

Tape 58, Side 1

August 30, 1993

CH This is an interview with Governor Victor Atiyeh at his office in downtown Portland, Oregon. The interviewer for the Oregon Historical Society is Clark Hansen. The date is August 30, 1993, and this is Tape 58, Side 1.

As we were talking about before, on some of these comments from Hiakawa - first of all, did you have anything else that you wanted to add to what you just said?

VA No. I don't think we quite finished it, but the taxpayer can relieve their frustrations and say, Now, this is the way I'm going to really give it to the government, by taking the tax. That's the only really valid reason for keeping these deductions.

CH He referred to your tax relief package of 1979 and '80 as the decision that - in not vetoing that tax package as being the decision that haunted you most. Would you say that?

VA I wouldn't say haunted me - you mean the property tax - they took my money - I saved 600 million and they used it for property tax relief?

CH I believe that's the one he's referring to.

VA It didn't really, what you call, haunt me, I just thought we were wasting the money, and I should have vetoed it. But I said to myself at the time, well, that's the only one I'm going to get. You know, I guess I should have stood

up and said that's not the right thing to do, but this is all I'm going to get, I mean in terms of property tax relief, so I'll take that. But it's one of those things that I - if I were to reinvent that, I might have changed it a little bit.

CH He said that many people in government and state and business areas, despite the criticism that you were given during the 1986 campaign, that still you were exactly the right person to lead the state through the difficult and challenging times that we were going through.

VA This gets back to my first campaign. You know, how do you - when you campaign, you've got to tell people how good you are, and that's not easy to do. You ought to vote for me because I'm a really great guy. You know, that kind of thing. I don't know who could have done that job - oh, I'm sure there may have been some others, but with the background that I had, thirty-five years in business, twenty - then twenty years in the legislature, to deal with the things that were out in front of us.

Too many have to, without that background, take a couple of years to kind of go to school and learn. That's what Clinton's doing now, he's going to school. We're paying him as president of the United States to learn how to do that job. We didn't have the luxury - you know, you move right into it. That's why I told you I went further and faster my first year, because I knew where I wanted to go and I had a new plan. But I accomplished a lot of what I wanted to do in year number one. I didn't have to go to school. Then the recession came, and how do you make the cuts? We did it with - and I used the word surgery, and, in

fact, that's true. We didn't do a 10 percent across-the-board, which is an easy way to get at those things, and we've already covered that kind of ground.

So I don't know who would have been able to do that job as well.

CH Hiakawa said, in reference to that, Where his predecessors, in an expanding economy, broadened the state's role in environmental protection and land-use regulation, Atiyeh focused on maintaining basic state programs and streamlining government machinery. Would you say that that's a fair summary of what you were doing?

VA Yes. We had those things in place. We had land-use; we had to finish it off. We had our environmental laws here, and water quality. We had to make sure it was maintained.

CH An interesting comment by, at this point, Governor Neil Goldschmidt - and I know he's not one of your favorites . [laughs] - but he said, The thing that you've got to remember about Atiyeh is that he was reelected by the greatest margin of any governor in modern times. Of course, I think at this point he's just gotten into office and he wants to kind of smooth things out, but is that something that - I mean, did you look back on your reelection with that in mind?

VA Not the size of the - you know, shooting for a world's record is not something I really had in mind. I've said many times 50.1 is okay with me. But to me it was a confirmation that if you deal with people honestly, you deal

with it forthright, you communicate with them, they respect those kinds of things even if they don't agree with your solutions. So to me, I remember that more as a confirmation of that's the way politics and politicians should act. That's how I remember it, not 62 percent.

Actually, the other high victory they refer to as the secret campaign of, I think it was, Austin Flegel. He was the Democratic candidate running against the governor and apparently didn't campaign at all. I don't remember it personally, but it was referred to then as the secret campaign. He got, I think, 65 - no, the governor that won got 65 percent against somebody that didn't campaign at all. So I figure 62 percent against a heavy-duty campaigner was pretty good.

CH Richard Munn[?], who was the director of the Department of Revenue, had an interesting comparison between you and McCall and Hatfield on your managing style, and he said, Atiyeh is generally credited with superior knowledge of the details of state government. McCall and Hatfield were more aloof from the process while Atiyeh was much more involved in personally sitting down with agency heads and talking about issues in their budget. Do you feel that that reflects your personal involvement?

VA Yes, no question. And that is not only my predecessors but successors. And that was part of what I had in mind in terms of management of government. And having weekly, we'll call them cabinet, meetings - we don't have a cabinet-style, but we'll call them that - very soon the different department heads got to know each other and began to realize what they do affects another agency. Before that, they

didn't communicate, they didn't really know each other, they didn't have any occasion to get together. Then, as time moved along, they would think of something, they would say, Gosh, this is going to affect that department. They would make the phone call without having to do this during cabinet meetings. That was one thing, and it worked, and worked extremely well.

And the other was just to keep myself posted as to what's going on rather than try to get, every six months, caught up. You miss an awful lot in the process. And I told my staff and I told agencies, I don't want to be surprised about anything. And I have to say to you that I think I was - I can't even remember, but I had to be surprised about something, but I can't remember what it was in terms of something happened that I didn't know about. And that was useful, and it only took a little bit of my time every day when I was there in Salem. And when I wasn't, Gerry Thompson[?] was there taking notes and would bring me up to snuff.

So I kept contact with what was happening in state government without having to do it in a catch-up form, and other agencies got to know each other and respect each other, and I think that helped move government along much better. And when times got tough, everybody understood what we were up against, everybody understood that we were all in this game together, and so it wasn't a me-against-you, even in state government, it was, Okay, let's all pitch in and do our job. Yeah, it was good.

CH Going on to some of your accomplishments, John Kitzhaber said that, It was one of the high points of his governorship having the political courage to reverse twenty

years of opposition to the sales tax. Do you feel that that took a lot of courage to do?

VA No. I wasn't thinking of Captain Courageous, I just decided that this was the right thing to do. And when the package was put together - see, you have to understand it was a package. It wasn't a sales tax, it was a sales tax accompanied with control of the growth of property taxes, reduction of property taxes, reduction of income - you know, it was a package. I said, Hey, this is good. Okay, I'll go with this one. So it wasn't a matter of just saying I'm going to bite the bullet, as some would say. I didn't figure I was doing that at all.

CH Was there a high point, one particular high point that you feel was - in terms of your accomplishments?

VA Well, there were several times that I felt really good. You put a session together and say, yeah, I liked that, that was a good session. That's sort of a generic.

CH What do you think the best session was that you presided over?

VA Oh, they were all - I think they were all good. There were some tougher than others, but they were all - you know, the special sessions of '82 were really tough. Tough on me and tough on the legislators, but very tough on me personally. But, you know, I remember taking notes, I remember, as we've already talked, about the racial and religious harassment. I stayed awake - I had finally concluded the legislature didn't me, as a governor, to stay

up with them all hours at night while they adjourned. I would go home and go to bed. But that night till one o'clock, till that bill passed - I've got a note in my personal files of exactly the minute that the Columbia River Gorge bill passed in Congress. I made that note myself.

Gosh, I don't know. There were many highs, things that I felt really good about.

CH John Platt, who was president of the Oregon Wildlife Federation, said that, Atiyeh's contributions to the consensus on the 1980 Northwest Power Planning Act was not only a major legislative achievement in itself but also had conservation implications. Is that one of the high points?

VA Yes. I've got, actually, a list of things that I make note of here that I really want to cover and recap, and we'll cover some of those things.

CH Okay. What about establishing the Land-use Board of Appeals? Was that a major...?

VA Oh, it was one of those things. Again, to make that whole process smoother than it was. But that was no different - "that" being the Land-use Board of Appeals - was not any different than my constant pressure to acknowledge all plans. Still, I'm going toward the same end.

CH In terms of your economic development strategy, you've already referred to speeding up the land-use appeals process, the one-stop permit approval, and gearing up for higher education to meet the personnel needs of Oregon's new industries. Do you think that you were fairly successful in

those areas, then?

VA Yes.

Oh, I have to mention, in terms of sheer joy was the repeal of the unitary tax. But it wasn't just the repeal of it, it was the way it happened and how quickly it happened and how, really, according to script it happened. I enjoyed that, I enjoyed that very much.

CH Did you ever - when you ever had a big success like that, did you ever go out and celebrate?

VA No.

CH Or did your staff celebrate?

VA Well, I'm sure they must have celebrated, but, you know, you just get great satisfaction, a lot of joy. And, you know, the unitary tax, it was not just the fact that we repealed it, but - again, I can't remember if we covered it, but I - you know, I had my Republicans saying, Don't call a special session. There's some Democrats, it's an election year. I said, No, I know what I'm trying to do. I knew that I had to deal with the unitary tax without the presence of a budget, I knew that my best shot was during an election year, because whether they really understood it or not, everybody had to be for economic development. All those things came into play, and it was so much fun when I'd listen to the debate on the floor from some liberals about - saying that this is a travesty on our system of government and this is a terrible thing that the governor has done, but I'm going to vote for it [laughs].

CH Well, going on to your view of the legislature - of course, I would imagine, just going through the papers, there were not a lot of times when you critiqued the legislature, but, of course, a lot of people would probably refer to your comments in Arizona in December of 1985. I think we've talked a little bit about that, but you said, The quality of the legislature is not nearly what it was in 1959. The ones to blame are Oregonians, the voters in districts, the electors. The decline concerned a matter of experience and ability to make quicker judgments.

VA Do you know the real joy? The real joy out of all of that was that what they were really saying - and the media took me on as well, I mean the Oregon media - was that you ought not to be saying those things outside the state of Oregon. And, you know, it hit the fan. I said, I don't understand this. I've been saying this in Oregon for years - and I had been - so what's the news? I happened to do it in Arizona. But the thing that always - and I'd say to them, You know, you've criticized me, but where did you say I was wrong? They never said I was wrong. They criticized me for saying it, but they didn't say I was wrong.

CH I presume that they felt when you're outside of the state you should present a good image, a good PR representative for Oregon.

VA Well, I suppose so, but nobody said I was wrong.

CH Lynn Newbry said that, The only difference I see is there were more lawyers, more farmers, more businessmen, all a little older than our present legislators. They were

people who can no longer afford to be there because of the length of the sessions. Do you see that as a primary difference?

VA Oh, there were a lot of differences. The major differences I see, regardless of who they are, where they came from, is that there were people that had made decisions, were capable of making decisions, were willing to make decisions. And when you get people without any, really, background, they haven't had those opportunities to make decisions, tough decisions. You know, it's a human trait. If you've got to make a tough decision, you try to put it off. That's normal. And so that's what goes on when you're, you know, unable to make a decision, you just keep putting it off. That's what stretches out these sessions, and they just haven't had the courage or ability to do it.

And the fact is that the wages are up and many of them are running for the jobs. Many of them, they probably couldn't get a better job. And so they're running for their job now. It isn't a matter of wanting to give back to the state or serve the state, you know. It isn't that at all. It's just, Gosh, if I lose my election, I'll lose my job. So there are a lot of things that are involved in it.

People said, What can you do to get a better quality legislature? I said, Cut the salaries. Well, that'll never happen, but that would do it rather quickly.

CH Some people feel that, in a way, the legislature, because of there not being a big enough salary, was more of a white men's millionaires' party.

VA No. No, that's not true at all. I remember there was

a millwright from Klamath Falls serving in the legislature when I first went down. I don't know - well, I'm sure there were some well off, but I can't think of anyone you would call independently wealthy, a Rockefeller or a Dupont or something like that. I don't recall anything like that.

CH Russell Sadler, who is a political columnist, said that, Atiyeh remembers the efficiency of a senate ruled by a coalition of Republicans and conservative rural Democrats. Less autocratic leadership has lengthened the legislative sessions. This willingness to take time to find out what people think, prompted by an awareness that their livelihoods are on the line at each election, is probably the major difference between legislators and those of Atiyeh's wistful golden age.

VA Well, but you have to look back at productive results. If you just - if you make the comparison from 1959 to 1989 - you know, just take that gap or span of time - and what were the productive results and how quickly were they accomplished, just what you call bottom line, if you just did it that way, there's no question the results were better and quicker in 1959 than they were in 1989.

In 1959, the office was your desk. You had a secretary, but she didn't have a room. There was one room with typewriters in it. We amended bills - "we." She did, my secretary did, and she did it with scotch tape. She'd get a pair of scissors, and here are the amendments, and so you pasted it in to the bill you had. Now they reprint them. You don't have to do that anymore. Faxes, copy machines, everybody's got a desk, we've got legislative revenue, legislative counsel, all of this - and offices for

everybody, all the trappings. You'd say, well, that will make them more efficient. Clearly, it's not more efficient.

CH But isn't it a more complex world that we live in?

VA No, no, no. You know, you have to - of course, I know, having lived through some of it, but then I have to project it way back. Now we're celebrating the 150th anniversary of the Oregon Trail. Well, you know, that was big. You had to make a decision to leave your family, you had to make a decision to cross the plains, you lost family. I mean, this was very personal stuff. You come out to this strange land. You had to clear the land, you had to - now we're talking about a territory. Should we or shouldn't we have the territory, should we go with England or should we go with the United States. We're going to have statehood; what's the problems with statehood. You know, each - and that was - these were all big things then. We look back on them, oh, those weren't as big as what I'm dealing with today.

No, the things we were dealing with, at the time we were dealing with them, were just as big, just as complex as the things we think are complex today. What's more complex? What is more complex? What? I don't know what. We have corrections, we have welfare, we have children's services, we have mental health, we have - you know, what's different? Nothing's different. It's only complex if it gets mired down in indecision. Then it looks like it's more complex.

Heck, Dr. Slye[?] came, and he was going to talk about taxes. He was an expert. He made a special presentation to the House and Senate. I still have his three copies. But the thing I remember, he said to the legislature, When the state reaches \$300 million in general fund appropriation,

it's time that you need to think of another source of revenue. Three hundred million. You know, we're talking, what, \$6, 7 billion. We still don't have that other source of revenue. And he said then, you know, when you get to 300 million.

So that's a copout, things are more complex. They're not more complex. The people who are facing the decisions are less capable of facing them. The problems aren't any different.

CH In terms of the way you reached your decisions while you were governor, Hardy Meyers said that, The governor's normal mode of operation was to draw his proposals pretty much in isolation from the legislature. Several legislators also said Atiyeh adopted a more consultive approach, involving the leadership at an earlier point in his deliberations later in his second term. Some cite the sales tax measure as an example.

Do you think it happened that way?

VA Oh, I think it happened both ways, meaning consultive and nonconsultive. I mentioned to you earlier that I, every week, would talk with the leadership, not always talking detail, but talking in generalities, sometimes in detail, but communicating nonetheless. Whether I communicated with all ninety legislators, no, I didn't do that; I don't have the time for it. But I would talk to the leadership, both minority and majority, House and Senate, every week. But, yes, there were times in which I would not - I would do it on my own.

CH What about sort of the balance of power between the

legislature and the governorship or the executive branch? How do you think that that has ebbed and flowed over the recent years, recent decades?

VA Well, it really depends. You know, when Neil Goldschmidt was elected, anything he wanted, he got, and he got some pretty bad things. You know, some really dumb things happened that shouldn't have happened at all. And so at that point in time the legislature gave away their authority to the executive branch. I don't think they should do that. But there's always that. It depends on the strength of either the leadership in the House and Senate and/or the governor's office. You know, right now the leadership is really in the legislature more than in the executive department. That's because the leadership in the executive department isn't very strong.

So you say how does it ebb and flow? It just depends on who's there at the time.

CH What about other comments that you have about your governorship and your...

VA Let me say one thing before I leave that. One of the other gross errors in terms of the legislature was the single-member district, and I think I did mention that once before. And when I say a gross error, this was sort of a one-man-one-vote kind of thing, and we're going to have single-member districts versus, using my illustration, the first ten years I was in the legislature I represented the entire Washington County. Then this single-member district passed, so they shrunk the geographic size of the district I represented relating to the number of people. Well, that

all of a sudden turned people very provincial. I knew that whoever replaced me was going to be very provincial. And I don't say this out of any other context, but I represented the entire county, I became acquainted with the entire county, which related to the far west rural to the far east highly urbanized. And so I had to know and understand and help and deal with those extremes, extreme things. But whoever replaced me never ran all of Washington County, ran just that district, which is the very urban, so they're going to represent urban views because that's their district.

CH So you see that as a mistake, then?

VA I see that as a terrible mistake, because things then got very provincial. You know, legislators really couldn't see, like I did, had the advantage of, the whole spectrum of things and the needs and desires and concerns. For them to vote for rural, even at a disadvantage to urban, that would be bad in their district, that would be a negative in their district. So that was another mistake.

Now, where did you want to launch into?

CH Well, I was going to move into activities that you were involved in after leaving the governorship, and I didn't know if you wanted to say other things...

VA You want to wrap up governorship?

CH Do you want to wrap up the governorship?

VA That's fine.

CH Okay.

VA I think we talked outside the tape. I've never really analyzed me. Others have analyzed me and have done it from their own perspective. It's been interesting for me to go through all of this. I was saying at the very beginning, A set of principles and common sense. But as I've gone through and you've asked questions and we've talked about people and talked about bills and all the rest, and all of a sudden it actually - that's basically what sustained me all this time, or made it easy for me to make decisions, you know, because I had a pretty clear picture of how things ought to be. And if they measured up to how they ought to be, then it was yes, and if it didn't, it was no.

Others would have a terrible time because they really didn't quite - they were being triggered by other things: which way the wind is blowing, who wrote the last letter, that kind of thing. But that was not - you know, I never had - people say, Gosh, you must feel an awful lot of pressure. I never felt any pressure. I never felt any pressure - you know, we voted on a whole variety of very complex, controversial things, but I never felt pressured, because I'd say, does it measure up or doesn't it measure...

[end of Tape 58, Side 1]