

AROUND THE STATE

Government

Farewell To Governor Vic

Eight years ago, when Victor Atiyeh took over as governor, he said "things actually looked pretty good" in the state's economy. Ironically, Atiyeh, one of the most ardently pro-business governors Oregon ever elected, said he soon found himself "trying to pull the state out of an economic quagmire."

He commented, "You know what they say about the best-laid plans." Soon after Atiyeh took office Oregon's economy took a nosedive, resulting in the closure of businesses, thousands leaving the state and deflation of property values. Though the business community continues to be jolted by bad news, had it not been for his actions, Atiyeh said, things could have been worse.

"I prevented a lot of things from happening that would have been bad for business," said Atiyeh during a December interview. He will leave the governorship January 12 after eight years of what he described as 80-hour weeks.

For example, he pointed to the "Plant Closure Bill" that was being advocated prior to his 1982 re-election campaign. The bill would have required businesses to give a year's notice to employees if they intended to close. "What we would have done at Atiyeh Brothers is give notice to employees every January that we intended to close that year," he chuckled, referring to his family's Portland area carpet business.

Atiyeh sees his main contribution to state government as a change of attitude. He summarized the change in direction when he entered office with the slogan, "We're open for business."

"When you bump into us in state government, now it is not an unpleasant bump. We've gone beyond being effective; we're here to help. There has been a whole attitude change to make existing businesses feel wanted. And from that attitude all other changes have flowed."

An example Atiyeh cited is the creation of an "Action Council," consisting of his department heads, which meets with companies wanting to expand or come to Oregon and helps them through the process.

The streamlined set of licenses issued by the Commerce Department is another example of how contact with the state has become more pleasant for business, Atiyeh said. The department consolidated eight forms, totaling 27 pages, into a single four-page form.

Atiyeh also pointed to a beefed-up Economic Development Department, including a division to lure the motion picture industry, as a fruit of his administration. "It was practically an embarrassment before," he said.

While he was governor, the amount spent on promoting tourism increased tenfold, to \$2.5 million.

Atiyeh reduced worker's compensation rates. Oregon had the nation's highest rates when he took over, but during his term the rates were cut by one-third for many small businesses in the early 1980s, although they have since resumed their climb (see story, page 53). Perhaps equally important, he fought off efforts subsequently to raise benefits and rates.

During his term in office, the Small Business Development Center Network was launched. This group of 15 centers located at community colleges and other institutions offers business counseling, job training and information to new and existing small businesses. It claims to have helped 450 businesses start up.

Atiyeh worked very hard in foreign trade. He may be remembered as Oregon's most traveled governor, having spent 146 days, or 4.9% of his two terms in office, on overseas trade missions.

While it isn't always easy to point to a cause-effect relationship between his travels and Oregon's economy, before he took office one of nine Oregon manufacturing jobs was linked to international trade. Now, the ratio is one in six.

And for the future, he can cite having broken ground for three foreign-owned high technology companies that are expected ultimately to invest more than \$450 million and create more than 4,000

jobs in Oregon.

Atiyeh feels so strongly about the importance of foreign trade for Oregon's future that he is going into it himself as a consultant. He will begin making contacts in February and will thereafter ease into the business.

Other specific accomplishments of his administration include formation of a liability insurance task force. After six months of study of the current liability insurance crisis, the group issued a series of recommendations for reform of liability law and insurance regulations. Those recommendations, along with others, will be considered by the legislature (see story, page 13).

Since he took office he said the state has issued industrial development revenue bonds to save and create more than 7,000 jobs in 23 counties.

Indeed, while headlines report Oregon's losses of jobs and population, the overall trend during Atiyeh's term in office has been up. "Our employment has never been so high," he noted.

In November 1979, Oregon's civilian labor force was 1,246,000 and seven years later it was 1,403,100. Total employment was 1,162,900 and now it is 1,298,800, while total unemployment rose from 83,100 to 104,300. And Oregon's 7.4% unemployment rate at the end of November is almost down to the national average.

In retrospect, although things aren't perfect for business in Oregon, under the circumstances, Atiyeh said, "when I look at Oregon as it was when I became governor and look at it today, I can tell you I think Neil Goldschmidt is getting a real good deal."

—By Gary Eisler



SAYONARA: Three weeks prior to leaving office, globe-trotting Governor Victor Atiyeh notches another success as he welcomes Nippon Kokan K.K. executive Shigeoyoshi Horie to herald the Japanese company's \$60 million planned investment in a silicon manufacturing plant in Millersburg.