

VICTOR ATIYEH  
August 25, 1993  
Tape 55, Side 1

C.H.: 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 25th, 1993, and this is Tape 55, Side 1.

Of course you weren't a candidate then but did you have any involvement in first of all the primary?

V.A.: No.

C.H.: Did you have any involvement in the race at all?

V.A.: Very little, if any, and as a matter of fact not as much as I wanted. I'm talking now of course in the general election and I talked to Norma a number of times and said, you know, offered my help. But really she didn't really need my advice.

C.H.: Was anybody else running in the primary against ~~Dalton~~ Norma Paulus?

V.A.: I can't remember. There must have been some people running in the primary but I don't remember.

C.H.: What was your relationship with Norma Paulus like?

V.A.: Very good.

C.H.: She'd been Secretary of State for - not the entire ...

V.A.: No, but most of the time.

C.H.: Most of the time.

V.A.: Yeah. Very good. We spoke earlier about - ~~Ray~~ allowed her ~~her~~ freedom of the audits and we took her on it seriously where many other governors didn't take the Secretary of State's audit very seriously. We did. And we were on the land board together,

worked quite well, not always agreeing, but quite well. I thought very highly of her.

C.H.: Why don't you think that she sought your advice?

V.A.: I've no idea. I really don't know, and you know, you wonder about ego but - I tell people, you know, they talk about great races and all the rest, and in my terms I don't think any candidate really had a better campaign than mine - not just because I was the great candidate, I'm talking about a campaign. And when I look back at it, I wasn't supposed to win any of the races that I won. I was supposed to lose them all. I was supposed to lose to Clay Myers. There was really a kind of back and forth in terms of Straub, but Straub obviously, most people thought he would win, but you know, I ran into the 1974 resignation of Nixon and particularly devastating was the pardoning of Nixon. But anyway, I wasn't supposed to win the primary. There were those who thought McCall was going to win or Roger Martin was going to win and I'd better get out and Roger won't win and I'll split the vote and Tom will get it together. Wasn't supposed to win that and obviously running against the incumbent governor, you're not supposed to win that. And then in 1982 here was this less-than-charismatic governor, who had called three special sessions and the height of our unemployment, against a charismatic Kennedy-type candidate. Wasn't supposed to win that one. So I wonder, why didn't somebody ask me how come, Vic, how come did you win? You're not supposed to win. So you asked me the question and answer, I have no idea, none whatsoever.

C.H.: You really don't, do you ...

V.A.: It's a mystery to me why they ...

C.H.: Would you speculate on that? It just seems like it would have been natural that the - What would you think part of it could have been that even though you'd won by a landslide in your

re-election that by this point because of the sales tax stand that your popularity was lowered ...

V.A.: Well, there's a popularity but that had nothing to do with it. I don't have to be high-profile, I don't have to go on the stump. They'd talk to me. How did you win, Vic? That doesn't mean I have to go out on the stump for them. If because favorability is down, okay, I wasn't looking to go make speeches. I was just saying let me help you, give you some advice, tell you how to do this. Tell you the kind of things that I think the people would - that Oregonians - I know where there are. You know, things like that. But anyway ...

C.H.: Before this campaign, what was your relationship with Goldschmidt like? I know we talked a little about it and I know that it soured. Before he ran for governor.

V.A.: Neil was 180 degrees from where I was, not just philosophically. And I was a downtown businessman, I saw all this chopped up, I saw the small business people going out of business, and really Portland downtown hasn't recovered from it. I've gotten used to listening to what people say. To what they say, not how they say it, to what they say. And I've long since learned that Neil doesn't say very much. He says it very well but he doesn't say very much. So forget that it's Neil. That kind of a politician is not one that I am particularly favorable to. We were friendly. By that I mean we weren't open enemies by a long way, but - And we had, you know, some arguments that I described way back in our tapes about the Mt. Hood freeway, and he wanted to give me a little of it and I says, give me all of it. That was between assistants, but from to me back and forth. I mean, we didn't go face to face on it. And so I wasn't very enchanted with him as a governor, I mean as a candidate. Then after he became governor I became even less enchanted and more entrenched in my views in

(downtown)

regard to his performance as a governor, beginning with firing everybody, which really was a tragic mistake. If you go in, for example, into any business - oh, let's say he moves into the U.S. Bank as president and chairman of the board and then he fires everybody at the top. I mean, you don't do that. Now it isn't a matter that you don't do it because it's (indiscernible). Administratively you don't do that. You've got all this institutional memory. Now you can make changes, you know, as you build your own team and you build things up. But he had to almost reinvent government. We had a transition book. I had it. I sent the word out that whoever the governor would - this was during the election - that this is what everybody was supposed to do, cooperate, do everything that you can, you know, help in every way that you possibly can. We offered - this is just the operation of the governor's office - we offered to help whoever he wanted. This is how you do things. This is, you know, somebody has to open the mail, and somebody routes the mail, and you know, I'm talking about things like that. We're not talking about anything that has any great policy but just how do you do that. What do you do about extraditions? How you do that. I offered personally to help the governor, publicly and personally. The only question he ever asked me is what kind of computers do you have? That's the only question he asked. Well, you know, he had to reinvent everything. He wasted, you know - we sent him to school for two years while he's rebuilding everything he tore apart.

Now forget again that it's Neil Goldschmidt, anyone, that kind of a person is just ever going to be my favorite. In this case it was Neil but it could have been Joe Smith, it doesn't make any difference. That type of thing. This is a waste. This is a waste. If he'd taken for example among the things that I lament, if he'd taken economic development where we had it, how it was

positioned, and built on that - God, we would be just gangbusters. No, he tore it apart. And we really had a good team of people. Very knowledgeable. We're well-known both domestically and internationally. So the people had to get to learn all over again.

C.H.: When the campaign started, he made a comment about attacking the dry rot at the top. That angered you, didn't it?

V.A.: You bet. He was talking about some very, very good, dedicated people. Extremely well-equipped. That was grossly unfair. You know, if somebody attacks someone that you know and admire and you know are capable and attack them, obviously I'm going to be offended.

C.H.: You referred to him as a demagogue and a bureaucrat-basher and ill-informed and reckless?

V.A.: Yeah, but that's when I was being nice. You know, it's just a terrible thing to do. You shouldn't deal with human beings that way in any event. The other thing. He said he wasn't going to be like the Atiyeh administration, he was going to be non-partisan. You know, it's strange. You say something. He did exactly the opposite. Absolutely 180 degrees opposite from that. But everybody said, oh wow, that's good, Atiyeh had a very, you know, just crummy dry rot totally partisan office, and I know that I didn't. I think way back in our tapes I told you that Straub had on this interest form that people would fill out if they were in boards and commissions. He had a line on there, you know, your party affiliation. I was offended by that. I didn't reprint stationery till some time in July. You have to make a cutoff. But we used Straub letterhead and just typed it out and typed my name in. But on that form we just threw those all away and printed them up new. I wasn't going to have that in there. But he says, you know, like I was highly partisan, he's not going to be. Actually, I was non-partisan and he was highly partisan, but he said he

wasn't. You know, it's - Well, I said many times he's not my favorite governor.

C.H.: Why did Norma Paulus lose?

V.A.: Well, you put it just right. Maybe you didn't realize it. Neil didn't win. She lost. What she actually did is that she let Neil take the initiative away from her. That's the kind of advice, you see, that I'm talking about. I told you when I was running in 1982 that I out-campaigned Ted Kulongoski. And one thing you don't want is to let the opponent take the initiative away from you. Well, she let that happen and that's among the reasons, but that's a pretty significant reason. All of sudden Neil became the aggressor and she was now, she had to fight her way into it, where she was the leader, and he took the initiative away from her.

C.H.: He was well behind her for quite a ways.

V.A.: He was, and he should have stayed that way. But when we start talking about advice, that's the kind of advice that I would have given. I told you earlier again in the tape that I was noted by one of the writers for one of the newspapers - Atiyeh's acting like the challenger. And I'm the incumbent. You bet. And so, that's one of the reasons. She just wasn't getting the kind of good professional advice that she really needed. I guess she didn't want it, I don't know. It's too bad. She would have made a good governor. And she still might make a good governor because she's being speculated rather highly right now and I would say the odds are pretty good in her favor and who knows what will happen, but I think she's broadly respected.

C.H.: Where was she appointed? She was appointed by Goldschmidt after he took office, didn't he appoint her ...

V.A.: Yeah, he appointed her to something. What was it?

C.H.: Director of Power Planning?

V.A.: I don't remember now. I don't remember.

C.H.: In the transition to the Goldschmidt administration, Pat Amadeo left earlier in the year to become a lobbyist for Blue Cross.

V.A.: No, she went with a law firm.

C.H.: It was Gerry Thompson that went to Blue Cross.

V.A.: Yeah.

C.H.: And then in December 1985 you said that you were going to make certain that your successor would have trouble changing your programs by burying them in the bureaucracy so that when a new governor comes in it's going to take them a while to find it. Do you recall that?

V.A.: Well, it may. I'm not going to say that's a misquote. I guess I was thinking more - I don't remember the words I used - but what I really had in mind is that we were institutionalizing, in my view, good changes in government. And now what I'm talking about is an attitude of why are we here? We're here because we're here to serve the people of the state of Oregon. We should respond to them. We talked about a whole variety of things. Give them answers. If they're asking, they're in the wrong office, take a few seconds and be polite about it. Work hard at what you're doing. That's basically - We made reforms in welfare. Nothing was done secretly, I mean, this wasn't any surreptitious in-the-dark-of-night kind of thing. So my view was that we then institutionalized, I thought, good government. And now back to after he was elected governor, I was amazed at how quickly he dismantled all of that. And he did it in so many different ways, part of which he was talking about - I'm not quite sure - but he was campaigning against public employees. Which is the wrong thing to do. These are hard-working people. Then all of a sudden they lose their incentive. He dismantled things. He went back to pre-Atiyeh

where, I think I mentioned earlier, there was no clear direction from the top so everybody out of good conscience were doing their own thing, but it might contradict somebody else in their same agency. But they were left to their own devices. I was surprised how quickly all that was dismantled. I didn't think it could be done that quickly.

C.H.: You were trying to keep that from happening.

V.A.: I was trying to keep that from happening. I thought government ought to operate for the benefit of the people of the state of Oregon.

C.H.: Towards the end of the transition, the news that Goldschmidt angered you with a request that the outgoing governor hold off on a host of pending board and commission appointments and let the Democrat choose he own people, particularly the State Lottery Commission, the State Forestry Board, the Workers Compensation Board, and the Apprenticeship Training Council. Did you feel that that was unfair for him to ask you that?

V.A.: Absolutely. I was going to be governor until the minute his hand went up. No, until he said So Help Me God. And it was my intention to be governor. I was offended he even suggested it. We did a lot of that on our own without being asked. That's not the point. The point was that he wanted to become governor before he was governor, and just like when there was a transition with me and Bob Straub, I respected the fact that he was governor up to the last minute, and I was going to be governor up to the last minute.

C.H.: Had it been Norma Paulus that was assuming ...

V.A.: It wouldn't have made any difference. No difference at all. We get back to my strong views of how things are supposed to run. It's not supposed to run that way. Well, it goes back even right after my re-election when I was telling my agencies, you

know, we're going to drive to the finish, we're not going to coast. Well, Vic's on his way out, so we can coast now. There was no way of coasting. We were going to drive to the very end. And I was offended by that.

C.H.: What were the primary differences between Goldschmidt and Paulus in terms of their views? They were both considered fairly liberal, weren't they?

V.A.: Yeah. I think it would be hard to measure the difference between them in actual philosophical terms. Norma knew more about government than Neil did. She understood how things mostly ran but not entirely because, you know, her position was as Secretary of State, but still she did audits and she had an understanding in that regard. I think it would have been more a matter of who would have administered government a little bit better and I think Norma would have. I think she would have depended on the skill and made her changes more gradual. Neil comes from the Washington D.C. version of how you deal with things, you know. When the new administration comes in, the old administration goes out. Everybody out. That really hadn't happened before in Oregon, at least in my memory it hadn't happened, that governors had made changes but they hadn't done it just like Neil did it. I don't think Norma would have done it that way. She'd have made changes, but not wholesale immediately like Neil did. So I think it's more in terms of how she would have administered government versus how he would have. I don't think they could have disagreed on too many things, philosophically.

C.H.: Didn't he manage to get a lot of the Eastern Oregon support, or did Norma Paulus have ...

V.A.: I don't recall. I don't think he did. See, there's another thing when you mentioned that. He said "out in the middle of nowhere," out in the middle of nowhere was anywhere outside of

Portland or Eugene. In pure political terms I would have just hammered him to pulp with that. She didn't use it at all. But now that's pure politics there. But that also shows what was in his mind. This was sort of off the cuff. It was just not something that just came - That was what was in his mind. Anywhere outside of Eugene and Portland is out in the middle of nowhere. Well, I don't want to make this an anti-Goldschmidt thing, yet I could cut a three or four-hour tape on that, but you can tell that I'm not very enamored with it, and it wasn't just by a person named Neil Goldschmidt, it was the style that I object to.

C.H.: Well, how did you feel on Inauguration Day there in the capital? I mean, I've seen the pictures, I've got it in my file, of Goldschmidt there at the podium taking the oath and you're standing there in the background.

V.A.: I was well mentally prepared for that. You know, I'd seen it happen before. I know how it happens. I know how it works. I know that one minute you're <sup>Gov. School</sup> ~~government~~ and the next minute you're not. So I wasn't like some that just cling to it. You know, that's - My cold fingers, get them off that chair. It wasn't that way at all. I was very emotional about leaving people. I've said many times then and since that I had never for a moment missed the process, but did miss people, very much, still do. Had very, very high regards for the people I worked with. We still have, we just had, a reunion of my staff and included the last couple of times directors of state government. Looked forward to that. We like each other, enjoy each other, are proud of what we did in the period of time we had. But I got emotional, when I was giving my short address, but it was not an emotion of leaving office. It was an emotional moment, of course, but thinking of all that my family had gone through during that period of time, leaving people, that sort of thing. It's interesting what people - You

know, while we were Governor people were certain that we had all the accoutrements of a president, a whole lot of security, we had a mansion and we had help, which as we of course reviewed I had one trooper and one relief - two troopers but one was a relief - Dolores did the cooking. It was all our furniture and our dishes and our silver that was down there. I mean, we had to pack it up and take it down and that's when Dolores actually hurt her knees that she still suffers from. You know, they think of this. Well, of course, they think now that you're over, you know, you've all of these perks. The way I've described it is that I got a ride home. That's what I got. And what we had that day, had the number one car, Lon and Darryl, who wanted to be with us all day. So after Neil was sworn in we - my staff - went over and had lunch together. That was our last farewell. Then Lon and Darryl drove Dolores and me home in the number one car, and turned around and went back to Salem, and that was it. That's it. Over. Finished. Actually, saying good-bye to Lon was tough because I'd spent so much time with him. He was a nice young man. Really tough. Not many words, well, hardly any words passed between us. We just kind of shook hands and said good-bye. I don't think we could have said too many words between us at that point. Good man. I liked him an awful lot. Well, he's doing well in the state police now. But it wasn't as if I was leaving my chair. Okay, Neil's governor. I'm not governor any more. I know that. I knew that. You know, I mentally prepared for that a long time. That's just the way it goes. So I had no trauma in that respect. My farewell was a short one and I wrote it all. I've kept actually it all, my scribbled notes, and then I dolled it up a little bit more so it could be typed so I could read it. In just my own words, it was brief. You know, I respect again the office of governor. This was not my day, it was his day. And that's appropriate. I would be offended if I

beat somebody and then they took an hour to speak, you know. That's just not, it's not their day, it's my day and it was not my day then, it was Neil's day. But they allowed me some time to say good-bye, so ~~they~~ said good-bye.

C.H.: Did you look upon that as your last moment in elective politics? Did you realize that -

V.A.: Oh, I knew that. I knew that ahead of time. You know, 28 years in public life is a long time and I think Dolores was ready for it to end long before 28 years. She was very good at it, but I think I may have told you. Oh, I don't know. A couple of months after we'd been home, she said, "Gee, it's nice to be home." And it wasn't that we weren't housed well. It just wasn't our home. You know, we were going to leave it. This is our home. Gee, it's nice to be home. And I'm sure she thought that way. So, it's tough. It's tough on the family. In many respects, tough on my children. I'm sure they got some abuse because teachers didn't like some of the things I did. I don't recall whether I mentioned it in the tape earlier, but Suzanne was taking some oceanography at Clatsop Community College and somebody called and said their son was applying. And you know, I was asking for favors and I said I'm not looking for extra special treatment, I want equal treatment for my children. She should not get the job because I'm governor, she should get it on her own. I'm sure they got a little abuse and maybe more attention because they were senator's children and finally governor's children. It's tough on them and I appreciate that. But if you've got a few more minutes, I'll tell you that in terms of the process it ...

[End of Tape 55, Side 1]