

VICTOR ATIYEH

June 21, 1993

Tape 37, Side 2

C.H.: This is an interview with Governor Victor Atiyeh in his office in Portland, Oregon. The interviewer for the Oregon Historical Society is Clark Hansen. The date is June 21st, 1993, and this is Tape 37, Side 2.

When we were last talking I had referred to a trip that you took with President Reagan on Air Force One, and you have something more to say about that?

V.A.: Yes. I had been - I don't know, I think probably Washington D.C. or something. Anyway, I flew into San Francisco to catch the plane that the President was going to be on, and he was going to fly then to Klamath Falls and do a thing there in Klamath Falls.

The first interesting part, the reason I want to talk about it is because there are some interesting things that occurred. Just like now recently, you know, they held up the airplanes while Clinton was getting a haircut. I'm still amazed; in San Francisco airport, Air Force One taxied out and instead of going on the taxiway to get to the runway, it taxis right up the middle of the runway because there's no other planes around, turns around and flies off, which I found very interesting.

We landed in Klamath Falls, and the whole thing had been set up, and he was to go to a sawmill. He was going to meet with people in the wood products and timber industry, sort of a panel discussion, a mini-summit, if you will, like Clinton had a big one here, and then come back and fly on out.

My first reaction was they took him on all the back roads to this sawmill. I said, "Well, this is crazy. You know, he's

running for the presidency. You know, they ought to run him through the middle of town because if anybody, you know, really likes Reagan, it was going to be in Klamath Falls." But anyway, that's what they did. They didn't ask me about what their route ought to be.

And he came back, and of course this is the memorable story to me, because Air Force One is a very fancy airplane, very. When you walk in, as you walk toward the back of the plane immediately on your right is all kinds of telecommunications stuff, just a whole bag of stuff. As you walk in a little further to your left is the President's cabin. It's really nice. There's actually kind of two sections in there, one in which you can sit and work, and they were all very big, comfortable swivel-kind of chairs, and then there's a little bed back in there a little further.

Go back a little further, there's a larger sitting room, and that's where the bigger shots sit. I don't know if Jim Baker was there, but those kinds of folks, that's where they sit. And then a little further back is four seats - no, eight seats, a row of two seats each, and then as you go further back there's a place for secretarial, typing and all that sort of thing. And then as you finally move back to where the galley is, the people all along there is the media, subparts of the media.

But you know, it's very nice. They serve you coffee or drinks in the Air Force One cups, and you know, we pirated everything we got our hands on - not the cups, but stationery and some matches and things like that.

So we get off, and at this point I get off because the President's going somewhere else; I don't remember where. So I walk across the - after he takes off, I watch Air Force One fly off, I walk over to the National Guard plane, which is a C-131, gasoline-powered, you know, big plane. I get on, you know, and it

roars when you take off, and you have a cup of coffee in a styrofoam cup, and it sits on the table and it vibrates. You know, you think it's -.

I was kidding them about, "Now I'm on Air Guard One," you know, instead of Air Force One. And the pilot said to me they weren't going to be outdone by Air Force One. They sent me back a match cover, and it said "Air Guard One," but it's a Holiday Inn pack of matches. I still have it. I still am going to frame those, with an Air Force One and an Air Guard One, Holiday Inn, match cover.

But that's a story that I wanted to tell. It was really interesting. They do that thing - it's really meticulous. Everything is - it's all typed up, it's all written up. Everything is on there: who's getting on the plane, what happens when they get off, where they go. I saved all of that and gave it to the Historical Society. It was a very meticulous thing. They have one for the trip, and then at each stop they've got a book all by itself, and it is very minute, very detailed.

C.H.: Is that for just the people that are involved with whatever is happening?

V.A.: Yeah. I got it and I just saved it, and I gave it to the Historical Society. It's an interesting thing.

But anyway, that's my story. We've had a lot of fun with that ever since.

C.H.: So on your trip, who else was on the plane aside from Reagan?

V.A.: I can't remember on that particular trip. I've been on Air Force One - I don't recall now - three or four times, and who was all there I'm not quite sure.

I do recall one time - and I don't think that was the time we're talking about now - but sitting next to me was someone I

really didn't know. The phone rings and - there's a phone right there. So I pick up the phone, and it's for this person. Well, this was Admiral Poindexter, who became, of course, very famous later on. But he was sitting next to me.

But I do recall at one time Jim Baker was aboard. Oh, one of his - one of the strategists, campaign people. But they were in this sitting room area, larger table there. So he travels, of course, with some advisors and things like that.

Another time I was on board with Denny Smith and Mark Hatfield, then Congressman Smith and of course Senator Hatfield. So I get on board, and I take off my coat, suit coat. You know, I like to be relaxed. Well, they left theirs on, you know. Well, pretty soon the President comes back; this is Reagan. He's in sweatpants. He's still got a shirt and tie on, but he's -. So next thing I know, Hatfield and Denny Smith, they don't have their suit coats on any longer. They take them off. I already had mine off.

C.H.: The next point in our discussion which I have on my outline is the election outcome from the 1982 election, which was quite a substantial victory for you. It set some kind of record, didn't it?

V.A.: Yes. Actually, they say it was the second largest, I think in 35 years, or something of that kind. But the other one, which was maybe as large or a little larger, Flagel was running against - I don't recall. And they called it the "secret campaign" of Austin Flagel. I mean, he didn't campaign at all. So I was supposedly in a hotly-contested race, this had to be a new record. But there was another one that was the same or close to it. Yeah, it was a record.

C.H.: It was 62 percent in your favor, a 250,000-vote margin.

V.A.: Yeah. I was declared the winner by one of the stations, whether it was CBS or NBC, I don't recall, before our polls closed.

C.H.: Where were your headquarters then?

V.A.: You mean the victory party or the headquarters?

C.H.: Oh, the victory party.

V.A.: At the Benson Hotel.

C.H.: That's generally where Republicans have their headquarters, isn't it, the Benson?

V.A.: Well, yeah, they do.

C.H.: The Democrats are usually down at the Hilton, aren't they?

V.A.: I don't know if it's ever really split up that way. They get more rooms at the Hilton. By that I mean you could have several there. At the Benson you don't have that much flexibility. You can have - well, the Crystal Room or the Mayfair Room, and that's - depends on, you know, the size of the campaign. You might squeeze one more out, but that's about it. They have smaller ones you can have upstairs, but the Hilton actually has more places you can have plenty of room.

C.H.: And did you know by election day that you were going to win?

V.A.: Yeah. I had no doubt about it at all. I think we did cover that at one point, but I never did look at my poll, and then on election day I told Denny Miles, who was my Director of Communications but left there and became the campaign chairman for the general election, and I said to him, "Denny, I think this thing, everything is going to come my way." And then he showed me the poll, and I do remember I said it on the tape, my gut reaction was two weeks ahead of my poll. I was very nervous until the latter part of August, and then that went away, and I never had

that feeling again. And when I looked at the poll, that's when he was either slightly ahead or he was tied with me.

C.H.: It showed in the paper that polls showed you nearly even in early October, and by mid-October you were well ahead.

V.A.: Well, I'm not sure what poll. Our polls showed us separating long before that. Maybe it was close, but -. What we did was you took a very comprehensive initial poll, and then we tracked it. Now, tracking obviously is smaller polls as you move along. And we tracked it from there on out. So that's the system we used. We didn't wait and have another large poll, wait and have another large poll. We had one very large poll, very comprehensive, and then tracked it from there.

C.H.: Was there anything that you can attribute the quick widening of the margin to?

V.A.: Not necessarily in particular. I do know this, and it surprised me: I had been - like when I ran against Bob Straub, I was a state senator, he was governor. And so I knew that, you know, he's the governor, he's got things to do. I'm perfectly free to do whatever I want whenever I want to do it.

Well, now in 1982 I'm the governor and Ted Kulongoski is the state senator. And obviously his time is as free as it can be, and we've already gone through the fact that we had three special sessions. So besides being governor and running the state of Oregon, we had to also be involved in rebalancing the budget three times during the course of this, and I physically out-campaigned him. I actually physically out-campaigned him. I was more places more often than he was. Now, this is not something I was going to call to his attention; I just happened to notice it.

But the point was I said earlier one of the perceptive things was "Atiyeh looks like he's the challenger and not the incumbent." That exactly was my mental attitude: I was not going to let up at

all. I wasn't going to lay on my oars. I was just going to go out. I'm a candidate, he's a candidate, and I'm going to do everything I can to win.

C.H.: The legislature didn't really ride on your coattails, did it, on that on?

V.A.: I don't believe in coattails. That's not quite right. I don't believe in positive coattails. Now, explain that; just a second.

There's no question there was a coattail effect of Nixon resigning, because I ran in '74, and a lot of Republicans lost. You know, I might have lost anyway. I don't know that, never will. But I know some good incumbents lost, Republicans. So that's the negative coattail.

But in terms of positive coattail, I just don't think it exists, I really don't. I don't think there's that kind of carry-over. It becomes in this case Atiyeh and Kulongoski. It doesn't become whether Reagan is there, or if Atiyeh is winning, that Bob Smith's going to win, or whoever. You know, there may be some positive good feelings about, "I'm a Republican, maybe that guy isn't to bad," but it's so marginal I don't think you could ever discern that he won on account of the fact that I won big, he or she.

So I don't believe in it, except for negative. The negative I've seen work, but I haven't really genuinely seen a positive.

C.H.: Well, they were hoping for a conservative coalition in the House and the Senate, particularly in the House, I believe, and they weren't able to get that.

V.A.: The House never did put a coalition together. In all the years in which the Democrats controlled, where it was almost a standard practice over in the Senate to have a coalition, the House never had one.

C.H.: *Willamette Week* had an interesting assessment. They said, "Atiyeh's organization correctly perceived that just as surely as voters were angry in 1980, they were fearful in 1982, fearful of layoffs, mortgage foreclosures, and even a 1930's-style depression. They were more frightened that this recession would get worse than they were angry at it happening in the first place. Atiyeh converted those amorphous fears into a specific fear of Kulongoski." I think we've touched upon this a little bit already, but do you feel that that was fairly accurate and that there was quite a bit of uncertainty about Kulongoski?

V.A.: Well, you know, it's really strange. As I told you earlier, the particular ad to which reference is continually made really only aired for one week, and I'm not sure how many times; it wasn't what I'd call saturation. And so, you know, a loser has to pick out a reason why they lost, and so, you know, dirty campaign, he outspent me, you read all of those kinds of things from the loser. You know, for their own ego they've got to find some reason other than it was them.

Here I'm telling you that I out-campaigned him physically. I was more places more often than he was. I was much better organized. You know, this now was my third statewide race: in '74 for governor, and then in '78 and '82. I had my team all there. They were there, we were cranked up and going rather quick while he had to build one. Mine was really almost there. All the nuances that we had discussed earlier in terms of what makes a good campaign that is not visible, we exceeded him immensely, in terms of just the pure functioning of a campaign office.

So okay, was it because the people were afraid of him? Okay, I'm the winner; I choose to believe that they just didn't want to have a labor lawyer as the governor of the state at a time where they needed something and somebody that gave them hope for a future

through economic development and jobs. And I believe they just didn't see where Kulongoski could get them jobs, where they thought I could.

C.H.: You mentioned the campaign spending element, and it was noted in the papers that in the 1974 general election when you ran against Bob Straub that Straub spent 162,000 and you spent 181,000. And in this election Kulongoski spent more than 500,000 and you spent more than a million, and they attribute that rise in political action committees, Kulongoski receiving more than 50,000 from the OEA, and labor unions kicked in more than 100,000. And they said that what was happening in Oregon was nothing compared to what was happening nationally in that regard.

Were you surprised at all by how much more it was costing eight years later?

V.A.: I think I covered this once before, but the media asked the question about the fact that we hit a million dollars and campaigns were too expensive, and I said, "Yeah, you know, but you charge more for air time. Now, if you charged the same as you did in 1974, it would probably cost me less to campaign." But everything, postage and radio and newspapers and gasoline and everything was more.

The other thing to look at, my average - we tried to keep track of what was the average contribution. I'm doing this just by memory now, but my average contribution was less than \$50. Seems to me it was 45 or 40 or something like that. That was my average contribution. Now, I got some large contributions, but I got a dollar, two dollars, five dollars. That's one side of it. We worked really hard in terms of getting people to give, and a dollar was sufficient because that means that you had their vote, also. And a dollar to some people is the same as 5,000 to others, you

know. That dollar is pretty precious, and so we valued it. But my average contribution was way down.

His average would have to be high because he got several very large chunks. I didn't. I think I recall one contribution of 25,000, which was big, but he got large chunks. We just really worked it real hard and got a lot of people to give and make a contribution. That's one element.

The second, there's always a syndrome of - you know, I may give money to a candidate that I like, a person that I know, I want to make them feel good, but if it was someone that I didn't know, I probably wouldn't give them any money because I don't think they're going to win. This is what I call buying a dead horse. And so there's a lot of people perceived that Kulongoski wasn't going to win, so it's very hard for him to get money. You know, people don't want to buy a dead horse. And that had something to do with the disparity between us in terms of gathering money.

But it's always easy, again - you know, Americans like to come up with simple answers to complex questions. I'm just saying here we are, they say it's the PAC's, and then of course they can pick out and prove their point, and yet I'm saying to you, no, it isn't. It isn't the PAC's. It may be in some places it's PAC's, but certainly not in this race. It could be beyond PAC's.

C.H.: Do you feel that by the growth in the money from the PAC's that it puts less emphasis on volunteer time than it does on advertising, which really does not cover the issues in depth?

V.A.: Actually, you raise money - well, you spent a lot of money in advertising. I did, he did, they all do. But the cost of the campaign does involve stationery, it does involve postage, it does involve of course whatever travel is involved, it involved my meals, it involves a whole lot of things, a lot of other expenses.

The raising of money - you know, I still have a problem with PAC money. By that I mean I'm not alarmed by PAC money, and I think the voters shouldn't be alarmed by PAC money. My contention was, "Look, if you don't trust me, don't vote for me. You know, if you think PAC money, ergo I'm going to be influenced, somebody bought my vote, don't vote for me." And that's my attitude.

It gets back to what I said before that you elect people in this free society of ours, but having done so we still want protection from them, the people we voted for. That doesn't make any sense to me. I've said it publicly, you know: "If you don't trust me, don't vote for me." I've told them that. So that's my own personal view.

C.H.: Do you feel that there shouldn't be any kind of public financing, then, of ...

V.A.: Oh, I don't believe in public financing at all. The dollar check-off for the party was being sunseted. They wanted to revive it while I was governor. I said, "Don't do it; I'm going to veto it." I don't believe in it. I don't think there should be public funds for political campaigns.

q What about restricting tax credits for political contributions to those races in which politicians agree to abide by a limit on campaign spending?

V.A.: That's just cosmetic. I don't want to use bad words on my tape. B.S. It all sounds so good, and you know, I have to run with what I feel. I understand the politics of it. We had a limit in '74. "I'm not going to spend that much," Straub says.

The media comes to me, "What are you going to do?"

"I'm going to spend the limit. It's right here in the statute. It says I can do this. There's nothing illegal about it. I'm not going to apologize for it. If I can raise the money, I'm going to spend it."

And it was unconstitutional and was eventually declared unconstitutional. But I don't apologize for being able to raise money, and if I can do it, I'm going to do it.

C.H.: So there was a limit in the 1974 race?

V.A.: In 1974 there was, yeah.

C.H.: And when was that ruled unconstitutional?

V.A.: It was after the election, but I knew that it was. But you know, you can't go ahead and exceed it. But I knew it was unconstitutional. I don't remember when, but it was after the election in 1974.

But the whole idea of saying to the public, "That's all I'm going to spend," that's not bad for an incumbent to say that because, you know, that's going to put the challenger at a disadvantage, as we've talked about that before. So the incumbent says, "Well, I'm only going to spend 100,000." So everybody runs over to the challenger, "Well, he just said he's going to ..." You know. Are you going to say 95,000? Again, it's just a matter of how much you trust the person that's running for election.

C.H.: After the election you had some changes in your staff. One of the main changes was that Lee Johnson left. Wasn't that right after the election?

V.A.: No, I think Lee left before that. I think Lee left before the election.

C.H.: And his reason for leaving was what?

V.A.: He was just going to retire from that job. I don't recall exactly what the public reason was. I was happy that he did that. When I say that, he was a very strong-willed fellow, and I think I did mention at one point where I was going to get a little sign to put on his desk to say "You are not the governor."

But he was bright, a very bright guy. Very dedicated, but still he had his own -. He did say he would like to have a circuit

court judgeship, and I said, "Fine. We'll just keep that in mind when the time comes." And of course he is a judge, and he likes it.

C.H.: But he's on the Multnomah County Circuit Court, isn't he?

V.A.: That's right. But that's where <sup>Calley</sup> Jerri Thompson - but it was before the election <sup>Calley</sup> Jerri Thompson came in.

C.H.: So then <sup>Calley</sup> Jerri Thompson replaced Lee Johnson?

V.A.: Correct.

C.H.: And were there any other changes that happened about that time, people that came on or left?

V.A.: Nothing significant in my staff. Bob Oliver remained. These are the major positions on my own staff. As to changes in terms of department heads, that's kind of ongoing. It wasn't a matter of when my election.

Interestingly, what did happen upon my election, I realized and obviously you, you know, almost become what they call a lame duck because you can't run again, and there's also the tendency to kind of let up because now the governor can go for four years, but there's going to be a new governor four years from now.

So I had a very strong feeling about talking to all of my state agencies to make sure that there was no letup in the kinds of things that we wanted to do that still ought to be done. And the interesting part of it was that I was going to meet with all my department heads at the Holiday Inn down at Wilsonville, and I'd been somewhere else, but I had prepared a speech, a written speech, and I worked it over pretty carefully because I really wanted to deliver a good message to them. And I had something else to do that day; I don't recall what it was.

So I go there and mill around, you know, and Lon is my aide, and Lieutenant Holbrook of the State Police. And I get up there,

and usually the first part of your speech is more or less introductory, and so I didn't pay much attention to that as I was working on my speech. So I go through the first page, you know, and then I turned the page, and all of a sudden I realize that I don't have the speech that I should have.

[End of Tape 37, Side 2]