

James Moore 00:00

I talked to Lynn Bergstein, talked to Paul Phillips, and it turns out I really need to talk to Betsy Johnson. I didn't think I would, but her dad may be the key to why Vic got so close to the tribes. And so that's that's the best hypothesis. So I'll need to talk to her too. So, tracking them all down.

Peter Wong 00:31

Have any luck with Kulongowski or Chuck Mapes?

James Moore 00:34

Chuck Mapes, I got. and then Vic kept for all of his sessions in the legislature, kept scrapbooks, and so Chuck has been there a long time. There's columns by him in '71 and '69 and just all these kinds of things, and he looks very bit different in the pictures for the columns.

Peter Wong 01:00

Well, yes!

James Moore 01:03

Yeah, the ones, the ones that I'm going to try to track down, but I don't have that much hope for is I really do talk to Kitzhaber. It'd be great to talk to Goldschmidt, but who knows. I did hear from Kerry Tymchuk yesterday that Gerry Frank was bragging that he was at a lunch that had Tom Imeson, John Kitzhaber, Neil Goldschmidt and a couple of other people. So, but that's also Gerry Frank bragging. So, who knows?

Peter Wong 01:34

Yes, he's starting to fade.

James Moore 01:38

Yeah, I'll need to talk to him too. There's a couple of things with when Vic proposes a sales tax that I've got hints that Jerry and did some things that there's a lot of people that were very unhappy about. So I've got to figure those things out. But he's also the closest I'll be able to get to Hatfield. So yeah, but that's, that's the way it is. He's 92 and that's just the way it is. The oldest person I interviewed for this actually, was remember in Medford, Lou Hannum, who was the mayor. [Peter says: Oh yes, yeah.] He turned 100, and at his 100th birthday, he told the story about Vic. And so my dad called me up. And so I interviewed Lou and his daughter found the relevant documents in his papers. So there you go, doing all these 91, 92 year olds. And I got 100 year old in there as well.

Peter Wong 02:34

I didn't realize Lou was that he didn't run for the House when I was down there.

James Moore 02:39

Yeah. Yeah. So all this is going to be, it's archival quality recording. It's all going to go into Pacific's Archives eventually. Okay, I take it and I snip it up by topics, and then I don't do a transcript, because we don't speak grammatically. So I do summaries of what's there so. So when did you start reporting where you were running into Vic?

Peter Wong 03:08

Even though I came to the state in the fall of 1979 the first time I encountered him was the special session of politics 1980. Almost exactly 35 years ago, right?

James Moore 03:24

Right? Yeah. And anything stand out? You know, this is the special sessions are beginning to come, because '79, that session has been described as, you know, the tax system is working. We're scared...

Peter Wong 03:40

There was a huge surplus as I recall. [James interjects: A giant surplus.] Ironically, I recall Vic -- Vic said we shouldn't create this whole new property tax rebate program. We should just spend what we need to and rebate the rest of it. No.

He didn't veto it. As I recall, he let it become law without signature. But yeah, yeah, he lived long enough, obviously, to say I told you so within the confines of his own tenure as governor. But 1980: Yes, the economy was starting to falter. I remember the mills in Douglas County, where I worked, actually laid off people that spring. And obviously state revenues, income tax, fell by what was 100 million, or something like that. So Vic called in the legislature to both do a mixture of cuts, and he did one that it seems hard to believe now: but Oregon, Oregon did not have withholding, and he instituted that for in a six month period, yeah, which was an easy way to pick up some money. So he did do that, yeah, and that's where I first encountered him. I do know it's like all the serious stuff that I'm not sure how he went, because I think the '79 legislature passed a bill that banned smoking in public buildings. But he would, he would sometimes grab a smoke outside his office. But if there was a photographer anywhere near it, he'd snuff it out really quick. Always,. Well, now it's really not the hallways, that area just right outside the House chamber. That's -- I heard a couple instances like that. Cause he, he didn't actually, if I recall correctly, didn't make his public appearances until the legislature was there a full week, and he made his appearances, they largely follow what he wanted to do.

James Moore 06:00

Yeah. Yeah. There's a pattern with these sessions, except for one that I'm gonna say, what you got on, where there was just a lot of planning that went ahead and things might go off the rails or not, yeah? But, you know, you had a one-day session or a seven-day session, but, you know, it was pretty discreet.

Peter Wong 06:19

Right. There's a point where in the Senate, that some of the Democratic liberals thought there was too much being cut, and they papered that over. So that the session -- and I know which session you're talking about, get to that later -- But it was pretty much a session that ended on his terms. And that was about the extent of my contact till we get rolling into the 1981 session, when he proposes a \$250 million tax increase package to balance, to balance that budget, to balance that budget.

James Moore 07:01

So were you, were you working legislature? At that point?

Peter Wong 07:04

I was in Roseburg. In that era, they'd let me come up occasionally, and then toward the end of the session, they'd let me stay. I do recall I did go up there to because one of the House revenue committee hearings on the tax package was going to be a Roseberg and I took advantage of Denny Miles' invitation about, well, the guy who really doesn't discriminate among media, so I did take the opportunity to do an Advance Interview with him published a day of the Hearing. And yeah, it was very different from California, where Jerry Brown then, then as now as governor, unless you worked for the Los Angeles Times, would it be or one of the biggies in California, I worked for a paper down there, even though today it would be in a large area and has a large circulation, it kind of statewide, it's kind of ignored you. So it was a very different. Plus Jerry Brown, the personality being Jerry Brown, yeah,. But no, Vic was willing to take on take on questions. Now, I hear he was compared unfavorably to McCall because he was not quite as florid in his answers, but what you see is what you get. So, so yeah. I -- my first real exposure was this two year cycle, which coincided with the the recession. After the legislature, if I recall, it was then the longest session that just dipped into August. Little we knew that they'd get longer. But, I think the legislature gave about two-thirds of the new taxes he wanted. And then, the bottom fell out of the economy.

James Moore 09:02

Right, right. So we move towards this long special session, right? So here's the issue that I'm trying to figure out. Vic had had special sessions before. There was a lot of planning. He lined all his ducks up, talking to Hardy Myers, the Speaker of the House, talking to Paul Hanneman, the Republican leader in the House, talking to Barbara Roberts, who was sitting on the relevant committees. None of them recall any talk or plan with the governor's office before that session started, nothing. And it ends up being the long session.

Peter Wong 09:43

Well, he wanted, if I recall correctly, he wanted to cut a much larger amount out the budget, 120 million. The Senate, particularly in the Senate, the Democrats, did not want -- they wanted to cut about half as much, and make up the difference through other means. And there was that kind of tug of war for a while. And they were, they finally were

about to close the deal when somehow, in [Rich's?] mind, he doesn't take credit for it, but he was one of the ones that he was then the legislature's revenue officer, and they discovered the economic projections were off. They were going to be off another 100 million dollars. So they took a time out for a week, not counting it against the session clock while they figured out whether, I believe the compromise was going to be 3%. It turned out to be 8% for one year, for one year. But yeah, this tussle about cuts. And then the Senate did have to go up in terms of its cuts, although I think eventually Atiyeh got all those cuts, although you didn't get [some?] until the following session. But yeah, the Senate went up and they say, Okay, we'll [?] \$90 million. I'm recalling the figures from memory but I remember this. And It was an election year, of course.

James Moore 11:18

It was an election year in that session, given your years of watching special sessions, especially the person who broke Vic's record as Kulongowski, or it's Kitzhaber, the 2002, They just kept going and going and going and going.

Peter Wong 11:34

But that one seemed to be like the endless session. Didn't have a plan to break the stalemate. People were pointing fingers at each other, saying, you know, oh sure. Well, you know, they they want, they want some Republican buy in to raise taxes. Which the, you know, there was, there were maybe one or two measures that were acceptable to a couple of them. I mean, I don't recall any one guy more than Republican votes. They did do one of these speed ups, the last possible which result in today's with voting schedule, yeah, I believe quarterly, which they ended up as one of those measures. But most of the votes, if I recall, for the tax increases, were cast by Democrats and maybe a few key Republicans, like Ben [?]. Burrows from Eugene. But yeah, it just seemed to drag out like [?] in the House start putting up various tax increases, and they'd actually fail on the floor and pull it back and see, see what they could. Eventually, there was a group named after the now renamed Mallory Hotel, where a group of these people, man, I know Kitzhaber describing this. It was a group of Republicans and Democrats to see what they could actually tax and stand up with. Wasn't much of a coherent policy, but it was a way they muddled out that.

James Moore 13:11

Yeah, yeah. Do you think, given the intense -- there were institutional things with the House and the Senate. There were party things going on. There was, you know, all this stuff, and then in the middle, it's going to be \$100 million more. Do you think that advanced planning would have shortened this session by an approachable amount? Or do you think it was just a train wreck waiting to happen?

Peter Wong 13:36

I think it was a train wreck waiting to happen, looking back on it. They might have shrugged it a little bit. There wouldn't have been quite as much stalemate, but I think definitely, the fact that they were off in their projection, galvanized both sides realizing, we can't pussy foot around anymore. From the governor's standpoint, he had to swallow a bigger tax increase than you probably wanted. Democrats had to swallow bigger cuts than they wanted. But within that, yeah it forced the decision. It still took about a couple of weeks, if I recall before, before they closed the deal. As I recall, the governor actually didn't sign any of those bills. He allowed them become law without a signature. In more recent years, we kind of, you know, we're saying, "Well, he was the Republican governor willing to raise taxes." And he was. But yeah, he also had political calculations in mind for that. That year, knowing that -- I can't remember the sequence of candidate announcements, but certainly you know, Kulongowski... Kulongowski was after the session, because the big thing was Jim Weaver was supposed to be the candidate. And apparently he called Kulongowski, like, in the middle of the night, and said,

James Moore 15:03

I ain't gonna run.

Peter Wong 15:06

The deal was Kulongowski was gonna run for his congressional seat. I've told Ted, I said, if you had won, you might still be there.

James Moore 15:15

Yeah, exactly. Well, except Ted, I think, gets bored after about four or five years. So, yeah,

Peter Wong 15:24

Yeah, given, given the nature of that seat, that would easily have been the case. But it was clear that [Tina?] was probably gonna run for something. And of course, in bad times, [?] takes, whether it's justified or not, takes some of the blame. Vic was, as I call recall, seen as vulnerable.

James Moore 15:57

Yeah, absolutely, so. Did you follow that election?

Peter Wong 16:01

Yes, I covered all three. They agreed to three debates, Portland City Club, something in Eugene, and then in that you've heard a labor Hall in Medford. Terrifically small place, but they actually had a debate there.

James Moore 16:15

Yeah. What do you remember about the debates?

Peter Wong 16:22

Interestingly, Atiyeh came out swaying and Kulongowski, kind of held back till the very last debate in terms of his personal style. Finally, he took the kind of the gloves off, but try to let the last and least. And it was about a month beforehand I ran a Kulongowski, I mean, the Oregonian, and came out with a poll that showed there was an, essentially a dead heat one month before the election. But as it turned out, I think it was also the point where most people decide to stick with the incumbent, right? Yeah, go with Kulongowski, because you know what the final result of that was. But, it's, as I said, I covered all three of them. Vic, Vic came out, you know, pretty much like pretty much, pretty much, like the underdog he was. He campaigned pretty aggressively as well. I'm trying to think, are there any particular gaffes that were made?

James Moore 17:37

I don't recall any. No, I don't think gaffes. The thing that sticks out in the minds of people like Denny Miles, who was the campaign manager when they went to Medford: Kulongowski brought down all the state labor officials and kind of muscled out the local labor officials from the best seats, which Denny's interpretation is that ticked off the Labor people down there so they, you know, the support wasn't as strong for Kulongowski or whatever because of that, but it's kind of seating arrangement issues.

Peter Wong 18:14

One thing I would note in retrospect, He did a campaign appearance the next morning in Douglas County, and he was driven by a supporter to... it was southern Douglas County, rural [?]. I ended up having to drive onto Roseburg where another campaign supporter was. So maybe I should have realized that they were actually running low on money, despite the fact what their polls were showing.

James Moore 18:45

Yeah, yeah, yeah, I've got all the money stuff so I can look and see I was doing it. You know, there's always a fight. How do you balance all that and things?

Peter Wong 18:58

Anyway, Atiyeh when he ended up spending over a million dollars, it was considered scandalous. And then finally, in the next, in a next election, when they're choosing his successor, both candidates blew by that barrier, pretty--

James Moore 19:14

Yeah, yeah. I was looking at the amount that he spent, that was a record, and the equivalent now would be its chicken feet. It's like two and a half million for a statewide race. Okay, that's an entry fee. But that was, that was a record at that point. So real, a real shift. In September, there's another special session.

Peter Wong 19:36

Oh yes, I came back from a vacation to go cover that. Atiyeh gives a very well crafted speech, and he did buy in with

the Democrats on it, at least some of the Democrats on his side. Granton [?] was the one that struck his reaction. You know, the SAIF raid. And because, even though Granton was close to Ted, Granton said this is an excellent way to pile it in. Then, of course, Kulongowski was opposing it for different reasons, as did Kitzhaber. Even though, obviously, 12 years later, that's a [?] that comes to a different conclusion. But, yeah, at that point until Kitzhaber's 2002 special sessions where that one went well into September, yeah, it was on the verge of the opening of the campaign. And yeah, the political implications weren't lost on anybody. Yeah, even though it was like Labor Day weekend.

James Moore 20:38

Yeah, but it was, it was there fascinating. Straub called a special session at the same time in '78, and so here then, just looking at those, those kinds of things, it's a lot of chutzpah to do that. With the SAIF raid, What was your sense about how people in the legislature responded to that? When I was talking to Paul Hanneman, who was one of the leaders that Vic first introduced it to, he said he and Tony Meeker looked at it and said, but you can't do that. And Hardy Myers and... Fred Heard.

Peter Wong 21:23

Fred Heard.

James Moore 21:24

Yeah, Fred, they were just silent.

Peter Wong 21:30

Fred said he checked with a couple of key Democrats, including Fletcher, before he threw his weight behind it.

James Moore 21:43

At that particular meeting, when Vic unveiled it to the legislative leadership, he had Dave Frohmayer just standing in the hall. Like, I thought you'd have a question: Dave? and that carried a lot of weight.

Peter Wong 21:55

Dave, still, Years later, Dave was still sore about how the Supreme Court ruled on that.

James Moore 22:01

Oh, yeah, 12 years later, yeah. Well, and Kulongowski, eventually, the Attorney General has to write the check back right over the exact amount. But it's like \$260 million or something.

Peter Wong 22:15

265 if I recall, it was supposed to be 280 and then Brady Adams turned off 15 because they'll be satisfied with that. Yeah, yeah. I gather Ted, Ted had Tom Ballmer negotiate the details, but yes, it was Kulongowski ended up settling that.

James Moore 22:36

Yeah, yeah, but it did save their bacon.

Peter Wong 22:40

It balanced the budget so that Atiyeh could go into the reelection without another festering crisis on his hands. And I guess I remember Douglas County. Did I even know that I hear some Democrats saying that what Atiyeh proposed showed guts. They didn't kind of like Kulongowski's reaction on that. It sounded like a spoil sport, that he didn't have anything of his own, not that he could have. But, so it might have struck the public the same way. I'm not sure how Kulongowski -- I mean, probably the image was prime of a factor than the actual details.

James Moore 23:33

Right, right. That brings up another point. This is your first real gubernatorial election. You're following, you know, wire, wire. We're seeing a shift in politics at that point that really solidifies by the mid 90s, where a place like Douglas County is never going to support a Democrat, but people like Ted, who's new to Lane County, feels he has a real shot at places like that he's going around. What did you -- What did you see of that dynamic in '82 and moving forward as kind

of the party nature shifts in different parts of the state?

Peter Wong 24:15

I take campaigns pretty frequently in Douglas County, hoping to get the mill worker, well, yeah, realizing that the environmental issues hadn't yet surfaced to the degree that later in the decade with the spotted owl crystallized those. But he felt, he felt particularly someone in Roseburg and in Coos Bay that he had a shot that, that that vote, and of course, you know, Atiyeh was more identified with Washington County, so.

James Moore 24:51

Right, even after being in office that long.

Peter Wong 24:53

Yeah, but no, there, there was still comp--, there was still perceived to be competition. But I could, I could see, I mean, it was clear by the end of the decade, when, I think the registration in Douglas County, it got to about evening. I remember his last election Kitzhaber ran 17 percentage points ahead of his party registration, which kind of foretold that the next person who was going to hold that seat was probably going to be Republican. Well, now I wouldn't have known who it was at that point, but yeah, but yeah, I noticed. I mean, just purely on the figures during the decade I was in Douglas County a huge debt, at least on paper, the Democratic registration advantage, it just simply disappeared. Somebody, somehow like in '85 or '86 it disappeared. Trying to think in that election, yeah? Well, of course, Atiyeh won, all those counties

James Moore 26:06

In that last month, what happened?

Peter Wong 26:09

I think -- I'm sure money had something to do with it. Ted spent maybe like a third of what Vic's eventual total was, I get her the... I've noticed this pattern since, but Minds start to gel, or [?] starts to gel that last month, and they said we we'd rather have... with with a couple of exceptions, most notably, Hatfield, Oregonians seem to like a little gray in their governor. And they usually like to have somebody who's been there a while. Ted had just kind of burst onto the stage two years earlier, Senate race. Yeah, you know, he was the darling of the Liberal Democrats at that time. He still wasn't, whereas Victor had run that first time right in '74 and '78 So he was certainly a familiar figure. And I think Oregonians decided that they'd rather have somebody familiar than somebody who just burst down the scene, because Kulongowski was in his early 40s, and he since told me I wasn't really ready to be governor back when he ran.

James Moore 27:47

When I talked to him, that's what he said. Very clear about that, and he didn't have any intention of doing that until late May, but he was just kind of the guy. I can't remember who the one, who he beat in the primary.

Peter Wong 28:04

There was Don Clark, Clark and Jerry Rust, I think actually,

James Moore 28:09

Yeah, too, yeah. But Ted said he looked around and said, Don Clark's gonna get the nomination.

Peter Wong 28:14

And so, yeah, one of my Roseburg friends who was close to Kulongowski said, Well, we don't know what's going to happen in November, what we damn well know he's going to win the primary. So we we going there, going to the primary election. Good party night.

James Moore 28:29

Yep. Perfect, perfect. So Vic comes out of that with a record win. Basically another thing on Kulongowski, apparently, Jeff Mapes, from then on, wrote about him as Ted Kulongowski who lost by the largest margin. And so Ted was so happy when Sizemore came. Um, moving into 1983, there's a whole bunch of stuff that's going on, but this is also when Vic starts taking off on a lot of international trips. Did you cover those? Or see how people reacted back here as he went

off and did those?

Peter Wong 29:16

I had some inkling that, in Douglas County was [not] viewing the [?] favorably, because obviously the donor was trying to court industries that are outside of wood products. But, I knew he'd been working on it. I You probably remember Black and Baker's columns that labeled him "Trader Vic."

James Moore 29:42

Right. And Chuck actually takes credit for coining that! And passing it off.

Peter Wong 29:49

Yeah. Oh yeah, by time Atiyeh's Governor, Chuck is working for AP, so yeah, he's not, not writing columns. But. Yeah, I guess that crystallized with the change in the unitary method of taxation, which came about... [James interjects: Summer of '84]. Yeah, yeah. Although it was shown there are benefits to the Oregon companies that export, but the real focus seemed to be on the NEC, and, you know, it was not that well received, in the part of the state I was working in. I think, I think Bob Hunter, who later went to Medford, but I remember him running an editorial, saying, because he was, he was a city editor in Roseburg, there, he said, "Vic Atiyeh showing how to be successful as governor of Washington County," something like that. So that's kind of the tenor of something. Reaction there is [?]. Of course, years later, you can see that-- those in a different context. But at the time where I was working in the southern part of the state, it wasn't. It was seen as some -- wasn't seen as a lark, but it was kind of seen as chasing "Pie in the Skies," until something actually did happen.

James Moore 31:28

Yeah, absolutely. Were you covering any of the fishery stuff going on? [Peter says: No.] Because it's, I think in '80, by '84 they're burning Vic and JD in effigy in Charleston, which is kind of fun. [Laughs.] So anything stick out in that '83 session to you?

Peter Wong 31:56

Well, interesting enough, even know they debated a sales tax, which they put in the ballot in a poison pill for -- I don't remember the governor exerting very much leadership in that. He did, and they only had one hearing. And he did propose the net receipts tax, that's right, in his budget. Bill Markham joked about, now does, after running for the reelection, he can promote his tax new tax increases like that. I think of all people, Wally Priestley, Liberal Democrat from Portland, kind of liked the idea, but it kind of flopped. He did. And as I recall he didn't -- oh, I remember what the legislature did was pretty much they extended the tax surcharge that they had passed a year earlier for two more years, and therefore that's how they balanced the budget, and didn't need that receipts tax, and he didn't play much of a role as I recall in trying to craft the sales tax proposal. Not that session, no.

James Moore 33:09

It comes later on, yeah, later on that he makes that a separate piece.

Peter Wong 33:15

Okay, I do remember and this is not related to some of the main issues, but I remember he planted somebody at LCDC who who later became mayor of Newport, or it was Clyde Hamstreet, whose surfaces later. But, yeah, anyway, Hamstreet kind of, in his first confirmation hearing, recites some of the stuff that critics say about LCDC there. LB Day and Pat Amedeo take him to the woodshed saying, "This is what you need to say if you're going to get confirmed by a Democratic Senate." And the committee was headed by Kitzhaber. LB was on it. So he went back and said all the things you expect a nominee to say. This was also the time when, if I recall correctly, there in '82 there were still a lot of comp plans that were not acknowledged by the state. Atiyeh said it's time to get this all done, he proposed something like a term called "substantial compliance," which, of course, he didn't offer a lot of specifics on it, so that, well, what is that supposed to be? Finally, the legislature came up with something. They didn't use that term, but they basically said, well, measure. We'll measure the plan against what the goals are trying to accomplish and eventually, all the plans did get acknowledged, although I think the last one got late, '85 early '86. It was Coos County, I think. But...

James Moore 35:05

Talking about appointments, did you cover the appointments? I mean, in here, Vic is... Betty Roberts shows up on the Supreme Court and then goes away because she resigns. But there's, there's, there's just a lot of appointments going on in his first term. It was remarkable to people who'd seen other governors come in. He didn't really clean house. There are a couple of people that he got rid of, but --

Peter Wong 35:33

The guy who worked on Straub's staff, yeah, and I said, you know, I just came from California where you know that, like Brown had already been governor, for a while... I asked, how come [?] And he says, well, yeah, it's mostly tradition. This happened before I came to Oregon. But of course, they had to fight about the former Supreme Court Chief Justice named to an energy position. Turns out, conflicts. [Insudible] felt his nose was rubbed the wrong way on that appointment. So one I remember Jim [Saxton?], whose name provided governor to another term as Water Resources director. He had rubbed some people the wrong way, and he ended up not getting confirmed, although I think he ended up at the PUC at [?] for the position that was paying more. Part of that I understand, though -- there's an Oregonian reporter who kind of made it a crusade, and actually, some some legislators, said that they they were a little embarrassed because they were twisting some of the facts. Although I don't recall how hard Atiyeh really fought to keep him. He'd been in that job for a couple of rounds. Since, apparently he had a fixed term. I mean, some of these, some of these...

James Moore 37:07

Yeah, yeah. And talking to his appointments person, her main strategy that Vic told her to do is figure out when the terms are up, and then, you know, we figure out if we replace, or have the person who's in there put their name in the hat or whatever.

Peter Wong 37:25

But he sure changed the economic development director.

James Moore 37:29

Yeah, that was, that was one of the ones that was in almost instantaneous.

Peter Wong 37:34

And the other one was what today's, I mean, it was executive then. He changed the director there, two, three times? I mean, it eventually became Yunker, but yeah, later he'd take the same job in Kitzhaber's administration.

James Moore 37:49

Right, after getting fired by Barbara Roberts, yes. [Laughs, overlapping chatter.] Are you sure it wasn't Patricia McCain? And he said, Oh, no, I got along well with her. Have you heard why Yunker says he was fired?

Peter Wong 38:06

I didn't press him directly. I think it is positive that he did not want the Archives building she was pushing to be on Goldschmidt's list of... Goldschmidt loved to build things. Goldschmidt gave it to her anyway, and there might be some other secretary of state spending items, kind of like that. I get. The only thing that sticks out to me was the pre-skirmishing on that Archives [?]. This has nothing to do with the construction, which later became a controversy in itself.

James Moore 38:40

Right. Thus the main story that he sticks with when he told the, told me is because Barbara Roberts, in her last two years was able to go to all of those weekly meetings Vic would have at the department heads, and she told John, when she fired him, that John was young enough to know better, when those other guys told dirty jokes. They're too old to change, but you should have known better. Did you follow the Supreme Court appointments at all?

Peter Wong 39:20

Nah, I well, a little bit. I mean, I knew, I knew about Carson. I'm not sure what the back story would have been about Gillette,

James Moore 39:33

But, well, I talked to Bobby Jones, Bob Jones, who was also one of these people.

Peter Wong 39:39

Right. He was, I rarely was on the court,

James Moore 39:41

And so he, he talked about, and I've heard this kind of from other people, Jack Faust, for instance, that there was kind of a line of them who were all kind of expecting to be on the Supreme Court. And it was expected on the other side that these, this would be who you'd get. And so it surprised me that Gillette is so late in the process. But in any case, there they go. But um, then I when I was talking to the appointments person, she was talking about how when Barbara Roberts, or when Betty Roberts kind of comes in there, she then had to call a number of people and tell them they weren't going to be on the Supreme Court. And it's the thing that's surprising to me, is Vic and through the appointments process, they actually did a pretty wide net on a lot of things, but it seems the Supreme Court was basically the succession was set until they had just stuck with it all the way to the end. So it's just, it just, it's a different pattern than you see with other appointments. So, Well, there wasn't much thought that Wally was getting end up in that line at some point. Yeah. Yeah. Absolutely. And I also, talking to Bob Jones, Vic apparently saved his federal appointment in 1990 as well. So it was just kind of interesting to see, even after Vic was out of office. So we get to '84: the unitary tax, the session. The first chapter I've written in the book. There was always a sense that '85 was going to be when they were going to seriously talk about tax reform, and the unitary tax is going to be in there. I've got a great quote from I think it's, it's like the end of the legislative session in '83: Frank Ivancie is talking to a committee, and he says, "I've just been to Japan, we have to get rid of the unitary tax." And they don't really know what the hell he's talking about, but it gets in, put in there. So there's sales tax ideas, there's property tax limitation ideas, there's income tax, they're all mixed together. When did you become aware that the unitary tax is going to kind of take on a life of its own?

Peter Wong 42:17

Oh, I think late '83. I mean, aside from the soap opera that was the sales tax that was still going on, I heard that there was some agitation from business interests that this should take its place, apart from the main sales tax, tax reform drama, and that was reinforced by some of the same folks who also wanted to see Japanese investment coming.

James Moore 42:55

Yeah.

Peter Wong 42:58

So that's when I became aware of it. I mean, as far as the details, I think that only came about earlier, you know, before I actually happened in '84 but, I would say, you know...

James Moore 43:12

It's like they didn't put the plan together until, like June, at the end of July, is the session. Yeah. There's been a lot of people, especially those who were in favor of the unitary tax, explained that it passed so overwhelmingly because a lot of members of the legislature didn't understand what it was. Did you get any sense like that. I mean, Gerry, Gerry Thompson actually calls out Liz VanLeeuwen in one of her -- they say she has no idea what it is. Did you get a sense of that?

Peter Wong 43:53

Somewhat? It actually got a, if I could recall for you. It got a boost for different reasons, from Grant [?], who, by this time, was the Democratic nominee for treasurer. I wanted to show his business bonafides to know how he was going to do that when moderate Republicans were still running the state. Bill Rutherford, I think, was the treasurer appointee. But so, so it got, it got some votes because some Democrats saw it as a way to burnish their credentials as pro-business without it looking... But yeah, there's, there's no doubt. There's some legislators trying [?], didn't really grasp the implications, of what they were doing. But did so because Atiyeh embraced it,

James Moore 44:55

Yeah, yeah. Gerry writes a memo to him that says, here's who, who we've got in favor of it. [Peter interjects: But it passed by a huge...] It, yeah, it ended up passing. It was like 51 to nine or in the House. But Vic, on that same memo just

takes his pencil up. He writes in like 18 more names he was, he was nailing this one down. So, um, '84: interesting international dynamic, or national dynamic, with the re-election of Reagan. In '83 in the fall, Vic is quoted in a front page story as talking about it might he might not support Reagan for re-election, because Reagan and Vic blame Stockman. All the cuts in federalism were hitting Oregon and all those states hard. Did you pick up on that dynamic? See the frustrations of this Republican governor with a Republican president?

Peter Wong 46:08

A little bit? I thought some other way was just to show that he had some independence, from the guy in the White House. Although you know what he did during the campaign. I had to laugh because then Kulongowski tried to say, well, it's Vic support of Reagan's policies, or something like that, that's causing the state's problems. "Oh, come on, Ted." And I mean, if you got to the root of that, it was mostly the Fed's policy, not really Reagan's policies. At least as far as the timber industry is concerned about, in that housing market. But I think there are some doubts that persisted, but I don't -- I never saw Atiyeh as a real rebel. Not like say Packwood who, yeah, his [grumblings?] led him do end up being ousted from his Senatorial Campaign Committee post, yeah, but I don't recall Atiyeh quite making this same kind of... I mean, he went... Well, Hatfield is Hatfield, but yeah, the two centers were much more open in their criticisms than Vic was, yeah. So if he was, it kept them somewhat muted.

James Moore 47:47

Which brings up another issue. Denny Miles hated it that Vic wouldn't toot his own horn. Did you find that to be the case? I mean, he's got media availabilities all the time. Did you find that he was, you know, different than other politicians you've covered?

Peter Wong 48:06

He wasn't -- well, I like, can go on, with the more experienced [members?]. I mean, he wasn't, he wasn't McCall. He was -- he wasn't that sort of person in terms of both his answers and then kind of his policy positions. I don't think you think was that self-effacing, but he didn't, he didn't have a tendency, like a lot of politicians. So yeah, from that respect, he was more restrained. And I think if he were there today, I think the circumstances would force him to be different.

James Moore 48:44

Yeah.

Peter Wong 48:49

He sure didn't. He sure didn't, until much later, talk about the whole contingency plan for Rajneeshpuram. Right. He talked about that while he was in office? A little bit. It was mostly Frohnmayer. To some extent it did seep into the Secretary of State's race that year. Yeah, that was one of the few years the Roseburg paper actually endorsed the Democrat. Oh, yeah. But I had a publisher said these there were three -- There were three main candidates. One is Don Clark, the former of KEZI; and Donna Zhang, and they were kind of trying to outdo each other on the right. And Roberts said, you know, this is a lot of nonsense. We can take steps to prevent fraud, but let's not do these things. Yeah, but no, Victor, Vic never talked about that. Of course, Frohnmayer had the case that Rajneeshpuram was not a legal city. So there were other state office holders that were more outspoken.

James Moore 49:57

Did -- because Vic, you know, he made it a total policy. You wouldn't mention the Rajneeshees at all. Unless he was asked. At the media availabilities, or whatever. Did you guys get a sense about what was going on behind the scenes. I mean, I'm, I'm doing the Rajneeshee section right now, because there's a hell of a lot that went on behind the scenes. And I think I now have the leverage to pry it out of people. But there's, there's a, there's a lot going on behind the scenes, but they're very careful that they control who knows that. Including Norma [Paulus], was only invited to things where specifically there were things for her to do because they knew she would talk in an instant. Did you guys have a sense of that at all?

Peter Wong 51:00

I did not personally, somebody like Chuck might know a lot more about that stuff. Norma, then as now, as was regarded as a loose cannon.

James Moore 51:16

Oh yeah, yeah, absolutely. It's fascinating, because she's a loose cannon. And then when she's running for governor against Goldschmidt, it's like she's just coy. You know, "I should be governor, because I know where the bodies are buried." So where are the bodies? "I just know where they're buried." Just, just very strange, kind of out of character for her.

Peter Wong 51:39

Yeah, I remember, Oh, what was it about? It was the fate of the Department of Energy, where she -- I think she said she was going to abolish it, and Vic had to go defend his decision to, I don't know if he created, but obviously he had a vested stake. And then I heard Goldschmidt went after -- oh, the "dry rot" speech he gave to the Democratic state convention, specifically named the PUC and the insurance commissioner. I heard that did get Atiyeh's goat. I mean, contributed to having -- I mean, and I have no idea about the sex stuff, of course, that later came out -- but that contributed to the bad relations between them.

James Moore 52:37

Yeah, no, they just had really bad stuff. And then Vic went on Neil's first overseas trip and and Neil basically ignored him. So.

Peter Wong 52:50

Well, I think there are other things in the transition where Goldschmidt ended up blowing up the staff.

James Moore 52:56

Yeah, yeah. It's fascinating, because there are people who talk about Vic and budget and how small Vic's staff was as compared to Goldschmidt's, and it was smaller than Straub's as well. I've got the planning staff that -- what they wanted when Vic came in. There's 37 positions. This is not a small staff! And Vic also, in that first session, one of the legislature, to bring directly under his control, on his personal budget, in effect, all the people, like the head of Human Services and stuff, who work for him but are on someone else's budget. So he would have had an immense staff, but they didn't go for it. And so these things. And Vic has later made it into a virtue. He's like, "Well, yeah, but that's not what you wanted in '79." And when Goldschmidt came in the day after the inauguration, I was talking with Jill Thorne: They got to work and no one had the key. [Laughs.] They just kind of neglected that stuff.

Peter Wong 54:09

Which is very funny, very funny. So let's go to the last big tax proposal. Vic finally decides that a sales tax has to be part of things. So did that ever have a prayer? I mean, going to the people? I would just assume... I don't know why somebody didn't tell him. Maybe they did. I've got the [?]. It's not gonna fly. I think its moment had passed. I think it fairly did, in retrospect, succeed in what he set out to do, frustrated. So by the time -- I mean, it did cost him his presidency. But that could have also been a generational thing. It was kind of the last of the behind-the-scenes wheeler-dealers, yeah. So, I mean, when, when Kitzhaber came in, it was a generational shift, but by the time they had all the forces in the legislature aligned, they actually passed that out in like the middle of the session. Not that '85 was -- didn't have a lot of things going for it, but they did do that. But I think its moment had already passed. That's aside from the ineptness of the campaign. But I think by the time they put [crafting?] something together, it was simply something that wasn't gonna fly. Although, you know, now I've seen it from a longer perspective. And you know, when things are bad people, people don't necessarily want to change the system, but when things are good, people ask, why do we need to change the system? There's never a good answer for why should we change the system. But he, I think, with Kitzhaber and Katz coming on and saying that that was going to be a priority for them to craft a proposal that, you know -- his signature wasn't needed on it. He went along.

James Moore 56:16

Yeah, so how were "Kitz and Katz" as leaders?

Peter Wong 56:19

They worked with each other pretty well. I mean, Kitzhaber did complain a little bit about Atiyeh's approach to natural resources, and I'm not sure if it was he had some personal friction with Pat Amadeo, or whether Kitzhaber was more environmentalist to begin with, as opposed to Atiyeh trying to balance resources and environmental protection. I don't

think they got in any huge fights that last session either, because it was the first time Kitzhaber and Katz were together. Later when Goldschmidt came in, he had no legislative experience. They often bailed Goldschmidt out of situations that Goldschmidt created himself. But of course, Atiyeh had his own... You know, by that time, there's still a fair number of people who had worked with him when he was still in the legislature at that point, so he knew -- he still knew how to do that part of the job, irrespective of which people were in the legislative leadership positions.

James Moore 57:39

How did you see Atiyeh working with his Republican caucuses, which are beginning to get more conservative?

Peter Wong 57:46

That's very interesting, because I know there were a few who were willing to give him the benefit of the doubt, but I noticed, especially when Larry Campbell came in '83, that more and more, even with the tax votes, where Atiyeh pretty much had to rely on Democrats, that there were still enough moderate Republicans around that Atiyeh could wait, have some influence with them. But...the Republican leaders then weren't as willing to challenge him directly, at least in public on stuff. That would be interesting today, if we had a Republican governor and Republican majorities in the legislature. I'm not sure I'm going to hold my breath for that, but I think there'd be a lot more friction than... But that was just beginning to happen. Interesting enough, during the '81 session, I know Bob Smith was really kind of looking to run for Congress. So he was kind of...

James Moore 58:59

When I talked to Bob Smith about that long special session, he doesn't remember much, because he was basically out the door already.

Peter Wong 59:05

Right. Tony Meeker is the guy who, yeah. Tony, I think, had the sophistication to realize you got to fund government some way, and there's certain functions that has to, has to do. So he wasn't of that school: "let's burn it all down." And, yeah, you're right. That mentality didn't quite take over then. Although, you know, they were there. There were, I remember, in Southern Oregon, there were people grumbling a little bit about Atiyeh preserving some of the environmental agencies that had grown up [?], particularly like...

James Moore 59:46

Yeah, the environmental agencies. And I also remember at that time, the wilderness stuff, which is fascinating. Did you cover the wilderness stuff at all?

Peter Wong 59:55

I covered some where it got into Douglas County. I know there was a whole fight over Opal Creek, which I saw more from afar.

James Moore 1:00:03

Yeah, which is fascinating, because it's Vic's -- it's Vic's family's property. So, yeah. So Pat Amedeo says that she doesn't think Vic was honest with her. Not that he was lying, but he was telling his nephew George one thing, and he was telling her another thing, and he never resolved that. So, yeah. The wilderness thing is fascinating, because Vic, Vic was in favor of wilderness, but wilderness is forever. And so he, in his personal, conservative way, wanted to work that through. And so the beginning, when he comes in, he and Pat are talking about that, and they they propose, it's like 60,000 acres of wilderness in response to a Congressional offer of hundreds of thousands. And by the time it's done, it's over a million acres. Pat said she and Vic laughed about that forever. About, you know, it was really their first time really negotiating with the federal government and trying to balance things. And they just got steamrolled. Just got steamrolled.

Peter Wong 1:01:13

I remember it because there was a low -- there was a low elevation wilderness proposed in right around the Steamboat Creek drainage in Douglas County, and the timber industry did not want that one at all. Okay, they acquiesced in some of the other proposals because they were at higher elevations, but that one they... Imeson did come in and visit, actually. I didn't cover the visit; somebody else on news review staff did, but Imeson did come in and visit

all those areas personally. And I actually went to Boulder Creek. It was before it became [?] in this area. But it was obviously parked in debate, because. I wanted to see it for myself, but we kind of knew that Hatfield was the guy. And I think the timber industry folks knew that too, yeah, and obviously they needed his help on the contract.

James Moore 1:02:21  
Yeah.

Peter Wong 1:02:24  
Controversy, so yeah.

James Moore 1:02:27  
Did you cover anything that had to do with Columbia Gorge Scenic Area? [Peter says: No.] Because that mixes all those kinds of issues together with Feds and Washington; and Washington turned out to be the problem in all of that. But yeah, as Vic is moving towards the end of his time in office, he talked a lot with his very close staff about trying to institutionalize change so that it would continue on afterwards, which is one reason he was so ticked off about about Goldschmidt and the "dry rot" thing. Did you see that institutionalization? Was he successful in that, from your point of view? Did you see that kind of move? Or was it just like any other governor?

Peter Wong 1:03:21  
I think a lot of it was like any other Governor trying to preserve something. I think the two things -- I've said this, but the two things, the two things, I think last -- is he steered to cheer to ship of state through the Recession. And he did it in ways that you know, like I say, you know, some of the cuts lasted, but you know he, he kind of did it in a way that you know he, I guess, seing another Governor easily slash him for the whole state budget. He didn't do that. Maybe too much has been made of his you know, supporting... Well, he obviously supported some tax increases. Whether he was intending to support the big income tax increase: I don't know if he ever imagined himself doing that, but. And he needed a lot of Democratic help, but he did that. I think also in retrospect, his wooing of the Foreign Trade... much criticized at the time, but; anyhow there are different dimensions to it today that I'm sure he did not envision.

James Moore 1:04:46  
Well, one of the biggest is the -- all these high tech things come in here. That's why Republicans are not going to win in this state. When I told Gerry that, you know, looking from where I sit as an analyst, looking at this, he started the change, that changed it so that Republicans are just never going to win again. And she just said, "I wish he was alive right now. Just go up there and say, 'you!'" [Laughs]

Peter Wong 1:05:14  
Well, he may not have envisioned that either. I know. I mean, we talked about the special election with David Wu and I know he would, he would, he ... I can't remember what conversation it was. He was, he was kind of off put, but with the Oregonian wanting to run his letter in support of Ralph [Cornelies?], you know, I was telling Dan, I said, "I don't think he realizes how much his own home county has changed, politically." It's not the same place.

James Moore 1:05:47  
Absolutely, totally. And it turns out inside his family, there was a lot of change too. His older twin brother, the one that's still alive, voted for Obama twice. And Vic, Vic. Vic is kind of like Mark Hatfield. You know, Mark Hatfield left and said, I don't think I'd win a primary. I don't... Vic never would admit that, but I don't think Vic would win a primary in a contested race as a Republican these days. So, the times, they have changed. So any overall assessments of him? I mean, you just had two overall assessments of him, you know, the ship of state and things like that. Did you see much of him as an ex-governor?

Peter Wong 1:06:33  
I saw, I saw him occasionally. One thing that was, when I needed to get perspective from an ex-, you know he was always handy to do that. He'd pick up the phone himself where Robin was in his office, which would expedite the call. I do remember, God, it was basically my first year or two when I was at the Mail Tribune in Jackson County. I remember the then-party chairman when the House finally went Republican in 1990 -- "Well, I'd rather have the House go Republican than have Vic Atiyeh as governor." The same guy, [Howard?] got thrashed two years later in a primary with

Brady Adams. Although, you know, he was more conservative, but I think the district, they had more people from Josephine Smith County, and Adams actually did a pretty good campaign. I mean, there were just Adams signs everywhere. Plus, as I said, being from Josephine County. I think the voters, they wanted one of their own district. That was, it might have been a little more Jackson County, Josephine. But, as I said. So the GOP [surely?] got their comeuppence. But yeah, I did see from that point in the 90s that with the acception of George Gilman, the party chairs became much more conservative.

James Moore 1:08:05

Yeah. At some point in there, Vic actually runs for national committeeman, because the other option was so conservative. He just couldn't see that representing Oregon in any way. But, you know, he just did one term and bowed out of that. So his point of view on the switch was all these new people started coming to Republican meetings and redefining what it meant to be a Republican. And he kind of thought things had set principles that would stay there forever. As he ran his personal life, he had set principles. Parties are a lot more malleable than that, but that's something that he just he just couldn't see. So anything else?

Peter Wong 1:08:55

Yeah, that's about it. I can't say... that's... As I say, I was during the years, during the years, I started coming to state [governing?] I was in and out, so I didn't see a lot of the stuff that somebody like Chuck Mapes would have seen

James Moore 1:09:13

But with Chuck in retirement, also, he switches off a lot.

Peter Wong 1:09:24

Yeah, he's kind of -- he got out the right time, and now he's, he's been out now, like, 10 years.

James Moore 1:09:30

Yeah, yeah, I couldn't remember, and he couldn't remember when he retired either. But he says the the five special sessions basically drove him around the bend.

Peter Wong 1:09:39

Yes, and I remember, 2005 second [session] went well into August, after the one two years earlier went almost to Labor Day.

James Moore 1:09:51

Yeah, it's interesting talking to people. Did you know Norm Smith? [Peter says: Yes.] He [?] it up down in Roseburg, but Norm Smith... Several others have just talked about when all those special sessions hit, just how hard it was on professional life, family life and everything else. That's one reason Norm Smith, who had illusions of being the state treasurer and things, got out.

Peter Wong 1:10:17

Yeah, Kip Lombard of Ashland got out, '84, with the special sessions. He was a solo practitioner, so. [James says: Well, thank you very much!] Jim, one other thing I gotta mention, I think I talked to you about this earlier: but in essence, the partnership, the EO people don't like me, so I'm not going to be covering the state government for that partnership. They off-- Pamplin's offered me a different position that I'm not sure if this is going to be cobbled together or not, but the Washington and Clackamas County Commissioners. Plus, I'm hoping to add maybe, like the federal delegation, since, yeah, the Salem bureau...

James Moore 1:11:10

Washington and Clackamas will drive you to drink, Clackamas especially.

Peter Wong 1:11:13

Yeah, they've actually had that. It was originally Washington County and cops, Portland cops. Who would want that kind of job? But anyway, I just ...the EO folks want somebody to have jazzed up newsletter items, and I am not producing that kind of stuff. They got; They hired their own reporter, and while she's had 10 years experience, this is her

first, and she's she's writing things about the tax credits at the deferring energy and geology agencies in Portland, but yeah, she's not covering the range of things I am. But they seem to kind of want that kind of stuff. So, so I... I mean, it would not be totally out there, because the, the Pamplinhead, not Pamplin himself, but the guy who's heading a newspaper, maybe I can cover some of the Washington and Clackamas County legislators. Although I guess I said, Why would I really want to cover those guys? But, so. I think he was basically saying, if it were up to me, I think you'd be doing fine for our papers, but not for what Steve Forrester and those guys want. I still have doubts that they can make a newsletter. It's just too much that comes out other ways much more quickly.

James Moore 1:12:47

Yeah, it's speed. And newsletters are always suspect too, but more power to them, I guess. I've got to tell you, reading the Capitol press, for about the past four years, it's just a hoot. They're just, you know, they find a wolf they want to shoot it. And occasionally they will run the story that tells the truth about wolves. Wolves hardly kill anything, compared to the Rangers' own dogs, compared to all these other things. It's fascinating.

Peter Wong 1:13:23

But well, that -- the editor, the editor of that is the one who basically give me the axe. Now, technically, you can fire me because I don't work for the EO media group, but he kind of let it be known that, yeah, he really didn't want me there. I, and I do challenge his view of politics, or the legislature. He's very cynical, and not that the state does everything right. I'm not stupid about that, but he kind of wants those kinds of stories.

James Moore 1:13:58

Yeah, you can see that with their straight news coverage too. There's just an assumption that what Ted Ferrioli says is right. [Laughs] I mean, I gotta tell you --

Peter Wong 1:14:09

I told [?], "He's not the smart one in that caucus."

James Moore 1:14:13

No, no, but that's just what they do. So good. Thank you very much!

Peter Wong 1:14:21

[cuts off.]