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Pelosi Plans Early Centrist Agenda

By Alan K. Ota, CQ Staff

Hoping that next week's elections will put her at the helm of a new House majority, Nancy Pelosi has prepared a largely centrist agenda with the help of advisers tied to K Street, to former President Bill Clinton and to both wings of the Democratic Party.

Pelosi's strategy would be to move the items on her agenda early, before both parties dig in for the 2008 presidential race. The objective: achievements that would help Democrats build a durable majority.

"She has wisely decided to focus on deliverable legislation," said

Pelosi adviser and former Rep. Thomas J. Downey, D-N.Y. (1975-93), now chairman of Downey McGrath Group.

Some Members of Democratic Leader's Inner Circle

House Minority Leader Nancy Pelosi, D-Calif., works with a close group of advisers to vet ideas and to unify her party behind priorities. The Pelosi inner circle includes business leaders, lobbyists, longtime party activists, and a number of past and present lawmakers who are longtime political allies.

Rosa DeLauro

On Steering and Policy Committee, Connecticut lawmaker would drive gavel selections.



NANCY PELOSI

George Miller

Californian is a bridge to his friend John A. Boehner, R-Ohio, and strategist who works well with Pelosi and her chief of staff, John Lawrence, a former Miller aide.



Frank Pallone Jr.

Nine-termer from New Jersey crafts the party's message by coordinating flow of images and voices on the House floor.



Brian Wolff

The tactician and fundraising expert would have to decide whether to shift from campaigns to a job in the Capitol.

Martin Russo

Lobbyist, longtime Pelosi family friend and former congressman is helping her rebuild ties to K Street after long hiatus.



The California lawmaker, now the House's minority leader, wants action in the first weeks of the 110th Congress on a minimum wage increase — probably combined with small-business tax

breaks — and on pay-as-you-go budget rules that would require offsets for the costs of tax cuts and spending increases. Other items on Pelosi's agenda include a college tuition tax break, ethanol incentives, lobbying restrictions and one other little thing, a phased troop withdrawal from Iraq.

The agenda was culled with the help of a diverse group of advisers and road-tested from Florida to Oregon during months of campaign appearances. Pelosi, 66, reached out to swing voters and donors by emphasizing moderate priorities and displaying an interest in business concerns.

“She is answering the false rumors that Democrats will pursue an anti-business agenda,” said George Crawford, a lobbyist at King & Spalding and Pelosi's former top aide. “She's telling people we are ready to govern.”

Pelosi's inner circle includes liberal chums in the House Democratic caucus such as George Miller, Henry A. Waxman and Anna G. Eshoo, all of California; Rosa DeLauro of Connecticut and Frank Pallone Jr. of New Jersey. Lobbyists are also an important part of the Pelosi inner circle, as are allies from the party's pro-business New Democrat wing.

Other lobbyists in the inner ring of advisers include Downey and former Rep. Martin Russo, D-Ill. (1975-93), chief executive officer and senior vice chairman of Cassidy & Associates; and Joel Jankowsky, a former top aide to former Speaker Carl Albert, D-Okla. (1947-77) and now a partner at Akin Gump Strauss Hauer & Feld.

From the New Democrats, Rahm Emanuel of Illinois, a veteran of the Clinton White House who is her handpicked chairman of the Democratic Congressional Campaign Committee (DCCC), and Brian Wolff, a fundraising expert and deputy DCCC executive director, have Pelosi's ear.

On a typical day, Pelosi chats with dozens of donors and party activists by phone and squeezes in a working lunch. Discussions with aides and associates often go late into the night as she prepares for the next day.

She vets ideas and plans with about 10 party leaders and senior Democrats over breakfast every Wednesday.

What's on Track

Pelosi's emphasis on centrist initiatives is a response to the GOP's attempt to portray her as a “San Francisco liberal” bent on raising taxes and attacking President Bush.

One Republican National Committee preview: “Impeachment. Cutting and running from the war on terror. Key defense systems dismantled. Tax cuts repealed. Speaker Pelosi.”

In response, Pelosi emphasizes her roots: She is the mother of five children and a political apprentice who was schooled in the art of constituent service in Little Italy from age 13 by her father, former Rep. Thomas D'Alesandro Jr., D-Md. (1939-47), a Baltimore mayor — as was her brother, Thomas D'Alesandro III.

For lobbyists, Pelosi's agenda contains a blend of carrots and sticks and recognizes that Democrats are likely to need Republican support to prevail.

Most businesses from Silicon Valley to Hollywood to Wall Street will find an olive branch, but not every sector of the economy will be happy with what's on her list.

Pelosi's early agenda contains no gifts for two industries with particularly strong GOP ties: big oil and members of the Pharmaceutical Research and Manufacturers Association (PhRMA), headed by former Rep. Billy Tauzin, R-La. (1980-2005). She has vowed to end some tax breaks for oil producers and to force Medicare to negotiate drug prices on behalf of the program's more than 44 million beneficiaries.

"Pharmaceutical drug companies and oil companies will be desperate, hanging by a thread. The rest of them understand Democrats are not anti-business," Wolff said.

Pallone says that, as Pelosi assembled a party agenda, she made tough choices based on the potential for job creation. "She wants to be optimistic and futuristic," he said.

And although intraparty disagreements are bound to lie ahead, senior Democrats say Pelosi has been successful in persuading members of her caucus to join ranks and start their rule — if indeed they regain the House — united behind common priorities.

Pelosi has worked with leaders of high-tech companies such as John Chambers, president and chief executive officer of Cisco Systems Inc., to develop an "innovation agenda" that includes a permanent extension of the research and development tax credit, incentives to promote universal access to broadband services and increased funding for research and for math and science education.

"The hardest part, frankly, is limiting the priorities, because Democrats are in complete agreement on core values. And we have many ideas about how to meet the needs of the American people," Pelosi said.

Allies say Pelosi gathers ideas from a network of contacts ranging from Susie Tompkins Buell, a co-founder of clothing company Esprit de Corp, to Vinod Khosla, co-founder of Sun Microsystems Inc., and funnels the best ones to her inner circle.

Her blueprint dovetails with the pro-business views of Sen. Hillary Rodham Clinton of New York, the front-runner for the 2008 Democratic presidential nomination, and the relatively moderate Senate minority leader, Harry Reid of Nevada.

"She's only pushing for things that have support from an overwhelming majority of her party," Crawford said.

He and other lobbyists say Pelosi's agenda also recognizes that Bush could veto initiatives that lack Republican support.

For example, some businesses would oppose repealing any of Bush's tax cuts and a number of consumer measures, such as restrictions on predatory lending.

Still, Eshoo predicts Pelosi's long-range agenda will include unconventional approaches to problems. "She loves ideas," said Eshoo. "And she loves disruptive thinking."

Reaching Out

Pelosi has demonstrated before that she knows how to appeal to business as well as liberal constituents — starting in the 1980s, when she was a rainmaker as chairwoman of California's Democratic Party.

That job positioned her for an unsuccessful 1985 run for chairman of the Democratic National Committee against Paul Kirk, an ally of Sen. Edward M. Kennedy, D-Mass. As a consolation prize, she became finance chairwoman of the Democratic Senatorial Campaign Committee, working with the chairman, former Sen. George Mitchell of Maine (1980-95), to assemble a war chest for the 1986 election, in which Democrats won control of the Senate.

Her background provided good practice for 2006. Aides say she has raised \$50 million for her party and candidates in the current election cycle.

Pelosi's brother Thomas says the loss to Kirk taught his sister the value of accurate vote counts, organization and loyalty. "Nothing beats loyalty," he said.

He has decided not to join Pelosi for a planned Election Day vigil including a gala lunch in the Commerce Department's Mellon Auditorium — a hot ticket for lobbyists and activists. "I'd love to come, but I don't want to jinx it," he said.

If Democrats win the election, Russo and other allies said, Pelosi would likely extend the congressional workweek to accommodate more oversight and allow GOP amendments, except on tax bills. They envision bipartisan retreats for some committees.

Some Republicans may be surprised at what is not on the early to-do list. John Conyers Jr. of Michigan, the top Democrat on the Judiciary Committee, has a proposal ([H Res 635](#)) to create a panel to investigate the Bush administration's actions in the run-up to the Iraq War and recommend grounds for impeachment. But Conyers said that effort will not be a priority next year.

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