

Tape 8, Side 1

CH This is an interview with Governor Victor Atiyeh at his office downtown in Portland, Oregon. The interviewer, for the Oregon Historical Society, is Clark Hansen. The date is December 15, 1992, and this is Tape 8, Side 1.

In our last session we covered your years in the state house, and now we're going on to your time in the senate. I was wondering, first of all, what prompted your deciding to move over to the senate.

VA It's really very difficult to figure out precisely. I do know that our incumbent senator, John Hare, he was pretty conservative, and I just really thought I'd like to get a different voice there in the senate from Washington County. And I must also admit that running every four years was appealing, rather than every two years. So I don't know if there's any what you call flash point. I just made a decision among - from the - one of the reasons I just told you.

CH Was it more of a pragmatic situation in terms of not having to run every two years, or was it...?

VA It wasn't that exclusively, though that was appealing. I wasn't really seeking what you'd call higher status. In other words, it wasn't a status thing with me. And I'm sure that John maybe triggered me to decide to do it, among...

CH John?

VA John Hare. As I say, he was pretty conservative. He used the words labor goon, and it was not two words, it was one word. He's a nice guy, and as a matter of fact - it's fascinating. I've seen him once since I beat him, and that was at a funeral years ago. I haven't seen him since I beat him in 1964. That

would have been a while ago.

CH Well, where did you see your own political career going at this point?

VA I didn't have a path. I think we mentioned earlier that I had no path; in other words, okay, I'm going to do this, and now I'm going to do that, and then I'm going to do something else. I never really had that path. I just took each step at a time. So I really didn't think about it, other than I had the chance to work in the senate. And, oh, I would have to say, as well, it's kind of nice to be in the senate in the sense that in order to prevail you need sixteen votes. In the house you need thirty-one. Lobbying is a lot easier in the senate to get sixteen rather than thirty-one.

Incidentally, today's the fourteenth, not the fifteenth.

CH It's the fourteenth. Good. Then I have another day to shop.

VA You do.

CH Thank you.

VA This is also very interesting. In every election, and I began to perceive it early on - that was, in my elective career - the very first report you heard was the one that prevailed, no matter what happened during the rest of the evening, even if there was just a few precincts. At least that was with me. So on that night - incidentally, in those days this was all hand-tallied at the courthouse in Washington County. They had adding machines, and they put stuff up on the blackboard as they would accumulate them. So I had heard on the radio - they were giving some fragment reports, and the report was that John Hare was ahead. So I'm driving out to Washington County, out to

Hillsboro, that is, and I'm thinking about, gee whiz, thank you, I enjoyed being in the legislature. You know, sort of a farewell going through my head. By the time I got there, that had changed, and I was ahead. But this was the only instance. And I can tell you particularly - well, first of all, and I'm jumping ahead, but in '74, you know, I kind of knew that I was not going to win. You get a good sense of what it's all about. In '78, I waited to come down to the hotel. Well, I actually came down to my victory party, but we parked out in front of the hotel, waiting for 8:00. I wanted to hear the very first report. And the very first report, We've got now some reports on the governor's race. Straub fifty-five, Atiyeh forty-five. And then there was a pause. No, wait a minute, we have that wrong. It's the other way around. And I wasn't even startled at that point, I wasn't, because I knew that had to be wrong. It's just one of those things you felt inside. But I'll never - and I watched some other races, and most often that's the case, even if it's fragmentary. If you kind of watch it, [and] usually the first returns most often - I wouldn't say always, most often prevail.

CH Well, they did in that case, didn't they?

VA They did in that case.

CH But in your 1964 election - now, this was the primary. When were you running against John Hare?

VA In the primary. And I did the unforgivable. I'm an incumbent Republican house member, he's an incumbent Republican senate member, and for one incumbent to run against another incumbent, vacating - incidentally, vacating the house seat, you just don't do those things.

CH What happened to your house seat?

VA It went Republican. Who took that? I'll have to stop to think about that. Let me put my head to it, and I'll think of it. It might have been John Mosser. But anyway, I beat him in the primary. Another fascinating thing is that I expected the Hillsboro Argus to support John Hare. Actually, the Hare family went way back. Bill, John's father, was in the legislature, highly regarded, very highly regarded, and highly regarded even as I became involved, and that would have been quite some time before. So I expected the Hillsboro Argus to support John Hare. I told Vern McKinney, who was the owner and publisher of the Argus, after the election, I said, "Vern, I expected you to support John, but I didn't expect you to just burn my tail off." He really chewed me. However, they were good friends of mine, other than in that instance, during my whole career.

CH Well, what happened in the general election, then?

VA I won it. It was easy. Again, I can't even remember my opponent, which is kind of strange. I continued my campaign, but it was no problem. It wasn't hotly contested.

CH Did you have any kind of debates or anything that went on with your opponent in either the primary or the general election?

VA Well, the only one that would be of any importance - and I don't think I had any joint meeting with John Hare. I don't recall that we did. I don't remember. I suppose there may have been some joint meetings of some kind with my opponent in the general election, but I don't remember that.

CH And the outcome of the election was decidedly in your favor, it wasn't close or anything?

VA No, no. No, that was - I just don't have any recollection, but it was no problem. The main race was the primary.

CH So the main race was the primary, and after you were elected, do you recall that point? I mean, was it a significant step for you, and do you recall any kind of feeling that you had after knowing that you were going to win, or had won?

VA It's strange really. It would be some kind of euphoria, and, yet, there wasn't. I was delighted to have won and delighted to move to the senate. I was now going to deal with some of the rascals that I had dealt with when I was a house member. I kind of looked forward to that. I can tell you, two years later I went to the candidates night and sat there and asked questions, where they had been asking me questions every two years. I was doing that more out of fun than I was out of seriousness. But there wasn't anything special. It wasn't a matter - you know, if someone said, I'm going to be a house member for this period of time and then I'm going to run for - then you say, okay, I achieved a goal of something I've been dreaming about. As I've told you many times, and will probably repeat again, I just didn't have those kind of steps. It was just, okay, now I'm in the senate. So it wasn't as if I had dreamt and yearned for this senate seat. It wasn't that at all. I just decided, well, now I think I'll run for the senate.

CH Well, what were the main differences that you saw between the house and the senate? You had mentioned an easier time getting support, not having to convince as many people. What other differences did you see between the house and the senate?

VA Well, that year the house went Republican.

CH So you had left...

VA And I had left. You know, my entire career I've dealt as a minority member, even as a governor. I knew, of course, what the house was all about, and the senate, I will tell you that there

was less confusion, less people running around, smaller committees. All of that was, I think, conducive. I liked that.

CH What were your committees, and how were they determined?

VA Of course, I'm a freshman senator, but again it was Tax.

CH Since you were in the house, did that make any difference in terms of any kind of seniority that would translate over into the senate?

VA No.

CH Not at all. You start all over again.

VA But seniority wasn't that big a deal. It really wasn't. The only thing is, as you moved along and you were there longer - the freshmen, either a house or senate member - even though I'd been in the house, I'm a freshman senate member - you ask the presiding officer, you know, these are the committees I'd like - but you're not sure you're going to really get them - and this is where I'd like to sit. You're not even sure about that. But the longer you're there, the presiding officer will say, What do you want, and you can have it, and where do you want to sit. Now, when I say that, obviously, if there's another member sitting there, you don't bump him, but, you know, if it's an open seat - and I always liked to sit near the front and on the side, and most often I was either close or right at that position, even in the house. But the term of seniority, except for those things, which are really perks more than anything that relates to anything in particular, there wasn't anything special about years or longevity.

CH You were put onto the Taxation Committee, which was what you had wanted to be put on to. Was there anything else that you

wanted in terms of committee assignments?

VA Oh, I can't recall what I asked for. Over the years, I was on Education, which I liked very much; I was on the Labor Committee, and I really liked it, except it got to be real frustrating to me, frustrating in the sense that I really thought I was helping labor, but that's not the way labor looked at it. Again, I can't remember the sessions, but maybe a couple of sessions on the Labor Committee I wanted to talk with George Brown, who was a labor lobbyist - a nice guy, I liked him very much - really basically saying, I'm getting tired of being the black hat. I really feel that I'm helping labor. You guys come up with some crazy things that aren't worth a darn. The meeting started to take place, but George got a running jump on the evening, so by the time I got there to Chuck's, he was - we had to put him to bed, so I never really had that discussion. Gosh, so much water has gone over the dam, it's hard to bring back some of these things. I don't even know where to go look. Well, I know where I could go look, but I don't have those books anymore. I gave them all away; the Journal and things of that kind.

CH Well, I was looking in the Journal, and I noticed that in this session that you were put onto the Taxation Committee, the Education Committee, Labor and Industries, and also Planning and Development Committee. And on Taxation, Ward Cook was the chair of that, and you were vice chair.

VA Yes.

CH Was it unusual, being your first term, to get a vice chair position?

VA No.

CH Is there any significance to vice chair? Would the vice

chair, aside from presiding in the absence of the chair...?

VA Well yeah, you could, you could preside, but you better not do anything the chair doesn't want done [laughter], which, incidentally, did happen. We can get into that story later on, when Vern Cook was not in the room, and he was chairman and George Wingard was vice chairman, and he got a bill out. He got pretty upset about that. But that's very unusual. Ward Cook, really a fine, fine guy, a fine gentleman.

CH Ward Cook?

VA Oh, great, great guy. Really a very fine guy.

CH Corbett was also on that committee. Was that Alf Corbett?

VA Yeah.

CH And had been in the legislature for a while.

VA Yes.

CH Taxes was also an area that he was very interested in. What was your impression of him?

VA He was very deliberate, he was not one of those bull-in-a-china-shop, twisting-arm kind of elected official, nor was Ward Cook. Really, gentlemen is what they were. And very clear. He knew where he was and what he wanted to do, and I respected him. I liked him.

CH And Ted Hallock?

VA Now, there's - now, you talk mercuric - is that the word [laughter]? That's Ted. Ted would just go off like a skyrocket,

just zoom.

CH Actually, Ted was on the Planning and Development Committee.

VA That's right. But Ted would just - really, I'm serious. He'd just go off like a skyrocket, and you to learn how to deal with Ted. You just let him go [sound effect] up into the air and wait till the sparks come to the ground, and, then, you can deal with him again [laughter]. I liked Ted very much. He was very vexing at times, and a wonderful speaker. Oh, he could - he really was good. Not necessarily persuasive, but really - he sounded good.

CH Well, also on the Tax Committee was Don Husband.

VA Um-hmm. Don was - oh, my goodness, what a guy Don - he just only recently passed away. Just recently. Don, he was a local government attorney. A very meticulous guy. He didn't want anything - put it another way. He wanted everything on paper. You know, he wanted to see it. Just to say it was not enough; he wanted to see it on paper. I remember that about Don. And very much of a - very much of a local government - he was a local government attorney. Local in terms of small districts. Water districts, sewer districts, vector control districts - that's mosquitos. You know, those kind of - small districts, that was his practice.

CH There was somebody on there by the name of Stadler, and I'm not familiar with him.

VA Glen Stadler from Eugene. Glen was just a nice guy. He was not the best, not the worst.

CH Tony Yturri was there.

VA Really one of my real favorite guys of all time. You know, if Tony had been around in the metropolitan area, I'm sure he's the kind of guy who would have been a governor, and he would have been a good governor. But he comes from Ontario at the other end of the state, and it's kind of hard to build a big constituency from there. A great sense of humor, wonderful sense of humor, a great laugh. A very bright man. In those days, we were getting \$600 a year, as I mentioned earlier, and I use him as an example. You couldn't - this guy clearly is making a contribution to the state of Oregon. Now, \$600 a year, he'd make that with one client in one afternoon. He could have stayed home and made a lot more money if that's what he was after. But very good, widely respected in the chambers and outside.

CH What was it in his character that made him so highly respected?

VA Oh, he was honest, he was - he did his work, he worked at it, a great personality. And when I say that, people just like him, and it's kind of hard to bang on somebody you like. And, I don't know, he just - he was respected for his work and liked for his personality, and that's a good combination.

CH Was there any particular issue or any legislation, that came out of that session, on taxes that you dealt with in that term?

VA I don't recall. No, I don't think so.

CH There was a \$25 million account for direct property tax relief. That was one thing that came up. Did that go through your committee?

VA It could have. I will tell you that Don Husband was very big on senior citizen tax relief. Maybe that's what it related to. I think he called it incentive to live, or something like

that, which I thought was silly.

CH There was a reduction of taxes on capital gains and business inventory.

VA It may have been a reduction. I think it was actually Jason Boe that was - I kept pushing for repeal of inventory tax, which I felt was unfair. I don't think it was that session. Jason Boe was kind of a leader in the whole thing. We began to phase it out over a ten-year period of time, but I don't think that was the session, and I don't recall how that dealt with the inventory.

CH What was it about the inventory tax that you found problematic?

VA Well, it just wasn't fair between businesses. A good example is that a lawyer makes - he makes his living from law books and, of course, what he's learned in school. I made my living selling rugs. Well, he doesn't have any inventory. He makes his money, but he doesn't have inventory. I make mine - I'm a businessman too, but I have to have an inventory, and so we're going to tax this businessman but not that businessman. It just didn't seem right. And it was really - it didn't make much sense, particularly - well, of course, I could see the difference. And, you know, in the Oriental rug business we could have a rug for five, six, seven years. Obviously, we have a turnover in terms of our total turnover, but in terms of one rug - so you're paying on one rug. But it wasn't just me. You know, the small businesspeople, grocery stores and things like that, they were all being taxed on inventory. There were all kinds of silly things that went on. You had to have it in. In. A lot of people would get it in transit, put it on a truck and run it around so you don't have it on the last day of the year. Those are silly things. They're all trying to get around it because it

wasn't just a fair tax. It just wasn't fair.

CH On Planning and Development, Ahrens?

VA Eddie Ahrens, yeah.

CH Eddie Ahrens was the chair of that committee?

VA Yeah.

CH What was Eddie Ahrens like?

VA Eddie Ahrens was a very quiet man. He was really mostly interested in agriculture. As a matter of fact, Eddie became, I think, at one point for a short time, director of the Department of Agriculture after he had left the senate. Again, one of those nice senators who was there, and certainly not a leader.

CH And Chapman?

VA Chappy.

CH Chappy? Was that the nickname?

VA Chapman, yeah, Chappy. [Laughing,] Well, Chappy occupied a seat in the senate.

CH I see.

VA He was from Coos Bay, as I recall.

CH So there's not too much more you could say?

VA About Chappy?

CH Right.

VA I shouldn't [laughter]. Well, he's a nice - I mean, there's nothing bad, I just don't want to - I mean nothing evil or dishonest. It's just that Chappy just was not an active participant. He occupied a chair.

CH And Don Willner was on that committee as well.

VA Yes.

CH And you've spoken about him before.

VA On which, now? Which committee?

CH This was on Planning and Development.

VA And he was also on Labor that year.

CH That's right.

VA I remember him more on Labor than I do on Planning and Development.

CH Yeah. Ted Hallock was on that?

VA That's right.

CH And Lynn Newbry.

VA Lynn Newbry, Grenfell was chairman, isn't that right?

CH I have Monaghan.

VA Monaghan, Tom Monaghan, he was chairman.

CH What was Tom Monaghan like?

VA A teacher. He was the one that - the big case that said that a public employee couldn't run for the legislature, and so there was a big - he was the guy that was all centered around. As it turns out, the only public employee that can run for the legislature are teachers. No other public employee in Oregon can, still.

CH Really?

VA Yeah. That doesn't seem to be fair, either.

CH Why do they have it set up that way?

VA Because he was a teacher, OEA was big, and they said, you know, no second-class citizens, and they got the thing on the ballot, and it passed. But Tom Monaghan was the guy that was doing it. I remember the Labor Committee because, now, we talked earlier about the three-way bill, workers' comp. I wish I still had my souvenirs, and maybe I do, if I haven't thrown it away, but that was really something. That bill did finally pass, and we had Hatfield's amendments, we had AFL-CIO amendments, we had Associated Oregon ^{INDUSTRY} History amendments, and what other special interest? We had different colors for them, and the bill looked like - I don't know what it looked like. It looked like some of the kids' jeans that they wear to school. It's all - and these were not in gross, these were all scotch taped in with different colors, and it was a very colorful bill. And what I do recall - and I mentioned Don Willner, and, of course, I remember Ted Hallock, and we mentioned Monaghan and Newbry, and who else was there? There was also - there were some senior folks in there.

CH On the Labor?

VA Yeah.

CH Well, Harry Boivin was there, and Pearson. Was it Walter Pearson?

VA Walt Pearson.

CH I just have Pearson down here, but I wasn't sure whether it was Walter or not.

VA That would be the only one. The interesting thing was, after we went through it hours on end - and I'm just sitting there. I'm a freshman member of the senate and, of course, the committee, and here are all these other folks that have been around for quite a while. And I'm participating and watching it and speaking my point and my mind and voting when it comes to different amendments, whose we're going to take or what variation. Anyway, we finally put it all to bed, got it all done, the committee agreed to it, voted it out of committee - and Don Willner voted against it, and I'll speak to that in a moment - and so Tom Monaghan said that - I've forgotten who he picked first, one of the other folks. I'm just sitting there. Well, you carry the bill. No, I don't want to carry the bill, you carry the bill. No, I don't want to carry the bill. Well, you carry the bill. I don't want to carry the bill. Okay. Atiyeh, you carry the bill. You know, I'm just sitting there watching the whole process, and all of a sudden I'm carrying this bill. I had heard about the three-way bill. I'd never been actually, in the house, involved with it, but I'd heard about it a number of times, but never really closely involved with it. So all of a sudden I'm carrying this bill. I do recall that debate. Only two of us debated that day, and it went into the - after we had our luncheon recess, it went into the afternoon. Don Willner was on the - carried the minority report. We had to go through that one first, and then - but I and Don, the two of us, were the only

ones that debated that day on that bill. The only difference was I knew I had the votes, and I knew Don Willner didn't have the votes. So we went through this long, tortuous period of time, and then it passed. But that's why I recall that. That was a big issue; that really was a big issue.

CH On workers' comp?

VA The three-way bill. That meant, then, that the state now had competition, because the state was the only one, up to that point in time, that could write workers' comp. This allowed private carriers and self-insurance. That's what they mean, three way.

CH And what was controversial about that?

VA Well, first of all, I told you labor didn't like it. Second, you know, when the state is the monopoly on something, they hate to give it up. It's just one of those things that just - it was a rather traumatic change. Here, we've been doing it one way, meaning the state way, all these years, and now we change it. It was quite a bit of trauma to get that job done.

CH There was a fellow by the name of Inskeep?

VA Yeah, John Inskeep, Clackamas County.

CH What was he like?

VA John was very positive, but he was a very quiet man. He was not a leader in the senate. I guess I've pretty well said it. A nice fellow.

[End of Tape 8, Side 1]