VICTOR ATIYEH

June 17, 1993

Tape 36, Side 2

C.H.: This is an interview with Governor Atiyeh at his office in Portland, Oregon. The interviewer for the Oregon Historical Society is Clark Hansen. The date is June 17th, 1993, and this is Tape 36, Side 2.

In our last session we were talking about your re-election in 1982, and we had been talking about some of the debates with Ted Kulongoski, your opponent. There were three debates, weren't there, and probably the City Club debate got the most attention; isn't that right?

V.A.: That's usually the case. More people up here, more press up here. It's the first one. All those things.

C.H.: In that debate, Ted Kulongoski questioned why you were announcing an anti-crime package in August after your, quote, "behavior in pardoning convicted murderer Dwayne Samples," and we haven't talked about Dwayne Samples or that issue very much, so I thought maybe you could respond to that.

V.A.: You mean about the whole case of Dwayne Samples?

C.H.: The case of Dwayne Samples and what brought you to pardoning him and how that related to Ted Kulongoski's comments.

V.A.: He'd made application before for pardoning, Dwayne Samples. And he really was a Jekyll and Hyde because the first part of his life he was very square, in dress and the things he did, his grooming, the whole bit. He was down in college in California, belonged to a fraternity, that kind of thing.

Went to Vietnam as a lieutenant and experienced some - as we get the story - some very traumatic instance that he speaks about his buddy being blown up and things of that kind. But then he

comes home and he's 180 degrees the other way. And so the case really was a matter of what they call the Vietnam Syndrome, whether or not I believe this. And so he projected a very compelling case, both he and those that were advocating a pardon for him.

I thought about it at great length. As I say, he previously had applied. Because of the heinous nature of that particular crime, it was not something you take very lightly - as a matter of fact, it was the only case in which there was a pardon that was of any real significance. Maybe I should explain that, because I've run into some cases where the people have gone to jail and served their time and then been out for a great number of years as productive citizens, and really basically want to expunge that from their record. So maybe there's been, I don't remember, two or three cases where I'd in that case pardoned. This, however, going back up to Samples, this was entirely different.

Taking it at face value, what he said, and listening to it, and there was a lot of psychologists' and psychiatrists' reports on Samples. And actually a good number of them concluded that there was this Vietnam War Syndrome, that indeed he had gone through that period, and basically - I'm not going to say cured, but whatever term they used, that he was okay now. Still, there was some heavy debate going back to the heinous nature of that crime.

Finally I said to myself, "Well, you know, that could very well be." It was such a dramatic turnaround, the Vietnam Syndrome. Such a dramatic turnaround that if there ever was such a thing, probably he comes closer to fitting that than anyone else. That he had not exhibited any antisocial behavior previously. had in this instance. So we pardoned him. I pardoned him. Not necessarily - actually against the advice of some of my advisors.

Subsequent to that, however, it was discovered that he actually had been violent, and it turns out it was an incident in

a park in Salem in which he was very abusive with another woman. He didn't kill her, but struck her and -. And at that point is where I withdrew my pardon, in the sense I was expecting him to say, "Okay, I've changed. I've done a terrible thing. I went through Vietnam. I'm sorry it happened." I'm obviously paraphrasing just pages and pages of documents - "and this was the only time I've ever done anything like this," because the question was asked.

I said, "Wait a minute. This guy isn't nearly as rehabilitated as I thought he was. And he wasn't as truthful as he should have been during the time I was listening and going through the thing." And it was at that point I withdrew the pardon. That's sort of a quick version of a very long, long process, a very long process.

At that point also, I became quite personally upset with some of the psychiatrists, some of who backed off after having given their professional advice, and then you begin to lose some of your faith in their ability and professionally to deal with it. Understanding when you deal with the mind and the head, that's not an exact science. That goes without saying at saying it at the beginning. But they come down with such a great degree of certainty in one instance, and then finally back off a little bit. So there was kind of a whole mix of a very unhappy period of time.

I'll tell you something funny as well, because also in 1982 I was interviewed by *60 Minutes*. They were coming down to do the Samples case and Vietnam War Syndrome thing. And ~~what's-his-name, the main one~~ MIKE WALLACE, the interviewer?

C.H.: I know who you're talking about, I can picture him in my mind.

V.A.: And this question actually was in my mind as to whether they were going to air this. This is now in 1982, during the course of the election. When are they going to put in on the air?

Are they going to put it on the air before the election? Obviously we had no control, or we didn't even question. They were going to do what they were going to do. If you know enough about media, then you don't say please don't do this. They're just going to do what they're going to do. Actually, it turned out it was after the election, but we had no knowledge of when it was going to appear. The funny part, however, was I had a long interview with them. MIKE WALLACE Gosh, I can see his face.

C.H.: Yeah, I know who you're talking about.

V.A.: A long interview. They didn't use any part of me, my interview. It just wasn't interesting. So I said, "Well, if you don't want to get involved in something that's very controversial, don't be interesting." But when it finally aired, I was nowhere - it didn't carry anything that I had said.

C.H.: Were you disappointed?

V.A.: No, I wasn't disappointed. Actually, I laugh about it, you know. I said, "Well, okay." I think Denny Miles was the one reported to me that there was nothing there that excited *60 Minutes* to use it on the air.

C.H.: Well, you responded that Kulongoski's question was cruel and insensitive.

V.A.: Yes.

C.H.: How did you mean that?

V.A.: This was not a mundane - I'm trying to think of how to phrase it to you - this was painful to me. It was painful to Samples and his family. It was painful to the relatives of the young lady that was killed. It was painful to the woman that was in the house that still remembered all of this. And to make this a political issue I just didn't feel was an appropriate thing to do. I told you earlier that the record is the record, and I don't disagree with that. But you know, there are some things that it

isn't a matter of - if it just reflected on me personally, okay, that's it. But you see, it went beyond that. It went to all these people that I mentioned. And to stir it up and bring it up again was really - I say cruel. Not to me. Cruel to them.

C.H.: Right. Yeah.

V.A.: That's why I said what I said.

C.H.: We were talking about some of the issues that were in the campaign, and we've been going over the debate. But another one of the issues that came up was regarding the report of the Governor's Land Use Task Force, which criticized the administration for lack of cooperation among departments. *The Oregonian*, Foster Church, said that, "The report coming from one of Atiyeh's own task forces contains some of the most damaging assessments of his administration yet to appear, and Atiyeh's defense sounds weak." What was the nature of that report? Do you recall who you had on that task force.

V.A.: You know, it's really strange: I don't remember that at all.

C.H.: They were talking about lack of cooperation among the departments. Would that have been between the LCDC and ...

V.A.: It could be LCDC and DEQ, it could be even some parts of the Department of Commerce. I'm only grasping now, I'm trying to guess. But I'm still trying to figure out how this all occurred, because I had had weekly staff meetings, and Natural Resources always met collectively. That would be things like the DEQ, LCDC, Fish & Wildlife, even our Department of Commerce, Geology, those related natural resource agencies. Could be that. But it's strange. I really ought to kind of go back. It's not something I have any recollection of.

C.H.: There was another issue about Kulongoski's plan to invest portions of the state employee pension funds to spur the

economy. You called it risky, and Russell Sadler said that "those kinds of investments have become so popular nationwide that Kulongoski would be more appropriately be accused of being orthodox."

V.A.: I guess I would never use that word about Ted, at least at that point in his life. Well, it even comes down to - although it came up again, that is, the question of the Public Employees Retirement Fund, and that was the divestiture in South Africa and it came up later on, and you probably have something, or will have.

The whole idea is that this is money that belongs really to the savings account of each individual state employee, is what it is. It turns out to be a bundle of large amounts of money, but it's like a bank, you know, a bank may have assets of $500 million, but that doesn't mean the bank has $500 million. They have a $100 of mine and $100 of yours and $100 of somebody else, all of which adds up to $500 million. And that's the way I looked at it. And to take that money and invest it, and any investment, any investment has an element of risk, some high risk, some low risk, but there's risk involved, and that didn't seem appropriate, particularly in terms of economic development, where now somebody is trying to get some businesses going and some fail and some are successful.

No different than the venture capitalists. Venture capitalists, sometimes they make a real killing. Other times, they really lose money. That's what the whole thing - again, it's a matter of his understanding of what the real world is like. These are all great ideas, in terms of ideas. Rings well, particularly during the period that we were in, which of course was a recession period. But it's something that - well, first of all it was risky with my deposit in the PERS, and obviously I mean everybody else that was there, and it was just not an appropriate thing to do.

C.H.: Was he suggesting specific areas to invest in?

V.A.: Not that I recall. But you see, he was coming to economic development very late. Here's a man that really has gone through school, gone through law school, he's been a lawyer, and of course he's making money, but his money was made as an attorney in workers' comp., and that was the business. He never was in what I call the nitty-gritty like I am, a small retail businessman; I've got to meet payroll, you know, I've got to worry about what kind of inventory I buy, am I going to sell it, hiring people, keeping them there - you know, the whole accumulation of 35 years of being in a small business. And so I was - I guess we want to use a cliché - I was where the rubber met the road. He probably was the rim that the tire went on. He never quite got to the road. And so I'm going from what I consider the real world and what I know about, the thing that I understand, and he's dealing with these theoretical ideas.

So he's coming to economic development, as I told you, real late. And that's a good thing to be for, economic development, and so he had to be for economic development. Then he comes up with this plan, which was not a good plan.

C.H.: The Public Employees Retirement System is quite a sound system, isn't it?

V.A.: Very.

C.H.: In fact, it's flourishing, isn't it?

V.A.: Very. It's very good.

C.H.: I presume that we're going to talk about it somewhere, but I know that there's been some criticism that it was too involved in projects like K K & R's takeover of Fred Meyer and things like that. And in fact that probably happened in the next year or so, didn't it?

V.A.: Yeah. Again, though, you quickly go to is it making money for the fund or isn't it making money for the fund? And the question has never been it's not making money for the fund. It's never been. "I don't like that; you shouldn't be doing it," you know, all these second guessers. But there's the whole question comes down to, "Okay, I understand all of that, but are they losing money?"

"No, they're making a lot of money."

"Well, then, what's your complaint?"

C.H.: Well, in terms of complaints, I think that some people looked at that South African issue as being one, and that there might be lots of places where it could earn money, and companies that invested in South Africa didn't have to be one of those.

V.A.: If you want to bounce to that rather quickly, because I vetoed a bill, I don't mind doing it. It's sort of out of order, but ...

C.H.: Sure. Yeah. Go right ahead.

V.A.: But it came back to the same thing. By that, I said to the legislature, "This is not your money. You can't say that we're going to take all these people's money and this is what we're going to do with it. This is not your money. This money belongs to each of the individual employees of the state government and the retirees."

And so that's the fundamental reason I vetoed the bill. It was incidentally something else that I would like to talk about. But Bill Rutherford at that time - now we are in, I think, something like maybe '87, '85, or some time in that timeframe - he had a good idea, with which I agreed, and as a matter of fact recommended to the legislature they follow that course, that if we ask the state employee, "Do you want your money divested?" And then

when you reach a particular point that's worthwhile, ten million, twenty million, whatever it is, then you divest twenty million.

Then you're getting direction from the person that owns that bank account. I thought that was a good idea, and I also thought, incidentally, that there would be at least that much, maybe more, that would say, "Yeah, I think it's right, I think you should use my fund for divesting." For whatever reason, the legislature rejected that. Some direction from the person who's intimately is involved with that fund. And I vetoed the bill.

There's another point, though, that I think is worth making because I feel very strongly about it. In that same letter, which got very little attention, which also disturbed me, was - and I'm paraphrasing now - I said to the legislature, "I wish you'd get as excited about the plight of the black people in America as do about the black people in South Africa. In America, we have poor quality education, very poor business and job opportunities, discrimination against blacks. How can you get so excited about South Africa when we got a problem here right in the United States? Address this problem."

But I got very little note. To me, it's very important, it's an important question. And it's of course not even asked today. Certainly there are some terrible things going on in Somalia. I think it's really terrible. But there's some awful, awful things going on the United States of America in terms of the blacks. You know, we spend millions and millions of dollars around the world, not just Somalia or Ethiopia, and all the attention we give to South Africa. And they don't seem to get as excited about the plight of the blacks in the United States of America. I don't understand that at all.

In one speech, also related to this same subject, I started off my speech in announcing that the unemployment in Oregon was 31

percent. That's the way I started my speech. Then I went on to pause and went on to say, "Well, it really isn't 31 percent, but it is 31 percent for the young black people in Oregon." And I'm thinking to myself, and I always feel like I should express things better than I do, that if indeed it was 31 percent unemployment in Oregon, you know what would happen. Oh my God, we would be doing everything in the world to change that. Well, it's 31 percent for the blacks, well that's not too bad.

You know, I can't make that transition. To me, it was just as bad as if it were 31 percent unemployment in the State of Oregon. So I leave with you with saying I'm puzzled about all of this. I just don't understand it. I see bumper stickers "Ban Apartheid." I don't see any bumper stickers about banning discrimination in America. I don't understand that.

C.H.: And you don't feel that those views ever got the publicity or the airing that they deserved?

V.A.: Not that particular point. To me, that was an important point. The point in terms of PERS and divestiture, that was a technical point. In essence, it was not the legislature's money to determine what to do with it, and to do social things with the money; that's not what it's all about. But that was more, to my mind, was more technical. This other was real. This is what's going on and how come you're not doing it? And it's surprising to me that we find blacks that seem to go the same way. They're appalled at South Africa, and we've got to something about South Africa, and if you don't do something about South Africa you're a bad guy. You know, even blacks are doing this.

C.H.: One other issue that - I'm sure there are many other issues - but one other issue that I wanted to just mention here was your support among the longshoremen for your stand in favor of log

exports which would provide employment. Did you ever feel differently at any point about the log export situation?

V.A.: No. As I think I mentioned earlier, I had really no strong objections in terms of the state-owned lands. But I was fully aware that, particularly in terms of private holdings of timber, we had two things going, one of which of course were the jobs of the longshoremen. The second was to, as I mentioned I think in our last session, I was interested in keeping these sawmills going, and to say that they should be cutting lumber when there was no market for lumber is really no solution at all. So if a company had to keep going to keep the jobs going and to keep the company open, and that was the one asset they had they could sell, I saw no problem with that. So, you know, to me again it's just a pure pragmatic practical we've got to keep those jobs and we've got to keep the doors open.

C.H.: What was your platform or your priorities for a second term?

V.A.: I have not yet concluded two personal commitments. Actually, I had three personal commitments. One I never really achieved, and I regret that. But one of them to diversify the economy of the state. The second was to move the budget for higher education to a higher plateau. And third, and this is the one I really wasn't able to accomplish, was to get the state more involved in prevention rather than just being the recipient of the result of all the bad things that happen.

C.H.: Prevention of -?

V.A.: Prevention of crime, prevention of child abuse, prevention of - well, a whole variety of things. We're (THE STATE) just the recipients of all of the bad things that happen, and during the period of time that I was governor the reason I couldn't really achieve that was that all we could afford was to pay to keep people

in jail and to afford to take care of those people that had been abused and those that for some reason or other were on welfare, single families, a whole lot of things. All we could do was do that. We couldn't make any investments in prevention. We didn't have the money to take care of those folks and then market a prevention program.

I did some on my own; health, fitness and sports was one of those things, because I knew young people were worried about their health and fitness and sports. And it was good, and that comes under prevention. But that was sort of *ad hoc*; that wasn't a government program. Incidentally, out of that came the Oregon State Games, which is very healthy and doing very well.

So now when you're asking, I had not yet moved higher education to this higher plateau, I had not yet gotten us involved in the diversification of our economy.

Now, I use the word personal commitment. That's a little bit different than a campaign promise. I said, "This is what I want to do for a long-range plan. This is what I want to accomplish."

I had a lot of accomplishments as I told you in my assessment of and my first and second session, and these were things that were important. But I had a long range, you know, this is the package that I want to eventually get up with, and I had not yet accomplished it. But that was obviously because of the times and the dollars. And those were the things I still yet wanted to accomplish, and incidentally did before I left office. Both of those two.

C.H.: Some of the other things that were mentioned, and I'm not sure whether you specifically mentioned these or these were just categories that news organizations put up, one was a property tax limitation. Was that ever considered a goal?

V.A.: Constant. Use the word limitation - property tax relief, whatever form it happened to take. A limit on the growth, I consider that as a relief. Many don't. Relief to them is reducing it instantly. But as I've read through my own important speeches, this comes up constantly, through the whole eight years. State of the state, the whole thing, it keeps coming up. "You've do something about this."

C.H.: Another thing was reforms in land use planning and limiting wilderness areas because of the lengthy delays in obtaining land use decisions that are usually cited as one of the chief barriers to economic development in the state.

V.A.: Yes. We began to process in 1975 of statewide land use planning. So we had the state goals.

[End of Tape 36, Side 2]