Pat Hillings, my congressman, and I was the guy picking up his laundry and taking his kids to school. The lowest jobs you can have in politics, so to speak. So that's how we got started.

The thing that really thrust me into the business was when I was director of recreation, it was a small town, 50,000 people, and the usual situation, a bunch of old guys running the town. These guys happened to be honest old guys running the town. The city attorney calls me in one day and he says, "Stu, we want you to run for city clerk," I said Earl, his name is Earl Murphy, I said "Earl, I don't view myself as a candidate." And he pulls out a drawer and he takes a piece of paper out, and he says, "Well, you've broke every city ordinance we've ever written. I think you ought to give it a little thought." Well, I knew enough about politics then, the heat was on.

So I says, "I'll think about it, Mr. Murphy." And I go back to my office, shut the door, get a yellow pad out, and do the pluses and the minuses of quitting and going into a better job. Bill, at the time, he just got the job as the executive director to the LA County Committee, the Republican County Committee. He was the second guy I called. I said, "The only thing that you have to do for me is I've got to make a thousand bucks a year more than I'm making now, because I have a family."

Bill says, "No problem. We'll give you two." So the next day I walked in to the city attorney, gave him the finger and I went to work for the LA County Committee. That's where we nailed it. He was the executive director. I was in charge of all the organization stuff, fundraising. It was like a duck taking the water, for both of us. We liked the game. We liked the business. We liked the people. We

thought we knew what the hell we were doing and we also were smart enough to realize that you'll only last at that job as long as that chairman's there. The new chairman always bring their own people in. Well, Al Bell was the chairman at the time when we went in. And about 18 months later, Pat Hillings came in, who I could have stayed and worked for, but Al Bell had left and retired to create the vacancy for Hillings because he's going to run for Congress against Murray Chotiner out in the West side. So Al Bell, Bill and I sat down, we said, "We're going to quit and we're going to run your campaign." And we started Spencer-Roberts in 1960.

Cannon: And you won.

Spencer: We beat Murray and that's an interesting story, because Murray was one of my tutors. I learned a lot from Murray Chotiner. He was one of the toughest guys I ever knew politically, but everything that Murray taught us -- I looked at his first brochure, it was keep it simple, don't use big words, things of that nature. His first mailing piece was the Magna Carta.

And Bill and I kept sitting there looking at it and laughing. This is not what Murray taught us to do, and yet he's doing it. Murray's intent in that campaign; it was interesting because Al Bell was not the sharpest guy in the county. Very wealthy, we had no problem raising money. But Murray just thought, "I'll get this guy in the debate and I'll kill him." And he was right. We never would, but Murray was going in frenzies over the fact that we wouldn't debate. And Al beat him pretty bad. But that was the start. Three clients the first year, Al Bell, Johnny Rousselot, the guy that ended up running the Birch Society. That's an interesting story in itself because we didn't know he's a Bircher, we were running him for Congress till afterwards, and a young guy by the name of Tag Manning out in El Monte for the state Legislature.

Cannon: I came to know John Rousselot quite well when I was writing my book about McCloskey because he and McCloskey were pals. You didn't know he was a Bircher till you were going back on that plane to Washington?

Spencer: What happened was, John and I had been friends for years. We started out in the Young Republicans. Pete McCloskey and he went to South Pasadena High School. I went to Alhambra High School. We knew each other in high school. And John had energy, and great energy level, and he was a pretty good politician.

Cannon: Was this before... he'd still had this polio or something....

Spencer: Yeah, yeah. When he's a child, he had polio, and it was a Christian Science family so he never had any treatment for what it is, and so he limped all the time. But the only thing I noticed during the campaign when we're talking about the Birch Society was that we were getting money from all over the United States in this congressional race. But John had been flacking for the Nixon administration, the first one, and worked for about a year in the Federal Housing Association. And when I'd say, "John, where is this check coming from?" He'd say, "Oh, that's the guy I met at this so-and-so."

So we got a lot of money, and we're beating a sitting incumbent. And then John was a great candidate. And he wanted me to go back and be his chief of staff, but I said, "No, I'm not that. I want to stay in business but I'll go back and help you put your shop together." So we're flying and it was... I don't know if you had the jets yet, it'd take you 13 hours to fly back to Washington. And

we're over Kansas and John, he starts giving me these quotes about Eisenhower and a communist, the Birch line. And I said, "Wait, stop, just stop right here. Are you a Bircher, John?"

And he takes a long look out the window and pause and he turns around, and he says, "Yes." And I went ballistic. I go ballistic on this plane. And I started arguing, "OK, we're going to land, you're going to quit. You're going to get the hell out of this now." And we landed in Maryland at that flight in Baltimore airport, and a guy by the name of Bundy Clarke was there from New York, young Republican, Cliff White guy, and a pretty conservative guy in his own right. And we get in the car and I turned to Bundy, I said, "You know what we got with us?" He says, "What?" "A Bircher." He drove over. He's driving the car and he got so excited, he almost drove in the entrance of the airport. He had a home in Georgetown; we went there. We were up till 7 in the morning trying to talk to John on getting out of the Birch Society. Of course, we didn't succeed.

Cannon: I often wondered why you didn't succeed. John was a reasonable person and despite the Bircher label, he was a pretty good Congressman. I thought he was a good guy. He always responded to press questions... He was kind of a forthright person I thought. I never quite understood the Birch Society part of it.

Spencer: I never understood it. I never did. No. John Rousselot was a potential... He could have been governor or senator for California. That's how good he was. Articulate, energy level, met people well, just...

Cannon: But why did he cling to the Birch thing.... Why weren't you able to talk him out of it?

Spencer: I don't know. To this day, I don't know. We had another meeting in my office with four or five of his old political friends, people like Freddy Hafner and Betty Williams, if you remember her. Ginger Savel. And we all tried to talk him out of it and...

Cannon: You didn't succeed.

Spencer: We even told him. We said, "The LA Times are going to get this story, and by April, you're going to be dead." Well, Santa Barbara ... beat him to it, then The Times did it, and he was dead, and Ed Hiestand, Jimmy Utt, the other two guys that were Birchers. They had fertile ground out here, for some reason.

Cannon: We should talk about the '64 campaign. You ran Nelson Rockefeller in '64 against Goldwater, and you ran a really good campaign. I remember that campaign very well. And you were very close to beating Goldwater when Happy Rockefeller had their child, and Nelson insisted on going back there. Tell me about that, and how was that decisive to the campaign?

Spencer: It was probably the best campaign we ever ran, and we lost. We signed the contract in January with Nelson, and primary in June, and took our first survey. We were down 57-28. For two young business guys, that's bad judgment. But we took the campaign. We spent \$2 million, we raised \$200,000 of it in California. The rest came from the Rockefeller family in New York. It doesn't sound like too much money in today's world, but it was a lot. You could put a mailing out for seven-and-a-half. Postage was a cent-and-a-half, it was just a lot of differences.

Cannon: It's about \$12 million in terms of today's dollars.

Spencer: Yeah. So when we looked at the survey, Bill and I looked at the survey, then we started to plot the plan on what are we going to do, at the end of the night, and we would do it two or three nights in a row. We always came to the same thing: We got to destroy Goldwater or we're not even going to get in the game, you know what I mean? A head-on campaign that won't end up 58, it'll end up 52. So we went on an absolute rampage, as you recall, in the campaign. Nelson was a good candidate, but he was a New Yorker and he was in California. And probably the best way to describe how Nelson was, the kind of Republican he was... We had the Fair Housing Act with the ballot that year, the Cal Rumford Act, the Rumford Act. The Republican Party was gung-ho (against) the Rumford Act. And Nelson was a big civil rights person, a person who had... His family has spent billions of dollars in Negro colleges in the South and things of that nature, well respected in that community.

And he... He arrived from New York one time on a flight for two days of campaigning, and one was a speech to the Long Beach Women Republican Club. Now that's an atypical, white hair, silver haired group of very conservative women. And I remember driving in the car and I said, "Now Nelson, the Rumford Act is a state issue. You're running for President, you don't have to take a stand on the Rumford Act." "OK, I hear ya, I hear ya." Said it two or three times for him, but he was so out of it on his feet from flying all night in his plane, which wasn't a big plane, out here. There was a bunch of black waiters in the hotel where they're having this thing, and he's up there and he sees all these black faces walking around. And I'm standing in the back of the room, and he launches into the Rumford Act. And I'm like, "No."

Cannon: He was for it.

Spencer: And it was like, you could feel ice in the room, it just went down like this. Some women got up and started walking out. But he was fearless, and he had a belief system, and he wasn't going to back off of it no matter what Spencer told him or anybody else told him, but what you going to do? All he said in the car, he says, "Well, I guess I screwed up." And I said, "Amen." But that's just the way he was. He was a good candidate in the wrong state, in the wrong year.

Cannon: People liked him?

Spencer: The public loved him. The public loved him.

Cannon: And then, tell me about the... Happy Rockefeller and how that came...

Spencer: Well, we knew Happy was pregnant, of course, 'cause she came out and campaigned with us a lot, and she was lumbering around, and a great gal. I guess, I can't remember this really, but there was a question is when did she get pregnant. The Goldwater people did a lot of research on that issue. But anyway, the baby was due right around Election Day, going to be due, and we all knew that, and she stopped coming out because she was about six, seven, eight, months pregnant now. And we got a call from New York, George Hinman, who was a national committeeman.

Cannon: I remember him.

Spencer: And he said, "Now, you've got to... " The background to this is, Rockefeller had us running the campaign here, then he had his group in New York who all thought they were the

smartest politicians in America.

Cannon: Now I guess the further background for this for people who will be watching this and won't know, is that Rockefeller had left his wife.

Spencer: Correct.

Cannon: Left his wife, pretty openly, for Happy, who'd been his mistress.

Spencer: That's right. And she left her husband and gave up all her kids to the father. So it was a good story in that era. It was a negative political story for Nelson Rockefeller if you're going to run for the Presidency of the United States. I got this call from George Hinman, and he says, "What difference would it make if..." And we're going to name the kid Nelson Junior, and he's still around. He's a good kid. "What if Nelson Junior is born before Tuesday, the election?" This was like a Saturday, and I said, "No way. You're a Rockefeller. You got the money. You can hide her for six weeks. Nobody'd know it." What's the name of that place up there, and they have up on the Hudson, Pocantico or something, their home. Take 'em up to Pocantico and hide her."

But the New York crowd, Dr. (William J.) Ronan and guys like that said they thought it would be a political plus to have the baby born prior to Tuesday. We lost. We lost the election. We lost, well not just because it happened. The Goldwater people were very effective and they'd taken over the issue. Here we spent \$2 million trying to point out that Nelson wasn't a womanizer, that he didn't leave his first wife in bad state. All the things, the word was he was a womanizer, so we had to get rid of all that trash first. We'd spent all this money getting rid of that, done a pretty good job of it, because... Not making him look like a saint, but making Barry look like an evil monster. And having that child, we just got backwashed all of a sudden, yeah, the womanizer again. And, yeah, now, I have to say in honesty, we could have won, and should have won. But we'd have never got the nomination. By this time, Barry had it locked up.

Cannon: How could you have won?

Spencer: Nelson Jr.'s birthday was on the eighth instead of the sixth. The baby. Got a side bar story to that. Wife and I were in New York at a big event in Waldorf Hotel one night. Nelson Junior, he's now what, 21, 22 years old, comes up, sits down next to me. He says, "Stu, are you still pissed off at me?" I said, "No, you're all right."

Cannon: As it was, the race was very, very close.

Spencer: About one point, one point.

Cannon: In the '66 campaign Governor Pat Brown is running for the third time, and obviously has some vulnerabilities by then. And the thought was that you would pick the guy up in San Francisco, Mayor George Christopher to... that's who you'd manage. He was the more moderate candidate, more like Rockefeller, on the surface anyway. And it was a surprise to most people that you and Bill wound up with Ronald Reagan. What was your thinking?

Spencer: In that era, in the Republican Party, and the Democrat Party, if you had an R after your name, you're all right. If you had a D after your name, you're all right. There may be shades of

differences and so forth, but we were a Republican organization. We only ran Republican campaigns, and so we had to make our choices between Republicans. So that was the only campaign in our life, and we ran three, 400 of them, that both candidates wanted us, the Christopher-Reagan race. George Christopher had called us before Reagan and we were talking to him, and we were leaning that direction, so to speak, but not philosophically necessarily.

We weren't two philosophical guys, I'll put it that way. We were broad-term Republican. It's like if I'd been in the Democrat party, I would've been a broad-term type Democrat. Conservative or Liberal and I didn't give a damn, I said, "Go do it." George Christopher had been talking to us, and made an offer and so forth. And in that same timeframe, Neil Reagan, Moon, Ronald Reagan's brother called us up. He was at McCann Erickson, and he said, "My brother's thinking of running for governor. Would you guys be interested?" I said, "We'll talk." Didn't know anything about the guy at the time. So we met at that Cave de Roy, Reagan and brother, some other guy, I can't remember who he is. And Bill and I, and since we already had a campaign in our hip pocket, we played hard-ball with Reagan, and we asked him a lot of tough questions, and stuff and so forth. In fact Moon got a little upset at some of the questions we were asking.

And we went round, and round, and round, and he went right with us, Reagan right with us. And it was a two-hour meeting. Bill and I got out of it and we started talking, "This guy is interesting. We've got to check him out soon and vet him." So he kind of just... You know him as well as I know him, and after time he's got that quality. He draws you in, so to speak. So we got very serious about taking a look at it, and we did. We still had this terrible delusion, the decision: this one or this one? Well, we weren't sure Reagan's going to win, but we thought this would be a big win for Spencer-Roberts, if we could elect this guy as the governor and we had no qualms then about his stability. He didn't understand government, but he had a basic belief philosophy, and they all have got to have a good... Like Nelson, you've got to have a belief system, and Nelson certainly had that. I mean, Ron Reagan said that, because he's the kind of guy that is... The first time we met him, he started giving us lectures on this issue and that issue, and this issue and that issue, and so forth.

So anyway, that's how we... We spent nights thinking about it, had one more meeting with him. And it felt... We had three meetings with him. The second meeting, he sort of was pushing us to come aboard, and I said, "How do I know you're not a Bircher? We haven't got there yet." He just smiled. This was the third meeting we had. He went to Arizona to see his in-laws with Nancy, and he called us from there. He says, "What are you guys going to do?" I says, "We haven't made up our mind, we've got to have one more meeting." And he used the term, "Well, you shit or get off the pot." Which I thought was classic. I says, "OK, we hear you." So we show up at his house up there, in the Palisades, and he's sitting in a chair like this, his legs are crossed. He's got the reddest socks on you've ever seen in your life. Red. That's subtle Reagan symbolism, you know. So I says, "OK, you're not a Bircher. We've checked you out." And we signed on, and it was a real journey.

Cannon: Now, in 1964, which everybody in this room knows, but some people watching this may not know: In 1964, President Lyndon Johnson had destroyed Barry Goldwater by portraying him as a guy who could start a war, had a famous commercial where there's a...nuclear mushroom cloud. And they only used it once, that's all they had to do, was to show the nuclear cloud going off. In fact, we're now in 1966 or late '65, and there was a conservative joke then, and the conservative joke went like this, "They said if I voted for Goldwater, we'll be in a war within a year, and I did and we are."

And 'cause Johnson had sent 600,000 men, which he had been planning to do all along as various histories have pointed out. So in '66, tagging a guy as a right-winger who might lead us into war didn't quite have the juice that it had in '64. But that's what you had. You had Reagan and he was opposing George Christopher in the primary. And George Christopher essentially took what was left of the Democratic campaign of '64 and what's left of your campaign for Rockefeller and ran against Reagan as a guy who would lead the Republican Party to destruction.

Spencer: And in the early days of that campaign was that, we started 18 months out with Reagan and he didn't announce until the following January.

Cannon: And you were trailing. You were not ahead.

Spencer: Yeah, I was just going to make that point that George Christopher had a substantial lead and the difference... Where do I start? They are two different people, George Christopher and Ronald Regan, two different types. One is old-line pol, had been running statewide before he got beat, been a successful mayor of San Francisco, was the favorite of the moderate wing. And we were just beginning. The Goldwater thing had brought on the phenomena in the party, the moderate wing and the liberal wing and the conservative wing of our party, Republican Party. He did represent... And when I say "moderate wing", the guys like (John) Veneman and (Bob) Monagan, and Houston Flournoy and those kind of people.

Cannon: These were all state legislators who were very moderate, very successful.

Spencer: Right, right. And we inherited Reagan, the remnants of the Goldwater campaign of '64 and that was a large body of workers, but not a large body of leaders, except finance leaders. We had a combination. We were starting with money. Money was never a problem in the Reagan campaign, and troops. Those two things we had going into the campaign.

Cannon: You had money because of Holmes Tuttle basically.

Spencer: Holmes was a premier fundraiser. And the background of Reagan, in our vetting of him, we started to notice -- this is probably what tipped us over the point. He had about three careers and three lives. His first one, I don't know anything about his career as a movie actor. I'm not really... about Hollywood. We didn't bother to go look at that except talk to George Murphy because we want to know if there was any illegitimate children running around. So George is, "No, no problem." You've got... As an actor, he had to have discipline. They picked him up at 7 o'clock in the morning in limousine, took him to the stage. He had to know the script. That night he had learned the script.

Spencer: So in his first stage, which is the movie day stage, he learned discipline, he learned communication, he learned audiences, not only as an actor, but hanging around and watching other actors and all these sort of things. So we could see that. He had a great name ID. The first poll we took for him, I'll never forget as long as I live, one fact of it, the rest of it I can't even remember, he had a 92 percent approval rating with women. Now that was all based on good looks, being the hero or not being the bad guy or something in a movie. They had no other reason to know who this guy was. Being George Gipp, that's all they knew about him, and they made their decisions. That diminished, incidentally, over the years, the support of women like that, but he learned all of those things.

And also what is there for six terms: He was the head of the Screen Actors Guild, which made him more than an actor, so to speak. He is a power player in the movie industry, so forth. He fought labor battles with the Louis Mayers and all those kinds of people, ended up having to fight battles with his agent, Lew Wasserman, so to speak. And so he learned a lot of things there that, for example, George Murphy didn't learn because he wasn't president, as I know.

Cannon: George Murphy was then the U.S. senator from California.

Spencer: Yeah. So anyway, that was a learning experience. Then he started getting older and Jack Warner and Warner Brothers Studios was not keeping his word, not giving him parts that he's supposed to get, and his career in the movie business was going downhill. I don't know what's going through his head at this point in time, but any of us have... We'd be thinking ahead, so to speak. And his agent, Taft Schreiber, who worked with Lew Wasserman, got him that General Electric thing. Now, in General Electric, he's on television. He traveled the country, going to every plant they had, gave speeches. And while he was there, he talked to the Rotary Club, and somebody else, all on behalf of General Electric. So when you really go back and we did, we looked at his schedule, it was a campaign schedule. He was just campaigning for General Electric, not for office. So he had communication skills, the name ID. He'd been involved to a degree in a campaign-type activity, and those are the things that we thought we could really build off of.

Cannon: What were his negatives?

Spencer: His negative is he talked too much. His wife, Jane Wyman, I read a quote from her one time. She told June Allyson, the other actress, she said, "Don't ask that Ronnie a question about a watch 'cause he'll tell you how it is built." That was Reagan. He was well informed. He read everything that was written, and he had an opinion on everything. And the weakness was not that he had all that knowledge. The weakness was he didn't know when to use it and when not to use it. He'd bring up the wrong subject in the wrong audience. And he had to learn discipline. Otherwise, as we said to him at the time, he got to learn how to stick to the script because anything you did with Reagan, if you put it in Hollywood terms, he understood you immediately.

Cannon: I remember that when he went on that campaign, he used to introduce himself to the people in the Central Valley, he thinks Sacramento was the biggest town he came, he called them out of town try-outs.

Spencer: Well, that's what I said. That all came back when we were in Fresno the night before. We're staying in some crummy motel. At the end of the day, I'd meet with him. We would critique the day and then talk about what are we going to do tomorrow and he asked me a question. No, I asked him a question. Then the Fresno speech he'd taken on campus unrest, he took on the Cal hippies. He really sliced them a piece of baloney. He really went after them. And we got back to the room, and I says, "Why are you talking about that?" I says, "It's a blip in the polls." He looks me right in the eye and he says, "It won't be when I get through." He was right.

Cannon: When I asked him about that, he said, "It wasn't showing up in the polls," but every speech that he would... Reagan would start by giving a little talk and then showing it open to questions. So, he was showing that he wasn't just an actor who had...

Spencer: I was talking about that thing. Q and A, we had to have a Q and A.

Cannon: I said, "Why did you pick up on that?" And Reagan said to me, "It was because I was getting a question about that." And he said, "The people know things that the pollsters don't." He had the idea that people got things in their heads before the pollsters did. That they... And he was right about that.

Spencer: Well, he had a tremendous talent reading an audience. He could read an audience. I've seen him change his speech in the middle of the audience vis-a-vis the reaction he's getting. I know what the speech is, all of a sudden, he's off over here, he's read something there. He was just absolutely outstanding at that. But...

Cannon: You thought the John Birch Society could be a negative. You'd gone through that, Rousselot, Goldwater. Tell us how you handled that.

Spencer: Well, was no way we could avoid the Birch issue. We knew we were going to get asked the question every way she went, and so forth. ... He never was in the Birch Society, but he gave a speech once to a Birch group, and he didn't even know it was a Birch group. That's the only thing we could find in his background about a Birch Society. What we decided to do was come up with one sentence with his position on the Birch Society, and then if you had three follow-up questions, and as reporters, which you were. And he gave that one, and you didn't ask. Nothing. You were going to get nothing. It had even got to the point where we'd have it mimeographed. We'd have copies of it in the back of the room, where we'd say, "Mr. Cannon, pick it up on the way out. That's our position on the Birch Society."

Cannon: The statement was that if the Birch Society, Birchers support him, they were buying his philosophy, he wasn't buying theirs.

Spencer: That's right.

Cannon: Whose idea was that? Yours? Bill? Reagan's? Or did it just come out of.

Spencer: It was not Reagan's. When you say Bill or Stu, we'd get together every night and spend two hours talking about the day, the thing, the problem and so forth. And I can't tell you who came up with what idea at any given time.

Cannon: I understand that.

Spencer: We were really good when we went on down La Golondrina restaurant and drank tequila. Our thinking was great.

Cannon: Did Reagan accept that formulation, or did you have to talk him into it?

Spencer: Yes. Yes, his reaction, as I recall is, "I can't think of a better one."

Cannon: So, you said...

Spencer: That's a tough question to have. How do you handle this question? 'Cause if you handled

it wrong, it's going to explode on you.

Cannon: It was Rousselot, wasn't it, who said... tell us about that.

Spencer: Well, Johnny Rousselot, who we talked about earlier, is now the head of national John Birch Society. And it was a reporter with the LA Times, good friend of yours, Carl Greenberg, who had sources all over the state. And he was in Monterey, Reagan was in Monterey and giving a speech, and he was asked the Birch question. I can't remember the woman's name, but she was a political activist, but...

Cannon: Was it sort of a liberal political activist or was she a Republican activist?

Spencer: She was a Republican. I don't remember the name. But I had said in a private conversation with Reagan, that I'd talked to Rousselot. I said, "He's going to be fine, he's going to be low key, he isn't going to show up anywhere." And he made the comment to me jokingly, John, his old friend, he said, "I'll be for you or against you, whichever helps the most." Well, Reagan wasn't a political guy, you know what I mean? You and I, we'd keep that together, right? So he's after this lady, he asks the question, and he jokingly says, "Well, Stu talked to Johnny Rousselot and said the following, and that is he'll be for or against you, whichever..." She's politically savvy enough to call Carl, and Carl had a story. That was the background to one, but that was a learning experience. He learned don't-off-the-cuff, stuff like that anymore.

Cannon: You beat Christopher as it turned out, rather easily. And then you'd defeated Pat Brown. Talk just a little bit about that campaign.

Spencer: I'm going to put it in as simple a form as I can. This was past third term he was going for. He'd been governor, been a ... I consider him a good governor. But when you're governor, and when you're the leader, you've got to make decisions. So his decisions help people, or his decisions hurt people. So you do build a little good equity, but you also build a lot of enemies. Pat's done this for eight years. So that was his problem. Circumstances such as the cultures of the world, the social issues of California all came together in that election. The biggest single thing, and this is something that Democrat guys like me... Joe Napolitan to me was the best Democrat campaign guy in America when I was working. It's the one thing Joe and I always agreed on: Emotions carry the day.

Spencer: OK. Pat Brown. We were running a nice clean organizational campaign. Get all the money we can get, get all the troops we can get, and cherry-pick the special interest groups and the ethnic groups and do all the things you should do to a campaign. But, I'll put it this way, on Pat's watch, Pat Brown's watch, he had Watts. He had campus unrest. He had welfare mamas. All of these are highly social issues, highly emotional issues. And Pat's talking about highways, dams, all the stuff that he had accomplished. The emotions are going to win out on the end. That was the difference in those two things.

Cannon: Now after Reagan became governor, it was my impression anyway that you and Bill Roberts weren't as welcome in Sacramento as you might have been.

Spencer: You understate it. He tried to put us out of business.

Cannon: The only person I think, Tom Reed kept talking to you, but the rest of them didn't.

Spencer: Yeah. It was... There was a lot of ingredients. The first ingredient was the guys basically, the core of people who went to Sacramento with the governor were, they're very conservative people, they considered us plebs. I mean, we're still carrying the Rockefeller banner, to them. That was one of them. We weren't committed, shall we say. We were committed to Reagan. They didn't know that, but we were, we were not committed to that philosophy really or any other philosophy, except good sense. Secondly, power. He offered me the job as chief of staff. He offered Bill the job as chief of staff. We said we don't want any part of being chief of staff. So then they went out and they found Phil Battaglia to be chief of staff.

Cannon: This is Phil Battaglia, who was, I think, 29 at the time. He'd run the Southern California... He'd been Southern California chairman for Reagan.

Spencer: That is correct. And he was very prominent in the chamber activities in LA. He was a very... He was the young man coming up in LA.

Cannon: Attorney...

Spencer: Yeah.

Cannon: Well.

Spencer: So, and then to compound the power problem is Nancy still calling me all the time. You know how Nancy can get. "You've got to come up here and straighten these guys out. You've got to come up here and you've got to do that." Or even the key group of Holmes Tuttle, Henry Salvatori, Cy Rubel, all those guys, they'd call me and they'd say...

Cannon: These were all the finance people for Reagan.

Spencer: Right. I forget those ... They'd say, "You've got to go up there." Well, I can't turn Nancy down. I can't turn Holmes down. I mean, Holmes probably had signed more checks to me than anybody in America.... And so I'd go up there and try to do the best I can as straighten the... Straighten out whatever the problem was. But as you know, because you've dealt with me, I could get a pretty hairy sometimes, and... And I'm not a dummy. "Forget about it, do it this way, do it that way." "No I wouldn't." I'd come at them this way, instead of coming at them this way. But anyway, it was a power struggle. They didn't want us around, so they systematically... Now, the interesting part of this whole scenario, and it went on for several years until he ran for re-election, and then he wanted us to come back.

The Reagans didn't even know it. They didn't know this and a lot. And Bill and I really discussed it one night. Should we go sit down with the Reagans and say, "Listen these guys are..." We said, "No, we're not going to do that." We just backed off. And went out and did our business. And yeah we... They went to some extreme ends. Good sidebar story, one of... Thomas Kuchel and that is...

Cannon: This is Tom Kuchel, he's the senator, then he's the minority whip or the majority whip, I forgot who's the minority. But he was the top Republican.

Spencer: Top Liberal Republican. That group, small group, who were all in the governor's office, these young people, they're all guys that came out of the Goldwater effort into the Reagan effort. It was a guy, whose name I'm not going to mention because I don't know if he's with us still, but he worked for the phone company. He was the political liaison. You probably can figure it out. And they went to him and they said, "We want all of the Spencer Roberts phone records." And he gave them to them. They thought that I was... And this is in '68 when the National Convention is going to be in Miami. They think I'm still dealing with Nelson Rockefeller all the time. And those calls that they got, they're probably about three calls from Nelson, I don't know, it was about something else, totally different, and so forth. And so, that's how tough they got on us and was trying to do us. So the Kuchel campaign was the same year, that's the year...

Cannon: Max Rafferty.

Spencer: Yeah, Max Rafferty beats him. The thing's over with, Bill and I made a fatal mistake that we never made again, as we signed for the phones, and we had a \$20,000 phone bill for the campaign with our names signed on it and I wasn't about to pay it and we're hedging all the time, we're hedging all the time around. Pretty soon one day, I had a source in this group out of Sacramento. And that source told me about the fact that they got my phone records. And I said... Called my lawyer and he says, "That's illegal." I says, "Good." So, finally, this guy, the phone representative and their lawyer, top lawyer, come to my office.

They come in, they sit down. Bill wasn't there. And he gets... Boy, this lawyer's hard-balling me, "Want to do this? Want to do that? You've got to pay the 20 or, blah, blah, blah, blah, blah. And I says, "Let me tell you a story." He says, "What?" So I told him the story I just told you about your guy who happened to be sitting next to him, "Your guy gave our phone records to the governor's office and I'm not going to pay a damn thing." I've never heard from him since, and actually, that's 40 years ago, 50 years ago.

Cannon: You never paid that, paid the phone bill.

Spencer: Never paid the phone bill. They ate it.

Cannon: And, I remember Bill Roberts saying to me at one point, "That poor man, he's going to be elected governor and he won't know what to do." But then actually after a very rough start, he sort of did know what to do. And I often wondered how it was that Reagan who was everything you described, he was a smart person who knew nothing about government, how he got it, how he managed to succeed as governor?

Spencer: Well, the first thing, and it's true of all good public officials. They've got to have a belief system. And if they have a belief system, then you got a guideline. That's... You come to him, Ronald Reagan, with a problem, first thing he's going to apply to it is his belief system. And then he may massage it, change it, do this, see good reasons, give a no, you shouldn't do that, or should. And he had a solid belief system. And so, that was the thing that happened. But he was street smart too. He was street smart, and I've never known how to describe street smart.

Cannon: Give an example of that, of him being street smart?

Spencer: Yeah, signing the (Assemblyman Anthony) Beilenson bill which was a... Here's a man

who was a pro-life person and he signed, at the time, the most liberal abortion bill in America.

Cannon: This was April 1967. And he had, Tony Beilenson had, as Stu just correctly described it, the most permissive abortion law in the country. Colorado had one, but Colorado was a small... Colorado isn't then what it is today, it was a relatively small state and everybody knew this was important because the lobbyists on both sides just fought it like hell. And it was... Then, it broke down on religious lines, every Catholic (on his staff) Which included (Chief of staff) Battaglia was against him signing it.

Spencer: (Cabinet Secretary William) Clark was against it.

Cannon: Clark. And Clark... And everybody who was a Protestant, which included Meese and Nofziger, were for it. He got less help from the staff than any... I thought it was... I often thought it was fairly disgraceful how little... Reagan had to really do it on his own, because he wasn't getting any help from this divided staff of his. And you guys were... Weren't you... Were you lobbying for the American Legion then? Or...

Spencer: I was working for James Cardinal Francis McIntyre, he was a client of mine, the LA Catholic Archdiocese. And, I was in a box. I was in an absolute box when he signed that thing. But the point being, I ask him the question later on, I says, "Why did you sign that bill?" And he said, "I remember a young guy in '66 running my campaign," referring to me, "said to me one day, every now and then you've got to do something off the wall. You've got to do something that isn't stereotyped to you." And then he says, "I thought of you." So he signs the bill. It screwed my client. You maybe was thinking of that, too.