

Tape 25, Side 2

CH This is an interview with Governor Atiyeh. This is Tape 25, Side 2.

VA Well, the way my votes will come down and my actions will come down will be what someone might consider on the side of what they call business. But I was - you know, I was very strong against - and, as a matter of fact, appalled at the times that business would come to the legislature to get some kind of an advantage, because I believe in free enterprise. Free enterprise, to me, is f-r-e-e, free. And to have business come and ask for some advantage. That came up - I can't remember now whether it was the first or second session, but early in my administration, and it came up - a good example of what I'm trying to tell you came up in a bill that related to beer and wine. Maybe I'll tell the story now because it kind of reflects my own view. For years - oh, going back to the thirties - there was a law that said you could not central-warehouse beer. Now, the significance of that was that a beer manufacturer wouldn't be able to sell to, let me say, Fred Meyer warehouse, and so the result of that was we have all these beer distributors. You see them, and they're all over the state, and they're small-business people, and they build up a business of being - they would sell to the grocery store or the Fred Meyer's or Safeway or anybody else. Well, as years rolled along, and coming into my year, wine became quite important. Nobody really thought about wine before, and wine was being sold and was being centrally warehoused. And, oh gosh, what's the - Giusti, I guess. Yeah, they're big wine people. They had worked up a business, and they were selling wine - again I'm going to say to Fred Meyer's, but others, Safeway - which was being centrally warehoused. They were selling directly to there. All of a sudden these beer

distributors said, Hey, wait a minute. You know, there's a great interest in wine. Now, we ought to have a law that says you can't centrally warehouse wine. That's what I mean, business coming to the legislature to get some kind of advantage, and I resented that, and I knew what I had to do. I don't know Giusti. I know Giusti - I say I know. I don't really know who all gave me money, but certainly I don't know that they did, and probably they didn't, probably the Democrat, probably just Straub. And I knew all these little business folks out there because I travel the state of Oregon. So my friends were on the distributors' side, not on the Giusti side, and, yet, to me this was business trying to cut a fat hog in their own favor, and Giusti, over these years, had built up a business of selling to centrally-warehoused supermarkets. I vetoed the bill. Now, that was the last bill I dealt with that session, just because I knew what I had to do and it's just - I was reluctant - not reluctant. I knew I was going to do it, it's just one of these things you don't like to do, that you put off, but you have to do it, and I knew I was going to do it. The interesting part of it was, I did that, and then I drove down to Eugene to start in the Boy Scout golf tournament. I remember I played nine holes, and their lobbyist caught up with me, very upset, very upset, and he said to me that I didn't understand free enterprise. I didn't argue with him. Obviously, he doesn't understand free enterprise. But that story will give you an idea of how I felt. If business - you know, here are all my friends. If business was telling me what to do, I'm obviously going to go along with them, and, yet, I had my own personal philosophy, what I believed was right and wrong. That was wrong. There was no question in my mind it was wrong. So as I faced other issues, this story probably is not too bad a story to tell. That's how I worked, that's how I operated. And maybe some reason why people - some of my business friends got a little ticked off with me from time to time.

CH Well, that sounds like a good preface for your - for going into your two terms as governor.

VA Well, it does tell the story of how I feel and believe. And, incidentally, I think newspapers, radio and television but particularly newspapers, media generally, unconsciously got to a point there they would bring up something or they would be opposed to something, they'd make a big issue out of something. And most often politicians would respond, you know, they react to it. I didn't pay any attention to it. I'd read it, but the thing is that this - I may come down on their side or I may come down on the other side. The point is that I was going to do what I was going to do. So they never really - I did understand, but they never really did understand that they couldn't really do that with me. They could have - they did do it with McCall because he really paid a lot of attention to it, with Straub and, I presume, others. You know, I have to guess - I know others, certainly legislators. But to me it was just a matter of interest. That was their viewpoint. They had theirs and I had mine.

CH Did you ever have an inclination at any point, especially at the beginning of your terms in office, of sitting down and talking with particular interests that, you know, this is how the office is going to be run, this is the way I operate?

VA No. But, you see, I didn't - this is sort of an afterthought. In other words, I didn't have a plan in mind that this - I'm going to do what I'm going to do, so forget it. It just sort of evolved. That's who I am, that's who I always was, I wasn't any different than that, and that's the way I was going to be. You look at Atiyeh in the past, and you know what Atiyeh as governor is going to be like. And I wasn't out to make

enemies, I wasn't out to make people mad. I had my own view. Remember way back at the beginning when I said to you a set of principles and common sense.

CH Right.

VA That stayed with me. That went with me through eight years as governor, twenty years as a legislator. There was no difference. So I had a sense of what I thought, at least, was the way things ought to operate. And again, I didn't feel - I told you earlier, probably said it before, you put pressure on yourself. People say do you feel pressure. No. I was going about doing what I want to do. I believe in the system. If they don't like what I'm doing, they won't reelect me. The world's not going to come to an end, the sun's going to come up the next day - either that or rain - and that's the way I felt about it. I've seen so many people that just put pressure on themselves. I talked to a legislator just the other day, worried about a piece of legislation. All of the people are saying so and so and so and so. What should I do? Well, what's the right thing to do? What's your problem? Why are you calling me? What's the right thing to do? I didn't quite put it that way, but that's where I was coming down. I said, you know, this is the right thing to do. I don't know what the legislator did, I didn't check to see what the vote was, but, you know, that's - I gradually became cynical. I got in some vetoes, but any number of times I'd veto a bill, and a legislator that voted for the bill said, Boy, I'm glad you vetoed that. I'd get kind of angry. I didn't tell them that, but I'm angry inside. If that's the way you felt about it, why did you vote for it? But I know why they voted for it. To me, I don't understand why people don't do what's the right thing to do, at least as far as they see it. But they get all wrapped up in the fact that the important thing is my reelection. That's

not the important thing, that's not the significant thing. Well, at least that's who I am, but I can't convert other people. I keep using that sermon, but it doesn't penetrate.

CH Well, going into your appointments, as you said, you had Lynn Newbry and Travis Cross as the head of your transition teams. How did they come to you with - what did they do? How did they come to you with suggestions, or did you put forth to them the way you wanted to organize things? How did that work?

VA With the budget part, I kind of left Lynn alone. Lynn and I were pretty much on the same wavelength. There was a process of appeal, and so I finally got involved with the appeals. There were certain things that I talked about, we chatted about where I wanted to go, you know, but by and large Lynn and I were pretty much on the same wavelength, and so I really let him go to work on that. Travis I kind of - again, I picked these people because I had great confidence in them. Travis assisted - he knew protocol, he knew what was required to happen. Some things could wait and some things we would deal with sooner. You know, one of the first things we had to do was come up with a chief of staff, and we had to go through the process of deciding who that person might be and begin to make calls and work with it in that fashion. First of all, setting up what my office was going to be like, and it took the shape of chief of staff, then two assistants, one for natural resource, one for most of other government, and that's where I picked Bob Oliver, who remained with me all the time, and he was basically all other agencies, and selected Pat Amadeo ~~NSM~~, who was natural resources, and she stayed with me throughout almost entirely my office. We picked Lee Johnson, and Lee had been a legislator, he had been attorney general, he'd been an appeals court judge, and I selected Lee as the chief of staff. So those kinds of things, you know. How do

we organize the office, even to mundane things. The secretarial office and who opens mail and how do you separate mail, you know, where answers are to come from, and there's a lot of things, you know, that's just the actual mechanics of running a governor's office.

CH How did you select Lee Johnson? He was your administrative assistant, so basically he was the - what was his relationship to Bob Oliver and Pat Amadeo?

VA If we had a chart, Lee would be over Bob and Pat.

CH So really he was the most significant...?

VA Chief of staff is really a very important person.

CH And how did you come to select him?

VA Well, we went through just a whole lot of names of people.

CH Who else were you considering?

VA Lynn Newbry. Actually, Lynn would have been my first choice.

CH Why did Lynn not assume that position?

VA Well, he was working with the company, he had a retirement deal. He was willing to give his time, take a leave of absence, but it just - you know, at this stage, and he had a career path that he didn't really want to divert.

CH Well, were you considering anybody else for your assistant?

VA Yes. I asked ^{Gerly} ~~Jerry~~ Thompson ~~[S?]~~, actually, to come aboard, which she turned me down at that point in time. [She] had some program at Blue Cross/Blue Shield that she was involved with. I can't recall now, I'd have to kind of go back through it in my mind, but out of all of this Lee Johnson bubbled up to the top and became my chief of staff.

CH Who else did you appoint, then, while you went through all your appointments? You had Jacqueline Winters ~~[S?]~~ as your ombudsman?

VA Yeah. Jackie Winters. Actually, Jackie eventually becomes involved in what I mentioned to you earlier, Oregon Food Share.

CH You had Betty Maudlin ~~[S?]~~ as your assistant?

VA Betty Maudlin was the one that actually ran the office. She was the one that ran all of that - I don't want to say secretarial pool, but the office in there. I had a scheduler - well, actually, my - there's one step I should get back to. That would be my personal secretary. That was a very important person. That was Glenna Hayden, and Glenna had been with me in the legislature, and she actually started out by being the scheduler, and finally we moved that to Susan ^{BIBERHEIMER} ~~Beedleheimer~~ ~~[S?]~~ in the office. Anyway, Betty ran the office. We had one carryover from Bob - I can't think of her name now - and she was extremely helpful in terms of this is how you do things. She stayed with us for some time, and, then, I think finally left. And then you've got, you know, who answers the telephone. Those all came later. You know, you had to begin to set it up, because Bob Straub is still governor. You don't move in. What I'm talking about now is a little further down the trail, but you had to be prepared. When they move out, we have to move in.

CH Were you trying to line everything up so that as soon as he was out, you could move in and be running up to speed?

VA The best we could, with a minimum of bumps. I had good help as to what do you do, how do you do it.

CH You don't have any grace period, do you? You come in and the legislature is already in session.

VA You see, you're elected in early November. You get sworn in as a governor no more than two months later. It's whenever the second Monday happens to hit in January. So you've got December, January. You've got two months to get ready.

CH But the previous governor is already - is still in his office until...

VA Oh yeah.

CH So by the time you have an opportunity to move into the office, the legislature is already in session, isn't it?

VA Oh yeah. Well, no, we moved - well, yes, the answer is yes, except that we moved in, I think, Saturday or Sunday, and the legislature started on Monday. In my transition with Goldschmidt, actually everybody was - I stayed in the office, but actually I handed Neil the keys. But basically, they move in and you move out, and we were out. I mean, we packed up and moved out, and everything was gone, all the offices were available to the new governor, Goldschmidt in this case, before the session started, a couple of days or whatever, Saturday or Sunday. One of the first things that we did was, Straub had no smoking signs everywhere [laughter], and we took those out.

treasurer. And I had been in business. He had, but not like I had. I grew up in a family business. And so twenty years in the legislature and having been in business and - you know, I knew who was there. As treasurer you don't deal like I did. I dealt with all agencies of government, I had to deal with budgets. You know, I'm dealing with the machinery of government as a legislator, so I got a pretty good handle on all of that. Bob didn't. He had to kind of find out where the handles were. He was skilled as a treasurer; he was not skilled as an administrator, you know, having the whole show to run by himself. Me, I was eager to run the whole show by myself. I couldn't hardly wait to get my teeth into it. So I think it was a burden that he - he was happy in the treasurer's office, he did a fine job; he took the next step up, and he was kind of lost. I think that was the reason why he was beatable. And so he didn't - you know, I don't know, we never talked about it. He certainly wasn't overjoyed at getting beat. That's part of ego. You don't like to get beat. And I suppose that's probably the extent of it. Tom McCall didn't quite get over it. Now, he didn't get beat, but he always figured that seat was his seat. Somebody else was "sitting in my chair." He never got over the fact that he wasn't governor. I think Bob Straub got over it rather quickly.

CH Did you ever have any conversations, about how to run a governor's office, from Tom McCall?

VA No, no [laughter].

CH Did he try to offer you any advice?

VA No. No, his system was not one that I wanted to use. Incidentally - and again, I think we may have covered it - one of the things that made Bob uncomfortable was that he was - they

constantly would talk about, well, Tom McCall wouldn't do it that way - I think we did cover that - because I got through that hurdle real quick to make sure the media understood that I wasn't pretending to be a Tom McCall. But I think Bob kind of felt that he should do some of that same thing, and I think that was part of the discomfort.

CH How did you make your other appointments, then, for Human Resources, Economic Development, Commerce, and the other departments?

VA I had in mind what I thought was the problem. I'll give you a good example, because it's a pretty clear example. I had decided that I wanted a director of Human Resource that did understand the different parts of Human Resource. We could talk about corrections, we could talk about children's services, we could talk about welfare, we could talk about employment, in other words, those were all pieces of Human Resource, and that that person would know - you know, been able to talk with me about it, but at the same time was a good administrator. And that's kind of a tough person, one that knows little screws and bolts but also knows the whole machine, and that's kind of hard to find that, but that's what I wanted in Human Resource. So that's what I did, that was the model. That's who I want to get, that kind of a person. Again, being around as much as I had, I had in mind who I thought fit that mold, which happened to be Leo Hegstrom ~~My~~. And so that's how I went about it.

Economic Development, I wanted to move that up to a higher-profile plateau. One of my personal goals was to diversify the economy of the state of Oregon, and I needed a good powerhouse to get going on it. I needed a good administrator, and what I wanted to do was to move the commission in a stronger position - These are the citizen volunteer commission members - but I wanted

a good administrator to run the department. In that case, I asked Glenn Jackson, who had owned the Department of Transportation for umpteens years. I wanted him to move over and become chairman of the commission. He was then going to be my point person, my outside guy, and my inside guy to run it was going to be John ^{GROUP}~~Groot~~, [sp?], who had been with the department and I thought was a good administrator.

General Services needed a very good administrator. They had a real problem over there. I knew about the different parts of their business. I picked ^{DARRILL}~~Darryl~~ Rawls [sp?]. He was outstanding, absolutely outstanding. He came from the budget division of the Executive Department.

Obviously, we had to pick a head of the Executive Department. Bob Smith, he's a guy that really knew up, down, sideways, and every other way, had gone through the process, was a very good man, very knowledgeable. That was a very important selection, and Bob Smith was selected.

Department of Commerce, that was one that relates a lot with business, had to understand about it, but needed to understand enough so we could get that agency to function for business rather than against business. Licenses and permits and all that was going through the Department of Commerce. We had all these different little, special groups that were part of the Department of Commerce, and I got Jane Huston [sp?] to take on that job.

You see where I'm coming from, that I had a - I knew about the agency, I knew what I thought had to happen over in that agency, I said, okay, that's the kind of person I want. Then I went looking for the name to go with it.

CH Did you have very many people in mind for these positions even before the election? You didn't think about it?

VA No. You know, I'd like to conserve, and my job then was

getting elected, and not - and it was kind of premature to start picking department heads and chief of staff while you're still running for office. That's a little audacious. No, I didn't.

CH But some people do - or you hear about some people doing that, or telling somebody, you know, if I'm elected, you're going to get such and such a position.

VA No. No, there was no quid pro quo anywhere. The funny part of everything, the questioning you're giving me, is that I went to the Oregonian editorial board, so they're asking me who I'm going to appoint to different positions. I said, Well, I don't really have - I haven't selected anyone. Obviously, some I had, but it was premature to tell the media about it. That's after I was elected but before I was sworn in. But I began to tell them the kind of person I'm looking for. Credibility, honest, on and on I went. One of the people sitting in there on that editorial board said, "That guy died two thousand years ago" [laughter]. But that's the way I went about it, because, again, this was the easy part. Once you've been so much involved with government over such a long period of time, you know people, and you begin to learn about agencies. And where you think - you know, your constituents would call you with a problem, and you begin to understand what's going on in that agency. So that's why, when I moved in, it was not a heavy burden. I'm point on this, I'm taking point, because, you know, maybe Lynn Newbry knows, but he's busy with the budget. Travis doesn't, he's been out for a long period of time. Lee Johnson doesn't because he's been out for a long time. But I do, I know. So I knew the directions I'm going, where I want to go and what I want to get done.

CH So you knew the directions where you wanted to go, and you were giving these outlines, then, to your transition team, saying

this is what I want to do, find something that will fit this outline.

VA Well, sort of, yes, but not entirely, because I had people in mind. I knew about people that I had confidence in that I thought could do the job. That's exactly what I told them when I asked them to do it. I said, I'm asking you because I think you can do this, but I also expect you to. That signal was the signal to them that I wanted to use their talent. I'm not going to hold tight rein on them. Go do it and do the job we want done. You know what I want to get done; go do it. That's a good response. If somebody says to you, I want to use your talent, you feel pretty good about it. If somebody says to you, Now, I want you to go do this, but you report to me every day, you'd say, Well, now, wait a minute. I've still got a string on me.

[End of Tape 25, Side 2]