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ART AGNOS

California State Legislator
1977-1987

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Berkeley, California

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[Session 9, February 18, 2003]

[Begin Minidisc 9]

McCREERY: We wanted to talk this morning about some of the events of your first year or two as mayor, and I know you were thinking of one thing that happened very early on, which was a change of fire chiefs. Shall we start with that?

AGNOS: Yes. I recall a distinct thematic difference between virtually every part of the job of being mayor and the job of being a state legislator. We've talked a little bit about that. The job of a state legislator is to be an advocate, to introduce new ideas and flesh them out for the executive to implement, once you've passed the legislature. But there isn't a lot of thought given to implementation and what it means to get it on the ground to the person or persons or communities for whom the idea is intended.

When you are the mayor, that hits you right from the start. You are asked to make executive decisions. In my case, it started even before I got sworn in, and that was to sign some contracts with PG&E [Pacific Gas and Electric] over the delivery of water and power to the city that had been negotiated by Mayor Feinstein for the previous two and a half years in intensive negotiations that were part of my orientation process, to learn about.

I want to hold that and come right back to it in a moment. No, let me just continue with that, since I'm there. During the campaign, I became familiar with a lot of issues, and one of them that affected PG&E was whether I would support the municipalization or the public takeover of PG&E. I had no position on a takeover, but I was interested in exploring the idea because the case had been made, in my mind, by those who favored the municipalization or "public power" that we ought to explore it. So I had taken a position in the mayor's race, in contrast to my opponent, Jack Molinari, that I would explore that avenue with a study funded by the city to determine what the pros and cons and the benefits and disadvantages would be to a city-run power company.

This came from the left in a very strong way, most symbolized by the *Bay Guardian* and the publisher, Bruce Brugmann, who still continues to be the chief proponent of that, although since the energy crisis of the late nineties that whole idea has taken on much more acceptability. In '88 it was seen as a, quote, "lefty" idea. In '98 it was seen as a more mainstream idea because people were much more ready to believe that the energy companies were abusing—and [they] were. Now we're seeing it. Was it in '99 we had the big—?

McCREERY: The big fiasco was in 2001.

AGNOS: Oh, 2001, okay. People were ready then. It's a mainstream idea. I guess I should say it was a mainstream idea by 2001, and it was a mainstream idea because of the fiascos of the energy crisis and the energy companies

overcharging consumers. But in '88 it was seen as a decidedly left issue. But I was interested in the idea enough to agree, during the campaign, that I would explore it.

But before I became mayor—before I was sworn in, after I was elected, Mayor Feinstein told me I needed to get up to speed on some contracts that were going to be ready for the mayor's signature. She couldn't sign it because they wouldn't be ready by the time she left office, or at least she decided she didn't want to sign them, and I'm not sure what the politics were of that. I never did find out why something negotiated under her administration for the better part of two and a half years would suddenly be something that could not be done on time for her to sign before leaving office. But she left it for me to sign.

There are some who believe that those contracts were not the best for San Francisco, mostly argued by the *Bay Guardian* and the public power people. They asked me not to sign them, and so I decided to conduct public hearings. I asked for public hearings by the public utilities commission of the city, which was in charge of that whole area. I remember that the person who was in charge of the—and I'm sorry I can't remember his name—Don Birrer, I think his name was. I have to check that. Don Birrer, who was in charge of that for the public utilities commission, resigned when I said that I wanted to have public hearings over the issue of these PG&E contracts with Modesto-Turlock irrigation and the San Joaquin Valley entities that were part of the energy

negotiations with PG&E, because they have rights along the river and the watershed that we controlled with Hetch Hetchy [reservoir].

So the public utilities commission agreed to conduct the public hearings about these contracts and whether or not I should sign them and whether or not they were sufficiently satisfactory for the city's interest for me to sign them. I sat in on these hearings, the first time a mayor had ever sat in on public hearings of that nature with a commission. I sat in as a mayor-elect, and then, I believe, for one, maybe two, meetings after I was sworn in.

Frankly, it was a very, very complicated issue. You can imagine, two and a half years of legal work, and you're supposed to get up to speed in a hurry on that. Frankly, I was not an expert in this area, just couldn't be, so I had to rely on other experts. One of the experts was the incumbent city attorney, who I had a great deal of confidence in. Her name was Louise Renne. I remember the clincher for me was when she—and it was the first reality of decision-making as an executive versus that of a legislator, when she came to me and she said, "Art, if you don't sign these contracts, we'll be open to hundreds of millions of dollars of lawsuits. It'll take between twenty and thirty million dollars, maybe forty,"—if I remember correctly—"in legal costs to defend the lawsuits that will come from PG&E, Modesto-Turlock, and all these others if you don't sign these contracts after two and a half years of negotiations."

So here I was, facing the largest deficit in the history of the city. I was already in a "how do I save money" mode so that I could put it into whatever programs I needed to to preserve them, and here I have the city attorney telling

me I'm looking at twenty to thirty million dollars of legal costs on top of a seventy-five to eighty-five million dollar deficit that was growing fast. Yet I was not absolutely convinced of the satisfactory parts of this contract process; however, I had strong urgings to sign it from Mayor Feinstein and from many people who were much more familiar with this, saying that that was the best deal we could get. "Maybe if we had another year or so we could have got a better deal," they said, "but this is where we are, and this is the point we have to make a decision."

Now, the remarkable thing is that when you're a legislator, you don't have to make those kinds of decisions. You just say, "Well, let's study it some more." But when you're the executive it stops right at your desk, and you do have to make a decision. Do I take the risk? And in that case, do I take the risk of a major lawsuit and the losses, combining that with a deficit that I was dealing with? Or do I just sign them and take the best deal I got, having faith that it would work out?

So the financial realities dictated the decision to go in favor of just signing them now, because I already had the fire department crisis; I had looming problems with the [USS] *Missouri* and the Olympics coming up, issues, contracts that needed to be negotiated. So I decided that I needed to take some problems off the table, and this contract was the easiest one to take off the table because the work had been done. It was just a judgment call about could we get a better deal and if you wait another year, you might get a better deal, but

the cost of getting a better deal might be worse than whatever you saved or got in the next best deal.

So I decided to sign that and incurred the wrath of the *Bay Guardian* after that because it is a single-minded issue with them, with the publisher, who controls the paper. They never forgave me for it, and it was an example of what I was talking about, that San Francisco has, politically, a community leader for every square foot. There's a community leader. Now, most cities have a community leader for perhaps every five square miles, but San Francisco has them for every square foot.

For that community leader, it either has to be all of what they want or you're not good enough. It's "either my way or no way." So there is no compromise, because the issue for too many of them is not the end product being one that's best for the city but the end product being one that they want, and if it's not what they want, then you can't do it.

When you're the mayor, you have to try to balance and juggle and bring people together and resolve these differences and hopefully strike a compromise. But when you can't, when the sides are intractable, then it is the mayor's responsibility, and the mayor's responsibility alone—you've got to make a decision. The things must move. The contract has to go, or something has to move, and so you are the person who makes that decision, and then you become the object of the disappointment of the losing side, if you have to choose. Ideally you bring them together, you strike a compromise, and everybody walks away reasonably happy.

As I said, in San Francisco, with every square foot having its own individual leadership and insisting that it has to be all of what they want or nothing, you are measured as a leader of the square foot by either you win or you lose, not by how you achieve the compromise.

McCREERY: What was it they were hoping for, in opposing you for signing?

AGNOS: They wanted what they perceived to be more control by the public of these contracts and these deals. They thought the city could make more money and ultimately take it over. That's what they wanted to work towards, and there could be no compromise. You couldn't do it incrementally. It was "Here's the chance. Don't do it now. Go for public power." "Well, wait a minute, now, folks." And you try to tell them, "I'm looking at the biggest deficit in the history—" They recognize that, but that didn't matter to them because that was not in their square foot. What was in their square foot was, "We want public power now." "I can't give it to you now because I'm dealing with a fire department that a federal judge tells me is out of control, I'm dealing with a budget that is the worst it's ever been since the Great Depression, and I've got a homeless problem that I promised to address, and all these issues," but that was not in their square foot, so therefore it didn't matter. What mattered was their issue.

You see that a lot in our city, in a very polarized way. It's rare that you can bring everybody together to strike a compromise. There'll be others I'll talk about, in this, with the same point. Maybe I should talk a little about Mission Bay.

McCREERY: What became of these contracts after you signed them?

AGNOS: They got signed, and they moved on. Since then, there are efforts in Congress, because San Francisco has always controlled the Hetch Hetchy waterway and all that because we were the first to take it back from the city and run it regionally and a whole variety of other issues.

I subsequently tried, in each of my four budgets, [to] put in, despite the shortage of money, the money for the study. PG&E was a very powerful lobby, and they were successful in getting it knocked out of the budget each year. Now once again the *Bay Guardian*, who didn't want a mayor to be a dictatorial type on issues they were not supporting, wanted me to be a dictator in this one and to go in and strong-arm the board of supervisors into supporting this study.

McCREERY: What did the board of supervisors think?

AGNOS: There were enough of them who didn't believe in public power and didn't want to approve the study to determine the pros and cons, so I was not successful in getting it out of the budget process. The *Bay Guardian* always held me responsible for not trying hard enough, and the only way they could measure whether I was trying hard enough was they didn't get what they wanted, so I didn't try hard enough. [Laughter] The *Bay Guardian* was always dissatisfied with me.

Now, I daresay, at the risk of tooting my own horn, that I was probably the most liberal mayor in the modern history of that city to complete four years. Now, George Moscone may have been close, but unfortunately he didn't live long enough to finish his term, but certainly since 1975—never mind '75. I'll

daresay throughout the history of that city, I was the most progressive or liberal mayor to date, including Willie Brown and all that. Yet the liberals were not happy with me because I was not a knee-jerk liberal, as they say. I was not automatically—they had to make their case, because when you're the mayor, you can have liberal orientation, liberal leanings, but unless it pencils out financially, unless it works—it can't be just a theory, it can't be ideology. That's where you start from, but the idea has to work because the city has to work.

So it's a great idea to say we're going to make all the buses free, but how do you pay for it? Well, that's not what the libs want, care about. They just want the ideology of, "It's got to be free." Where are we going to get the money to operate, pay the drivers and the mechanics? Or if you want public power right now, where do I get the money to spend \$2 billion on buying from PG&E the hardware, et cetera, not to mention the expertise?

One of the funny things [Laughter]—my opponent in the '91 election, the only funny thing I remember that he ever said—Frank Jordan was sort of a dry, humorless man, but somebody had given him a great line when we were having a debate, and he said, "My opponent supports public power. I don't." He says, "The way things are run in the city, I can imagine that if we have public power, you go switch [on] the lights in your house, and the faucets go on." [Laughter] I just had this image of flicking on the lights and your faucets all turn on. He said, "That's what'll happen with public power because of the incompetence of a public operation."

But I was held, I think, to a higher standard because I was a liberal, and I said I'm a liberal. It'll be interesting—you might watch how Tom Bates does here in four years. He's a liberal, an avowed liberal, but he's got—does Berkeley have a city manager?

McCREERY: Yes.

AGNOS: Oh. Well, that's a little easier, because a city manager makes the hard decisions about running things, and you can sit back and make policy, in a way. But he's going to have to make some tough decisions, and it'll be interesting to watch how the liberals hold him to a higher, tougher standard than they do a moderate or a conservative, because you're one of theirs. And that's okay. I accepted that because I was who I was. Another example of this is the unions would come and say, "You're pro-union. Let's have the pay raises that we want."

McCREERY: Yes, we talked about that last time. There was an expectation that you would—

AGNOS: Yes, right. I'd say, "But I don't have the money. I'm running a nonprofit." When you're running a city, you're not running a profit-making organization in which you, as the CEO, are evaluated and paid by how much money you make for the company and the stockholders. You're paid by running the city efficiently and providing the services that the customers, the constituents of the city, the residents of the city, want.

So when the unions came in asking me for pay raises, I would say, "Here's the books. I don't have to hide them. I'm a nonprofit. Here's what I have."

But in their square foot, they didn't care what I had. All they cared about was what they wanted, not what I had, and so they said, "Get it somewhere." "But I'm not going to get it from somewhere that I don't believe it should come from, like lay off a certain number of workers to create a surplus that I then give you [as] a pay raise." Well, when it comes time for reelection, they remember you didn't give pay raises.

Or I remember another example. I tried to make cuts in a thoughtful way, without doing damage. One of the most difficult places to make cuts in any municipal or city budget is police and fire, because they are the local equivalent of what nationally is the defense department. Your defense department in the city is the police and fire, and so it's hard to cut the military budget, even though there may be waste, fraud, and abuse. You have to go fight through the arguments. "You're hurting the defense of America." Well, when you cut the police and fire budget, you're hurting the protection of the citizen. But I was determined, as a liberal, that they were going to take some cuts somewhere. We weren't going to lay off policemen or firemen, but we could see where there might be some room for cuts.

So I decided that in these hard times, with the biggest deficits and all that stuff, that the sacrifice the police department would make is that we would take away the uniform allowance. They would have to buy their own uniform. That amounted to about seventy dollars. Well, you would have thought that I took away their firstborn child and sold him into slavery, because they were so upset with me and never to this day forgave me for taking away their uniform

allowance. Now, when I spoke to the leadership I said, "I'm making these major cuts in health and welfare, in the department of public works, where they're taking 10 to 15 percent cuts. I'm asking you to give up a uniform allowance." But the only thing they cared about in their square foot was the uniforms. They didn't care about the hospital AIDS ward being cut, or they didn't care about the children's budget or the libraries or anything else. They cared about their square foot, and in their square foot, I was taking something away that they had always had, and they were very angry about it.

McCREERY: Where did that idea come from, do you recall?

AGNOS: My budget people. I asked them. I had smart, terrific budget people. You ought to talk to Sam Yockey sometime, or Carol Wilkins. They were smart. Because I was a liberal, I was never really given credit for some of the budgetary reforms, but we put in zero-based budgeting for the first time.

They came back with these recommendations, my budget staff. I said, "Nobody's going to be held harmless. We're going to look at everybody and everything." One of the major battles in the fire department to save money—San Francisco was one of the few cities in America that had—I hope I get this right—five firefighters on a truck. Most cities in 1988, big cities, had four firefighters, one to drive the truck and three rode in the back to handle the equipment. Each one was assigned a job. That's how you come up with four people.

But in San Francisco we had five, so what my staff found was that the fifth one was on the truck because it was a carryover from the days when fire trucks

were pulled by horses, and when they got to the fire, the fifth firefighter's job was to stand there with the horses so they don't run away in all of the commotion around the fire. So we said, "We don't need that. We can reduce the number of firefighters on the truck without laying off firefighters. Spread them around," which means we don't have to hire as many, and we spread the personnel.

Well, you would have thought—because I was now messing with their square foot, maybe two square feet in their case—that I was about to burn down the city. Now, San Francisco is a city that had the fire in 1906, and so it's always been a very fire conscious city, even though today you don't see many fires in San Francisco because of all the modern changes with sprinkler systems and fire prevention and all that. What the fire department really does most of the time is go out and do emergency medical service, EMS.

But this was jobs, this was turf, and they didn't want to give up that fifth firefighter to save money, and so I faced an initiative sponsored by the firefighters' union. Of course, the scare tactics were almost as bad as what we see today with the threats in homeland defense. They were saying that this mayor—there are going to be fires, your homeowner's fire insurance is going to go up, and all these other things. I don't know how I won that campaign, but we won the campaign. I just do not know to this day, but somehow, something got through to the voters, and they believed me. We got rid of the fifth firefighter on the truck and there was no negative fallout on homeowners.

Now, they just got reassigned to other duties that we needed, but the union never forgave me for that and also the integration issue.

So those are examples of how you bump into the square-foot leadership that resists and insists that it has to be all or nothing, my way or no way, and if you don't do it my way, you're an opponent, you're an enemy. So during my four years that were marked by deficits each and every year, and those deficits were compounded by the worst drought in—I told you this before, I think—500 years. That's the most they measured, 500 years. San Francisco makes somewhere between \$30 and \$50 million a year on the sale of water and power. So instead of making \$30 to \$50 million, we were spending money to buy [water] and power.

On top of that, we had a recession that was causing state and federal government to cut back on aid to the cities, and then we had the earthquake in 1989 that caused an estimated \$10 to 12 billion worth of damage, killed thirteen people, and we had to recover from that. When you put all that together, each of my four years, I was telling people, "No, I can't do that. I can't do that. I can't do the other." And so I must have covered every square foot. [Laughter]

McCREERY: Saying no at each one.

AGNOS: Saying no at each one, or "I can't do everything you want." And so when it comes to reelection, you pay a price for that. Just to finish that thought, the liberals knew I was a liberal, that I had done a lot of things that reflected that, but they wanted to send me a message they were not happy, so a lot of them sat

on their hands, and enough of them sat on their hands to send me a message that I was defeated in a very close election, by one-and-a-half percentage points, 1.5 percent or 2 percent at most. Indeed, on election day in 1991, I won by five or six thousand votes. I got more votes than my opponent, Frank Jordan, on election day. But he had done a much better job in getting absentee ballots, so that he had something like 18,000 absentee ballots. I had about five or six. So when you netted it all out, I lost by five, six thousand votes. So my campaign, which was targeted at winning on election day, made a mistake in not doing a better job in getting the preliminary votes convinced to go my way or to minimize the tremendous disadvantage.

After the election, I must have had dozens of people say, "Geez, I was upset with you and I didn't vote either way. I was trying to send you a message, but I didn't want this guy." It was small consolation, but nevertheless I had people asking for redemption for about five years after that, at least the four years that Mayor Jordan was in place because they were so unhappy with him. But I believe that I treated all the square feet the same, rather than played favorites.

I got into that, but I want to make sure—I want to come back to the fire department again, but—well, let me come back to the fire department. The fire department was upset at me because of the decision that I was enforcing that the federal judge, Marilyn Patel, instructed me and put the city on a consent decree that said, "You have to integrate." I said, "Absolutely." She knew that I was a liberal. You know, we share the same birthday, we found out, exact same

day, same age. Anyway, she knew that this was my inclination, but as a judge she was looking at the history of the fire department and put us on a consent decree rather than waiting to see what I would do.

So I told the firefighters' union, which was very conservative—if I've told you this, you can stop me, but what you see in the labor movement, whether it's police and fire or it's in the blue-collar trades of carpentry or plumbing or—the ILWU [International Longshoremen's and Warehousemen's Union] is a good example—what union workers offer their children as an inheritance is their job. They can't offer them, the way a wealthy person might offer them, a large estate of property and stocks or cash. What the blue-collar worker or the union worker offers his child is the inheritance of a good job.

Historically in the city, a firefighter's job is a good job, and so we wound up with fathers, brothers, and in some cases grandfathers in the same family all in the fire department at the same time. But certainly there were generations of firefighters. One took the place of the other. And so we had a city that was a majority minority city in 1988 that Judge Patel was looking at, and yet we had a fire department that was over 90 percent white. So she said, "You've got to change this. This is your job."

So I ran smack dead into the juggernaut of the firefighters' union, who I already was having trouble with, because they knew I was going to make cuts, the fifth firefighter on the truck. Now I was going to take away jobs of people who had inherited them for generations. For example, here we are in 2003, and I—can I see that? I forgot.

McCREERY: I'll just say for the tape you're looking at a booklet you put out during the reelection campaign of '91.

AGNOS: I just want to make sure, for the record, I quoted the right number. Well, I put it somewhere. Fifteen years ago, we appointed the first African-American deputy chief in the history of the city. We recruited the first Asian woman in the history of the city to be a firefighter in the first class of women recruits. Did you find it? Then we had the first woman become an officer, rise to an officer rank in the fire department. But I remember the city, a so-called progressive, liberal city in 1988 had never had a black in the leadership of the fire department, never had any Asian women in the firefighting ranks, never had a woman in the officer ranks, leadership ranks of the fire department. As part of our recruitment and upgrading of personnel, we made all that happen, but it was at a great political expense of the firefighters' union, including the hiring. The symbol of that is this sort of story within the story.

There was a doctor. The fire department has a doctor, to whom the firefighters go when they get hurt or if they have to be off from work because of an injury or worker's comp or some kind of thing like that. As we were doing the budget—this is subsequent to the second day in office; this was later on—the fire chief said, "One of the reasons why we have such high absenteeism and worker's comp costs and all those things is because this doctor is frankly not doing the job. He's just giving everybody a free pass." I said, "Well, why don't we replace him?" He said, "He's connected." I said, "Connected to whom?" And so he told me who he was connected to, and I

said, "I don't care who he's connected to. I want someone who's going to do the job right, and that's what we're going to do throughout this department and throughout this city." He said, "Well, it could cause you some trouble, but" he said, "I'll do it." I said, "I'll take care of the trouble."

So sure enough, he fired him. He was older. He was making a lot of money and only working a few hours. It was a sinecure. So sure enough, I heard from this man's nephew, this doctor's nephew, who was then a judge, a politically connected judge close to Jerry Brown. He said to me, "Arthur? My uncle is the doctor over at the fire department, and they're going to let him go." I said, "I know, Judge. He's just not doing the job we need to have done at this time. The worker's comp bills or the absenteeism is beyond what the budget can handle, and we've got to get somebody in there who can handle the job."

He said, "It's going to hurt you in the next election, Arthur." I said, "Well, if it does, it does, but this is the decision I've made, and we're going to stick to it." Sure enough, he did support my opponent in the next election. But the incompetent doctor was gone, and then they came to me—commissioners, my commissioners and the fire chief. They said, "Who do you want?" Because that's the way the system operated. Who did I want? I said, "I want the best person we can find, so go find him and then tell me." So they did, and it turned out to be a lesbian physician. Now, think about this, Laura. This macho fire department that's under a consent decree, court-ordered integration decree, 95 percent white, all men—with women recruits for the first time in the department. They were being harassed unmercifully by the male firefighters

by stuffing feminine hygiene products in their lockers and in their corners and stuff like this, just to make a statement; by putting racial things in black firefighters' beds, symbols that were racist.

Anyway, so here's a lesbian physician, qualified, top of the line, passed all the tests, was a terrific doctor, in line to be the fire department doctor. Now, you don't have to go too far with your imagination—what the doctor does in these examinations. And they're going to go in front of this woman. I remember my fire commission president, Jim Jefferson, was a very progressive black guy, and I put him in charge to lead the fight. He said to me, "You know," he says, "these guys are all males. They're going to have a little trouble turning around and bending over for this lesbian." "Well, that's the way it's gonna be." He said, "You sure you're gonna handle this?" I said, "Yes, we'll handle it." So he says, "Okay, we'll do it."

Then I had this other commissioner, Sharon Bretz, who was a lesbian, who came in, and she was with Jim. She said, "You're going to do the right thing, aren't you, Art?" I said, "Yes, we're going to do the right thing." She said, "I knew you would, but everybody thought that this one would be too much."

Well, that is a symbol of the change in the style that that city was run. We took out the sinecure, I didn't have my favorite person, and we picked somebody who was qualified but different. I let my commissioners bring me the best people, and I paid a price for it. That's one of the reasons I'm a one-term mayor. On election day, the firefighters union, who hated me because of what I was doing, had 500 off-duty firefighters walking precincts to elect my

opponent. I understood that. Fair enough. I don't begrudge them, because that's the nature of our political business. I'd rather have them walking precincts than up in the hills with machine guns, as they do in Latin America, right?—leading the revolution. Our revolutions are on election day.

So they got me. But you know what? That lesbian doctor is still there, and she proved to be a terrific doctor, popular with the men, because she was so professional. She's still there. She's still there ten years later. But she never would have got there nor the first class of women firefighters if it wasn't for us opening the door to give them that opportunity. That is the magic of San Francisco for me, in terms of my governance. That's what I wanted to do. I did it as a legislator, and that's what I did as mayor. When you talk to my staff and people in the mayor's office as well, a lot of them are the same people—you call them—that's what we were doing, whether it was in the area of housing or civil rights or health care, anything in between.

The job of fire department doctor had been one of those sinecures. So we wound up with a lesbian physician, who was the most qualified, as the doctor. Now, that was a shock to the system of the fire department, and the firefighters' union came in and said they wanted me to stop, and I refused. I said, "I'm going to continue to push as hard as I know how to recruit minorities and women. I'm going to push as hard as I know how to upgrade them into the leadership positions, and if you guys don't like it, you're going to have to accept it." They said they would not accept it. They were going to push and try to defeat everything I was doing, and they fought it legally and politically.

I remember one time we had this tense meeting in my office. They said they were going to do everything they could to block me. I said, “The only way you’re going to block me is you by defeating me in the office, when I run for reelection. You can defeat me then, or I’m going to defeat you, but one of us is not going to survive this.” It turned out in ’91 it was me, [Laughter] because they had 500 firefighters, by their count, not mine, walking precincts and giving money to my opponent, Frank Jordan, to defeat me because of these very aggressive policies to bring minorities and women into a department that a court order said was out of control in dealing with racism and sexism.

Women firefighters lived in the firehouses, and one of the things they would do was to stuff—did I say this?—stuff the lockers and their areas with feminine hygiene products and stuff, as a statement of opposition. Black firefighters were still discriminated and harassed in there. So it was a very difficult period for the fire department and for me in insisting on the change that the judge had asked, and I believed it.

In 1988, Judge Patel made headlines my second day in office saying, “The San Francisco Fire Department is out of control in dealing with racism in the department.” Four years later in my last year, the same judge made a public statement that was in the papers, “The fire department is now in good hands.” After I left office, some years after, she finally removed the consent decree she [had] kept in place to keep the pressure on my successors, who she didn’t have the same confidence in that she had in me, when she said it was in good hands.

But it was another example of what a mayor does, if you're going to try to make anything happen.

I want to go back to when I said at the beginning [what] my philosophical or thematic approach [was]. Issues were filtered—and my staff knew this—we filtered it in a way to ask, how does this help keep the city a place where someone can come without a lot of money and find a place to stay, find a place to work, and be who they want to be without any interference? San Francisco has always offered that kind of opportunity. It's what attracted me. I came on a Greyhound bus twenty years before I became mayor, didn't have a lot of money, had a college education, and found a place to live, found a job, and found a kind of community that allowed me to grow and ultimately become mayor of the city. I felt, when I became mayor, that housing policies, employment policies, the fundamental government philosophy was not aimed at preserving that sense of opportunity for anybody, be they a domestic immigrant or a foreign immigrant, to come to San Francisco and find a place to start a life for themselves and ultimately their families, and so that was my view.

Everything that I tried to do was measured against that standard. Are we doing something to help the middle-class and the working-class person to stay in the city? Because, as I've said, the magic of San Francisco is that it brings in artists who are undiscovered or are still learning or are still developing. It brings in chefs. It brings in young business executives. It brings in tradespeople, bookmakers and binders and printers and union people. It's

always been a place where everybody could live, interact, and out of that chemistry comes a magnificent atmosphere.

San Francisco's people and the kind of chemistry created by all the different people, I saw us losing it. Numerically, our black population was in decline. Our middle-class population was in decline. The poor were there, but they weren't able to really do much for themselves and the city because of their condition, and so I didn't want San Francisco to become a rich Manhattan across the board. My policies, whether they were housing or health care or recreation, parks, schools, after-school programs, child care programs—we were aiming at trying to make the city as family friendly, as middle and blue-collar and working-class friendly as it could be because that's where I think the magic was.

McCREERY: This filter, as you call it—how did you communicate that to your staff in the first place?

AGNOS: I would talk the way I'm talking with you right now. We would have staff meetings. They knew my philosophy. In addition to my longstanding tradition—because I brought many people—the core staff came with me from the state legislature, and they had a learning curve also with the jobs they took over, running departments, liaisoning to departments as sort of deputy mayors, cabinet secretaries. We would have these staff meetings, where we would talk about what it is we want to do.

There were members of the board of supervisors who understood what I wanted to do because they shared that philosophy. So, for example, when we

did Mission Bay, I told the planners that my strongest interest was not the commercial buildings but was the affordable housing, and so when the negotiations were going on, all of the square-foot leaders came out, and the environmentalists, from the housing folks, from the business community, and were part of the mix of the negotiations around Mission Bay. So, a couple of sidebars. Do you want to get into Mission Bay a little bit?

McCREERY: Sure.

AGNOS: Mission Bay was, is about—let's see, I hope I've got this right—300 acres. It was the largest tract of undeveloped land in San Francisco, and the reason it was such was because this had been the railroad yards of the city, where the railroads came in by the dozens, so there were tracks all over the place. They would come in there to pick up the cargo from the docks. I remember there used to be a railroad, singular tracks that went all along the docks, where they would pull in individual trains to be loaded, and then they'd pull out of Mission Bay.

Well, with the change and the demise of the port as a cargo port because of containerization—and the reason San Francisco's port failed as a port in the modern times was because there wasn't the huge storage area that is necessary for the cargo, for the containers which now contain the cargo, to be stacked and piled and stockpiled. You go to the Oakland port, you'll see miles and miles of just vacant land that is filled up with containers. San Francisco's port, once you got off the pier, you'd bump into the city, so there wasn't a place to put these containers, which are already loaded from the port of origin, and then

they just take them off the ship, where they're stacked up, and they put them on a train, and off they go.

In the old days, you'd take it off the ship, put it in the pier, and then the train would pull in, and you'd load the boxcars. We've improved that. It's much more efficient. Plus San Francisco's location on the tip of the peninsula—you lose a day going down to San Jose and then cutting and heading east. [If] you can unload at Oakland, you've saved a day heading east, where the trains are going.

So a combination made our port decline, and so we had these railroad yards which were owned by the railroad companies, who wanted to develop them into some revenue-producing product, entity. So when I came in, my vision of Mission Bay was a middle-class, blue-collar marina neighborhood. Now, we already had the Marina over on the other side of the city, near the Golden Gate Bridge, which was the upper-class, rich part of town down from Pacific Heights. My vision was to have affordable housing in huge amounts, where we could really house people who were the infrastructure of the city, the librarians, the nurses, the firefighters, the police, the taxicab drivers, the artists, the teachers, all the middle-class infrastructure of the city.

I said that my bottom line was going to be large amounts of affordable housing, and I didn't care too much what else was discussed, but that was what I was interested in. So as a result, we got the largest amount of affordable housing there, but it wasn't the "square-foot leader" who was one of the primary people in the housing area. I'll give you one name. Calvin Welch is

sort of the traditional affordable housing guru. He's sort of a vestige of the sixties. He would fit in the old Berkeley free speech days. I'm not being pejorative in saying that, I'm just trying to picture him. To this day, he wears his hair in a ponytail and the Levi's and the boots and all that.

I found him to be obnoxious and discourteous to anyone who didn't agree with him. When we had meetings in my office around issues, and if the people speaking were contrary to his interest, he would interrupt and be insulting. I chastised him for that a couple of times. Ultimately, when he kept it up, I disinvited him from meetings in the office. Well, that created an enemy, and so when we came up with the best affordable housing package the city had ever seen, as part of Mission Bay, he opposed it, saying it wasn't good enough. I think that somewhere in [my reelection booklet] we have the number of units that Mission Bay had, because it has a bearing on what happens subsequently.

Here we go. In Mission Bay we were going to put 8,750 homes with at least 3,500 of them being for, specifically, affordable housing. In those days, that meant they were going to cost around \$125,000 to \$150,000. We also had open space and, you know, neighborhood facilities. Basically, it was going to be a new neighborhood in San Francisco, built around the 8,500 units of housing, almost 40 percent of which were going to be for affordable housing. Well, Mr. Welch, who had a personality conflict with me because I did accept his bad manners in public meetings held in my office, took his one square foot of leadership, saying this wasn't good enough and allied himself with others

who were my political enemies on other issues and challenged it on the ballot and caused it to be defeated.

Now to further amplify the square-foot leadership concept, which has never been talked about before in San Francisco quite in this way. They always ask why is San Francisco hard to govern, and you have pulled it out of me in these discussions. I've finally figured a way to say it with "one square foot." It grabs the picture.

One of the sidebar issues, the major issues as a matter of fact, in the Mission Bay debate was how, when we would have on the east side of Third Street—if you're familiar with San Francisco, Third Street in Mission Bay was going to play sort of the same role as Marina Boulevard does in the Marina neighborhood. It's the major road that goes along the waterfront of the marina, and on one side, the south side of Marina Boulevard, you have these wonderful homes and a wonderful neighborhood. On the north side, you have the famous Marina Green and the ships that are docked there, the yachts.

So in Mission Bay we had Third Street that was running along the border, with the homes on the western side, and on the eastern side I wanted a Marina-style green, where people could gather, fly their kites, do their exercises, run, walk along the waterfront, and a variety of other kinds of activities that we see every weekend and every day at the Marina.

But the environmentalists, some environmentalists, insisted that we restore that area as a wetlands. I said, "But how do kids play in wetlands? How do people fly kites in the wetlands? We're going to have 8,500 units of housing

across the street. How are we going to have an open space that people can use for the kinds of things that you see every day and every weekend at the Marina Green?”

The people who came from the one-square-foot of environmentalism, but did not live there, insisted that this had to be a wetlands, which meant that you would have to sort of dig up the ground that’s there, where the railroad tracks had been, and bring in the marsh and bring in—and even then, there were questions about whether it could be done because of the toxins and stuff that were in the bottom of the bay.

McCREERY: Yes. Talk a little bit about the environmental cleanup aspect. Had that already been dealt with before you were elected?

AGNOS: No, that was a major issue that we said would have to be paid for by the developers. The city would help, but that was going to be primarily the developer’s responsibility. But that was a major issue that we resolved in the negotiations. What was not resolved was the open space versus wetlands. The pro-wetlands people realized that toxins might cause the wetlands not to work, so they decided that they wanted it so bad—I’ll never forget this—they wanted it so bad that they finally said that they were going to line the wetlands with a cement floor, so it was going to be like a giant swimming pool, and then the wetlands would be inside the concrete liner.

I’m looking at them. I was in the mayor’s office. I said, “Now, you think this is more useful to 30,000 new people living in that neighborhood than a green where they fly kites and have exercise fields?” Yes, well, that’s what

they wanted. “That’s what it used to be, and that’s what we need to restore.”

So I said, “Okay, we’ll let the commission decide since you and I can’t agree.”

I didn’t want to have this be the reason why the development went down.

McCREERY: You’re thinking of the planning commission?

AGNOS: Yes. I said, “You will take your arguments to the planning commission, and I will take my arguments to the planning commission, and we will let them decide. They’re citizenry, and they’re made up of the neighborhoods, and we’ll let them decide.” They said, “You appointed them all. You’re going to—” I said, “I’ve never done that, and I won’t do it here.” Nobody ever believes you, but I called in each of the planning commission [members]—because you can’t have them together; it’s a violation of the Brown Act—and I said, “Look, I think this is what it ought to be,” and I gave them my vision. “You’re going to hear from the environmentalists, what their vision is. I want you to make a fair decision, what you think is in the best interests of the project and the people who are going to live there. I don’t want you to use any influence from me other than the power of my arguments.” I lost. [laughs] The planning commission voted for the environmental point of view, so that was left in the plan.

The reason I’ve spent some time on this is because of what happened afterwards. I left office. The recession continued or lingered, and it wasn’t until Willie Brown came into office and the go-go years of the dot.com money—so suddenly the developers saw an opportunity here. Plus the University of California medical center, which had originally wanted to go into

Mission Bay and I had rejected—they came to me—the chancellor said that he wanted to relocate because they were landlocked up at Parnassus Heights.

Julius Krevans was his name.

I said, “Julie, this is going to be a neighborhood. It’s going to be a neighborhood of predominantly affordable housing, and it’s the last chance that I have to develop a major tract of housing that’ll keep the middle class and the working class and the artists and the blue collar and all the rest of it in this city, and I don’t want the university going there because it’s going to immediately bump into the same problems that you have today at Parnassus Heights.” What has happened up there is that the university has filled its envelope, and it’s now encroaching on other parts of the neighborhood by taking houses, using them for offices and student housing and stuff, and the neighborhood is saying, “We’re losing our housing.”

So I said, “You’re going to have the same problem right off the bat in Mission Bay, so I don’t want you there. But I’ll tell you what: I’ll give you part of, or all of, whatever you need of the Hunters Point shipyard.” I’ve learned that there are politics within politics, and universities have their own set of politics, and the bluebloods of the university, the deans and the Nobel Prize winners—and I don’t want to castigate them all with this criticism that’s coming—didn’t want to be in Hunters Point shipyard because it wasn’t—what do they call it? It wasn’t a—

McCREERY: A fitting location?

AGNOS: Yes, it wasn’t a high-end or what’s the word? Fancy?

McCREERY: Upscale?

AGNOS: Upscale. It wasn't an upscale location like Mission Bay, and they didn't want to drive past the public housing developments. So I said, "Well, you can't have Mission Bay. This is what we're doing." So I rejected it. Willie Brown comes in ten years later, and Mission Bay is back on the table because there's money. The developers see money with possible housing, and U.C. comes in and says, "We're going to leave the city if you don't give us Mission Bay." Effectively, I think Willie caved under that pressure. I had some of it, but not as big as perhaps he did. They bluffed him. I don't think they would leave the city for Oakland or anywhere else because they love San Francisco.

So the Mission Bay plan was downsized, and the leader of it from the community standpoint was Calvin Welch. The affordable housing component was cut in half. The housing unit was reduced substantially so that they could make room for the University of California medical center. Calvin Welch had been one of the primary opponents of the University of California medical center encroachment on the Haight-Ashbury and the surrounding thing, but over here he found it to be acceptable because it wasn't in his square foot in Haight-Ashbury. He was the primary, one of the primary leaders from a community standpoint, so he got what he wanted from his square foot, which was the management, if not the sort of influence, over the affordable housing to be developed there. And he got to be a big shot for fifteen minutes.

So we wound up with a neighborhood that's a mishmash of a university being built literally across the street from what will be housing, and as soon as

the new neighbors come in, they're going to be complaining about the same issues that occur in Parnassus because it's built-in obsolescence. But it's the difference between me and Willie Brown, in this case, not being willing to say to the university, "You can't be here. Find another place, and I got one for you, and I'll make you a deal that's worthwhile."

What I would have done was given them all of the shipyard, which is a magnificent location, if anybody ever looked at it, because it's all shoreline, the best weather in San Francisco, and you could have built a fabulous campus there that would have been free to grow for the next 150 years without any interference of bumping into the neighborhoods. But that's my view of it, of course, and this is my oral history, so that's the way I put it.

But I spent a little time on that because Willie Brown got reelected because he didn't fight every square-foot battle that came along no matter how important. I did because I believed that what I was doing was the right thing for the city. When there was an issue that I saw that it wasn't worth going to the mat, like the wetlands, I let other people decide it. But on the fundamental issue, like the university could not be located there, I drew the line. When it came to who was going to run it, like Calvin Welch, even if he was obnoxious, Willie would let him do it. I wouldn't.

McCREERY: Did he ever consult you after he took office and this issue rose to the surface again?

AGNOS: No, no.

McCREERY: Let's go back to Mission Bay at the time you were mayor. Now, you had supported the growth limits that had been on the ballot under Mayor Feinstein's administration, Prop M.

AGNOS: Prop M, the highrise, yes.

McCREERY: Right. The Mission Bay plan that you considered as mayor, or this whole issue as you worked on it, was seeking an exemption to those growth limits? Is that right?

AGNOS: In office space, yes, in terms of the office space. Yes, the developer needed an exemption from Prop M to build office space. That led to Prop I on the November 1990 ballot.

McCREERY: I think you had some criticism for dealing with the developers in terms of planning—you know, what the commercial, private benefits would be versus the public benefits in the form of housing and so on, and then there are some things in various books that talk about some of the growth issues over time and that sort of thing. But I just wonder what your memory is.

AGNOS: If I remember correctly, I supported Prop M, and we were going to use up the allocation which it allowed each year. Prop M allowed for a certain allocation every year for growth for office space, and the Mission Bay developers needed the office space to offset the affordable housing in the housing units, which didn't make enough money for the whole project to be developed as a package, especially with all the wetlands and open space that was put in there and schools and fire and all that stuff.

We were going to say that they would get the allocation, and so downtown would not get any for that year or two years or whatever the time period would be. I can't remember it all.

McCREERY: That sets up a conflict, of course, with downtown.

AGNOS: Sure, that's right, because there were downtown developers who created an unholy alliance with the Calvin Welches of the world.

McCREERY: With the progressives?

AGNOS: Yes, to stop me. Each one had a totally different agenda, but it came together for this, to defeat Mission Bay. My memory's not good enough to remember it all. But overall, we were going to put it there, not in tall buildings but in the kind of buildings that are there now as a matter of fact, eight stories, ten stories or something. But the trade-off was going to be we were going to fulfill our goals for affordable housing and open space, which were high priorities. So I didn't mind taking away from other parts of the city the allocation for office space. But clearly that was bumping into some economic interests.

McCREERY: But you saw this as something that would fit your filter, as you called it, of what overall is going to be the effect of this on San Francisco as a place to live?

AGNOS: Absolutely. The important thing was the livability of a brand-new neighborhood that was aimed at the working- and middle-class people, who were in desperate straits for affordable housing where they could live. I remember while I was mayor, my son's first grade teacher, who was a wonderful teacher, left at the end of the year because she wanted, with her husband—they were going to have a baby. They wanted a house, and she

wanted to stay in San Francisco, and she couldn't find one. She found one in Sacramento for a very affordable price, and she moved there. I wanted to stop that. As I said, I wanted to develop the housing for the teachers, the librarians, the taxicab drivers, the artists, the blue-collar workers, because that's the magic of our city.

McCREERY: Well, here you were, though, needing to deal directly with the developers on some level about how to resolve all this. What form did all that take?

AGNOS: Usually the way it worked was the top staff people, somebody from my staff along with the planning—we had a wonderful planning director, Dean Macris, who by the way, if you ever want to do an oral history of planning in San Francisco, you've got Allan Jacobs here at the university and Dean Macris, who followed him, two distinctly different types of personalities but magnificent planners. It would be an extraordinary oral history project on planning in a major American city.

So Dean Macris, who was the planning director, would negotiate with the developers with one of my staff being there—Brad Paul to work out all of the details and leave maybe the major unresolved issues, if they couldn't come to some agreement, to me, with the principals of Catellus [Development Corp], the Mission Bay developer. Now, these negotiations might go on for six to nine months, but during that time, periodically, they would report back to me on the progress reports and then ask me, "Where do you want to go on this issue? Where do you want to go with that issue?" That's how, for example, the open space became an ongoing issue. They said, "What do you want?" I

kept saying, "I don't want a wetlands." That never got resolved until the end when it came to me, and the developer and I were on the same side against the environmentalists because we wanted the green space. The developer, Jim Augustino, was a progressive thinker and agreed with me about affordable housing. We finally resolved it the way I said earlier, with the planning commission being the arbitrator.

I'm going to take about ten more minutes, because we're talking about developers, to talk about Moscone Center, because it involves negotiations with developers. Mission Bay was the biggest. A second major undeveloped piece of property in downtown San Francisco, right off of Mission Street between Third and Fourth Street. This was a huge square block of city land that was a parking lot in 1988 when I became mayor, that was supposed to be for the expansion of Moscone Center.

When George Moscone became mayor in 1975, the city had been blocked from developing a convention center. It desperately needed a new convention center. Our convention center prior to that had been at Civic Center in what is now known as the Bill Graham [Civic] Auditorium, and then underneath the park there is an underground space, and it wasn't very conducive to the modern needs of a convention-oriented city that depends on tourists and visitors like we do.

But that city block of land around Third and Mission had been low-income housing, sort of the skid row of San Francisco, so the redevelopment agency naturally targeted it as a place for redevelopment, urban renewal, and forcibly

removed a lot of the sort of skid row hotels and skid row housing there that was still viable for many low-income people, especially homeless folks. I'm not going to finish this story, but you're good at remembering this stuff, so you'll start me off. It has a bearing on how people were relocated by the redevelopment agency, by Justin Herman, into public housing and then how they were stopped by poverty lawyers. So we'll pick it up there [next time], because this is a good one.

McCREERY: It takes a while.

AGNOS: I have to also talk about my negotiations with Olympia & York, the developer of that.

McCREERY: Okay, thank you.

AGNOS: Thank you.

[End of Session]

[Session 10, March 19, 2003]

[Begin Minidisc 10]

McCREERY: You asked that we pick up today where we left off last time, talking about Moscone Convention Center and its part in the larger Yerba Buena project.

AGNOS: Yes. That is an interesting case study of the mayor's role in development projects in San Francisco. Where Moscone Center and the Yerba Buena Center is today is in sort of the heart of downtown San Francisco, South of Market area, at the corner of Third and Mission. It used to be the slums of San Francisco, and before that, it used to be Greek Town in San Francisco, where the first Greek-American mayor of San Francisco was raised. He came as a young immigrant, George Christopher. And then, as the Greek-American community succeeded in their economic activities, they moved out, and the area became run down and kind of a low-income housing area for poor people and elderly people, retirees and that kind of thing.

So the city in the fifties decided to redevelop it and designated it as a redevelopment area so that they could use the financing techniques and eminent domain and all the rest of it to take over these beat-up, old, skid-row-style hotels and revitalize it. This set in motion, in the sixties, the poverty lawyers' efforts to first block the redevelopment to protect the low-income

citizens, because even in the early sixties housing was always difficult for low-income people. And so an organization was formed which was called Tenants and Owners in Opposition to Redevelopment, in 1970, when they were fighting over how these elderly people and families would be relocated.

The redevelopment agency simply wanted to do it as expeditiously as possible. While I'm talking about this, it reminds me that in the late sixties, when I was working at the [San Francisco] Housing Authority, one of the first issues I got involved with was this relocation process, because public housing was seen as a resource for redevelopment, to relocate poor people who qualified into low-income public housing. The redevelopment agency director then, Justin Herman, proposed that they build a massive 500-unit block on one of the nearby blocks of land and put all the elderly people who needed relocation in there.

My boss at the time at the housing authority, Miss Effie Robinson, who was the director of social services and human relations, was very upset about this because she knew that putting that many elderly people in one location was too much of a concentration and created a critical mass that would overwhelm the ability to really successfully help people—with the needs of older people, especially as they aged in place—to function in the city. It's just too many people.

So we wrote a memo to the housing authority commissioner—I'm sort of digressing, for whoever is paying attention to this, back to 1968—a famous memo that she asked me to sign, at the risk of losing our jobs, that protested

this idea to the housing authority commissioners and executive director—this was a very political body, as they usually are—saying that this would be an inhumane thing to do to elderly people. The state of our knowledge about housing for elderly people said there should be no more than 150 units at a place, in one building.

So long story short, we were successful in convincing our people that that's the right thing to do, and got a lot of publicity, and the redevelopment agency director, Justin Herman, backed off that and ultimately built what we recommended for public housing [for] elderly residents, and that is two separate buildings on a campus, each one housing 150 units. They stand there today, called Clementina Towers, which are near the Moscone Center.

Well, that was my first exposure, and [I] never dreamed that some twenty years later I would be the mayor who would be working on that project. But the lawsuits continued because while our part of it, the public housing portion, was resolved, the private housing for people who were not eligible for public housing was not resolved. Mayor Moscone came into office in 1975 and resolved part of the issues. Because of his great credibility with the low-income residents of the area and the advocates, he was able to get them to pull back on their lawsuits and allow the city to build the first component of the city's convention center, which is now named after him, after his tragic death, as the Moscone Center.

That was the portion that is south, the block that is south of Howard Street and is bounded by Third and Howard. It's the original Moscone Center. It's where the Democratic convention was held in 1984.

Mayor Moscone was successful, and so they built it, and then nothing was done on the north block from 1975 until 1987, when I got elected mayor, because, quite frankly, Mayor Feinstein was not successful in doing what Mayor Moscone had done, which was convince the advocates that she would do the things that they felt were important enough for the people that they represented, to allow them to withdraw their lawsuits and not file more lawsuits and all those kinds of things.

What that plan called for that the advocates were pushing for was a public garden, subsidized housing, preservation of key historic buildings, and all those kinds of things. A children's center was extremely important to their needs. When I was campaigning for mayor I'll never forget going in to meet with William Randolph Hearst III, I think it was, who was the young heir to all that Hearst empire, and he pointed out his window over at the Yerba Buena Center, and he said, "Look at that parking lot." He says, "It's been like that for twenty years. What are you going to do about it?" I said, "I'm going to go to work on it," I told him, "and I'm going to meet with the people who are causing the delays, and I will get it moving again." That was 1987. It was a big parking lot. In fact, that's where all the demonstrations and the cars were parked for the '84 Democratic convention. It was known as the longest-stalled urban renewal project in America.

So in 1988 I set about meeting with, as did Mayor Moscone in 1975, meeting with the advocates, listening to what they had to say, and working out a solution that they were happy with, and so was the city, or at least I was. So we proceeded, and they withdrew their lawsuits, and we proceeded to start building on Yerba Buena Gardens. The gardens were to be literally gardens, with areas dedicated to the native flowers and grasses of all of our sister cities, some thirteen or fourteen of them, [with] restaurants and art and cultural centers. But most of all we wanted an open space for people to come and enjoy in that part of the city as a respite from urban life in their workplace or at night, in their living places. It didn't exist over there. Then we wanted a children's center and an ice skating rink. All this was to be on the roof of the second component of the convention center, which was going to be underground.

On the other side of Mission Street from the Yerba Buena Gardens, a famous set of brothers from Canada named the Reichman brothers—they're still alive, they're from Toronto—had obtained the rights, before I became mayor, to build a large hotel and building that went through to Market Street from Mission, next to St. Patrick's Church. They had promised, in exchange for those rights, to give the city—I don't remember the specific amount, but it was somewhere in the vicinity of \$25 million. I believe the company was Olympia & York that was owned by the Reichman brothers. They were based in New York.

McCREERY: They had been chosen quite some time before, hadn't they, to work on this project?

AGNOS: Yes, that's right. So this payment of approximately \$25 million was due, and the redevelopment agency was going to use this towards the development of Yerba Buena Gardens. Olympia & York and the Reichman brothers were having economic troubles because we were in a recession in 1988, and because they had overextended themselves building a spectacular new part of the city of London in England called Canary Wharf. They had committed and spent somewhere between two and three billion dollars, with a "b," and suddenly they were having cash-flow problems in these recessionary times, and they couldn't come up with the \$25 million.

So they were meeting with the redevelopment agency director, Ed Helfeld—who was a very fine man, a very talented, honest, straightforward redevelopment director—and could not agree on how to make the payment. They were asking for a delay in making this \$25 million payment, which we needed to proceed. The redevelopment agency said, well, if you're not going to give us the money, we're going to take you out of the project that you were supposed to build over here for the hotel between Mission and Market Streets. We will go elsewhere and find someone else to develop it.

So, as with these things, Mr. Reichman came to see me, and then Helfeld came to see me, and Helfeld said, "We're just going to get rid of these people. They're not keeping their word. They're not going to give us the money." I said, "Well, what are you going to do to get this thing going? Because," I said, "I want something to happen on this plot of land. It's been twenty-some-odd years since anything was done on this." He said, "We'll find somebody." I

said, "Do you have somebody?" He said, "No." I said, "Then go back and work out a compromise. See how it can be done."

So he went back and met with them. The deadline was coming, and they still couldn't resolve the differences over how they were to make the payment, this \$25 million payment. So finally they did what always seemed to happen when there were stalemates. They said, "Let's go see the mayor." I hated that term, because I always knew trouble was coming when they said, "Let's go [see the mayor]." Nobody ever says, "Let's go see the mayor" when it's all terrific! It's when it's falling apart they say, "Let's go see the mayor."

Helfeld says, "We just can't work it out, and we're going to talk to you about it." The O&Y [Olympia & York] people said, "He's being obstinate, and we can't work it out with him, so we're coming." So they came into the office. Redevelopment had their experts, O&Y brought their experts, and there were all these people. I remember they were smart. They were politically smart. They knew that I was a fan of Governor Mario Cuomo, and so they got some guy that used to work for him who was one of their representatives. [He] came out to see me and tell me war stories about Mario Cuomo and also talked to me about this project. I said, "Look, I love Mario Cuomo, but I'm the mayor here, and I have to fix this thing. Now, what are we going to do?" So he says, "We're bringing in our people from New York, and they'll show you how it works."

They had all of these charts in PowerPoint. They had these PowerPoint graphics and all this razzle-dazzle aimed at telling me how they could make the

payments without making any payments. [Laughter] You know? So I listened to this for about an hour and a half, as their Wall Street experts, et cetera, went through their presentations, and I listened to our side. I said, "Look, I've been listening to this stuff, and I'm not sure I understand it all, but," I said, "let me tell you what I understand. One, you owe us money. Two, we need it in order to proceed with Yerba Buena Gardens. Three, you can't give it to us as quickly as we like it. Four, you want to make the payments so that you can retain the rights to the building that you want to do in the city with this development project between Mission and Market Streets." Everybody agreed with that.

I said, "Where I come from, if I want to buy something and I don't have all the money to buy it, I pay so much a month." They all looked at me. I'll never forget this. I'm the big shot, of course, and so they're all trying to figure out: Is there something important here? And they said, "So much a month? What's that?" I said, "So much a month is if I want to buy a car and I can't afford to pay for a car, I put a down payment down, and then I pay so much a month." I said, "If I want to buy a house, I put a down payment down and I pay so much a month. That's my mortgage." I said, "You guys owe us \$25 million. How much can you put down, and how much can you pay us, so much a month?"

They all looked. "So much a month, huh? Give us a day to work on that, and we'll come back." The deadline was coming, and Helfeld said, "Let's just get rid of these guys. They don't want to make the payments." I said, "Ed, I don't have anybody else. You don't have anybody else. I don't want this thing to go on for another twenty years. We're going to resolve it here. They want to

do it. We've got to figure out how they can do it." I said, "We've got a recession, and I've got to have the money now to get this going."

As I think back, it was just that he didn't like their pushy New York style or something. It was a personality grating, a personality clash. Anyway, the next day they came back and they said, "Look, we can give you \$3 million now." They owed us \$25 million in the next week. That was the deadline. "We'll give you three now and then in four months or three months"—and I don't have the details—"we'll give you another four, and then four months after that, we'll give you another four, and then four months after that we'll give you another four." It was so much a month, only in this case it was going to be so much every three or four months, whatever it was, every quarter, whatever that added up to. I said, "So at the end of a year and a half, we will have all the money. You will have paid it over that time." "That's right." "And if you don't make all the payments, then you will forfeit the rights to that property, and we will take it back."

So just to make sure my judgment was right, I called a man that I had met from the private sector who had nothing to do with city government but was an extraordinarily wealthy, successful financier and investment banker. His name was Tully Friedman. I had met him socially, and we sort of liked each other, and we would talk politics every now and then when I'd see him socially. He was also active with the ballet, and he'd talk to me about the ballet. So I called him up out of the blue, which was the wonderful thing about being mayor. I called him up, and I said, "Tully, I've got a complicated financing thing

involving Yerba Buena Center, and I would appreciate it very much if you'd take a look at all the materials that I'm being handed—all this razzle-dazzle that they brought from New York about the financing and all that stuff—and give me your impression.”

So he did. He came over and took it with him, and he looked at it and came back, and he said, “Art, this is a good deal. You ought to take it because I did some research on Olympia & York, and that's a company in big trouble. They could go under because they're overextended in London with their Canary Wharf project, which could blow them out in this time, in this particular time. So I'd take this.”

So I went against the redevelopment agency director's recommendation and took the deal, and so we signed the next week and it was done. They gave us their down payment, they made their payments, all but the last \$3 million, which is a crazy thing because we got something like \$20 million or \$21 million, and they didn't give us the last payment, but we got enough so that we were able to get the gardens built, because that's what the gardens were being financed by, what you see there. By not making the last payment, they forfeited the rights to this multi-million-dollar deal rights that they owned on Market Street, and the city took it back and could re-market it and make the money all over again.

Olympia & York went bankrupt because of the Canary Wharf project in London, where they had just spent too much money and couldn't get it back. They built a new city on the wharves of London over there. Now it's doing

okay, but back then, because of the recession, they were in trouble. They couldn't make the last payment, and they went into bankruptcy. It was one of the biggest bankruptcies of that time and suddenly there were, as I was told, a hundred banks in Toronto trying to work out the bankruptcy proceedings where they were owed money by O&Y, because O&Y had borrowed money from over a hundred banks.

But the city of San Francisco was not there because we had worked out this deal at so much a month and gotten all our payments. They went bankrupt I think in 1990 or something, or '91, but we had gotten our money, and then when they went bankrupt and didn't make the payments, we got the property back. So we were made whole and didn't have to go and try to get our money in a bankruptcy court with whatever legal processes that would have entailed.

And so we got Yerba Buena Gardens built, with the children's center, with the cultural facilities and the Martin Luther King [Jr.] dedicated waterfall that's there. Have you been there?

McCREERY: Yes.

AGNOS: I was very proud of that because I never saw myself as a businessman/ investment kind of financier, but I had an instinct that was a very simple one. I sensed that these people wanted to hang onto their development rights. I knew that we needed the money, and somewhere in there we could resolve it. By getting the good advice I got from Tully Friedman, I was confident enough that we were on solid ground so that I went against the recommendations of our redevelopment director, who is a very fine man, a very decent guy. I think to

his credit later on he said we made the right decision, even though he wasn't supporting it at the time. The project got built, while other so-called big business people had to suffer whatever the consequences are of not being paid as a result of the bankruptcy of this billion-dollar company, O&Y, Olympia & York.

That's never been written. That story is not told, and it's one of the wonderful values, I think, of this project that you're doing, that that can be told.

Another interesting sidebar to the development of Yerba Buena Gardens. I never dreamed when I became mayor that I'd be making those kinds of decisions. I had this notion that I would be trying to build housing or try to make the city better, but I never dreamed that I would be required to referee or umpire decisions like that and resolve them. I just didn't expect it.

McCREERY: Yes, we talked about two major commercial projects, Mission Bay and now part of the Yerba Buena. Certainly this whole commercial area was probably new to you.

AGNOS: Yes, the last thing, yes.

McCREERY: I'm curious about the role of the planning commission in all this.

AGNOS: The planning commission plays no role when it's a redevelopment project. What happens in the redevelopment project is that a city finds blighted areas and says, "We're going to take these." They literally draw a map, and then the city council and the mayor—the city board of supervisors, in our case—approves that, and that takes it out of the planning process. They are their own

planning commission in order to expedite the process of getting that all unblighted or fix the blight.

McCREERY: Was all the political opposition, though, before those plans were in place?

AGNOS: Oh, yes. That's what caused it all. That's where the Tenants and Owners in Opposition to Redevelopment—yes, there was major opposition.

McCREERY: But before you became mayor.

AGNOS: Oh, yes. Oh, yes. When I was mayor, I had the same easy entrée and credibility that Mayor Moscone had. Mayor Feinstein didn't have that kind of entrée or accessibility to those people, and she resisted it. She didn't want to do what they were pushing for, which was the children's center and all that stuff. Now, if you see the history, it'll probably be different, but then those people said—and when I got elected, they trusted me, as they did Moscone, because I came from that kind of progressive, neighborhood-oriented background. Mayor Feinstein was more interested in what the downtown had to say, and therefore they didn't trust her.

McCREERY: What was her approach to redevelopment, then?

AGNOS: Her approach to redevelopment was to take ugly parts of the city and make them pretty, without—and I'm overstating this now, but without being as sensitive as I was or Mayor Moscone was to the people who were already there. Because when you take a blighted part of the city, somebody is there. You can do it the way—Joe Alioto and Feinstein would just roll over: "They're expendable." Or you say: "How do we deal with their needs?" Because they are poor and powerless, until the poverty lawyers came along. Then they had a

lot of power, and they could go into courts and stop a big city cold. That's what happened in Yerba Buena. They used the power of the courts to stop the steamroller that redevelopment had always been in this city, in our city. It was a stalemate, and Mayor Feinstein couldn't work it out.

McCREERY: As you say, a long-running stalemate.

AGNOS: The longest-stalled urban renewal project. But I wanted to tell you a little sidebar that I think is also kind of revealing. After we were underway, there was a committee of African American people, primarily, who were working with the redevelopment agency to create a memorial—this was under Mayor Feinstein—to build a memorial for Martin Luther King [Jr.] in Yerba Buena Gardens. They had chosen before [I was mayor]—I had nothing to do with this—to build a memorial at the waterfalls, which are a significant feature of the gardens that come from the second floor down into a pool, reflective pool. They were sort of picking up on one of his themes: “And justice will come down like a mighty stream,” and all that.

And so they had developed this. When I came into office, they were doing their plans, and they were brought to me, and I looked at the plans that this committee of African American people and the redevelopment agency had put together. I have sort of an artistic bent, and I looked at the scale drawings and the facsimiles of what this would look like, and I saw a large waterfall coming down a story and a half into a reflective pool. They described the memorial as being behind the waterfall. You would walk behind the waterfall and see these different plaques, all of which were excerpts of speeches that Dr. King had

given throughout his career, in English and then, underneath it, a translation in the language of each of the sister cities that San Francisco has. So if you go there today, you will see his “I have a dream” speech and it’ll be translated in a language of one of our sister cities and so on with other famous things that he said.

I looked at this thing, and it bothered me. Something wasn’t coming through. Finally it dawned on me. It was behind the waterfall, and you couldn’t see it. I said to the redevelopment agency, “How are you supposed to know there’s a memorial behind this thing? I mean, what tells you?” Because there was nothing that led you there. You were just sort of supposed to know it. I said, “I want to put some kind of a thing, a statue, a head, a plaque that will draw people and tell them there’s a memorial to Martin Luther King here you ought to take a look at.”

Well, they went back to the committee, and the committee got outraged that the white mayor would try to tell this committee what was needed for Martin Luther King. So what do you think they said? “Let’s go see the mayor.” Here comes trouble! Because the redevelopment agency wasn’t going to take them on. So I get these kind of uptight, angry faces looking at me, saying, “We’ve been working on this for five—” I said, “Look, I understand what you’ve been working on,” and they went through their thing.

I said, “But I want to tell you something. I’m not going to be the mayor who put Martin Luther King in a closet, because that’s what this waterfall does. Now, you take a look at what I’m looking at. Here’s the rendering.” I had it in

my office. I pulled the sheet off it, and here's this beautiful rendering that had been done in color, with the waterfall coming down and the rocks and the grass and the trees. I said, "Make believe you are from Hong Kong, where we get a lot of visitors. Where is Martin Luther King's memorial?"

And they looked, and they looked, and you couldn't see it. It's not there. I said, "What if you're from Greece and you want to see Martin [Luther King], and you're in Yerba Buena Gardens at one of the performances. You're at the convention center. You're from Kansas City. You're from Atlanta. You're from any part of the world. Where is Martin Luther King in this rendering?"

They looked at it, and they looked at it, and it just sort of dawned on them: You don't know! I said, "Now, the second thing is if you're from Singapore and you hear about this great man and you look at these plaques that you've all written, and they're beautiful—don't you want to know what he looked like? What does he look like? Was he tall? Was he short? Was he light? Was he dark? What was he?" And they're looking at me.

Sometimes it's hard for people to admit they were wrong, especially when someone like the mayor, and he's a white guy, is telling them about their black hero. So they were shifting around and shifting around. They didn't want a statue, because everybody had done statues, and what had triggered it, in fairness to the committee, was what the press had reported, that I wanted something like a statue or a plaque or something. They said, "We don't want a statue." I said, "I'm not asking for a statue. I'm asking for this to be accessible from other parts of the gardens in a way that draws people in and, when they

get there, they can see what he looks like. Now, we can do whatever you think, but I want them to know what he looked like.”

I also said to them, “How can you [see] everything he did? Did he just give speeches? No, he led active marches. He marched on Selma. He marched on Washington. How does one know that with your plaques that just give the great words that he uttered?” I said, “I’d like to see something that shows him in a march.”

So they come back, and they said, “Mr. Mayor, we’ve thought about what you said. You’re right, and so we are going to put his head—the famous picture of his head that everybody knows in our country—on one side, on the entryway, outside the waterfall, so that you can see that. As you’re walking around, you see his head. Then you walk through, and on the other side we’re going to have a picture on the other side of the waterfall, visible from the gardens without going behind the water, of a march,” which is what one of his major tools was.

I said, “Fine, that takes care of my objections. Let’s go ahead.” So they did, and it was built. At the dedication, this was the first time I had seen it, and here on one side of the waterfall, so you would look at the thing, and here’s this wonderful picture of him. Then you go in and see these wonderful plaques, “And justice will sweep down like a mighty stream,” or whatever it is. Each one of them has a translation in one of the thirteen or fourteen languages, whatever it was at the time, of our sister cities, including Greek.

Then you get to the other side, and there's the march, but no picture of Martin Luther King in that picture they'd chosen. Martin Luther King is not in it. You know what it is? The leaders of this committee—[Laughter]—they put their picture up there! It was a legitimate march for civil rights in San Francisco, and in the front of the march are the chair of the committee and all those people. So they wanted their little spot in history on the wall, not Martin Luther King. But we have a wonderful memorial, and I think it was enhanced by that, but I had to go through negative stories in the press.

The lesson, the reason I tell this is nobody says, "That's a great memorial because Art Agnos objected that there was no picture or there was no way to be drawn into it." So the lesson here is that you have a choice when you're in position like a mayor or a president or any major figure. That choice is, do you sort of go along and stay popular, or do you use the capital of popularity in public office? Do you use your capital, your political capital, and say I'm going to make this better because of what my ideas are in response to what's happening and assume the risks of that? That's what I always did. As I look back on my career as a result of this wonderful [oral history] project, I wouldn't change a thing. I'd try a little harder, maybe, to schmooze 'em, but I wouldn't change the decisions.

Then there was just one other piece of Yerba Buena Gardens and that whole complex. I didn't realize or expect that these bureaucracies that were doing these kinds of things would be checking off with me as much as they did,

but in this town, in San Francisco, all these bureaucracies are so politically sensitive to what the mayor is thinking, they always came to check everything.

For example, one of the other pieces of the development of the center, on the north side of Howard Street, opposite the south side where the original Moscone Center was, there was going to be an overpass for pedestrians to go from one to the other because on the south campus of the convention center was to be the ice skating rink and the children's center, with the merry-go-round that's there now. We needed a way for people to get across the street without going across busy Howard Street, so the idea was to put a pedestrian overpass.

So they brought the plans for the pedestrian overpass and the ice skating rink and all that kind of stuff. I never said anything, but I was always sort of privately wondered. I was just in wonderment that they always asked me to approve these plans. I thought there would be experts who did this.

So they brought me the plans, and they showed me the ice skating rink where kids would go ice skating and all that stuff, and it was this big square building that was mostly walls and a roof. I said, "God, that's just like walking into a gym, to go ice skating." "Well, it's cold. We want to keep the ice and all." I said, "No," I said, "this has to be light." I was thinking of Rockefeller Plaza in the winter, with everybody ice-skating. I said, "Can't we have sliding glass doors that just open up in the winter, where you can just see people skating?" Well, they couldn't do that because our weather is too warm, but because the mayor wanted something like that, they made it all glass, so you

can see in it. I got a kick out of the amazing response to my saying, “Well, I’d like it to be light and open so that as you’re walking by, you watch people.” It becomes something you observe from the outside.

This overpass that we were looking at was absolutely straight. I said, “Can’t we put a curve?” Because I hate overpasses going over streets. They just sort of block out the light, and as you’re going down—I don’t think they look good in a city. I said, “Can’t we have it curve, instead of a straight line?” “Oh, yeah, we can do a curve.” So when you’re driving down Howard Street and you’re going by the convention center, you take a look, and you’ll see the pedestrian thing is curved. Now, the actual walkway is flat, but there’s a curve underneath it, to give it a softer look.

I always got a thrill out of being able to sit there and offer comments. You know, I said, “Now, you don’t have to do this. I’m just telling you.” All of a sudden they come back in a week with, “Oh, yes, well, we really think it makes sense.” You know, they’d come back. So I got a thrill out of being able to do that. The waterfall is another example of what I’m talking about in this regard, around design, which I kind of got interested in because I sort of have some, as I said, artistic interests. I think I would have been an architect in another life.

McCREERY: Interesting.

AGNOS: So they were talking to me about this waterfall that became the waterfall for the Martin Luther King memorial. Initially, it came over the wall in a straight sheet of water, kind of like you see some of these things that you can put in your house, where the water just kind of comes over the top and falls straight

down. It looked too modernistic for me, and I really wasn't turned on by it. They were just going to bring in some marble. I had been out to Golden Gate Park. If you've ever been out to Golden Gate Park, the little lake out there. What's the name of the lake?

McCREERY: Stow?

AGNOS: Stow Lake. There's a waterfall that's sort of a replica. It's made out of fake stone, and it starts up about, I don't know, four stories high, and it comes down over these rocks that were brought from the Sierra mountains, and kind of like a mountain stream. It looks like Yosemite is what they tried to replicate. You know how the water comes down into Stow Lake, especially in the spring, and it's just a beautiful place. At the lower levels, you can walk into the stream and all that kind of stuff. I'd been out there a number of times with my kids—they were little—out to Stow Lake and the paddleboats and all that. I just had that in my mind.

So I had these Italian designers—very intimidating people—and the redevelopment agency showing me. I said, “You know, this is nice, but it doesn't turn me on.” They were going, “Who are you?” All of a sudden, the mayor's not pleased. “Well, what do you want?” [Laughter] I said, “I'd like to see something more natural.” I said, “I think that we ought to have California stone, and I think we ought to have something that gives more vibrancy to the fountain,” like falling over rocks into the reflective pool which is there, and all that. They couldn't get what I meant, so I called for my car, and I said, “We're going out to Golden Gate Park.”

So I took this Italian architect and the redevelopment agency, about two or three of them, and we drove out. We left city hall. We just spontaneously went to Golden Gate Park, and I showed them this fountain. This was all man-made out there. I mean, the mountain brook they've created out of fake rock. No, no, not fake rock but real rock they brought in from the Sierra.

So I said, "This is what we ought to have there, in my view, so let's think about it." So they put in rocks that cause the water to break up instead of coming down in a smooth, silent sheet of water that doesn't make any noise and all this. They decided to get natural rock from the same quarries that city hall was built out of, to give it more of a connection and all that stuff.

Those examples I gave you [show] the kind of role that a mayor plays that I never expected in the life of the city, whether it was finance, whether it was design of the actual buildings or the facilities. It was one that I grew to like during my time because of my sort of long-time interest in artistic design and stuff.

McCREERY: Yes, and sometimes the untrained eye can have a very fresh approach.

AGNOS: You know, you're absolutely right, and that is, I think, one of the things that politics gave me the confidence to speak out on. Sometimes experts are so absorbed in the expertise, they don't see the simple thing that the untrained eye can sometimes use to help them make their project better. I don't want to suggest that the untrained eye is in any way a replacement for the expertise.

McCREERY: No, and some untrained eyes are better than others!

AGNOS: Sometimes you just walk the ground and say, “You know what? When I walk this way, here’s what happens.” They sometimes are just doing it on paper. Anyway, that was the Yerba Buena story.

McCREERY: Maybe we’ll touch on a couple of other events. I could ask you to talk briefly about the controversy over berthing the [USS] *Missouri* in San Francisco. That was fairly early on.

AGNOS: Yes, that was early on. Yes, absolutely, it’s a very interesting controversy and another good story. In San Francisco, as we’re seeing right now, there are very strong ideological points of view, environmental, political, et cetera, and right now with this prospective war with Iraq, we’re seeing a lot of people act out.

That reminds me, when we’re talking about protests, war protests, I had war protests [as mayor] in the first Gulf war.

McCREERY: Yes, you did. I remember.

AGNOS: I want to tell you about that in a moment. Again, I think one of the most fascinating things when I think back about being mayor, is my sense of—I can’t think of a better word—wonder over simple things that experts missed that I somehow would bring to it on occasion. I told you some of them just now, with the design of the overpass and trying to make the ice skating thing more light, and the waterfall and all that, and even in the financing scheme.

Well, fast forward to 1991. The Gulf War is on. President [George H. W.] Bush decided—as his son [George W. Bush] is about to—to go to war and all that. San Francisco became the staging area for all the protests, as they will be in this war. Everybody comes to San Francisco. The reason is that this is

where the media is. It's easier to get to the media here rather than in east Oakland or San Jose, because they simply won't go down there, but they'd come here. They go to Justin Herman Plaza or march up Market Street or go to Civic Center, and all the cameras are there.

So the war breaks out, and the protesters start to organize, and they come from all over the Bay Area. We had, according to the reports at that time, somewhere close to 15 to 20,000 people. They weren't peace marches because there wasn't as much of a buildup as there has been [recently] with the delays, because of the diplomatic failures of the [current] Bush administration. They just spontaneously protested, and tens of thousands of people were running up Market Street and going over to Union Square.

They were much more malicious than they had been so far, and destructive. So our police were having a helluva time trying to—these things keep popping into my head. Did I talk about the Dolores Huerta incident?

McCREERY: Not yet.

AGNOS: You're going to come to that, okay. So the police were having an awful time containing them, because they were just breaking up into gangs and going all over and setting barrels on fire and jumping on cars and breaking windows and graffiti-ing stuff, and so it was kind of a malicious protest.

The police were gathering them up, and they were overwhelming the Hall of Justice jail, where they only had a capacity for a couple of hundred people. What the police were doing was bringing them to the Hall of Justice, arresting them, booking them, and then letting them go, and this would all take a couple

of hours. They would leave the Hall of Justice and go right back to Market Street and Union Square and Civic Center and do their malicious—join the gang again.

It's almost a circular thing, and we're in the middle of this crisis. Of course, we had the command post. I'm talking to the chief, and I said, "Chief, how come these people are still out?" "Well," he says, "we don't have enough room. The sheriff says he can't keep them all. The jails are full." "We've got no other place?" "No. We're booking them as fast as we can, but we have to start letting them go, and then they're going back and joining the demonstrators," the other demonstrators.

They hadn't thought of what else to do. Well, I'm sitting here looking at this roomful of cops, pros. They've got all their plans for riots and all that, and they were good cops. They were rounding them up, but they were just coming out the other end. So I said, "Chief, why don't we go down to the wharf? All those empty wharf sheds down there, the storage areas, and why don't we just put them all down there and get a fence and put it around and keep them there? We take them there," I said, "we book them, make sure they all have their rights, but since we're overcrowded at the jail—and we do it very slowly." They're cavernous storage areas. You see them off the piers?

McCREERY: Sure.

AGNOS: They're empty. Sometimes people will store new cars in there and stuff like that. So we quickly got some of those construction fences that you put around an empty lot to keep people out. They put up the fences, and then they started

bringing these people there as they arrested them for breaking windows and doing all the things they were doing. But we only had one person doing the booking, so they put them all inside the jail, and then they'd bring them out one by one. It broke the back of the protest because the supply of people coming back was interrupted because we were keeping them there for seven to eight hours, and by that time people went home.

I always wondered how did I think of, "Let's go get them something at the wharf." It probably was because the cops think of jail. They don't think of the wharf.

McCREERY: They think of the usual solutions?

AGNOS: That's right, and the usual place. So they were trying to think of maybe they should use the parking garage of the Hall of Justice. There were complications with that. But they didn't see the whole picture, the whole city as a resource. And so when I said, "What about the thing down there? We get a fence. We wrap it around." "Yeah!" And then they got it. I was always sort of awed that I had to think of it. That was 1991, so then when I used to hear, "Let's go see the mayor," I knew I had something to bring to it, even though I didn't know what it was.

McCREERY: So you kind of learned that along the way, part of your role.

AGNOS: Absolutely. That's the point, that "Let's go see the mayor" can be a useful thing, even though I have no expertise in the trouble that's coming my way. You know what I mean? The take-away for me even today, ten years later, is because of that experience for four years, I [now] walk into a situation when

people want to talk to me, and I say, “Gee, I really don’t know anything about it, but I’ll come,” because I know I will see something there that maybe makes a difference. It doesn’t work all the time, but more often than not, it does. I never had that before being mayor. As a state legislator, I wasn’t in the kind of situations—usually you’re doing the bill, you’re doing the testimony. You know, it’s the thing you do. It’s an interesting role, but it’s a more traditional track.

McCREERY: Yes, and everything’s in place, all the systems and all that, and not so much new ground in terms of how things happen.

AGNOS: You started me on the *Missouri*. During [my first] campaign, Mayor Feinstein was starting to see some of the difficulties that ultimately came on the city; in other words, she was starting to feel the economic impacts of the recession that was coming on. Plus Mayor Feinstein never saw a uniform she didn’t love. We had a thing in San Francisco, which she started, to her credit—I think she restored—which was Fleet Week. She loved to have the generals and the admirals, and she loved to have her police chief wearing his blue uniform with all his stars. She just liked that stuff. In fact, there’s a famous picture of her that she hates now because it was so ridiculed, of her in a police jumpsuit. Yes. You don’t see it around anymore. I think she obliterated it. But she loved that stuff, the pomp and circumstance and military, with the bands playing these fervent songs.

So she started this Fleet Week event, which was a nice thing because it brought all the ships into the city, and we honored the sailors. San Francisco is

a port city, and we wanted to show our respects to the fleet, and the Navy liked it because they were nicely treated. The city was very hospitable. We found homes for the sailors to go and have home-cooked meals, for those who wanted to do that, and the bars. We told the cops, "Take it easy. If they get a little rowdy, it's okay." We had events, we got dates. It was like USO [United Service Organizations]. The sailors liked it, and the citizens liked it because they saw these wonderful ships coming in. It was something we didn't see every day.

So for five days we did this kind of civic celebration around the men and women in uniform, and they had a ball with all the officers and the mayor. I went to all these things as mayor, but she started it all. There was a lot of ceremony and pomp and circumstance and all that stuff, along with things—our police and the fire [department] played softball against the navy and that kind of thing, so it was a nice time. That's where the Blue Angels perform. You've probably seen them. And [there was] an aircraft carrier.

So all of that was the backdrop for the Reagan administration deciding they had to cut their military budget, which was way out of line, and their deficits were huge. One of the ideas that John Lehman, who was secretary of the navy, came up with was trying to lay off some of the costs of running the navy on cities. The idea was that if we put a ship or a fleet of ships in your city to be home ported there, you will get an economic benefit from all those sailors and all that kind of stuff, and so in exchange for that we want you to put up money to develop the facilities to home port those ships.

Now, New York was offered, I think, the USS *New Jersey*, which was the twin battleship to the *Missouri*. I can't remember—I think Galveston [Texas] was offered another one. These other cities jumped at it. In our case, it was \$10 million to start with to prepare the Hunters Point shipyard area as a home port for the *Missouri*. Now, in our city, as I said, of different ideologies, the environmentalists didn't like the idea because the ship, the *Missouri*, was such a huge ship that it touched the bottom of the bay when it came into the port. It stirred up the sediment at the bottom. In the days of World War II, when the shipyard was being used for construction and stuff, a lot of toxic materials were dropped down there, and it was never cleaned up to this day. We now are looking at a tens-of-millions-of-dollars bill to clean up the land where the shipyard was so that it can be developed by the city of San Francisco, now that it's been turned over by the navy. We still haven't resolved four or five years of haggling over how much the navy is going to pay to clean up what they left behind. It's very toxic, very toxic. So the environmentalists said, "We can't have a ship coming in here and stirring all this up, because it'll float out into the bay and get everything else polluted." That was issue number one.

Issue number two was, in a time when we had all of these domestic or city issues that we needed money for, why are we going to use it on the navy, when the navy has their own budget that we also pay taxes for, which is the federal budget. That was my position, and I just simply said it. It's in the [campaign] book, too. I said, "I don't want to use city money for the defense of our country. That's what we pay federal taxes for. If the navy decides that it's

important to the defense of our country to have the battleship *Missouri* and its support ships here, then they ought to do it, because we can't stop them. But they shouldn't be charging us and telling us it's an economic boon, because no sailor is going to go shopping at Macy's or the Emporium. They go to the PX. They don't have enough money." Everyone understood that the sailors don't have that kind of money. Even the officers don't.

So it was an illusion to suggest that this ship and some 10,000 sailors would be an economic boon to the city. But it was really Feinstein who was in love with the uniforms and the defense, and her conservative nature, and the chamber of commerce, and all these people who became patriotic over this impressive ship with a glorious history. I love that ship, where the Japanese signed their surrender with General [Douglas] MacArthur and all that.

McCREERY: As you say, you made no secret of your opposition during your 1987 campaign.

AGNOS: That's right. Absolutely. I ran for mayor. I said, "This is what I'm going to do." And my opponent was for it. We had debates.

McCREERY: Why was this so controversial?

AGNOS: Because it became a patriotic issue with some people. The more conservative parts of the city [said], "What do you mean you don't want the navy in your city?" "No, I don't want to pay to bring the navy in my city. I was in the military. I got an honorable discharge. I was promoted fast because of my dedication. I even got a medal, a commendation medal, for being an outstanding soldier. But I don't want to use city taxpayer money to house the

navy here. If they want to come here, the budget of the United States Navy ought to pay for it, not the people of San Francisco.” That was my issue.

So I win the election, and Mayor Feinstein had already started to make agreements with the navy to bring it here, because she liked them. I liked them, too, but I wasn’t about to spend my city money on that. I could use it for so many other things: the deficit, the homeless, education, housing, and so on. After I won, the chamber of commerce and Mayor Feinstein decided they were going to go to the ballot and force me to do it, and they put on the ballot in 1988 a proposition, because I was putting a stop to it. There would be no city money under my administration, and so they put it up to a vote of the people to make it city policy that I have to do it and spend the money.

I talked to military people and developers. I said, “This is an old ship. It’s a dinosaur. We can’t use it anywhere in a war theatre because it’s so vulnerable to the modern technological warfare of missiles and all that. It’s a sitting target.” I didn’t get that out of the top of my head. I went and talked to people who knew this stuff, and they said, “That should be a museum. It’s never going to be a battleship again. They probably will take that out of commission in the next five to ten years.”

The battleship *Missouri* was sort of a nostalgic kind of ship. Everybody loved it because it was significant in our history, and it was impressive. But it wasn’t an economic boon to San Francisco. So anyway, that’s the way I called it. So they put it on the ballot, and we had a vigorous debate in November of 1988. I was saying, “I want to spend \$109 million for a new library. I don’t

want to spend \$10 million for a ship to come here that they're probably going to take out of commission, and we're going to be stuck with these facilities that we built, and the sailors never come."

I'll never forget Mayor Feinstein on a flatbed truck in front of city hall with other pro-military union guys and chamber of commerce guys, speaking out at a rally [about] how I should home-port the *Missouri* here. Anyway, to make it a little shorter, the people voted in favor of the *Missouri*. It became a flag-waving kind of thing. In fact, I remember Admiral [Robert] Toney was the guy who was in charge of the navy here at that time and the leading spokesperson for the navy. One day he came up, and he said, "You know, Agnos," he says, "we can't figure you out." I said, "What's that?" He said, "We checked your record, and you have an outstanding military record. We can't figure out why you're so opposed to this."

I said, "Because, Admiral, it has nothing to do with my love of this country or my support of the men and women in uniform. It has to do with me as mayor paying for something that is not my business. It's yours, and your Reagan administration has to pay for this. If you want to come in here because it's important to defend this country, you come in, but don't tell me to pay for it with money I need for the schools, for the homeless, et cetera. That's all. It's not personal."

So it didn't work. I lost. So I now had to go to Washington, and I did. I went to the United States Department of the Navy and met with the undersecretary. I can't remember his name. I said, "Mr. Undersecretary, I'm

here to tell you that the people of my city have spoken. It's contrary to what I want to do,"—and I gave him my arguments. "But I am prepared to do whatever you need to bring the *Missouri* to San Francisco and berth it."

That's the first time I got an inkling—this was in January or so of 1989. He said, "Well, we're re-looking at all that, and we will be talking to you." Well, what happened was in the next year they decided to decommission the *Missouri*.

McCREERY: Sooner than you'd even predicted.

AGNOS: I know! Because it was a huge cost to them to keep this dinosaur afloat, and it wasn't useful in any of the kinds of wars that the military thought they would be using it for. In fact, I think it was two years. It was two years, because they were going to use it in the Gulf War in '91, and so it was two years later. But they knew it. They were stalling. But they brought it to the gulf for the Gulf War, and they parked it in the middle of the Mediterranean because they were afraid to bring it any closer to Saddam Hussein, who might pick it off with one of his SCUD missiles or whatever he was using at the time. That's how vulnerable that ship was.

But it happened on my watch. They killed the plan, and I remember going back to Washington and running into the mayor of Galveston—it was a woman—and she said, "Oh, Mr. Mayor, how are you doing?" And I said, "What are you doing here?" She said, "I'm trying to get some money out of the navy because I home ported—" some ship. I couldn't remember what the name of her ship was. "We spent \$10 million, and they never came. They

never came, and now I'm trying to get paid for what we built." I said, "I never built it, although the people forced me to, and I was ready to." But she had started from the beginning. See, I stalled it for a couple of years with all my opposition, or a year, and so by the time we got through with all of the hassles, the navy had changed their mind because they were decommissioning.

Then I said I'd like to have the *Missouri* here. I tried to get it as a museum, but they gave it to Hawaii, and it's probably appropriate it's in Hawaii because of the memorial they have there for Pearl Harbor. But then I confused the navy even more after that, because I was mayor for four years, as you know, and we had Fleet Week each of the four years I was mayor. I wanted to demonstrate that this was not anti-navy or anti-[service] men and women. I wanted them to have a good time.

So I got Charlotte Mailliard Swig, who was the chief of protocol and just a spectacular, creative person, who knew how to bring a lot of things together to have a good time, among other things she does. I said, "Charlotte, I want to make sure that the men and women of the navy, when they come to this city while I'm mayor, have a great time, just as they did under Mayor Feinstein," and all that stuff. So we put together Fleet Weeks each of the four years.

The navy gave us an award as having the best event held anywhere in the world for the men and women in the navy, during my four years. Mayor Feinstein never got that, but my four years we did it in a fashion that earned that award. Now, the navy was not about to give me awards because they liked me, because they could not figure me out. But we did such a great job with—

all of their brass from Washington came here. It was a big event. They were all so impressed by what the city did for these people who came, the rank and file, that we were chosen for four years in a row as the best event. We got a little plaque.

I never kept plaques. I don't know where the hell they all are, you know? You could fill a library. I always asked for money, instead, that I could use for the children's fund or something, because people spend a lot of money on plaques, you know. They spend anywhere from \$100 to \$500 on these things, and if you're getting one a week—as mayor, you're always getting a plaque for something—that adds up to a lot of money. Anyway, that was the story of the *Missouri*. That hurt me politically, actually, because a lot of the conservatives thought I wasn't patriotic.

McCREERY: Yes, sometimes it's a matter of—

AGNOS: It's perception.

McCREERY: Yes, finding how to communicate your point fully. They may know part of it but not see the full picture. Well, let's move on to the event with Dolores Huerta. Set the stage with your police chief at the time and whatever else.

AGNOS: One of the things that amazed me again as mayor was how political the police and fire department were, especially the police. I thought, in a very naïve fashion, that the police department was kind of like the army, that it was a professional organization with career tracks that people followed after successfully taking civil service tests to prove their skills, to demonstrate their skills and their on-the-job performance, and they moved up. I never dreamed,

when I went into office, how political the police department was from the mid management to the upper management. Now, clearly, the mayor picks the police chief, and it's kind of like—I don't know if the feds do, each president picking who's going to be the chairman of the Joint Chiefs of Staff. It's a very political thing.

I said, "I want the most talented person." But in my campaign—now, Frank Jordan was not the most talented police chief. He was a nice guy, who is amiable and got around and did the part of being a police chief that involved public relations very well. He showed up at all the neighborhood luncheons and neighborhood activities, and he'd give a nice little speech on police-community relations and all that stuff. But he wasn't a field commander of the troops. He had a backup that I didn't realize at the time, who was the administrator and the commander. It was [Willis] Will Casey, his deputy chief.

So I'm running in 1987, and my opponent was Jack Molinari. Just to put it in modern terms, he was the Gavin Newsom of that time.

McCREERY: I think we talked about that, the homegrown guy.

AGNOS: Yes, homegrown guy. Yes, okay. So Jack had been on the board of supervisors for a number of years and knew certain parts of the city better than I did. He certainly knew city government better than I did because he had been a supervisor for I think ten years, twelve years. He said that if abandoned cars, which was an issue at the time, was not addressed better, if traffic didn't move better, if crime didn't get solved better, he was going to change the police chief every month until we got the right police chief.

McCREERY: That was his campaign position?

AGNOS: That's what he said, campaigning. Jordan was gone. He knew it. Jack said, "Jordan will be replaced." Well, my political tactician—I didn't know Jordan; I had never met him. My political adviser said to me and one of my big backers, who was on the police commission, said, "Art, you've got to support Frank Jordan." I said, "I don't know him. Why do I want to support him?" He said, "Because he's popular with the western side of the city," with a lot of Irish people living out there in Richmond and Sunset [districts] and stuff, and the more conservative voters in the western part of San Francisco. "They like him, so if you support him and say, 'He's a good chief. I'm not going to fire him,' that will get us votes out there."

So I said, "Okay, he's a good chief. I'm not going to fire him." [Laughter] It became a point that we could use in debates and in the strategy of the campaign in part of the city where I had nothing going because I was too liberal for them. So keeping the conservative or the moderate police chief, who was popular out there because all he did was go to their lunches and their functions, was a good political move on my part. I didn't dream it would be disaster after I got to be mayor, because I didn't know enough. If I had known that, I wouldn't have done it. But I didn't know it, and I just sort of did it.

So I win the election, and I call up Jordan. "Chief Jordan, how are you? I'd like you to stay on as my police chief. As I said in the campaign, I think you're a fine man." He says, "Thank you very much, Mr. Mayor. I'll do everything I can to support your administration." So he was in. I didn't pay a

lot of attention in the first five or six months of my mayoralty to the police department because, as I've said before, I got smacked right between the eyes with the fire department and all of that we've talked about on my first day in office after being sworn in. That took a lot of my time, administratively speaking. We had the deficit, we had the *Missouri* coming at us because Feinstein and the chamber were going to put this ballot measure on, and we were trying to fend that off, and a variety of other things, so I didn't pay much attention to the police department because it seemed to be functioning okay. Jordan seemed amiable enough, sort of a nondescript, nice guy who didn't stand out, so "no harm, no foul."

Then President Bush came to San Francisco. It was in the fall. He was campaigning. That's right, it was in '88. It was in '88, and maybe he was campaigning. And so there was a protest against Bush policies. It was a large protest at the St. Francis Hotel down at Union Square. Among the coalition to protest the Bush presence was—the only reason a Republican candidate comes into San Francisco is because there are a lot of wealthy people, and they do fund-raisers here, but there are no voters here for them. They don't do outdoor events. They just do indoor events at fund-raisers.

So he was at the hotel. I don't know how many people, maybe four or five thousand people gathered to protest his presence and all that kind of stuff. Among them was Dolores Huerta and a farmworker contingent, who were trying to get into the hotel to chant and all the other kinds of things. She was at the front of it, and all the people were behind her.

The police at that time, the San Francisco Police Department, had a crowd control policy that involved using batons as thrusting weapons aimed at the midsection of the protestors. They would sort of proceed in a line, like if you've ever seen a movie with the Roman legions advancing on whoever their opponent was at the time in lines of people with their spears in front of them, that's how the police did it with our crowd control. They would take a step and thrust, take another step and thrust. At each step, they'd jab at the midsection with this police baton, the long ones you've seen, with the two handles they hold, and they'd be going back and forth.

In the process of doing that—and they start maybe, oh, fifteen yards away from the crowd, and they tell the crowd they have to disperse, and if they do not, the police, with their batons, will advance on them to clear them physically. So the police did that, and they started to advance. I'm going to show you, even though it will do no good for the hearing—

McCREERY: Just watch the microphone.

AGNOS: Yes. So what they do is—I'll be careful—but they have this baton like this, aimed at your midsection, and then they keep coming like that until they get to you, and when they get to you, they don't stop. They keep coming and thrusting. Well, of course, you're going to turn around and you're going to try to run away when they get within a foot of you and the next thrust is going to hit you, because these are big burly guys. They're thrusting the blunt end of the baton.

Well, Dolores Huerta, who was about 104 pounds, was in the path of these advancing policemen that must have looked like the Praetorian Guard coming at her, and she turned around and tried to move back. But when there's 5,000 people there, you can't move them, so the crowd, ten back and further, didn't know what was going on, and they didn't move or clear the way, so the cops hit her and the wall of human beings, hit them with their batons.

She went down. Her spleen was crushed. She was taken by ambulance to the hospital, and suddenly I'm called, and they say, "Dolores Huerta is in the hospital. She's critical, with her spleen and other internal injuries, and our police department did it."

McCREERY: Yes. How did you learn about this?

AGNOS: I got called. It happened at night about, I don't know, maybe six o'clock, if I remember right. I got called about seven or eight o'clock at night. I said, "Oh, my God, how can my police department,"—I'd been a strong supporter of César Chavez. I knew Dolores personally and all that stuff. I went to the hospital. I couldn't see her that night. She was in surgery. So I went to the hospital the next day, and I saw her, and I apologized. I said, "I'm sorry for all this happening." She didn't hold me personally responsible, but "the group," the police department.

So the police come into the mayor's office with the police chief, and Jordan couldn't talk. He couldn't explain what their policy [was]. He couldn't do anything because this was not a luncheon crowd, I guess, or something. So I had the other commanders there, who were the field commanders, explaining.

They told me about what I just described to you, with this thrusting motion, like the Praetorian Guard advancing on the people. I said, “How long have we been doing this on people who are peaceful?” These people weren’t threatening the police officers. They were standing there, and they were chanting, but they didn’t hurt any police officer. They said, “That’s our standard crowd control. It’s state of the art.” I said, “State of the art? It’s horrible. I want it stopped.” I said, “We’re never going to use that again. We’re going to find some other way to do it.”

They said, “There is a role for that when people are being hostile.” I said, “If someone is being attacked it’s one thing [for the police] to defend themselves, but if people are just there protesting without any threatening or any kind of gestures that could in any way be interpreted as attacking a police officer, they should not be using that technique.” Many other cities did it at the time, too.

So here’s the interesting thing about that. I said, “I want some recommendations on how to fix it, how to change this policy.” So a couple of weeks later, a week or so—I can’t remember the specific times—the top commanders come in who were in charge of the field operations, and they hadn’t figured it out. It’s one of these “Let’s go see the mayor” type things. I said, “Okay, show me what you do.” I’d been in the service, and I had done military training with bayonets and a whole variety of weapons, so I understood something about this stuff.

But, again, I am in wonder of why I am sitting there in the mayor's office [Laughter] with these experts in crowd control who are at a loss. Now, maybe they didn't want to figure it out. I don't know. So I said, "Well, look, here's what I would do, and that is take the baton and hold it at what we call in the Army a 'port arms' [position] across your chest."

Now, when you're holding it this [original] way, when you're holding it as a spear aimed at the midsection of somebody, it's a much more violent gesture when you're advancing on somebody than if you want to move the crowd. The idea of that original movement, of the spear-like movement, is to disperse the crowd or move the crowd back away from the front door of the hotel, in this case. There is a gentler way to do it. And I said, "The way I would do it—" and this is where I was reaching back from my military—"is hold the baton at port arms, which is across the body of the person holding it, sort of horizontally."

McCREERY: So the blunt end is at the side rather than at the front?

AGNOS: The blunt end is pointing up over their left shoulder, straight up to the sky, toward their left shoulder, and the right side of it is down by their hip, so it looks like you're holding something in front of you horizontally, if you will, and you advance that way, so when you got to Dolores Huerta, you might be pushing her, but you're not poking her with the business end of the baton in her back, breaking her ribs and destroying her spleen.

The new procedure became this way. When I get to you, obviously if you're not moving, I'm not moving, but at least I'm putting pressure on you,

right? That's how we came up with the [new method for] crowd control, and to my knowledge, it's still the crowd control policy today. We sat in the mayor's office. When they could not give me any alternatives, I got out around my desk, took something, a baseball—oh, yes, I took my golf putter, and I was using that as a baton.

Some months after that, Dolores got out of the hospital. She recovered, and I was so relieved, and then a year later she sued us and became a millionaire [Laughter], and her children and everybody were set for life. I don't know how much she got. I think it was a couple of million dollars for what we had done to her. We had almost killed her.

McCREERY: Did you have any inkling that the department had had troubling incidents before that could be labeled police brutality or anything like that?

AGNOS: I strongly supported the civilian review, the Office of Citizen Complaints. I did some things to strengthen it.

McCREERY: That came after the Huerta incident?

AGNOS: Yes. Plus just my general support of that. I added some very strong people on the police commission, like John Kecker, a leading criminal defense attorney.

McCREERY: What effect did this have on Mr. Jordan's career as police chief?

AGNOS: It should have had more than it did. I thought that what was done—I didn't punish any police officers for hurting Dolores Huerta because I decided it wasn't their fault. They were doing what they were trained to do and under the policy that existed at the time, so I couldn't blame anybody for following the procedure that they had been told they were authorized to use.

What I should have realized—and was too preoccupied with all the other crisis management things I was doing at the time—was that Jordan didn't really manage the department. He really was more of a figurehead and not creative, just a nice guy. "Amiable mediocrity" is the way I've described it, and I don't mean that pejoratively, although it obviously comes off that way. He just never gave me any creative, thoughtful things. He just held onto his job.

Among my criticisms of Mayor Feinstein is she often found people who were—one of the criteria she always [used] was compliance. I never looked for compliance. I never trusted people who were compliant. Unfortunately, Willie [Brown] is the same way. He puts people into positions of authority who are compliant because he wants to micromanage them or he wants to tell them what to do, and he wants people who will follow his direction.

I always looked for strong, assertive people who would talk back to me. In fact, I have in my book, as you've seen—when I campaigned, I said I would appoint people who would talk back to the mayor, and I've told you a few examples of that. In fact, I noticed that here [in the book] I have people talking back to the mayor. It's important, if you're really going to understand all of the ramifications of a decision, that people talk back to you. "Push back" is the word you hear today. Then it was "talk back."

Jordan never did that, and therefore I think I suffered for it because I didn't get the best I could get out of whatever was going to happen in creating the best policies for the department. Early 1991, late 1990, I started to hear rumors

about Jordan running for mayor against me. He always denied it, but it stayed alive. He'd come to my office and say, "I don't know what to do about this." He says, "I'm not going to run against you. It keeps coming—" It was in the paper a couple of times. People were meeting and organizing to elect him, finance people.

So I said, "The easy thing to do, Frank, is just have a press conference with those reporters that are writing it and say, 'I am not a candidate. I am not going to be a candidate. I'm supporting the mayor.'" He always found a way not to do it, and I was too preoccupied to really focus on it. Then finally I confronted him about six months out, and [there were] more and more reports about meetings being held. I said, "Frank, are you going to run?" He said, "Well, I am thinking about it." I said, "Then I really think you should do the honorable thing and resign and go run your campaign. But you're not going to continue to work for me as police chief." This was about a year before.

So he did, and I got Will Casey, who was a great police chief, and I found out that he was the guy who had really been running the department while Jordan went out and did his socializing. I wish that I had had him from the very beginning, because he was a real policeman's policeman and had the respect of the troops, had progressive ideas, and we had a good last year. He was a terrific chief, and I think he would have professionalized the department because he believed in it and believed me when I told him I didn't have political favorites that I wanted promoted.

I remember one time he tested me early when he was going to put a new command structure in, to reflect what he wanted to do as the chief. He said, "Here's what I'm going to do. How do you feel about it?" I said, "I feel fine, if that's what you want, that's what you think is going to make this police department function well." He came and he talked about one black commander whose name was Rich Holder. This is public information. Rich was a very talented black officer, was a commander, pretty high up. He had gone through a terrible divorce that had really upset him, and one time he got stopped—when he was in the middle of this crisis in his personal life he went over to Oakland, and he got arrested for soliciting a hooker. It was in the papers and all the rest. He almost lost his career. But that had happened before me, long before me.

When the new chief was selecting his command staff, he wanted to put Rich Holder in a key position. He came to me, and he said, "I'm going to do this. Holder has a jacket." That's what they call a negative issue in your history, "a jacket." He told me what it was. He says, "How do you feel about that?" I said, "What is he like now?" He said, "He's a good cop, and he'll do a great job for us out there. I want to promote him to this position." I said, "Then do it, and I want the message to be, 'If you do a good job, that's what matters here, in the fashion that we've outlined.'" So he got the job. Holder loves me to this day because he was given another chance to redeem himself, so to speak.

I did that with the police department to send the message that what mattered was not your political connections, but what matters is what kind of a police officer you are, in the fashion that San Francisco expects. Then I put people as commissioners who were strong executive management types, reflecting the different—I had a black lesbian and a top criminal defense attorney, a top businessman. The police department knew [the commission] set policy. They were not puppets for me to run the police department.

Then we also strengthened the Office of Citizen Complaints so that they could do—I think it was subpoenas. We got them money to do investigations. We gave them some kind of additional legal powers with subpoenas, as I did the Commission on [Status of] Women. But under the previous mayors, the Office of Citizen Complaints had not been really empowered to be a check on police misbehavior. That's the agency that a citizen is supposed to be able to go and there would be a prompt investigation, with the results brought to the commissioner, who would discipline the police officer.

McCREERY: Just to jump ahead, later when Mr. Jordan became mayor, what transpired with the police chief?

AGNOS: Will Casey left, and Jordan put in his political favorite. Actually, the acting chief was Tom Murphy, and Tom Murphy talked up and told him the truth, and he was fired. Under Jordan, the police department became a political—and there was a whole bunch of things. You remember Tony Ribera was the police chief, and there was [an incident that] made [David] Letterman and—who's the other guy, Letterman and—?

McCREERY: [Jay] Leno.

AGNOS: Leno. It was a third-rate soap opera between the police chief and a female police officer accusing him of sexual harassment. There were a whole bunch of things. There was never one of those things in my administration because there was a strong commission and a mayor who said, "I'm backing this," and we didn't have the kind of stuff [that later] happened, whether it was under Jordan or under Willie Brown. Willie Brown's mistake was putting cronies to run the police department rather than strong managers.

Now, Fred Lao was not his crony. Under Lao, who was a strong, professional police officer, none of this kind of stuff happened. But when all of this had fallen apart in one year, he put in his crony, Earl Sanders, a homicide inspector who was a good homicide inspector but not capable of managing all the complications of a 2,000-person big-city police department. What we've seen happen in the last few months is what is to be expected with that kind of leadership and a commission that were really puppets for the mayor. You saw in this whole crisis the commission was irrelevant, never said anything. As one of the critics said, they just sat there watching everything happen like it was a television show. Well, the charter says the police commission is supposed to be the active citizen watchdog over what the police department is doing.

McCREERY: And set policy issues.

AGNOS: Exactly.

McCREERY: So this is a real difference in mayoral style, is it?

AGNOS: Absolutely. It's the mayoral style that sets the tone for all the departments.

McCREERY: You also made a change in fire chief during your tenure. That's a good sidetrack. We've talked a bit about the fire department in other concerns, bringing in the doctor, for example, and that sort of thing, but talk about the fire chief.

AGNOS: I thought we talked about this, no?

McCREERY: Not about the chief?

AGNOS: That was the first crisis I faced. I was sworn in on January eighth at eleven o'clock in the morning. The rest of the day was sort of inaugural parties.

McCREERY: Let me amend what I just said. We did talk about all this, about Judge [Marilyn Hall] Patel and how she right away said to you, "It's in crisis. You've got to do something."

AGNOS: Yes. She said, "It's out of control."

She put it under a consent decree and all that. I didn't even know who the fire chief was. So I went back to the office with my city attorney and staff, and I called in the fire commissioner, Henry Berman. I said, "I've just been told by a federal court judge that our fire department is out of control in dealing with racism and sexism, and she's not going to stand for it anymore, and she's putting us under a consent decree. I want to see the fire chief, and tell him I want to see him with a resignation." This is my second day.

The judge and her law clerks or whatever they were called, the court monitors, told me that the fire department administration was inept and unwilling to deal with the issues. So when I went back, I was ready to make a

change. I didn't know who the chief was and asked for his name. It was Ed Phipps. I was just going to make the change because, clearly, what I had heard from the federal judge was too overwhelming for me to try to deal with with the current administration that I inherited from Feinstein.

Once again, Ed Phipps was a lot like Jordan, a nice guy. I felt so bad when I saw him come in because suddenly he was—he was eligible for his pension. He wasn't going to get hurt economically, but he was just upset because he had been asked to resign. He came in with his resignation. I had this overwhelming surge of sympathy for this man, who was ending his career right there that day, after thirty years in the fire department, his blue uniform and all that.

I could see what the judge had been talking about. He was from the old school. But I felt this surge of sympathy for this man. It had to be a terrible day for him. I accepted his resignation. He said, "I'm going to now go announce it." At the fire department headquarters, they have a communications system where the chief would speak to every fire department in the city. So to save his face, as the Chinese say, I said, "I'm going to escort you, if you wish, to the command center when you make that announcement, and you can tell the troops that the mayor is standing next to you. Of course, that was saying you're not being humiliated, that that mayor is with you, and all that kind of stuff. So I did. We went in my car, and I walked in with him, at his side. I stood there while he made his announcement. I don't know if I said

anything or not. I may have said something nice about him and then left. And he retired.

Then I had to set about looking for a new fire chief, and this fire chief would have to start to really address, as I always insisted anyway, the real substance of the issues. I began with Marilyn Patel's court monitor. Immediately I started to hear from the institutional pressures of the fire department and their friends, who started telling me, "You can't go outside and get somebody. It'll be an insult and it'll be a humiliating thing to say that nobody among all the firefighters is capable of running this department." So I started to get that pressure from people who were important in the city, that the fire department had connections to.

Then I went to the court monitor, and she gave me the names of a couple of people in the department she thought were capable of it, of doing the job that needed to be done. It took me about six months. I asked the commission to review a whole bunch of people, bring down the final candidates, narrow it down, and so they found two outside candidates and this one, who was Fred Postel, the inside candidate. I interviewed the outside candidates, and I interviewed the inside candidate, and Fred was not the most impressive of the three personally. He was sort of a soft-spoken, almost shy man and not what you would think of as a robust, powerful leader of a semi-military type of organization. He sort of talked, not like Jimmy Stewart, but you know how Jimmy Stewart would have this sort of deferential kind of way of, "Well—"

McCREERY: Kind of a hesitancy?

AGNOS: Yes, that's the way he talked. I thought to myself, "How is this guy going to do this, and why does the court monitor—?" But it turned out that what he brought was he knew the fire department inside out. He knew the bad actors, he knew the good actors, he knew how to make—and that's what I came down on. The outside candidates were far more impressive physically than he was. They just looked like a chief. But it would have taken them three or four years, or two or three years anyway, or even a year to learn their way around and be able to handle the politics of the internal fire department, and externally.

So even though I had some misgivings about this sort of shy, retiring man, the other attributes—he said the right things to me. He understood what I wanted to do. He believed in what the court was asking. He knew that the time had come for the fire department to change and that he could do it.

It turned out he was [the right person]. He was sort of like Audie Murphy, if you remember him as an actor, this soft-spoken, boyish kind of person who had a will of steel. He made the tough decisions with a great commission to back him up. I put a human rights director on the commission, Frank Quinn. He was a federal human rights officer, he was a city human rights director, and he was a great addition to deal with some of these civil rights things in the fire department.

McCREERY: What was Mr. Postel's relation with the fire commission? How did he do?

AGNOS: He did very well with them. They became a real working, cohesive group. You should interview him sometime. It might be interesting. Both Will Casey

and [Fred Postel]. Fred retired after Jordan became mayor. The firefighters union hated me because of what I did in challenging them.

McCREERY: That was over the number of firefighters on a truck?

AGNOS: On everything. It was the firefighters on the truck, it was the changes to how people were picked for jobs, it was ending the sexual harassment of female firefighters, it was ending the racial harassment of black firefighters and Chinese firefighters. Now you're just seeing these people—women and minorities—get up to rank that were brought in when I was mayor, to high rank in the fire department and the police department.

Postel turned out to be a terrific chief, but I'll never forget when he first came in when we were going to announce it, he was so scared he couldn't talk. I had to take him aside. "It's going to be okay. Relax. It's going to be okay." He was so nervous about facing the media. But he became proficient and an outstanding administrator and a great fire chief, I think, that bought that fire department over the precipice of a court that said, on my second day in office, "It's out of control." When we left, they said, "It's in good hands." Fred Postel was one of those hands.

McCREERY: Good. Are we at a good stopping point for today?

AGNOS: Oh, God, it's quarter to one! Yes.

McCREERY: Okay, thank you.

[End of Session]

[Session 11, April 2, 2003]

[Begin Minidisc 11]

McCREERY: We said we'd start this morning talking about San Francisco's bid for the Olympic games in 1988. Now, how did this first come up, in your memory?

AGNOS: San Francisco and the Bay Area—but San Francisco, in particular—has a kind of narcissism. I don't mean it in a pejorative way. It's a narcissistic kind of view of itself, that we are the most beautiful place in the world and a world-class city, and so there are business people and politicians who want to constantly remind the world of that kind of beauty and attractiveness. I certainly share the view and believe it and support that whole notion of how beautiful we are and what a world-class city we are, but I don't have to constantly be proving it to the world. I think the world knows it.

But the chamber of commerce at that time and Supervisor Quentin Kopp, who I think [had been elected] state senator, came up with this notion of having San Francisco hosting the Olympic games. What was the year that they wanted it?

McCREERY: Nineteen eighty-eight.

AGNOS: That was the year we did it.

McCREERY: That was the year of the bid. They wanted the games for '96.

AGNOS: In Atlanta.

McCREERY: In Atlanta, yes.

AGNOS: So they wanted to compete, and so they started a group of people, a consortium, a committee, called BASOC, Bay Area Sports Organizing Committee, raised money from the private sector to hire some staff to promote it and began the process of trying to develop official support from the city.

When it came to my attention, I had two issues that I was concerned about: one, as I started to look into the whole International Olympic Committee and the [U.S.] Olympic committee, the first thing that hit me was their overt discrimination against gay and lesbian people, athletes. San Francisco had an Olympic athlete who had successfully competed in the games who was gay. His name was Tom Waddell. He was a doctor, who had started the Gay Olympics as a way of showcasing the talented gay and lesbian athletes. The Olympic Games, the official Olympic Games, successfully sued the Gay Olympics and Tom Waddell as the chief organizer, and were taking away his home to satisfy the monetary judgment the court awarded them for using the term Olympics in Gay Olympics.

Now, when it was pointed out to them that there were the Special Olympics, the Police Olympics—we found, oh, maybe two dozen, three dozen different organizations that used the word “Olympics,” including the Rap Olympics, but nobody ever sued any of these organizations from the official Olympic movement. The only organization they sued was the Gay Olympics.

And so, as someone who believed in the civil rights of gay people and the opportunity for them to live like everyone else, I didn't think they should be singled out for this kind of lawsuit. I said that I did not want to participate in any kind of support for the Olympics as long as they discriminated against gay people, because gay people were a part of our city's constituency; they paid taxes; they were just as important a part as any other part of the citizenry. We certainly wouldn't put up with any organization that discriminated against black people or Mexican Americans or Asians, and we're not going to put up with it with our gay and lesbian community, so I was not going to be supportive of it.

In addition, they were asking, the Olympic movement was asking, for the city to underwrite all of the costs that might be incurred that they couldn't pay for.

McCREERY: Was that usual, do you know?

AGNOS: It was at that time, because the Olympics were seen, and still are, as an economic boon to a particular area. That's why different localities in a country or countries compete for it, to bring people to it and showcase their community, their city or their country, to the world. Frankly, San Francisco doesn't need to be showcased to the world. Everyone knows San Francisco in the country, as well as around the world.

I was being told privately—which is the most interesting thing about this—by the tourist and convention bureau that they saw the Olympics as a kind of imposition on their business because the convention bureau has annual

customers who come every year to do their conventions in San Francisco, as a convention city. If you have the Olympics you have to tell your regular customers, who you hope to keep, that they can't come that year.

Tourists don't come because they're afraid—unless they're coming to the Olympics. They find that there is a downturn in convention business because people don't want to deal with all the hassles. So it was not as attractive to the tourist and convention bureau, but they were caught up in this boosterism that characterizes these kinds of endeavors, and so they couldn't say, "Well, you know what? This is not the big business benefit that you all think it is." But this boosterism takes over. It feeds on itself, how "we are the best, we are the greatest, and we are going to do this," and all that kind of stuff.

I was on the wrong side of that issue because suddenly—that was the same year that we had the [USS] *Missouri*. I had opposed, on one hand, the homeporting of this magnificent World War II battleship, upon which the Japanese had signed their surrender with Gen. [Douglas A.] MacArthur, and now I'm going up against the Olympics, another symbol of all that is, all that is—what am I looking for here?—all that is "all-American," if you will, in our country. The reason I was giving was that they discriminated against one of the most unpopular groups in the history of our country, gays and lesbians. Lost in that argument was that this Olympic bid was going to put the city at great financial risk because the contract I was being asked to sign put the city's credit and finances [at risk] as the payer of last resort if there were any losses or any costs.

Here I was, in 1988, dealing with the biggest deficit the city had known at that time, raising taxes to balance the budget, cutting services, laying off workers, freezing wages, and all those things we've talked about in the past. I was not about to risk the city's treasury for this somewhat questionable benefit of the Olympic games, especially since I was being told on the side, privately, that it wasn't the biggest thing in the world economically that it was made out to be. Indeed, subsequent to that, Atlanta is still paying off their bills for hosting the games. They had to go to the state to ask for a bailout. They found themselves tremendously in debt because of the high security costs and a variety of other things that the Olympic Games didn't pay for [and] stuck [the city] with their bills.

We also found out when I was there that the Olympic Committee was asking for certain kinds of perks: hotel rooms and entertainments and things that were undefined but sure smelled funny to me. We now know that there were a lot of shenanigans going on, not only in Atlanta but also in Salt Lake [City], where there were resignations of top officials, and it's going on even to this day. Even to this day, the corruption has never gone away.

We sensed that from the way they approached us, what we were being told that we'd have to pay, and I refused to go along with it. But the arguments that I made—the financial costs, the vagueness of these so-called entertainment costs and perks they were asking for under the guise of promotion were awfully suspicious to me and my advisers—were all lost, those two arguments,

because the proponents of the Olympic Games were saying that Agnos won't do it because he's protecting gays and lesbians.

Well, I'll take that. I did not back away from that. But I said in addition there are all these other reasons. But the boosterism was really fierce, as it was with the *Missouri*. The newspapers all wanted it, and all the rest of that stuff. But as I said, most of the time—see, cities that are trying to promote themselves because they're not doing well economically or they're trying to put themselves on the map, as did the Koreans with the games in Seoul, as are the Greeks in Athens—they're trying to show, as the newest members of the European Union—you know, they've arrived. They all have agendas that, frankly, San Francisco didn't need. Indeed, as I said, the cost liabilities were very serious and real.

McCREERY: What was the gay community itself saying during these early stages?

AGNOS: They didn't come to me about this. I came to it myself as someone who knew the gay community. They were supportive of me for that, but—you know, it's interesting: their leader at the time was a man named Supervisor Harry Britt who resented my strong leadership, as a straight man, of an issue that he wanted to be identified with. One of the problems that I had, especially in the gay community with some of their political leaders—not all of them, but some of them, especially Harry Britt—was that I would co-opt their opportunity to present the problem, to sound off about the problem, by being there without having to think about it. Automatically, I just got there. It somehow

preempted their opportunity to sound off and get away with that as their contribution.

I don't know if I'm making myself clear, but all too often I've found that community leaders like to—and I always used to train my staff that we wanted community leaders to help us organize the community to solve the problem, not to present the problem. Too many community leaders will come and say, “Let's go see the mayor, the assemblyman, the senator and tell them of the problem and lay it on their lap to fix.” I said, “We're not going to be that. We're going to be proactive.” One of the benefits of having [staff] people who came from the community that we've talked about in the past—and I valued the ethnic and racial diversity, because they knew their communities—[was that] they would see these problems at their inception. Then we would go to [the communities] and just say, “Okay, here's a problem. What are we going to do about that?”

Well, that puts a different kind of burden on leadership in a community, because now they're not going to be able to skate with a presentation of it and then make demands of someone solving it. They're going to have to roll up their sleeves and do something. Harry Britt didn't like that. Frankly, he was lazy. He didn't like my preempting his presentation of the problem as a, quote, “leader.” So the gay community in general was very supportive of that, of my efforts, and he had to go along with it, but he didn't really like it. Kind of an odd thing.

The issue climaxed with a deadline that came. I remember I was in my office, and someone representing [Senator] Kopp slipped the contract—it was the weirdest thing—slipped the contract that I was supposed to sign under my door in the mayor’s office late at night. The deadline was the next day, and I got the formal contract from this organizing committee slipped under the door. As I gave it to my staff—it was about, I don’t know, seven, eight o’clock at night, and I called my staff, and I had them analyze it. It was there—we saw in writing—the specific requirements that the city would have to underwrite costs that were vague, undefined, and would expose the city to millions and millions of dollars worth of liabilities that I didn’t want to take on at that time, or any time, for that matter.

So I put out a press release the next day that I had received this contract slipped under my door, that I was rejecting it for the following reasons, and outlined the cost implications, the liabilities, and the philosophical disagreements that I had with the Olympic committee. I met with them, met with members, talked about my problems with their stand on gay rights. They were not hostile. They just sort of brushed them off, I guess, is the best way to put it. Ultimately, I guess, the games went to Atlanta.

Now, it’s interesting that the next time that San Francisco competed for the games, which was this year actually—was it this year or the end of last year?

McCREERY: Two thousand two.

AGNOS: Yes, 2002, with New York and a couple of others. What’s the other one? New York—anyway, it doesn’t matter. It was several other American cities. This

time, the organizers of the San Francisco or Bay Area effort were much wiser and included the gay community in their planning. There were not any of the philosophical issues that had characterized this issue when I was in city hall a little over twelve, fourteen years ago, 1988. However, the financial issues were still there, but we never got to them because they also went and asked the state to participate, and the state gave some vague promises of support with security issues, and other cities gave vague promises of support. So it was not as targeted on San Francisco, at least it appeared from what I read in the press; I didn't see any of the details in any of the documents, but the press reports suggested that.

So they incorporated my criticisms of twelve, fourteen years ago—not that they were looking at that in particular. But last year I supported it too. I thought, let's go for it if you want to go for it. But I must tell you, I did speak with the convention and tourist bureau executives, who had the same comments they did fourteen years ago that they'd just as soon it didn't come because it does interfere with their regular customers. The city makes money off those conventions every year, and if they go away one year to all of our competitors—who are now stiff competition, whether it's Las Vegas, Phoenix, L.A.—it's harder to get them back. But they didn't say anything this time, either. They went along with it. So that was how that issue evolved.

McCREERY: You mentioned some origins of the idea and support from Senator Kopp. Who else was pushing for the idea?

AGNOS: He was the main political figure. The chamber of commerce and business leaders in the city who were into this, as I say, boosterism.

McCREERY: Did you have a certain amount of history with him at that point?

AGNOS: Kopp?

McCREERY: Yes.

AGNOS: Oh, yes. We didn't like each other. Quentin Kopp—is that what you want to hear about? [Laughter] Quentin Kopp and I get along better now because we're both older, especially me [Laughter]. But he was—he is, not was—he is a sort of cranky—I called him a bully. Now, some others might disagree. He used his political office to push people around, and when he tried to do it to me, he didn't get away with it. He was elected on an anti-busing platform to the board of supervisors and became a conservative supervisor.

One time, when I worked for Leo McCarthy, I was working with a group of neighbors, black neighbors from the Bayview-Hunters Point community, to stop the city from consolidating all of the waste treatment plants that had hitherto been spread all over the city into one giant facility in the Bayview. So in other words, the ones in the Marina and in North Beach were going to be closed down, these sewage plants, and they were all going to be consolidated in a large facility that is there now in the Bayview-Hunters Point area. The neighbors said, “Why are we the recipients of all these unwanted byproducts of urban living? How come we have to get all the waste materials and we don't get any of the good stuff?”

They asked me to help them, and I was helping them organize and go back to the city and say, "We don't want this." Long story short, Kopp decided when we were at the board of supervisors hearing—it was me and all the black neighbors, and he didn't want to take on all the black neighbors, so when my turn came to speak, he decided to challenge me. I happened to know the subject better than he did, so I kind of bested him in the debate.

You don't want to take me on when I've got 250 people all on my side and no one on your side and they're all cheering me and booing you, but that's what happened, and so he got booed, I got cheered, I had better lines than he had, and he was ripped. I knew—my political instinct was—this guy is going to try to call my boss and complain. Sure enough, he called my boss that night, said he wanted me fired. The thing was, I had beat him to the punch. I had called my boss to tell him what had happened so that he was prepared for the call. I said, "You'll probably get a call from this guy," and sure enough he did get a call. McCarthy knew exactly what to say to him, and he knew the situation, that I had not insulted him, that he had tried to push me around, and I had stood up to him, and et cetera.

That was way back in 1975, '74, '73, something like that. We never got along after that. He would look for opportunities when I got elected to try to embarrass me or defeat me. I would try to look for opportunities to embarrass and defeat him, and there was all this bad blood. I once said publicly that I would piss on his political grave. But I don't remember what the context was. Oh, because we were trying to beat him in a race, and someone asked me what

I thought. I can't remember why I said that, but it was a stupid thing to say. I've apologized since then, but it was an intemperate, young thing to say. There are better ways to say things like that. I still felt that way but shouldn't have said that.

He and I always had a very adversarial relationship. He was using the Olympics also, because I was mayor, trying to get to me and make me look bad because he was thinking he might run against me for mayor when I ran for reelection. He had an opportunity to run against me when I was running in 1987, and Jack Molinari [was running], but he took a duck and didn't want to at that time. He was trying to weaken me during my four years as an incumbent so that he could take another run at me.

So I always felt that he was using the Olympics. He was also a supporter of the *Missouri*. He always looked for an opportunity on the other side, and these were two choice issues for him to be on what he perceived to be the great majority side.

McCREERY: Thank you. You mentioned Supervisor Britt. What about the other supervisors on the Olympic games bid?

AGNOS: A lot of them were progressive, like Nancy Walker and a few others were progressive and supported me on it. But like many controversial issues politicians don't want to be way out in front on these the way I was, so I was sort of out there by myself for this issue because they said, "Why should I get into it if he's going to be doing it and take the hits?" So let me take the hits.

McCREERY: All right. Well, let's move on, shall we, to talk about the baseball stadium initiative in 1989. You might start with whatever your groundwork is on this topic, the ownership of the team by Bob Lurie, for example.

AGNOS: Yes. It's an interesting story. It starts with: I was in the state legislature before I became the mayor, as you know, and in 1987, I was a candidate for mayor, and Mayor Feinstein saw the end of her term coming and was trying to sort of clear the decks of unresolved issues. One of the unresolved issues was a ballpark. You know, San Franciscans love the Giants. They wanted the Giants to stay and Bob Lurie, as the owner, had made it very clear that he would move the team or seek to sell the team if they did not build a new ballpark that was contemporary and fan-friendly. Candlestick was a horrible place to watch a baseball game. You froze to death, and no matter what they tried to do with PR gimmicks to make it a fun thing, it was still just a cold place to watch baseball and it was so big—because it was built as a multipurpose stadium for baseball and football, the way the Oakland facility is—that it wasn't conducive to baseball.

The problem was, with 65,000 seats, the average fan could wait until the last minute, knowing there was always going to be a seat for a baseball game. The secret to modern baseball attendance is if the ticket is hard to get, they sell out. If it's not hard to get, they don't sell. So Lurie was trying to get a baseball-only ballpark built that would be smaller, around 45,000, and the seats would be hard to get, and it would sell out.

Lurie had come into baseball at the request of Mayor Moscone. Bob Lurie is a very wealthy owner of a Fortune 500 real estate company, one of the Fortune 500's richest men in America, and when we were threatened in 1975 with the loss of the Giants, Mayor Moscone went to Bob Lurie and asked him to step up and become a partner in the team to keep it in San Francisco. To Bob Lurie's everlasting credit, he did. Later, he bought out the partner and kept the team in San Francisco.

By 1987, the team was continually losing. They couldn't attract the top ballplayers. He wanted to build a new ballpark, and he was very serious about it. So Mayor Feinstein put a proposal on the ballot to build a ballpark at Seventh and Townsend, in the South of Market area. The idea was not really well fleshed out. It was not an attractive venue or an attractive site, and it was close to Potrero Hill, where I lived, and the neighbors made it very clear to me they didn't want it that close to their neighborhood because of the traffic and the parking problems and those kinds of issues. When I looked at it with my advisers, I didn't see how the financing was going to work. It just looked like one of those things thrown together just to get it off her back. But she put it on the ballot, and there was an effort to pass it, to keep the Giants there.

I called up Bob Lurie and told him—I didn't know him, never met him—but I called him up and said, "I'm a candidate for mayor, but I'm not going to support this ballpark because I think it's a bad location, bad financing, and I think we can do better. If I get elected, we will do better, I promise you, because I've been a Giants fan longer than you have." And he said, "How did

you do that?” I said, “Because I grew up in Springfield, Massachusetts, where the Giants had a Triple A farm team when they were the New York Giants, and many of the current Giants players that played in San Francisco—Jose Pagan, Felipe Alou who’s now the manager—I used to shine their shoes in my father’s shoeshine shop, because it was not too far from the ballpark. So I was a Giants fan.”

I said, “If I get elected, I promise you we’re going to put together a real good proposal.” I don’t know if he really took me seriously or not because at that time I was about 14 percent of the polls. My opponent was in the 40s, and it looked like he was the heir apparent. We had a gracious conversation and never talked again until eight or nine months later.

The ballot proposition to create the ballpark was defeated. I won the election, and I went to see him. I said, “Well, Mr. Lurie, I won the election. Now we’re going to put together a real proposal.”

I remember calling in Dean Macris, who was the planning director and a brilliant urban planner, and saying to him, “Dean, I’d like your staff to work with mine and assemble all of the potential sites that might work for a ballpark, those that have been considered in the past as well as those that haven’t been considered. I want to take a look at it, a fresh start, but we’re going to make a concentrated effort to do something with the ballpark.”

I assigned my own top staff to work on this in a concentrated fashion. I don’t remember exactly when, but after a few months Dean took me on a tour. My favorite place was at Sixteenth and Potrero, Sixteenth Street and Potrero

Avenue, which is the site of the original San Francisco Seals Stadium, where they had played, where Joe DiMaggio had played. This was a small minor league stadium that had been torn down, and there was a kind of struggling shopping center there at the time.

When Dean looked at that as the number one choice of the mayor—and the reason I chose that was because it was downtown; it was near public transit; and the weather was good because it was part of the Mission. When Dean looked at it, he came back and said we couldn't fit a major league ballpark—the size required for a major league ballpark—on that site, and so we'd have to look elsewhere. But the parameters were kind of set. We were looking for warm weather. We were looking for a downtown location, we were looking for public transit because parking was always going to be an issue and we wanted people to be able to ride the bus or the trolley or subway or something to the ballpark.

Sometime during 1988, my first year, Dean took me to where the Embarcadero intersects with Third Street.

McCREERY: Yes.

AGNOS: I remember we stood right where Willie Mays' statue is today, if you've been there, on the corner. At that time there were old warehouses that were abandoned by the state. Half of it was state property, half of it was port property, or part of it was state property and the majority of it was port property, the Port of San Francisco. I remember looking at these old

warehouses. If you look down Third Street, you could see the China Basin drawbridge there, the Lefty O'Doul Bridge, and it was very close.

I remember asking, "Dean, how are we going to put a ballpark here?" And so he described how the right-field fence would be right up against China Basin and that balls would go over the fence, homeruns would go over the fence and land in the water, which is what they do today. The rest of it would fit. He said, "It'll be a little tight, but it'll be a spectacular venue, with the water and the right-field fence, and you'll be looking at the [whole] Bay Area. You'll be looking at Oakland over the left-field fence, and it'll just be a spectacular site."

I got the vision, and I agreed with him. "We're going to put public transit. We'll have public transit with buses and ferries." The earthquake hadn't happened then, so the Embarcadero development was not occurring the way it has. So I liked the idea. We took Lurie there, and he liked it, and so we set about—we got HOK Sports [Hellmuth, Obata & Kassabum, Inc.], one of the premier athletic architectural firms in the country. They're the ones that did Camden Yards in Baltimore, [which] everybody raved about as the most fan-friendly, beautiful new ballpark that was reminiscent of old ballparks in the country. Our people had taken a tour of Wrigley Field and Camden Yards and Fenway Park, and we knew we wanted to recapture that old-time kind of feeling in a modern park with all of the facilities that were necessary for the Giants to attract the kind of customers that they needed to field a winning team, with business boxes, suites, and all that. Have you ever been in there?

McCREERY: Not to Camden Yards.

AGNOS: So HOK looked at the site and came back with the park you see there this very day. The only thing that they didn't have then was the big baseball glove and the Coke bottle that are out in left field, because we were going to put public money into it, and the public money was coming from the Congress. The Speaker of the House of Representatives at the time was Tom Foley, Democrat from Seattle. [Thomas S. Foley] was speaker of the house, the guy who succeeded Tip O'Neill. He had a need for a ballpark up in Seattle for the Seattle Mariners. They were trying to get a ball team up there, and so he had moved a bill through the Congress that allowed for federal money to be spent on ballparks as a park, as a public facility. We were the only other ones besides Seattle that would benefit from that because we were seeking to build a ballpark. Now, anybody could have applied, but no one else was trying to build a ballpark at that time except Seattle and us. Seattle was ahead of us, but we were the beneficiaries of it. We were eligible for the money, and we were going to get \$50 million in federal money to build a ballpark, help build the ballpark.

At that time, it was going to cost somewhere, we were thinking, around \$100 million, so we had half the cost from federal money. So the plans were proceeding. We had the plans, we had half the money, and I wanted to have that public money in it. Since then, there's been a big shift to private money, that baseball owners of teams ought to build their own parks. My philosophy was different. I felt that the city ought to participate in building the ballpark,

with the federal money we already had and some city money, because I saw this as a great public facility, and it was important to keep the price down so that it was affordable for the average family to go watch a baseball game.

Baseball is as American as apple pie.

When people were saying to me, “We shouldn’t be paying for this,” I said, “This is, to me, as much a public facility as the opera house or the symphony hall or the ballet, and a far greater percentage of people will go to the ballgame.” This is not to diminish the cultural value of the opera or the ballet or the symphony, but for people’s recreation and enjoyment and as a cultural icon, baseball is as important to me as any of these more erudite cultural facilities. Therefore, since the city helps support those, we ought to help support the baseball, too.

We keep the price down so that it’s affordable, because at Candlestick, whenever the Giants wanted to raise ticket prices or the price of a hotdog, they had to get approval from the city to raise those prices so we could control the costs. I wanted to keep that at the new ballpark, and we had that deal. We were going to proceed on that same basis because the city was going to put in the money, and we had the federal funds.

And then came along the earthquake, October 17th. We had won the championship that year, and everybody said, “This is going to be a slam dunk.” We’re going to have on the ballot the approval for the new ballpark, because we were trying to expedite the permits and all that kind of stuff—we’re going to have the approval of a new ballpark just when the Giants are in the World

Series. I mean, what timing! They're, of course, at Candlestick. And then along came October 17th, 5:04 p.m. and upset everything because it prevented us from playing the series in a normal sequence and put us into the election—let's see, the election was November something. We contemplated delaying the election but decided to proceed. So here we were. We did not campaign for—I think it was Proposition P. Yes, P, for the ballpark. But we couldn't campaign for it because all of the people—my staff and everybody—we were doing [recovery for] the city, because the election was November fifth or sixth, and that was less than three weeks or so after the earthquake. I couldn't be campaigning for a ballpark when the city was recovering from all of this. So we couldn't get our message out the way we wanted to, although we did try.

But the opponents seized on the earthquake as a reason not to proceed with the ballpark. They said, "We shouldn't be spending money building a ballpark that we should be spending on rebuilding the city." It was a very simple concept for people to get, even though it was wrong because the \$50 million I had in public money could not be spent on the city unless we were building a ballpark. That's what the legislation that Tom Foley had passed in Congress. It could only be used for a ballpark. I kept saying, "We'll lose the money. It'll go back to the federal treasury unless we build a ballpark."

McCREERY: Who was the opposition?

AGNOS: The opposition was some traditional opponents to baseball parks in neighborhoods, but mainly they were my political enemies, people who didn't want me to succeed. At that time there were some environmentalists—they

weren't the people that didn't want me to succeed, I mean politically, they were just against the notion. It was Clint Reilly, Jack Davis, political operatives in the city who had grudges to settle with me for other issues, other campaigns, and they didn't want me to succeed. The irony is that Jack Davis was the campaign manager for the same ballpark, at the same place, the same builders, the same team in 1995, only it was a different mayor. It was his choice for mayor, Willie Brown.

And Quentin Kopp, again. He was a baseball fan, but he wasn't a baseball fan if I was the guy who was promoting it. Feinstein was neutral. These were people who just didn't want—so it was more directed at me not succeeding than it was the issue itself. Why did they want to do it? Because they were afraid of me going to other places if I was truly successful and being perhaps a competitor to whatever their interests were in the long range. It had nothing to do with the ballpark itself. It's part of the pettiness of San Francisco politics, but it's not [unique] to our city. It happens in others as well. But I think it's more pronounced, perhaps, in our city because of its compactness, politically and physically.

So we lost by a very narrow margin. It was a heartbreaking defeat. We worked very hard in the last five or six, eight days of the campaign to try to make it happen. We couldn't campaign earlier. Lost by 1,800 votes. I don't think Bob Lurie ever recovered from that defeat. He was very passionate. He wanted it to succeed because he loved the site and keeping the team in San Francisco. After that, he started looking elsewhere in the Bay Area, in San

Jose and a couple of other places. In fact, there were a couple of elections subsequent to that in San Jose. Had I won a second term, we would have come back and tried again at that site, because the Giants loved it.

When the new owners bought the team from Bob Lurie, they came back to that site because it was such a stupendous site, took the plans off the shelf and added a couple of bells and whistles, like the glove and the Coke bottle, because they had to finance it themselves. It is an ongoing burden for the new ownership, because they now have a \$350 to \$400 million mortgage, so to speak, and it oppresses them because it is such an expensive ballpark that they have to charge huge prices. You know, for a family of five to go to a ballgame and have hotdogs and Cokes, they're going to spend a hundred dollars, for a baseball game!

Now, they have this illusion about sitting out in the bleachers for ten dollars or twelve dollars, but to sit at a good seat with the ballpark we were planning, with the public subsidy of the federal park money that was available, the prices would have been half of what they are today. Even today it would be half, because the owners would not be trying to service that huge mortgage, which also inhibits their capacity to pay the salaries that the other successful teams can, like the New York Yankees and Boston Red Sox, et cetera, because so much of their profit margin is eaten up by the enormous financial cost of building the ballpark.

Now, they did it, and to their credit. Peter Magowan and all of them did a great job in getting it done. However, it is an ongoing burden that they are still

struggling with, even though they were in a World Series and have had a successful team. They only wind up with a net profit of about a million dollars, despite having a very successful team, a baseball park that sells out every game. They aren't making money, and they got sellouts. So what do you do when—if they ever have a bad couple of years and suddenly they aren't packing the ballpark—there could be a real financial crisis that leads to some other issues with that team?

McCREERY: As you say, this trend towards private financing is really widespread, isn't it?

AGNOS: It is, and as I say, my philosophy was different because I believe that baseball or athletic facilities are a part of a city's cultural life where they exist, and people go to those that don't go to the other cultural things that we support, whether they're museums—for example, just a current topic, why should the city spend millions of dollars to build an Asian Art Museum and not a baseball [stadium]? I mean, I think we need them both. They're both spectacular, and they're treasures, but I think baseball is a treasure for a family going for entertainment, if it's affordable and accessible.

That ballpark is one of the most accessible, dynamic places you can go to because you can come in through trolleys, buses, even by ferryboats. So I'm very proud of that, and I'm very proud of the city picking it up again and coming back in 1995. I supported it when Willie Brown was successful in winning the election, to create the original vision with the additions that were necessary for the financing scheme.

But had we not had the earthquake, I don't think my opponents would have been successful in persuading—we would have won the election. Everyone believes that. But people were still traumatized three weeks after the earthquake and more vulnerable to the arguments that we needed the money for the earthquake [recovery], and [otherwise] we would have been able to campaign throughout the fall for this and get the message out.

McCREERY: Yes, the timing was certainly a problem. Speaking of those opponents, though, some of the aftermath of the '89 attempt to approve this ballpark included grand jury indictments for the so-called Ballpark Five. Tell me a little about that.

AGNOS: Sure. That came out of the campaign, when the anti-baseball campaign was raising money to pay for the materials that they would need to get their message out. At that time there was a wealthy developer in Sacramento, named Gregg Lukenbill, who had ambitions of luring the Giants to Sacramento. He was offering to build a baseball stadium in Sacramento. Now, the Giants would never have gone to Sacramento, but this guy was one of those egotistical developers who was making a lot of money at that time building houses, and he thought if he built a ballpark up there, the Giants would come, not recognizing that the logistical reality was that Sacramento doesn't have the population for a major league ball team. The Bay Area is the center of the population.

But he illegally gave money—in order for Lukenbill to succeed with his ambition to get the Giants to Sacramento, clearly the ballpark had to be

defeated because Lurie was saying, "If we don't build a ballpark, I'm going to move the team to a place where I can," San Jose or whatever. So he knew that if the ballpark, Proposition P, was defeated he would have a chance to get them to Sacramento. So he gave a lot of money without reporting it through the normal and required legal means to the state, for campaign contributions, the Fair Political Practices Commission and all that.

We didn't see this money coming in, and so when our campaign complained to the district attorney and to the Fair Political Practices Commission about this money not being reported, that it was being laundered from this developer in Sacramento, who denied it at the time and all that, the district attorney moved on the leadership, which was Jack Davis and a few of the others, and indicted them through the grand jury for what the grand jury decided was an illegal act.

Ultimately it was, like so many of these things, not followed through. People go on to other things, and it was dropped in San Francisco. I'm not sure it should have been dropped, but it was dropped. After I left, it just sort of lingered. I don't know if it was after I left. Maybe it wasn't. But it made Jack Davis—do you know anything about this guy?

McCREERY: Some.

AGNOS: Yes. [It made him] my mortal enemy because he felt that he and the other—I can't remember all the names now. Do you have some down there?

McCREERY: Actually, no, other than Gregg Lukenbill.

AGNOS: Yes, Gregg Lukenbill was the developer who gave the money, yes.

McCREERY: It was his assistant and two political consultants.

AGNOS: Davis was one of the political consultants, right, [who] became my mortal enemy. Then in 1991 he went out and helped recruit Frank Jordan to run against me and managed the campaign brilliantly to defeat me when I shouldn't have lost, but he did some things that were very skillful and defeated me. It was really done out of a hatred of me because of this and other slights that he perceived. The reason I mention him is he went on to become very prominent, as you know, under Willie Brown and Frank Jordan. What we saw with him and people like Clint Reilly at the time—Clint Reilly has since sought redemption [laughter]—they both sought redemption, as a matter of fact in different ways.

After four years of Frank Jordan, I had the most phenomenal lunch with Jack Davis, who sent word that he wanted to have lunch with me through a mutual friend Rose Pak. So I went to lunch with him, and we had about a two-and-a-half-hour lunch. The main thing I remember from that was he said, "If there is a political hell, I should go to it for what I did to this city by defeating you and electing Frank Jordan." He said, "If Willie Brown doesn't run for mayor, I want you to run and I'll run your campaign." It was remarkable, because as part of Frank Jordan's brain trust he had seen that Jordan had not managed the city well, had not led the city well, and [Davis] did defeat him with Willie Brown as the candidate. But he said Willie Brown hadn't made up his mind to run yet and he wanted me to consider it if Willie Brown didn't.

I was then working at HUD [U.S. Department of Housing and Urban Development] and thinking about it myself, but happy at HUD and not really doing anything about running. But I was really taken aback by that lunch, where this guy solicited the lunch and really, I thought, was seeking redemption for what he realized was a huge mistake four years earlier and wanted to correct it personally with me. That's when he told me he hated me because of this Ballpark Five thing.

I said, "Listen, that was not personal. That was not me. That was part of the campaign stuff that I take responsibility for because I was the leader of it, but it was not directed at you as an individual, it was just that you were the other side. Just as I bear you no malice for defeating me in 1991, because if it hadn't been you, maybe somebody else would have done it, but Frank Jordan would have had a campaign consultant. Someone would have done the job for him."

I did not hold that against him personally. I think he was surprised by that. He said, "Well, I held it against you personally, and I'm sorry I did because I cost this city four years that you could have brought a different kind of leadership." That's when he said, "If there's a political hell anywhere, I should go to it for what I did to this city by electing Frank Jordan and defeating you."

That was one of the more remarkable moments in my political career. As I said, he subsequently went on and Willie Brown did decide to run—I supported him—and easily defeated Frank Jordan, with [Jordan's] former campaign manager in charge.

The lessons from all of that—the ballpark—for a politician is they should try harder than I did to soften opponents on issues. I'm not sure how you do that. I've watched Willie do it with a kind of personal outreach, but I never did, and maybe I should have, because if I had it to do now, I think I could do it better. What I would do is make sure that people who were opposing me did not allow it to become too personal—to understand that with me, at least, it was not vitriolic, it was not poisonous, it was just an honest disagreement of issues that we hope maybe in the future we could get past.

But I tended to ignore opponents, which can be also infuriating to the other side, because if you recognize them and give them credit for being your opponents, in a positive fashion, they feel like they're important. But if you ignore them, I think they feel like, "Oh, yeah? You don't think I'm worth it. Okay, I'll show you." They try even harder. That's just an insight that I've gained in the ten years I've been out of office, as I think about these things from time to time. I don't know if it's true or not, but—

McCREERY: That's why these political fights are so visible. It's the fishbowl of San Francisco politics.

AGNOS: Absolutely. And my response to them was just to ignore the other side. I tried not to insult them, except for Quentin Kopp. I would just sort of make believe they didn't exist. I think that that was a tactical mistake. I think it would be better to try to figure out a way to somehow make them feel like they're important, even though we're disagreeing. Like if I saw one of them on the street I would just ignore him. Now I'd say, "Hey, you're doing a helluva job.

You're kicking my butt. Nice going. But I'm still going to try hard," or something like that. I don't know. I think there might be a better way, but I don't know what it is for sure.

McCREERY: I wonder how it is to see the ballpark now. As you say, you are proud of it.

AGNOS: Oh, absolutely! It's a thrill to go there with my friends. Again, as I've told you in the past on some of these other issues, we picked out—no one had ever heard of that location, and I take great pride in directing a process whereby we found that site. We came up with a great concept, where we picked the most talented people in the country to plan it, HOK Sports, and negotiated with them. So my successors had the benefit of that to build on when they were ultimately successful. They could take the plans off; they knew where to go; they knew where the site was; there wasn't any of that that was necessary, and there was a lot of enthusiasm because of what had been done in the past in the narrow defeat. Plus, with the demolition of the Embarcadero Freeway and the development of the Embarcadero as a brand-new roadway, with trolleys that will deposit you right there, it just created a very dynamic place.

When I go there, I take great pride in my role in that. As I get older, with some exceptions—you may have read about it in the paper lately. Did you see it?

McCREERY: I don't know.

AGNOS: I'm testing to see if you're paying attention to this stuff. I'll tell you in a moment. But I take great pride in knowing what I did. Now, did you see about the Asian Art Museum?

McCREERY: Right, we talked about that the last time we met, yes, about being invited to the opening events.

AGNOS: They acknowledged me, but they still continued to insist that Feinstein gave it to them. It's remarkable, a rewriting of history.

McCREERY: Yes. How concerned are you about credit for the ballpark?

AGNOS: The ownership and people give me credit for proposing the site and the original idea, but you don't get credit unless it happens on your watch, like the Asian Art Museum happened on my watch, so, "Hey, folks, I did that. It happened there, and here's the proof." But the ballpark didn't become a reality until the voters passed it in 1995. I was not in office, so that's not totally mine, for sure.

McCREERY: But it's nice to hear how closely it relates to what happened earlier.

AGNOS: Yes. You're going to see another example of how all of this ties together. The Ferry Building is going to be opening up, and it's going to be a spectacular place. It's going to be a spectacular place. What do you think it would look like if the Embarcadero Freeway was in front of it? If you ever see some of the old pictures of it, the original pictures, after '53, all you could see was the tower above the building. The building was obliterated by this double-decker freeway. You couldn't see it. Now, what do you think would be happening down there if that Embarcadero Freeway was still in front of it? Nothing would be happening. It wouldn't be attractive. It wouldn't be appealing to anybody to put restaurants in it and all the rest of the things that are going to be happening down there. It's going to be a spectacular place.

McCREERY: Before we get too far afield, let's talk about the '89 earthquake, aside from the ballpark aspects. Tell me your story, where you were and what happened.

AGNOS: Okay. First of all, '89 was an extension of '88 in terms of the economic difficulties. The city was in the worst recession since the forties, the thirties, I mean. We had a drought. We were in the second year of the worst drought in five hundred years, all the meteorologists said, so we were conserving water. We were telling people not to flush their toilets. We were telling them not to water their lawns. I mean, it was an extension of hard times. We were trying to deal with the homeless. All these issues were still going. Things weren't better, and money was still tight. We still had Republicans not giving the cities the money we needed.

But I had written that book, and we were looking at it. We were checking it because we knew we'd be measured against it in four years, and so we were trying to make progress on all of these issues that we had raised and said we wanted to address, and we were doing okay. And then, one of the things I learned in being a mayor is that it's the unexpected that can completely derail you. And all of a sudden—you know, we were doing okay in terms of people were feeling good about the city because we were winning the pennant and we were playing in the World Series, and along comes this earthquake, which completely knocked the city for a loop for about a year and a half.

I had picked up my family. I left work early and picked up my family, because we were going to the opening game of the World Series in San Francisco. We had played the first two games and lost over in Oakland. And

so at 5:04 P.M. I was in the mayor's limousine, which is a blue, four-door Lincoln Town Car. My wife and two boys were in the back, and I was riding where I usually sat, in the passenger's side, because that's where the access to all the phones and radios and stuff were. We felt the car shake, and I remember saying to my bodyguard, who was driving, a police officer, "Do we have a flat tire?" We were just pulling into the parking lot of Candlestick. I said, "Do we have a flat tire?" She said, "No. You know, I think we had an earthquake."

But when you're in a car with the rubber tires, you don't feel it as much, so we said, well, we felt minor earthquakes in the past. You just sort of move on. We thought that's what it was. So the four of us—five of us, with the bodyguard—walk into the ballpark, and that place was rocking. I mean, everybody had really felt the whole—had seen the place moving. I went up to the box where I was, and everybody was buzzing, and I said, "God, that was something, wasn't it?" And they're waiting for the ballgame. People started to chant, "Play ball. Play ball." But nothing was happening. The lights were out, some of the power.

All of a sudden, another police officer came up to me and said, "Mr. Mayor, I think we have to go. The bridge has fallen down." I looked at him and said, "Are you crazy? The bridge has fallen down?" He says, "Yes, the Bay Bridge has fallen down." I said, "I don't believe it. Someone's making [it up]." He says, "No, it's on the news. In fact, there it is on TV." I remember looking up at the TV monitor, and there was some helicopter that was hovering

there taking a picture, a news helicopter, and a section of the bridge had fallen in.

Then I knew we were in trouble. Something serious had happened. So we immediately left, and the police had sent about a dozen, maybe a dozen and a half, motorcycle police officers to escort me back to the command post, the emergency command post that was also the fire department emergency command post, where all their communications were and all that stuff. It was about two blocks from city hall, on Turk Street, near the corner of Turk and Franklin. There's a ball field there, and in the middle of this park is this emergency command post.

To get from Candlestick down to this place two blocks from city hall—by this time it was about, oh, maybe thirty minutes after the earthquake, and people had started leaving. Of course, the city—everything was out. The fires had started, and so there was gridlock. I'll never forget. My family and I were in the car, and we had, as I said, maybe fifteen to eighteen, maybe twenty, I don't know, motorcycle police officers who had been out at the ballpark pushing people off the road, ordering people off the road so that my car could get through so we could get to the emergency headquarters. I never had that experience before, where these police officers are pulling up to cars and telling them to get off the road. It was just opening up, and we'd drive right through it.

So we got to city hall, where they dropped me off, and then they took my family home to our house, to make sure that was okay. Then I remember

telling one of them to go check on my mother, who was elderly and lived in the Marina. She was locked in her house because much of the damage was there. The door had fallen in, and she couldn't get out. She was about eighty-four at the time. So they rescued her. That's one of the things I tell mayors when they deal with disasters, that you have to make sure—because you're going to be so preoccupied with the safety of the people in the city—assign someone to make sure your family is okay so you're not burdened with that. So these people took care of my family, and I knew they were safe. I didn't see them again for, I don't know, about forty-eight or seventy-two hours later, because I just stayed there round the clock.

Then I remember turning my attention, as soon as I got into the command post, to trying to get an accurate picture of what was happening. We were getting through the fire department communications systems—we had about forty or forty-five fires all over the city, with the main one being down in the Marina, the huge fire that was captured on television throughout the world because we had so many television stations here for the World Series. They just got to the other part of town to report. They didn't have to come in.

The first thought in my mind—I knew the fire department was doing their job, going to deal with these fires—the first thought in my mind was to make sure that the city was secure, so we ordered all the bars to be closed. One of the first calls I made was to the commanding general at the Presidio to ask for all of his troops to come to the city to be positioned as the police department

directed so that we could keep order in the city, so that there wouldn't be any safety issues, public safety issues.

As it turned out, there never was because, in contrast to every other disaster, in this country at least, the people of San Francisco responded in an amazing way. Everybody started helping everybody else. Hundreds of volunteers in the Marina went to help the fire department drag hoses that they put into the bay to get water because the water pressure wasn't good enough to deal with the huge fires. They were lugging these long hoses for blocks to put them on the fire and get the water out of the bay. People who were locked in high-rises were rescued by their neighbors going up and finding them because they knew they were there. Other people went into the middle of the darkened city—because all the lights were out, the power was out—to direct traffic and get people through intersections the way the police usually do. There was no looting. There was no rioting. Even the criminals cooperated—for about two months the crime rate went down. [laughs]

It was a remarkable experience in how San Franciscans, with all of their diversity, with all of their cantankerous kind of petulance on political issues and stuff, just all came together. I sort of felt the eyes and ears of the city just sort of turning to me and saying, "Okay, you're the leader. Tell us what to do." Many people said that was my best moment in public life because I responded in a calm, deliberative way that gave people the sense that I was in charge, we knew what we were doing, and that we would get through it. One of the ways we manifested that was by having good people around us but also by being on

the television a lot, to give people status reports and to tell them what was happening that was bringing the situation under control.

I remember when I first went into the command post and was greeted by the assembled fire department personnel and others who were there. I remember asking for the disaster coordinator. The city has a disaster coordinator. Someone told me we had a disaster coordinator and a disaster plan for these kinds of things. It was the first time I laughed in this thing because it was shortly after I got there, and I happened to say, "Where's the disaster coordinator?" I figured he'd know who to call. They told me he'd collapsed. [laughs] He collapsed in the first fifteen minutes. He collapsed at the stress of the earthquake, of the event.

They brought this big book, about the size of Webster's original dictionary. They said, "Here's the disaster plan." [laughs] I said, "What the hell am I supposed to do with this?" You know, it's kind of like the pilot of a 747 reading the manual on how to fly an airplane as he's walking on there and all the passengers were standing there. So I never looked at the disaster plan. I never saw the disaster plan after that. I never saw the disaster coordinator because they took him to the hospital, and he never came back.

So we just started using good old common sense and good people's advice around me, and we took control of the situation. I remember going up within an hour in an FBI helicopter, looking at the city, which was completely dark except for all these dozens of fires, because what happened was the gas mains were ruptured, and many of them started on fire all over the city. It looked like

what I'm sure Baghdad looks like today. It was just like the city had been bombed, and there were fires all over.

The first thing we knew is we called for all the help we could get from surrounding areas, from the fire departments, and they all came, and we got the fires under control. It took a couple of days for the Marina fire. Then the rest was trying to take care of people who were made homeless. This earthquake was a disaster that affected well-to-do people as much if not more than poor people because the Marina was the primary huge impact area, with houses that had collapsed and stuff. In some ways, it was easier in the sense that many of them had insurance, but the short-term problem was how do you take care of all these homeless people? We had taken over the school nearby, the Marina Middle School. That was a temporary shelter for these people who were homeless.

We also had to deal with the permanently homeless, who were made homeless again in the South of Market. There we were using other facilities, including the convention center, to house over a thousand people who were homeless in that part of the city. I don't know what you want. Do you want me to just tell you some highlights of this thing?

McCREERY: One thing that I read about was—and this is sort of a little bit later on, I suppose, but the Red Cross was gathering money to help the city to rebuild.

AGNOS: Yes, I could tell you about that. I could tell you about Dan Quayle. But the initial thing was dealing with the fires, dealing with public safety, and dealing with homeless people. But at the same time I knew, as I started to get a sense

of the enormity of the damage, that this was going to be billions and billions of dollars. I brought my finance team within the first seventy-two hours, my finance people, my budget director, and I said, “Look, guys, we’re going to have enough people taking care of the social issues and the humanitarian issues. We’re going to be broke, and they’re going to be coming at us.” This was probably the best insight I had. “We’re going to get all kinds of offers of help. I want you guys to follow the money.”

Because I also knew that when the federal government came in, everybody wanted to help this great city of ours, but then when the next hurricane hit in Florida, the eyes and ears would be there, or the next tornado in Oklahoma, or the next hurricane in Texas, or whatever it was. So I said, “I want you to lock up the money. I don’t want you to do anything other than monitor the money, lock it up, and you’re going to be telling me every step of the way where we’re going to get the money to fix this city fast.”

So our city got more money faster than any other city in the Bay Area because of this team that my finance people put together to follow the money, the money to rebuild the city hall, for example. What you see today was \$100 million that we locked up from FEMA [Federal Emergency Management Agency] during the first year, in the post-earthquake era. We also got them to, for the first time, recognize that cultural facilities, like theaters, the Curran Theatre—we got money from FEMA for the first time. Churches got money from FEMA for the first time, to be rebuilt, because we were pushing for the money on all fronts, because we knew that would be the vital resource to

rebuild the city. If you don't have the money you can't do anything, despite the will.

So there were a number of things we did—I can't remember—that happened for the first time, that caused FEMA to be more responsive in the future to disasters by recognizing—and the homeless is an example, the permanent homeless. The city had been housing the permanently homeless in low-rent hotels that were also damaged in the earthquake, so they were made homeless again. They were back on the street. I was looking for money to fix up the housing that they would use.

Within the first forty-five minutes or so after I had been there, they said, "There's somebody from the Red Cross that wants to see you."

I said, "Great. The Red Cross? They're going to give us help. I want to see him. Bring him in." And this guy comes in. The regional coordinator from the Red Cross comes in and says, "Mr. Mayor, we'd like you to do a commercial to raise money for the earthquake for the Red Cross." I said, "I think we can do a commercial in the next couple of days, but right now I'd like to know what you can do for my city." He said, "Right now we'd like to get the commercial done." And so I said, "We're not going to do a commercial right now. What I want to hear from you is what you're going to bring to the city for resources to help all these people with these shelters that we're setting up."

But I was struck by the fact that they were looking—and their disaster plan at that time called for the first thing you do is start the fund-raising appeals, as

part of their regime, if you will, or their protocol. That's the first thing they put out. They start raising money, and so as I'm going around the city for the first four or five days and a couple of weeks, I heard all these appeals on radio and saw them on TV, and millions of dollars were being given by corporations in our city and all that kind of thing to the Red Cross.

You'd read in the paper a company gave a half a million dollars to the Red Cross for the earthquake relief. I'm saying to myself, "Where is all the money?" as I'm going around the city, going to the shelters, seeing people, and I'd see the Red Cross there. We provided the facilities. They'd come in with blankets and coffee and doughnuts, but, I mean, they were raising tens of millions of dollars. I couldn't see it anywhere.

I started asking my staff. I said, "Where's all the money that's being raised here?" Now, we were going after FEMA and the federal sources, federal government, but nobody was looking at this sort of nonprofit volunteer group. Then finally the Red Cross guy came, and I said, "What are you guys doing with all this money?" I said, "All I see is these little doughnuts and the coffee and all that stuff, but what are you guys really doing with it all?" He sort of hedged, and I kept pushing, and he hedged. The more he hedged, the more I pushed. What slowly I pulled out of him was it was going back to Washington, and they were sort of divvying it up.

I said, "I need some money for the homeless." He said, "We don't do homeless." "What do you mean, you don't do homeless?" He said, "We don't do homeless. That's not our issue." I said, "Of course it is. They were

affected by this earthquake. They were in these low-rent hotels.” I had them, as I said, in the convention center. Then I knew something was wrong, just something with my instincts was telling me, “These guys are scamming us.” But I didn’t have the guts at first to say anything because this is the Red Cross! I mean, this is Clara Barton, and I’m a politician. I know where I stood in this hierarchy of things. The Red Cross is an American icon.

So one day a reporter Larry Hatfield, from the *San Francisco Examiner*, was asking me what my disappointment or something—he had heard from somebody that I was upset at the Red Cross, and he asked me about it, so I just let it out. I said, “I’m really disappointed. I can’t figure out where the money is. I think they got more money than they’re giving us,” and all this stuff. So he put it in the headlines.

The next day, I’m looking at “Agnes Criticizes Red Cross.” I said, “Oh, God, I got another Olympics, I got another *Missouri* on my hands or something like that.” But you know what? It touched a nerve, and all of a sudden people were coming out of the woodwork, saying what the Red Cross had not done. We uncovered a scandal, that the Red Cross would raise all this money, spend a certain portion of it on sort of a very superficial kind of help, and keep the rest in their headquarters for presumably other disasters, and they kept pounding away on giving money for the earthquake.

I knew I was onto something, and I started to raise hell and started to ask the Red Cross for an accounting, started to demand that all the money raised in the name of the earthquake should be spent on the earthquake relief. They

said, "That's not our policy. We raise the money, but we do not spend it all where it was raised, because it may not be necessary." I said, "Well, it is necessary here." I had all the needs and stuff.

To sort of abbreviate this, we finally had a showdown, and the pressure had built up so much on them, to my amazement, because all the corporations were suddenly writing letters, saying, "We want the money back," and the Red Cross knew it had a public relations disaster on its hands, so they came to me from the national headquarters and said, "What do you want?" I said, "I want all the money." So they gave me what they said they had, which was something like \$35 million or \$30 million.

Then I called together all the government leaders who had been affected by this in the Bay Area, because I knew we were the main public image of the earthquake. Santa Cruz had been devastated, but no one was raising money for Santa Cruz and other parts of the Bay Area, Oakland, for example. We had gotten the bulk because we were the princess of the Bay Area. So I called them all together, and I said, "Look, I've got this money coming from the Red Cross. I want to divide it up with you in a fashion that's fair, that meets your needs. We've been the center of attention, but I know you've all suffered." At that time, if I could have run for president, I would have gotten every vote of everybody in that area because it had never been done before.

We called the United Fund, and we asked them how they allocate the funds, for a formula. They presented theirs, and we worked it out, anyway, with the mayors and county supervisors so that everybody got a percentage. Just to

show you the spirit of the times, Marin County, which I had also invited to come in, said, “We don’t need any money. We’re in good shape, so we’ll just bow out.” That was the kind of spirit that permeated the Bay Area at that time. We gave a larger percentage to Santa Cruz, gave some to San Jose, but Santa Cruz, I remember, was really, really devastated.

That started me with the Red Cross. I kept on them. They made some reforms. They promised that they would always spend money that they raised in the name of a disaster in the disaster locality until everything was fixed, and if there was more then they would keep it. But I found that they really didn’t keep to their word. Just recently there were some problems in—I was on *60 Minutes* with Mike Wallace last year because the Red Cross never reformed. There were instances in San Diego, for example, where their executive was paying—the Red Cross chapter executive in San Diego was paying herself \$300,000 a year as the Red Cross executive for the San Diego area! When they had a big major fire over there, the Red Cross pulled the same scam, raised a lot of money and didn’t spend it. So *60 Minutes* did a big exposé on them. I’ll see if I can find it. You can read it. It was pretty good. And it blew them up. Blew them up. The president resigned and a whole variety of other things.

But anyway, the Red Cross—I keep getting called on that ever since then because I was the first one in modern American history to challenge the Red Cross. If you think about it now that you know me, it’s so typical of what I do when I think that some big entity is taking advantage of people. That’s what I loved about politics, empowering. I was empowered at that time as a mayor,

but I've done it with all the different examples, to level the playing field, that's all, just level the playing field. It was a little scary with the Red Cross, but nevertheless it wasn't any more scary than taking on the Olympics or the *Missouri* or any of these other issues that I thought there was something wrong.

The earthquake also brought me into contact with national leaders because, as with every major disaster, certainly in a place like San Francisco, everybody comes. It's obligatory. So the president of the United States [George H. W. Bush] came, the vice president of the United States [Dan Quayle] came, and a couple of stories about that. The first one was right within the first twenty-four hours. I got a staff person saying, "There's somebody on the phone from the White House saying that the vice president wants to come to visit San Francisco and to bring the message of—" whatever they bring. "But he's going to be in Oakland. He's not coming to San Francisco, so could you go to Oakland?" I said, "Tell the White House that I can't go to Oakland because the bridge is down and I've got no way to get over there, and frankly, right now I am too preoccupied with the city to go to Oakland to meet with the vice president. But if he comes to San Francisco, I'd love to see him and I'll go anywhere in the city because I can get around the city to give him a briefing on what's going on."

That was, I think, the second day or maybe the third day of the earthquake. I think it was the second day. So on the third day, which was a Saturday, I remember I was out doing one of my regular briefings to the media, and one of the reporters asked me, "What do you think of the vice president coming to the

city?” I said, “Oh, no, he’s in Oakland. I couldn’t get over there, but if he comes over here, I’m going to brief him.” “No, no, no, he was over in the Marina this morning, and he left. He came in on a helicopter and left.” I said, “You mean he was there this morning and got briefed? By whom?” They said, “He went around with a Red Cross volunteer.” I said, “If that’s true, it kind of ticks me off, because I don’t think a volunteer can give the vice president of the United States an accurate picture of what the city needs from the federal government to deal with this disaster.”

Well, that’s all we needed. [laughter] In Washington, the headlines are: “Mayor of Stricken City Ticked Off At Vice President.” Now, what I didn’t realize was that about a month before there had been a disastrous hurricane in Puerto Rico, and the vice president had gone there and ticked off the people there [laughter] and had some kind of a—you know how he always sort of stepped on his feet. He was under a lot of criticism for that, and then along comes mine, and suddenly I’m seeing these political missiles coming from the White House chief of staff, “The mayor of San Francisco is playing politics, and he’s putting his city at risk,” and all this stuff. I didn’t realize that here I am in another political war, because these guys are doing damage control for the vice president, and I had just sort of said what was on my mind when the reporter asked me about the vice president because I had been so explicit about saying, “I’ll go anywhere in the city to see him.”

So there were these back-and-forth missiles. I was responding, of course. This guy was challenging me, and I was going to defend my city, and I was

telling them what we needed. I was on a couple of national television programs, *Larry King*. By this time I was not fighting them, I was looking for a way to mitigate the situation because I was going to be asking for billions of dollars in relief, and I didn't want this administration angry with me.

I was going to be on a Sunday morning show with David Brinkley and Sam Donaldson. I was going to be on one of those Sunday morning talk shows, and I'm going to bed that night—I'd been over to my mother's that afternoon. This was about a month later, and this thing was still going on with the vice president. I wanted to try to put it to bed. I said, "Hey, Ma," I said, "I'm going to be on television tomorrow." She always liked to know, and I always used to make sure she knew so she could watch. It was her big thrill. I said, "I'm going to be on television tomorrow." She said, "Oh, good, what are you going to do?" I said, "I'm going to be talking. I'm a little worried about it because I'm having this fight with the vice president over him coming to the city." My mother, who was an immigrant and who didn't speak good English, always had an expression from when I was a little kid. I remember she'd say to me when I was upset, she'd say, "Small po-ta-toes, small po-ta-toes."

So I said, "Ma, I'm a little worried about it." She said, "Don't worry," she said, "small po-ta-toes, small po-ta-toes." So I was going to bed that night, and I was thinking about what I was going to say the next day, and my mother's words came to me. So here I am on television, and Sam Donaldson said, "Well, Mr. Mayor, it looks like you're having a little confrontation with the vice president of the United States." He says, "How do you feel about that

now?” I said, “Well, Sam, I’ll tell you how I feel about it.” I said, “Yesterday I was talking to my eighty-two-year-old immigrant mother and I was telling her about this situation, and she looked at me, and she said to me something that I’ve heard all my life from her when I was upset about something. She says, ‘Son, don’t worry.’ She says, ‘It’s small po-ta-toes, small po-ta-toes.’”

Sam Donaldson cracks up. Even David Brinkley, who was this sphinx-like—cracks a smile. I got a note from Sam Donaldson. He said, “I’ve interviewed a lot of cool people in my life,” he says, “but that was one of the coolest statements I’ve ever heard.” Then I started getting packages of small potatoes from all over the country, [laughs] you know, with that net, like you get oranges in? Well, I’m getting small potatoes, those little potatoes you get. They’re coming from all over the place! Because, you know, when I said it, that was after Dan Quayle had misspelled potato [as potatoe]. He was a controversial guy and all this, so, I mean, this sort of caught the imagination of people, including people like—oh, Laura, all these names you’re making me think of! People like—who was Humphrey Bogart’s wife?

McCREERY: Lauren Bacall.

AGNOS: Lauren Bacall. I get a note from Lauren Bacall from New York, saying she had been watching it. I got it somewhere in my files. I’ve got to find it. But it was a fan letter from Lauren Bacall. She said, “When I come to San Francisco, I’d love to meet you because anybody who can handle the press like that,” and all this stuff. And I did. I went to lunch with her. She was a delightful, beautiful woman. It was a real highlight, about six months later.

But that sort of defused it, small potatoes, but I needed to do something personally with Quayle. So I was back in Washington with a team of my folks, lobbying again for the money, because that was the key to rebuilding that city. We needed to get the money committed. We needed to lock it in to fix all these places in the city that were broken, including freeways and all the rest of that stuff. What were we going to do?

So I was in the old Executive Office Building next to the White House, and I was with a group of people, and they said, "You know, the vice president's office is right down there if you want to see him." I said, "I won't be able to see him, but at least I won't leave the building without letting him know I was here, because that's what I asked him to do in San Francisco, and I don't want to be accused of the same thing." So I went into his office, in the outer office, and there was a secretary there, and I said, "Hello, my name is Art Agnos. Here's my card. I'm the mayor of San Francisco, and I didn't want to leave Washington or this building without letting the vice president know that I was here."

She said, "Thank you very much. I'll make sure that he knows." So we turn around, and we walk out. We're halfway down the corridor when all of a sudden, one of his aides comes running after us. "Mr. Mayor, Mr. Mayor! Stop!" So I turn around, and it's one of his people. He said, "The vice president's in, and he'd like to see you." Now what do I do, right? I said, "Okay." So we turn around, and I go back to his office, and they usher me into his office, the vice president's office, and he's there. We look at each other for

the first time since all of these transcontinental political missiles were going on.

So I look at him, and I stick out my hand, and I said, “Hello, Mr. Vice President, I’ve been looking for you.” [laughs] He was cool, though. He was cool. He smiles, and he says, “Well, hello, Mr. Mayor, I’ve been waiting for you.” [laughs] We both laughed. We sat down, and we talked. I said, “Look, I really wasn’t trying to embarrass you. I just was in the midst of—” I was trying to defuse the situation, something, as I said, I should have done with a lot of other political opponents earlier in my career, but I didn’t. But I knew enough there, certainly, to do that because I didn’t want to risk the city’s ability to get money. I said, “I’m sorry about all of that.” I said, “I’m really wanting the city—” He said, “We’re here to help you.” And we sort of patched it up real quick. I left and was able to say to the public that I’d met with the vice president and that he was going to help us and all that kind of stuff.

On that line—I don’t know what these stories mean to anybody, but about three or four months later—I can’t remember exactly when it was—I was called, and they said that the vice president’s wife [Marilyn Quayle] was coming to San Francisco in her capacity that she had as the vice president’s wife, as some kind of a disaster oversight thing, and she wanted to see me. I said okay. I had gotten along real well with her husband, but she came in, and she was a steely, blue-eyed, ramrod, attractive and uptight woman. She sat down, and she started to ask me some questions about the earthquake recovery and all that kind of stuff, and I could tell this lady was [rigid] like this [fist].

Because I had been a threat to her husband, you know. I'm sure she had her fill of people making fun of her husband and all those things.

This was the social worker in me. I looked at her, and I said, "You know, Mrs. Quayle, I really wasn't trying to humiliate your husband. It got blown up in the press because of what I said and what came back, and it just got escalated, but I really wasn't trying to." I said, "I'm someone who's been in public life for all of my adult life, and I have a family." I said, "I don't want my family hurt any more than you want yours."

I must have touched the right note, because all of a sudden she just relaxed. I could see her whole body language [change], and we had a very human conversation about the demands of public life and what it's like. I could see that this was a woman who was smart and very strong and cared a great deal about her family and her husband. Again, I know who talks to who, and I didn't want the wife saying anything bad. I didn't want the husband saying anything bad about my city because I needed to get on with the recovery.

But I'll never forget how ramrod uptight she was, and then all of a sudden, [after I said] "I'm really not looking to embarrass or humiliate your husband or anyone in your family," it just all went away. It was really kind of nice. I never saw her again, never saw Dan Quayle again. But it's just one of those moments in politics that happens because of circumstances. In this case, it was the earthquake.

It's the same thing that happened with [Rudolph W.] Giuliani. If you've seen that movie [about him], this guy was not doing well until September 11th.

His personal life was a mess. I'm just looking at what I saw on TV. I saw some reviews, and they said it's pretty on target. But I remember that he was going to be seriously challenged for reelection. He had been seen as a hard-line, right[-wing] kind of mayor, and the minorities weren't for him and all that. And then September 11th just changed the whole thing. And I can relate to that because my September 11th was the earthquake, and for six months after that I could do no wrong. My problem was that was in the middle of my term. [laughs] It wasn't the last six months [before the] election, because I would have had no opponent had that happened. You know, sometimes it's better to be lucky than good.

An amusing little story from that was, about three or four months after that, I was doing the Ronn Owens KGO talk show. Ronn was always tough on me, fair but tough. He's more conservative than I was. He thought I was liberal, and he would challenge me on liberal issues, like the *Missouri* or like the Olympics. But on this day, this caller calls up and was roasting me up one side and down the other about everything, even things not in my control, and even Ronn, who as I said was tough on me, took some pity on me, I guess, and he says, "Well, you got to admit the mayor did a great job during the earthquake," to the caller. The caller doesn't miss a beat, and he says, "Yeah, but that only lasted thirteen seconds."

It tells you what happens, shows you what happens with the public. "It only lasts thirteen seconds." But if it's at the right thirteen seconds, it can be very important in politics in terms of reelections and all that kind of stuff

because, as I said, when that happened, for six months after that, my poll numbers were in the mid-seventies and eighties. Then it went down as people get past the crisis.

[Tape interruption]

McCREERY: Here we go. We wanted to add a little bit more today about homeless issues.

AGNOS: Okay, yes. One of the other major issues to come out of the earthquake—that was sort of exacerbated by the earthquake, is what I want to say—is the issue of the homeless, the permanently homeless, because we had spent the better part of a year and a half developing a plan and starting to implement that plan. Despite the lack of money and support from the federal government and the lack of money in the city budget we were starting to implement the plan to deal with the homeless. Suddenly, the earthquake just put several thousand people back on the street because of the loss of low-rent hotels in the South of Market that had been used in the city's efforts to deal with homelessness in the past, plus some shelters that were damaged.

One of the reasons why I wanted the Red Cross money—my share of the Red Cross money was about, if I remember correctly, close to, I think around \$7 million. We decided to use that money as one time found money, if you will, to develop our homeless plan, which was called Beyond Shelter. That was a plan—we haven't talked about this at all?

McCREERY: No.

AGNOS: Okay. Beyond Shelter was the first organized homeless plan in the country, really, because we had researched throughout the country to see what other

cities were doing. They were—I think I'm going to save this for the next time because it's going to take about fifteen or twenty minutes, and I don't want to get in trouble here.

MCCREERY: We have time.

AGNOS: Okay. What we had seen around the country was what I call the American disaster model in dealing with homelessness. What do we do in a disaster? We rush into the afflicted area, whether it's a flood or it's flattened homes in a hurricane or a tornado or all that occurred in the earthquake, and we take the people out of the afflicted area and we go find a large space, an armory or a high school gymnasium. We put up the cots, and the Red Cross will come in with their blankets and coffee and doughnuts, and we tell people, "Here, go in here. You'll be safe for a week or two until the difficulty has subsided, the waters have receded, or the fires have been put out and the damage has been assessed and we can start getting on with rebuilding your lives and your houses," or whatever it might be.

That's what worked because after a tornado, the government would come in, give people money to rebuild their houses, and they'd get on with the rebuilding process. But with the homeless, we found when they went into the shelters and stayed a week or two and came out, nothing had changed except maybe they had a bath; maybe they had some fresh clothes; they'd had a couple of good meals; maybe they'd gotten some treatment for some medical issues. But nothing changed because the disaster in their case, the homeless case, was not a tornado, a fire, a flood, or some natural disaster. It was usually

a human disaster: mental illness, spousal abuse, runaway kids, family disruption, drug addiction, alcoholism, economic dislocation, and these couldn't be fixed with a week or two in a friendly respite shelter. They'd go back to the same situation unless we dealt with their human disaster, and that required a long-term housing commitment and supportive services to address what was the origin of their homelessness.

This required a whole shift in our thinking. We weren't doing that in 1988 when we looked around the country to say, "What is the state of the art and the research?" We just did a research of the literature and visited places, and nobody was doing anything other than a shelter that I just described, the shelter program. So we sat down, and I formed a task force in 1988 that spent the better part of the first year working with homeless advocates and politicians and community leaders and business people, and we came up with a plan which today is called the Continuum of Care.

It's in three stages. The first stage is that you have to gather people in one place in order to assess them, to find out what it is that has caused their homelessness as individuals. What is the disaster in their lives that caused them to be on the streets without a home? Because in contrast to a natural calamity—we know that an earthquake caused thousands of people to be homeless, and so we knew what it was. But when you're looking at all of these people on the streets of our cities today, you don't know which one is mentally ill, which one is a drug addict, which one is an alcoholic, which one is a runaway kid, which one is a woman who's been abused by a husband or

something like that. You don't know which one has lost their job and can't find another one.

So you have to find out. Well, how do you find out? You have to gather them to a place, bring them under one roof or a roof where you can give them a respite from the streets and begin to address their fundamental cause of the homelessness one by one. So the first stage was what we called a multipurpose center that would be, for lack of a better—for someone who doesn't know these somewhat social-work terms, it's just basically a bed and breakfast, where people would come and stay and eat and be treated for their superficial medical needs, and then they would meet with a multidisciplinary team, who were housed there every day, to begin to say, "Who are you?" "Well, I'm a thirty-eight-year-old woman who is a prostitute because I'm a drug addict."

You start to see, "What have we got for a thirty-[eight]-year-old woman who's a prostitute, who's selling her body to do drugs?" as opposed to a twenty-two-year-old kid or a sixteen-year-old kid who's in the Tenderloin selling his body because he's a drug addict, and he ran away from his parents because he's got a bad relationship, versus a mentally ill person who hasn't been seen by a doctor in ten years and is kind of delusional, running around the streets. Because each one of them requires a different kind of housing and supportive services. But we didn't know who they were, and yet the estimates were six, seven thousand people, and it swelled even more with the earthquake.

So the first stage was to assess them and house them while we assessed them. Then the second stage was sort of an intermediate stage, where they

would go for the treatment of whatever the problem was that was identified in the first stage. We needed to build and locate facilities exclusively for the mentally ill, to stabilize them to be treated by therapists, to be given the medications they needed. You didn't want to put them with a sixteen-year-old kid that was a runaway, so we needed a place for a sixteen-year-old or eighteen-year-old kids that were runaways. We needed another place for abused women with children. We needed another place for drug addicts and alcoholics, because you couldn't mix them all to treat them. So this continuum, if you will, with the second stage was developing, building, reconstructing an array of housing that was targeted for the population that it would serve, with services, as I said before [for] the different types of needs.

Then the third stage was to try to build permanent housing for those people who were at the second stage, the intermediate housing—transitional, was the term we used—as they transitioned from the streets to permanent housing through the multipurpose center identification/assessment process to the treatment process, in the transition housing. When they were well, for those who could get well, we needed to have permanent housing for them to live in, in a city where housing was at a premium.

So that in general was the homeless plan that we called Beyond Shelter. It had three stages: assessment, transition, permanent. The transition stage was the critical one because that one was what didn't exist. Well, we didn't have enough permanent housing either, but the one that had to be made from scratch

was the kinds of facilities that would deal with the numbers of people in proportion to what we saw on the street.

A lot of them were for the mentally ill, a lot of them were for drug addicts, alcoholics, but we needed also for women with kids and runaways. So we built these and assembled these from existing and brand-new ones that were funded, and people would stay there for whatever length of time it took to heal. So somebody might get well in two months. Others might get well in two years. Some might never get well and they needed to stay there with supportive services, especially mentally ill folks, who needed to be monitored so that if they drifted off, someone knew they were missing because they weren't in the facility. These weren't locked facilities or anything like that. These were just homes or buildings in the city. As a matter of fact, I have a picture of this plan here, I think. Here it is.

McCREERY: Oh, yes. You're looking in your "Things to Be Proud Of" booklet.

AGNOS: This wooden chart was something I became famous for in city hall. That's my office in the mayor's office. I kept this there in order to explain what I'm explaining to you. These were cut-outs, wooden cut-outs that pulled them out, and this would be a blank piece of wood, and then I'd be putting these pieces in as I describe the three—so these two purple things you see here were the multipurpose centers.

McCREERY: Okay, so you start at the bottom.

AGNOS: Yes, and you plug them in. Here's a person on the street. We'd start here, and each one of these could hold about 250 to 300 people. Then we were

developing this array, the blue, green—I think this represented the families.

This represented the runaways and mentally ill.

McCREERY: Color coded for different kinds of clients, in other words.

AGNOS: Yes. And so this was the transition housing, and then the permanent housing was this up here. The system depended on people being correctly diagnosed, correctly referred and treated, and moving through here. So this can hold about 500 people. This [drop-in center] here is one the city is finally getting to now, that we had set up earlier and then it was dropped by my successor, where you could pick up people—the red spot you're looking at there. We had in this plan people who pass out on the streets, who you see and you sort of walk the other way or walk around. In the old days, when people passed out on the street, the police paddy wagon would show up. It was called the paddy wagon. They would pick them up, put them in the paddy wagon, and then take them to the drunk tank, and they'd dry out for a couple of days. They'd see the judge, and the judge would let them out. If they did it repeatedly, they were sentenced for six or seven months to the county poor farm, where they dried them out on a farm. Usually they got sober, for a while anyway.

Well, we didn't want to take people who passed out and put them in the drunk tank because it cost—in a city where I had a huge deficit—a hundred dollars a day, at that time. At a hundred dollars a day, I could do a lot more to treat people who needed help than just sit them in a drunk tank with guards. So this was going to be my drunk tank, only it was going to be a therapy tank. You probably, if you've been in San Francisco, seen these white vans that say

“MAP” on them. It’s Mobile Assistance Patrol. They were the “paddy wagons,” only we hired a nonprofit to go pick up people. They would be called by citizens or store owners, “Someone’s passed out here.” So they’d pick them up and they’d take them here. The facility, named the McMillan Center, is on Market Street, where they would wait for them to come to, and when they came to we’d say, “What’s your name? Why are you here? Do you have a place?” We’d start the identification and assessment process so that we could put a human face and name and diagnosis to this faceless person. We said, “Do you have a place to go?” “No.” “Well, we do.” We’d start them here. So this facility was the “therapy tank,” if you will, and this was the plan.

Now, when the earthquake happened this was all on paper. In 1989 we were just starting to assemble some of these things, but I didn’t have the money to start. This was somewhere about \$7 million. So when the Red Cross money came, I said, “We’re going to put it all to putting our homeless plan into effect.” So we spent the \$7 million buying two buildings, refurbishing them so that they were handicapped accessible and all the things that our plan called for, including kennels for the homeless’s pets, because people told us they wouldn’t come without their pets. So okay, we’ll take care of their pets.

McCREERY: These two buildings became the service centers then.

AGNOS: The service centers. And they’re still there now. They’re on Fifth and on Geary, and also you would more likely see the one, the next time if you’re in the city, if you get on the freeway on Bryant there—it’s at Fifth and Bryant. The other one’s at Polk and Geary. But at Fifth and Bryant, if you’re ever there

getting on the freeway, you'll see a big white building with homeless people in it. It's right there. It's still the backbone of the homeless program in the city. We haven't added much to it since I left, which is the tragedy of my successors' record.

But I used the Red Cross money that came—it was like found money that helped us jumpstart it. Didn't we talk about Camp Agnos?

McCREERY: No.

AGNOS: Oh. When I came into office in 1988, I asked the holdover homeless coordinator—his name was Steve LaPlante—and I asked Steve, I said, "What's the mayor's [Feinstein] policy on all these people around Civic Center?" Because the planning director the previous year, in 1987, had been attacked by some homeless people as he walked across Civic Center, had been hit on the head [Dean Macris]. So it was an ongoing controversy at the time, all these people, but nobody knew what to do with them. "Well," he says, "the mayor's policy has sort of been live and let live." He said, "As long as they stay out of sight during the daytime, it's okay if they sleep in these little nooks and crannies of these buildings, like the Bill Graham [Civic] Auditorium and the side of the library and different nooks and crannies that they found. That's what the policy has been there around Civic Center."

Well, in 1988, I didn't have any better plans because I didn't have any facilities. We were just beginning to plan this. So when the earthquake happened, it brought more people onto the streets, and they sort of came to the Civic Center after the earthquake and set up tents, which they would do at

night, every night, even under my predecessor, Feinstein. They set up these little pup tents at night and sleep there, and take them down, and disappeared during the day. “Live and let live.”

I let them do the same thing because I had no other alternative. Well, the earthquake increased the pressure, with more people, so they, by day, wouldn't take them down. They didn't take them down, and I didn't make an issue of it, so it became, in effect, a day camp as well as a night camp, and it swelled. The numbers swelled because of the earthquake.

People started to say—my political critics started to say, “Run them out of there.” And I would ask, “Where do I run them to?” Because if I drove them out of Civic Center, which was an obvious, visible spot, they'd go into the neighborhoods. Now, politically, that would have been the smart thing to do because in the neighborhoods they would not be as symbolically visible as they were in this big square park right across from city hall. But that was not the right thing to do, in my mind, to take the police force and use them as sort of an army to push them, literally march through, as they've done in New York to clear the parks. I didn't think that was the right thing to do, and I still don't, even though politically it would have been. I said, “When I have a place to put these people, I will move them.”

So when I got the Red Cross money, I was able to begin to build these facilities, and I said to the homeless, in June of 1990, I think it was—it was about a year after the earthquake. I'd gotten the money, we'd done the remodeling, and every day I'd say, “How are we doing getting this thing fixed

up?” We finally got them, and we issued leaflets and stuff to the, oh, four, five hundred people that were living there, that they were going to have to move into one of these facilities. Of course, this being the Bay Area and the whole San Francisco-Berkeley kind of syndrome, they demanded the right to live where they wanted to live, even if it was in a public park across from Civic Center.

I said, “No, you had the right to live here when I didn’t have a place for you, but when I’ve got a place with a roof over your head, you’re not living outside without the kind of sanitation and all the rest of those things.” So the day came that they were going to move, and we had police as well as social workers and everybody else to make sure that they moved here. As we were moving them out, the homeless activists and organizers were bringing people in by BART at night to take their place, because they didn’t want me to succeed or “authority” to win.

Now, these were not political opponents, these were just sort of the hardcore organizers who—I guess they’re the ones that put out those signs that say: “Rebel Against Authority.” I was the authority. We couldn’t figure out where they were all coming from until a couple of years later a guy wrote a book, a story, and said how they organized in the East Bay to get recruits to come in and take the place of the people that we were moving into these facilities that we had built with the Red Cross money.

McCREERY: And the purpose of that was supposed to be?

AGNOS: So that they could maintain their right to live in the park. You had something like that over here in Berkeley with People's Park and all that kind of stuff. During my four years, we faced the homeless program as a serious social problem that had to be addressed in a professional, scientific kind of way to come up with a solution. Now, we called it Beyond Shelter, these three stages, and the interesting thing was that the national plan that's in existence today in the federal government is called the Continuum of Care. It was created under Henry Cisneros and Andrew Cuomo, as secretaries of HUD. It is basically the San Francisco model. Our plan was chosen by Harvard as one of the most innovative programs developed in the country in 1992, and it led to my job with HUD. You're sure I haven't told you this?

McCREERY: No.

AGNOS: Okay. So in 1990, I got a call from the chairman of the Democratic Party, whose name was Ron Brown, and he hated to have me tell this story I'm going to tell you. You'll quickly know why. "Art," he said, "the governor of Arkansas is coming to"—this is 1990—"is coming to California, and he's going to be coming through San Francisco on a political prospecting trip." What that means is they were prospecting for supporters and money. "Would you be willing to see him for me?" "Sure," I said, "but let me ask you something." I said, "Do you think this guy's got a chance of winning?" I remember Ron saying on the phone, "Nah," he said, "he's got too many women problems." [laughs] So I said, "Okay." He said, "We want to be courteous and extend all the courtesies." I said, "Sure."

So about three weeks later, in my office comes Bill Clinton and sits down, leaves his aide outside, and we were just the two of us. I could see that he was an appealing personality. He asked me the usual questions that the other candidates for president did: Gephardt and Dukakis—not Dukakis. Who else was running? But he asked me a question none of the others did, which was, “Do you have any ideas that work?”

AGNOS: And I said, “Yes, we do.” I said, “We’ve been working for the last two and a half years on this homeless plan. Do you want to hear about it?” He says, “Yes, I do.” He said, “Is the problem all over?” So I told him what I told you, and I showed him this chart. I pulled this wooden chart out. I had it in the back office, and I took him through this whole thing. He said, “You got anything that’s written on this?” I said, “Sure.” I had this plan. I said, “Nobody ever reads it. That’s why I take them through this.” So he takes it with him, and he leaves. There’s three chapters to this. That’s the end of chapter one. He left.

Fast forward to November ’92. He wins the election. I get a note from a San Franciscan who runs a limousine service, who says, “You know, I never wrote to you a couple of years ago when I drove Bill Clinton to your office, but I want to tell you now that he’s president, you might want to know he got in the back of my car, and he couldn’t stop talking about a homeless program that you had described to him, and he kept looking through some material that you had given him, and his staff was frustrated because they were trying to get him ready for the next meeting with Walter Shorenstein.” That was the note. I

said, "God, that's kind of neat." I saved that, as a souvenir. That's the end of chapter two.

The third and final chapter comes the following year. He's now sworn in, so this is now March twenty-third or -fourth. The reason I remember the date is we were in Washington in the White House for a proclamation from the president to celebrate Greek Independence Day, and I was there with a number of other Greek-American leaders to receive this, about thirty or forty of us.

Remember, now, I haven't seen this guy or talked to him since 1990 in my office, with the homeless discussion. So he gets up and said something about the glories of Greece and ancient Greece and Greek independence and all that, finishes, comes down. I'm standing next to Senator Paul Sarbanes. He greets the senator, and then he looks at me. No one prompts him. There's no staff next to him, whispering. He sticks out his hand, and he says, "Hi, Art. How are you doing with that homeless program?" Now, he has not seen me for three years. He's gone through a presidential election and all the things that were part of it, started a new administration, he's now in the fifth month of his new presidency, with all the controversies over gay rights and stuff. He remembers my name, and he remembers the conversation.

I remember I was holding his hand, and I held onto it. I was so shocked, I just sort of glued my hand onto his, and I wouldn't let it go. I said, "Mr. President, you blow my mind." He smiled, because he knew he'd got me, you know, with the memory and what we had talked about. He said, "Well, are you going to come and help us with it?" I said, "If you need me, I'll be there."

A couple of weeks later, I got a call from Henry Cisneros to come to Washington to talk about working with HUD, and he mentioned the homeless idea and what we were doing, what we had done while I was in city hall. I was out of city hall by this time, for a year. They wanted me to go to Washington. I didn't want to go to Washington because it would disrupt my family, and so I said, "I'll stay in California and run the western region: California, Arizona, Nevada, and Hawaii." And I did. But I used to go back and forth to Washington to work on the homeless issue with him and ultimately with Andrew Cuomo, as secretary.

So that's how the homeless issue sort of evolved from 1988 to me working on it throughout my years at HUD, in developing first some sense of what the problem was and then how we were going to address it. That today is what the system is to address it, the Continuum of Care.

McCREERY: It sounds as if you did develop a new program.

AGNOS: It is.

McCREERY: Did you find useful models elsewhere?

AGNOS: No. We had to invent it. We invented a new program to deal with a social issue that didn't have a solution. Now, the problem has been we haven't really put the resources to make it happen because, like anything, it's expensive. It's like welfare reform, which we talked about some sessions ago. We invented a new welfare reform program so that people could get back to work with the kind of resources and dignity and education they needed. We did the same thing, and some of the same people who did the welfare reform program—

Julia Lopez, who was my director of social services, and Carla Javitz, who is now one of the national leaders, [and] Bob Prentiss from the San Francisco Department of Public Health were all parts of developing this, were with me when I did—Carla and Julia were—when I developed the welfare program. It was really inventing a new solution or a solution to a problem that had not been addressed in a systematic way.

The last thing I'm going to tell you about this is, people say to me when they look at this plan, these three stages, even today, "Well, how are you going to address the enormous numbers of homeless people that we have in our cities in our country today?" My response is based on a World War II experience. If you look at homelessness today, HUD, the last reports I remember seeing from HUD say that there are approximately 500[,000] to 600,000 people a night who may be homeless in American cities today. This was a couple of years ago, but it's probably still true. I think it was a half a million people a night are homeless every night, and some five to six million people have had an episode of homelessness at some point in their lives. Okay, a half a million every night, five to six million had an episode.

Those are staggering numbers. How do we deal with them? If we really want to make the commitment to deal with them, we could do it in a short period of time. We could end homelessness in three or four years in this country, throughout the country, if we want to do it. And here's why I use the World War II model. In 1940 this country had a very small army. When we were attacked in Pearl Harbor and went to war, in the space of five years, from

1940 to 1945, we assembled a standing military that succeeded in winning the war, of seven million men and women who served in the army and navy, marines—you know, the five branches of the service. How did we pull seven million men and women together in five years, train them, and then put them into the field successfully to win a war? How did we do that?

The answer is one by one, because what we did to assemble them was the president sent out a message to each individual saying, “Greetings from the President of the United States. You’re instructed”—it was your draft card, your draft notice, and you were instructed to report to an induction center. Now, some people volunteered. They’d walk in and say, “I want to volunteer for the war effort.” Many were drafted. But they all went to the same place. They went to a large place, where they were assembled for a couple of weeks, while the military experts looked at each one and said, “Okay, what skills does this one have that we need in this war effort?” They cut their hair, they dressed them up, they checked their physical condition, and so they were assembled at an assembly point where they were diagnosed for their capacity, or evaluated for their capacity to serve the war effort as infantrymen, artillerymen, air pilots, doctors, nurses, you name it, truck drivers. What do we need?

Then, after it was determined what their role would be, they were sent to the next phase, which was training, transition, and they learned in a year to be a doctor, in six weeks to shoot a rifle. So different ones, depending on which job they were assigned, got different amounts of time to be trained in this second stage of training, or transition.

Then finally they went out into the field to war, to fight or do whatever their job was. We did that, seven million men and women in five years, because we made a commitment to do it. So I believe that if this country decides we want to eliminate homelessness in this country, we can develop the induction centers or the multipurpose centers in each city that assemble people who are troubled. We can develop the transition facilities, where they are treated and housed, and then ultimately the long-term housing for those who are capable of living independently, and there are a number of those.

So we've proved with the World War II model that we can do it. I think that if this country decides to spend the money and make the effort, we can take care of this just as easily and much easier, in my opinion, because it's not a military—it's not war; it's not killing. But we haven't made that kind of commitment to do it.

McCREERY: And as in San Francisco the changes of leadership every so often—

AGNOS: You get a shift, and there isn't the consistency, that's right. When Frank Jordan came in, he said, "I'm not going to do what Agnos did. That was a social-work approach," and he was using the police approach, where he used cops to roust them. So we had these crazy scenes of people being moved around.

McCREERY: That was the Matrix program.

AGNOS: Yes. And then Willie Brown threw up his hands and said, "Can't be solved," and really didn't address it. Well, we lost twelve years in that process, where this could have been fleshed out, the transition, the facilities and the services, especially during the first maybe six years of Willie Brown's administration,

where you had boom times. He had Bill Clinton throwing money at the cities. It was a great opportunity that was missed.

McCREERY: Any advice for future San Francisco mayors on this issue?

AGNOS: On this issue? Well, sure. We know what to do if they have the confidence and the belief in the well-established current strategies in San Francisco. What we are missing is the political courage and civic cooperation.

By political courage, I mean the commitment to develop facilities and locate them in appropriate places despite neighborhood opposition. I have never seen any neighborhood anywhere willingly accept a homeless facility. Those kinds of facilities are undesirable. So the political leader must have the courage to proceed because it is the right thing to do.

By civic cooperation, I mean the commitment from the citizen to work with political leaders and accept their fair share of those undesirable homeless facilities so one part of the city is not overloaded or “ghettoized” with homeless people. I mean a commitment not to support the cottage industry currently seen on street corners and traffic intersections with panhandling. People should give those dollars to programs which are part of the solution.

[End of Session]

[Session 12, April 16, 2003]

[Begin Minidisc 12]

McCREERY: We wanted to finish up today our conversations about your time as mayor of San Francisco, and you mentioned to me before we started taping that you wanted to say a few words about the idea of regionalism. Shall we start with that?

AGNOS: Sure, okay. When I first went into city hall, I was very aware of San Francisco's historical, political parochialism, that somehow the sun rose and set on San Francisco, without regard to its neighbors. Perhaps because I was the first mayor to be elected who was not a, quote, "son of San Francisco," who was not born and raised there or educated there—in fact, I came as an adult, a young adult, as you know from our earlier conversations, at the age of twenty-five, going on twenty-six; on my twenty-sixth birthday, I came there—I had a sense of what it meant to be from somewhere other than San Francisco, which I think helped me see San Francisco as part of the Bay Area, even though it was sort of the premier city historically and for the future. It still had an important connection, should have, I thought, an important connection to the rest of the Bay Area and especially the larger cities, like Oakland and San Jose, the Big Three, as I called them.

I purposefully avoided putting down other cities in the Bay Area, with one exception during the World Series, which I think I told you about. I irritated my friend, the mayor of Oakland at the time, the late Lionel Wilson, when some press people asked if I was interested in making a bet over which team would win, the San Francisco Giants versus the Oakland Athletics. I told them, in a thoughtless moment, that there was nothing in Oakland that I wanted. [Laughter] Therefore, I did not want to bet.

Lionel, who was always very prickly about that kind of put-down, because it had been a historical kind of relationship that San Francisco had, didn't speak to me for a couple of months after that, but I apologized, because I thought he would understand that it was more in the vein of what today is called sports trash talk. But it wasn't, and I never made that mistake again, or before, in any other kind of circumstance, because I was sensitive to making sure that we reached out.

For example, one of the things I tried to do regularly was go to other cities. Whenever we had meetings that would be of regional interest I would go to the cities rather than have them all come to San Francisco. A good example of that might be, I was the first mayor in the history of San Francisco to make an official trip to San Jose when I accepted the invitation of the then-mayor, Tom McHenry, to come to their state-of-the-city message day. They have an annual day in San Jose where the mayor gives a state-of-the-city message to an assembled group of business people and community leaders, and he invited me to come and sit on the dais with him as a part of the Bay Area—because Tom

also believed in regionalism—and be present for this annual luncheon and message from the mayor.

When I went there, I was told that this was the first time in the history of the two cities that a mayor of San Francisco had ever made an official visit. I found that remarkable, that in 1988 that kind of a relationship still existed, because I thought it was essential for us, if we were going to be successful in our competition with the rest of the country and, indeed, the rest of the world for different market opportunities, to approach the rest of the world as a regional community rather than individual cities.

Tom agreed with me, as did Lionel and Loni Hancock, who was then the mayor of Berkeley. One of the things that came out of this sort of new relationship with sister cities—I mean, with Bay Area cities—was to try to put together trade delegations that reflected the strengths and assets of the Bay Area, rather than our individual cities, as primary sales items. That's not to say that we repressed what our cities had to offer. We all recognized that we would be selling our cities, too, but we would do it as a region.

Our first effort at this was a trip that Mayor McHenry and I, Tom and I, went [on] with delegations from both cities. Usually the chamber of commerce people came and other community leaders, to the Far East, to China and Taiwan, to Japan, to seek to put our economic assets out there for any interest in development or business opportunities for our communities. We would each make presentations to the public officials, to the business officials in those areas, and talk about the Bay Area as well as our cities and say to them, "If you

want a lot of land, you need to go to San Jose. If you want a certain kind of strength, like the business legal skills or the other assets of the city,”—financial centers that San Francisco had on Montgomery Street, “you go to San Francisco,” and that we could jointly refer them.

Indeed, when we returned from a very successful trip, when I got called with business opportunities that didn't fit for San Francisco, I'd refer them to San Jose or Oakland. Instead of losing them to another part of the country, I'd say, “Let me connect you with the mayor of San Jose”—or the mayor of Oakland—“because I think it's a better fit for you,” because it didn't work for our city. What we found were these Asian business people who are accustomed to, quote, “governmental connections,” who feel more comfortable with knowing that there are public officials looking out for their interests as they try to develop a business opportunity here or seek to get something from our businesses in their communities. If a mayor was talking to another mayor and referring them it gave them a lot of encouragement, and I think it was the start of a very strong relationship that existed during my four years, when we did this in 1988 and continued it.

I would meet, for example, on a regular basis—I don't remember how often, but on a regular basis—with the elected officials along the peninsula, because San Francisco's neighbors to the south—South San Francisco, Millbrae, Burlingame, and so on—were all part of our sphere of regionalism, and there were issues that affected them because we have our airport in San Mateo County. We're the largest landowner in San Mateo County, [with] our

Crystal Springs Reservoir. In fact, San Francisco is the largest landlord in the Bay Area because we were the first city in the region. Before any of the others came into being, we got an opportunity to own a lot of land. We own land in I think it's Contra Costa, where we have Sunol, where there is water. We own, obviously, the Hetch Hetchy area. So San Francisco is a huge landowner, and we were in other counties, and it was important for us to listen and work with our neighbors in a fashion that was in their best interest as well as ours.

Another example of this regional approach was I remember that the mayor of Pleasanton, Ken Mercer, came to me and said, "You own a lot of land in Pleasanton. It's right in the middle of our town." I mean, these were acres and acres and acres, somewhere about three or four hundred acres. "We want to build a new high school on a piece of your land. Will you sell it to me?" Our people weren't interested in [selling]; they wanted to hang onto it. I said, "No, we're going to listen to what they have to say, and if there's a fair thing, we want to help them build a high school because they're our neighbors and we own land and we need to be responsible."

So one thing led to another, and we did sell them the land which they needed for their high school at a fair and reasonable price in order to assist them in the development of their city of Pleasanton. As a result of that, one of my staff people had the idea that we had a number of unused assets in all of this land that we owned and that, rather than just sell it off at a wholesale price, we ought to develop it to get the benefit of the entitlements.

What developers do is they'll find a piece of undeveloped land somewhere where they think progress ultimately will reach. They will buy it at a wholesale price—that is, undeveloped, with no entitlements—it doesn't have streets, it doesn't have lots or any of those things—and then they go to the planning department and have it subdivided. They will prepare it for development. That increases the value many times over for the same piece of land, simply by saying you can build so many houses on this piece of land. It's been zoned for commercial, residential, et cetera.

We called this entrepreneurial government. And so I went back to Pleasanton. I said, "Well, you know, you've got the rest of that land there. What do you folks see in your future with this land, because it's right in your front yard?" It wasn't their backyard; it was their front yard. As you drive in off of [Highway] 580, there's a turnoff for Pleasanton, and the fairgrounds for Pleasanton is on the left, and all the land on the right was owned by San Francisco. Then you drove right into town, which was the next stop. So they said, "We'd like some housing, we'd like to see some commercial development along that main road into town across from the fairgrounds, and we'd also like a golf course." I said, "How about if we develop it?" We thought that we could take something that was worth \$10 or \$12 million and turn it into property that was worth somewhere around \$50 million and create an annual revenue stream for the city, through the lease opportunities on the commercial properties.

McCREERY: How much land are we talking about?

AGNOS: We're talking about three or four hundred acres, if I remember correctly, right off the freeway, just in the front of Pleasanton.

McCREERY: Do you know the history of how San Francisco came to own that land?

AGNOS: Yes. We came to own it before there was a Pleasanton, when Pleasanton was just wide-open spaces, as part of water rights that we were seeking 150 or 100 years ago. That's how we got most of the land in San Mateo, that's how we got the land in Sunol, which is further south from Pleasanton, and that's how we got Hetch Hetchy and a variety of other places. So these were assets that we were seeking to develop, but first it was important to have a regional relationship with these cities, whether they were big cities like San Jose or small cities like Pleasanton or whatever.

We began to work on that with Pleasanton. What Pleasanton got out of it is what they wanted for their city: affordable housing, a golf course, and commercial. What San Francisco would get out of it is what normally is reserved for the private sector when they buy a piece of land. We would get the enhanced value of developing our land, rather than just selling it wholesale and letting somebody else get four or five times the value.

Unfortunately, I didn't finish this project because I left office before it was done. However, my successors, namely Mayor Brown, did finish it, get the entitlements, and then, during a budget crisis, sold it off at the increased value, which is what I had in mind except I would have continued the development even further so that, rather than getting a one-time windfall from this, which was worth about \$40 or \$50 million, a one-time windfall, I would have

retained part of that and developed it so that we could get an annual revenue from the leases on commercial property, which at that time, if I remember correctly, were estimated somewhere around \$10 million a year.

McCREERY: You said \$40 or \$50 million?

AGNOS: Yes, windfall, one time, with the increased value, and you will see that that will be developed one of these days along the lines of what I'm talking about. My vision was that San Francisco, who understood the meaning of development from our own experiences as a city, would be a better developer for another city because we understood and respected the principles of what a city would want in their future development, like affordable housing would be the heavy emphasis, rather than high-priced golf-course housing and that kind of thing.

Another example of how this regionalism was implemented was after the defeat of the ballpark campaign in 1989, one of the areas I looked at to develop a ballpark, as an alternative, was on land that the San Francisco airport owned right across the freeway from where the airport currently is. Again, this is land that San Francisco acquired in its early history, which is currently just empty except for PG&E [Pacific Gas & Electric] lines. It struck me that that would be an opportunity to build a regional ballpark for the Giants to keep them in San Francisco. And so I went and visited with the mayor of Millbrae, the mayor of South San Francisco, and suggested this possibility to them, to see what objections they would have, including offering them some of the revenues from a regional ballpark.

Now, San Francisco owned the land and didn't need to go to them, but since they were our neighbors and I believed in reaching out to them and knew, from our own city, that when we asked people who were trying to develop in our city to be sensitive to what the city wants, I felt it was important to do the same thing to them and to give them a share of the benefit. Traffic would be coming down to their area and all of the other kinds of issues that usually arise around a large-scale development that would include a hotel as well as a ballpark and parking and a shopping center.

Both mayors were interested but cautious, because they were suspicious of San Francisco's motives. Historically we had not been as open to what their needs and interests were, but they were at least interested in pursuing it, and we started. Unfortunately, again, I left office before we could finish that, and in this case it turned out for the best because the Giants went back to the original site that we had chosen in 1995, and to Mayor Brown's credit he ran a successful campaign to put the ballpark in the location that originally was envisioned at Third and Townsend. But if I were mayor today, I would be pushing that site for a football stadium for the San Francisco 49ers.

McCREERY: What did others in San Francisco think about these ideas of reaching out to nearby cities in land development or exploring ways to collaborate?

AGNOS: People liked it. It didn't get the most publicity until something happened, but it was well received in the press. Editorials praising, for example, the Pleasanton project were written at the time. In general, it was just well received, more by the neighbors than San Francisco.

McCREERY: That's kind of predictable, I suppose.

AGNOS: Yes. I believed, and still believe, that San Francisco needs to see itself as part of the Bay Area network, that we're all interrelated, especially on regional issues that have long been out there.

McCREERY: Transportation is regional.

AGNOS: Of course. Transportation, air quality, water quality. One of the benefits, for example, after the earthquake—Tom McHenry, because of our relationship, called me and said, “Art, your water is important to the Silicon Valley,” because they need ultra-clean water to somehow wash the chips in the chip manufacturing industry, which was an essential part of Silicon Valley. He said, “We need water, and your water department is not being as receptive.” We had a drought, and so our water department was looking to take care of San Francisco at the expense of our neighbors, who we also supply and sell water to, so we were going to short them a little and give us more.

I called in the water department and said, “Look, we've got to respect our neighbors. We've got to help them out in a crisis.” Because we had the earthquake and we had the drought, which was the worst drought in 500 years. From 1988 to 1992, we had no water. So I gave direction that San Jose was to be given the kind of support that they needed in order to keep an industry alive, because they were part of the Bay Area. People from San Francisco worked in the Silicon Valley, and we weren't going to make believe that was a foreign entity.

All of these things, I think, were the foundation of a superb relationship with our neighbors that also manifested itself with Mayor Hancock taking the leadership at that time, Loni Hancock in Berkeley, taking the leadership at that time to start to approach homelessness on a regional basis, understanding that cities have to work together to combine their assets. For example, one city might have a great job development center; another city might have a great housing resource for a particular kind of homeless problem, like mental illness or alcohol rehabilitation or substance abusers or for women who were abused or something.

So what we started to work on was to say, “Okay, how about if I sent my folks to this resource and I can take this part because we’re doing this well,” and start to really work together as a community; that is, the regional community, rather than individual cities being on their own, taking care of their own. Because we recognized, just as with the air that travels across the whole Bay Area, homeless people don’t stay in one place. They will go back and forth across city and county borders, just the way anyone else does to go to work or for any other kind of interest they may have.

We would meet on a periodic basis to start to develop that. But first we had—as my Chinese friend says, “First we have to make friends, and then we do business.” We needed to “make friends” as cities and counties, in order to begin to trust each other and be willing to give up something that’s important to us for the greater good of the region. And so far, that’s been the failure of regional governments and regional effort, that everybody pays lip service to it

but they aren't willing to sacrifice something that may be important to their individual community for the greater good, which is one of the problems you always have, whether it's the European Union or it's the regional governments of the Bay Area.

McCREERY: How much precedent was there for this effort to work together in the Bay Area?

AGNOS: We'd had efforts at regional government long before I came into office. What I think I brought to it that was unique, in a sense, was my own personal efforts as a mayor to make this more of a reality, other than just academic-governmental groups that tried to do it around air quality, around transportation and that kind of thing. We still haven't made a lot of progress because, as I said, we haven't made good enough friends in order to do business with our neighbors. But that was something that I emphasized and still believe is important to the future of the Bay Area.

McCREERY: Yes.

AGNOS: Basically it's having a respect and doing the outreach, and it starts with San Francisco. For example, I did the outreach after the earthquake, when I was successful in getting the money from the Red Cross. I called up Santa Cruz and told them I'd like to talk to them. I called Marin and Oakland and all those, and we had a regional meeting in San Francisco to determine the best way to help each other with this windfall of money that we had suddenly had given to us after the struggle with the Red Cross. I think that that's the kind of thing we have to do.

I'll never forget—as I said earlier in this—how Marin said, “We don't need any money.” And San Francisco said, “Hey, we don't have to take it all.” I think that kind of spirit is what's necessary on a regular basis, not just on a heroic, if you will, basis after a major catastrophe, in order to really make regionalism work.

McCREERY: As you say, developing a personal relationship is a big part of that.

AGNOS: Absolutely. Those are always part of it. We see that even now with the Iraqi situation, how these world leaders have good relationships and bad relationships that can determine the outcome of foreign policy. I think that's true with regionalism. It is the local version of foreign policy.

McCREERY: You said you also wanted to say a few words about the economics of running a major city.

AGNOS: Yes. I think it's important for a liberal, as I was, whose main focus, as I've said time and time again, was to try to empower people to play a role in decisions that affect them in their daily lives and with their government, to understand that to have sound programs that work for people, that deliver the essential services, you have to have a sound economy and that a mayor cannot think that they are a golden goose that never stops giving. And so, despite my reputation as being a liberal Democrat—and somehow, in these stereotypic designations that we get, the press and the general community does not look at those things that are happening that make sense fiscally and business-wise because the stereotype is “they don't care about business.”

I did things that business loved, but they never really trusted it because my stereotype was, “He’s a liberal Democrat,” so they write you off from the beginning. If I had to do it over again, I would work harder to try to help them to understand more of what I was doing economically to help the city and to make it work on a, quote, “businesslike basis,” which is what I often heard. You know, “You got to run the city like a business.” I used to tell them, “You can’t run the city like a business because it’s not a for-profit venture. The city often has to provide those services which do not make money in order to serve people. If we could make money, usually private enterprise will take it over.”

For example, our bus system, the buses in San Francisco were run by private entrepreneurs. When they lost money, they dropped it. It’s kind of like we’ve seen with Greyhound and all these. They don’t do the kind of bus service to the small cities of America anymore because they don’t make money, so they just drop it, and they don’t have bus service.

In San Francisco, any bus lines that weren’t making money, they dropped them. Pretty soon, there wasn’t much bus service, so the city took over, and today, because the city runs it and subsidizes it, a San Franciscan can walk—if I remember my statistic, I think it was 98 percent of the city is no more than a two-block walk away from a bus or public transit of some kind, whether it’s a cable car or a bus or a trolley. Now, that is probably the most transit-intensive city, our city is, in America. That’s not an accident. That’s because government runs it, at a loss, in order to provide the service for its citizens.

The same is true with the public hospital. A public hospital provides health care for those who have no health care, insurance, to go to, from their employment or whatever, and so it loses money. Nobody does that for free. So the city subsidizes the public hospital, San Francisco General, in order to take care of people who have no health care, because that's a value of the city. We have our own health system, with clinics in the neighborhoods and all that. We run our own HMO [health maintenance organization] for poor people.

McCREERY: You're saying that's appropriate in this case?

AGNOS: Absolutely. But we lose money, because private enterprise doesn't want to lose money, so the city does, and it's our taxes that makes up most of the income. Well, we get money to pay for those things from business, but you have to be careful how much you take from them because, if it gets too oppressive—and it's a fine line, because they are never happy about paying—it causes them to leave the city or to place their job-creation opportunities in another place. So it's a delicate balance that any mayor has to retain as to how you raise the money to pay for these services that I've been describing, and many more.

Part of it is, again, the personal chemistry between the mayor and the business community. If they feel like they have that chemistry, they will absorb more than they would if they don't feel like they have the personal chemistry. That's why I tried to meet with them on a regular basis, the major captains of industry, the CEOs and all that. I had more to overcome because I was not someone they supported for election. They saw me as a liberal

Democrat who was anti-business and all that kind of thing, but I tried to explain to them that I understood that they were the engine that paid for a lot of these programs.

So I did things that I didn't publicize as much as I should have. For example, I was the first to require pay-as-you-go legislation on the board of supervisors. When a member of the board of supervisors had an idea for a new program, I, as the liberal Democrat, said, "I'm going to support that if you tell me how we're going to pay for it," because traditionally the legislative bodies don't pay as much attention to this as an executive does because the executive is the one who's in charge of the budget. The legislative body passes on the budget, but that's at a particular time of the year when the budget must be passed that they focus on the budget. The rest of the year, when they have a bright idea which is worthy of consideration and costs money, they let the mayor or the governor worry about that.

I once told Governor [George] Deukmejian that I was getting the retribution for being a big-spending Democrat—which is what he used to call me when I was in the legislature—now that I was mayor because I was in his shoes telling these supervisors, "Hey, that's a great idea, but how am I going to pay for it?"

Well, one of the things I did to have the board take more of a responsible look at the cost of their ideas was to introduce and pass pay-as-you-go legislation, which said if you have an idea that's going to cost money, you also have to indicate where it's going to come from when you pass it through the

board of supervisors, and that it must be reviewed by the finance committee and the source be identified before it came to me.

We also banned the use of surplus funds for ongoing programs. One of the favorite techniques of politicians is not to worry about the next generation of politicians or their successor. I'm not saying I'm a saint in that regard, either, but one of the things I found when I came into office is suddenly a program would be running out of money because it was funded five years earlier with a one-time windfall that didn't have an ongoing revenue stream, and after five years that one-time windfall had been exhausted. Mayor Feinstein did that throughout her two terms with a one-time windfall from a court case the city prevailed over business taxes. Now where was the money going to come from? I didn't think that was right for my successors to have to deal with any more than I did, and so we passed a city law that said you cannot fund ongoing programs with one-time surpluses for the future.

One of the other things I tried to do also was reach out—this was when the common market was just coming into place—and we literally went to the common market, to the European common market to say, “San Francisco is an international city, and we are the gateway to Asia and the Far East—not New York, not Washington,” which is where the Europeans were thinking. We were successful in convincing them to open a European common market consulate in San Francisco because they believed that there were the business opportunities with Japan and China, Taiwan, Indonesia, Korea—the Five Tigers, as they called them—and that San Francisco had a unique place, a

unique geographical position in this country, in the U.S., for them to be strategically positioned to reach out to that market. I don't know if the consulate is still there, but it was there during my term and in my first successor's for a while.

McCREERY: You paid quite a lot of attention to the Pacific Rim?

AGNOS: Absolutely. We saw that that was an essential part of our economy, and we used our sister city programs, which had traditionally been kind of make-nice cultural exchanges, to try to enhance our Pacific Rim opportunities. For example, we set up programs for business exchanges as well as educational and cultural exchanges through our [sister cities]. I don't know what it's up to now; at that time I think it was about twelve sister cities, most of whom are in the Far East, some in Latin America, and a very few in Europe, so that we could encourage business opportunities in both directions. We tried to do what I did when we did our regional tour to Japan, China, and Taiwan, to use government to open doors for businessmen to be more successful with regulatory bodies and other kinds of things that one might run into in a foreign government or even here, if a foreign business came here.

McCREERY: One of the points was to try to attract investment from these nations?

AGNOS: Investment and sales, absolutely, to San Francisco and bring investment there. I remember for example a small business like Just Desserts, that has been successful here in the Bay Area got a contract in Taiwan as a result of our work over there on one of these sister-city missions that said, "We want to make

money here. We don't just want to have a good time and have just a cultural exchange."

McCREERY: That leads me to ask, how much emphasis was there on small business like that?

AGNOS: I created a mayor's office of business and economic development, a deputy mayor for business and small business to emphasize that, created a small business commission for the first time in the city's history that would focus on the issues of small business. Because I felt, and still do, and I think time has proven, that small business provides more employment opportunities than, quote, "big business," the Bechtels and all the rest of those large institutions that usually capture the attention of the press. It's the little guys that provide more on-the-ground job opportunities for workers in San Francisco, and so I created a small business commission. I empowered it as a full-blown commission, had a person in my office who was directly responsible for meeting their needs and doing the outreach to them. I think it's still in place.

So all of these things were my attempts to try to enhance the economic structure of San Francisco, including the major one, which was obviously tourism and conventions. One of the new things that we pushed in that area—when we met with the convention and tourist people, they had their set agenda for who they would reach out to. We pushed them into new markets which today are commonplace, but in 1988 was edgy, was far out there. For example, I said that I'd like them to market to the gay community of the country. I said Castro is as interesting to gay people as Chinatown is to not only gay people

but the straight people, and so we need to market to that community. They didn't know how to do it, and so my staff was talking to them about gay newspapers and the kinds of advertisements that would be seen by the gay community, organizations that would be responsive to the gay community. They have their own travel agencies that just focus on gay folks, and [we reached out to] cities where we knew that there was a large community of gay people living.

They did so with some trepidation and then suddenly started to see that there was clearly a market there that would be valuable to the city and tourism. Now it's commonplace, and it's openly talked about and part of their business plan, but in 1988 they did it with a great deal of trepidation because they were not familiar with that whole approach.

Again, I knew that if I didn't have the money I couldn't do the programs, so we were constantly trying to be creative as well as encouraging to business, so that if they did well, I did well. In our tourism, we came up with the notion of having—what did we call them?—transit passes so that if a visitor came to San Francisco for three days or five days or seven days, they could buy a transit pass that gave them discounts on all public transits. All they'd have to do is show them the pass, and it also gave them discounts at the museums and the various cultural and recreational opportunities, like Exploratorium, all the museums, and that kind of thing, so that we could market that. Today it's one of the most popular things that tourists have in San Francisco, and other cities

have adopted the same thing, but that was the first time in an effort to make the city more tourist friendly.

Again, all of it, [was our] trying to encourage business to produce more that would mean more revenues for the city. However, my point is I didn't do a good enough job in making them feel comfortable. Maybe I never could, because I would then, every now and then, do something that they absolutely didn't like. For example, in 1988 or '89, we were first becoming aware of—what do they call that thing with your hands and wrists, when you use a computer too much?

McCREERY: Oh, yes. Carpal tunnel syndrome.

AGNOS: Carpal tunnel syndrome. That's it. We were just becoming aware of carpal tunnel syndrome, and with San Francisco being such a strong computer city, and also the telephone operators—I don't know why they had so much problem with it. It was the communications union that also brought me this problem, that people were increasingly having trouble with their hands and all that stuff. So we wanted to set some safety standards for that, and I created a carpal tunnel syndrome task force to come up with recommendations for safety regulations, like you've got to take a break every hour and a half or whatever it was; I can't remember the specifics.

Now, business doesn't like the regulations that interfere with their perception of how they ought to run their business, and so when I did those kinds of things it would set me back with all the other positive things I was doing. Clearly, I was not their favorite, even though I probably was one of the

more fiscally responsible mayors this city has had in recent history with the things we did, because we balanced the budget every year. Now, every mayor has to do that, but we didn't use windfalls, we did not use surpluses, which Mayor Feinstein had done successfully for her ten years by—she had gotten an early windfall.

I think I talked about this early on when I talked about budgeting. When you've got \$100 million in your savings account and you can take ten, twenty million out at a time each year to fill in the gaps, you're really doing deficit financing because you're using one-time money for ongoing programs rather than balancing the budget on regular income, on consistent income.

I never did that. My budgets for four years were based on money in and money out. This year you're going to see probably the biggest example in the history of this country, or this state, anyway, this state, of the fiscal machinations this state's going to go through to balance the budget with one-time money and leave it on. Part of the reason for that is the same whether it's a city or state that unfortunately, in our political value system, if that's the right word—at least economically or fiscally, our fiscal value system—we're not as concerned, as politicians, about our successors' dealing with issues. We just want to get by as best we can while we're here.

I think that's a flaw in our system. I don't know how we get past it except by taking responsibility to do the right thing and not take the easy way out when you're faced with these hard times. But you're going to see this state and this legislature and this governor not do the right thing, in my opinion.

McCREERY: That's certainly a worse situation than we faced in the early nineties, for instance.

AGNOS: Absolutely, because for the last three years this state government has not faced up to dealing with the issues in a fiscally responsible way. They've delayed it and delayed it and rolled it over and rolled it over in order to get reelected. Now that they're reelected the problem is ten times worse, and they still don't want to deal with it.

McCREERY: Yes. But you're saying as mayor of San Francisco, your approach was to try to face the music every year.

AGNOS: I did, and it basically stemmed off of what I take the most pride in in my career, which was doing the right thing every time I was faced with a choice, whether it was pleasant or unpleasant, whether it was popular or unpopular. If you talk to any of my staff the question that I always asked was, "What's the right thing to do?" Some of them said, "Maybe we should do the political thing once in a while." I'll let somebody else decide that. But for me, I decided to do the right thing every time. That's what I live with. It's like a good breakfast in the morning, it sticks to your ribs.

McCREERY: You've talked about your efforts to reach out to the business community and help them understand where you were coming from. What about the flip side of that? What about response among your progressive constituents, those who elected you to your outreach to business?

AGNOS: This is a good segue to my reelection, because I tried to do the right thing as I saw it—it doesn't mean it was always the right thing. As I saw it, in my

political value system and my personal value system. I wasn't a knee-jerk liberal. I wasn't a politically correct liberal. Some might say that, but I wasn't. When the children's advocates came in and said, "Stick a new tax onto business to pay for our programs that we want," I wouldn't do it. I wouldn't do it, because I felt like they were at the point where it would have been too much, and it wasn't right. I was not a knee-jerk. I didn't automatically do what my constituency had in mind for the budget or for the city.

Unfortunately, many of those single-interest groups only think about their own issue. My job was to think about the totality of the city. The analogy I would use is it's kind of like you're the head of the family, whether you're mother or father, and you've got a large family of kids. You've got eight kids all asking for something, and all they got in mind is what they want for their toy or for their activity, and you say, "Well, we can't do that right now. We can't do that this year. We can do that later." And they get upset. "Well, you're not a good mommy. You're not a good daddy." They don't mean it, but they're upset because they're not getting what they want, and all they can see is their little part of the world.

It's not too much different than that. As the mayor of the city, you're kind of daddy and mommy all rolled into one, and all these different single-interest groups are seeking what they feel are important. That's their problem. When I would say, "Well, what am I supposed to do with the other guys?" The response would be, "Well, that's their problem. That's your problem. I'm asking for what I want." I had been doing that for four years, because for four

years we had a deficit. For four years, we had a drought. For four years, I had Republicans not giving me all the money I needed, so I didn't have what I needed to give everybody, so the whole family—I tried to take care of their basic needs and maybe a little bit more here and there, but I couldn't give everything they wanted.

So when I was ready for reelection, the times were hard in 1991. We were in the middle of the recession and all the things that I've described throughout this interview, and so people were angry, and they were saying, "You're a bad daddy because you didn't give me what I wanted." As so many of them said to me in the ten years since I've been out of office, whether they were children's advocates or gay advocates or environmental advocates or recreational-program advocates, the whole constellation of issues and programs, they all said, "Well, we wanted to send you a message to pay more attention to us, but we didn't want you to lose."

They would come—it was a remarkable phenomenon that, for the first five, six, seven years, they all would come up and say, "I'm sorry you lost. I should have done more. I didn't think you were going to lose, because I didn't want you to lose. I just wanted you to pay more attention to me." How does a child get you to pay more attention? They act out. They go and misbehave or don't behave the way they should, and that's what many of my progressive constituents did to me. They didn't vote for my opponent, but they didn't vote for me. They sat on their hands because they wanted me to feel like I needed them more than the attention I had given them gave them the feeling.

The analogy that I use with my reelection is, I felt during my four years—and if I’ve used this, stop me—I felt like there was a major disaster, an airplane crash, a 747 airplane crash in the middle of a remote part of our country, and I was the only emergency-room surgeon and physician on duty when suddenly hundreds of injured people were being brought into my little clinic for help.

McCREERY: You were all alone.

AGNOS: I was all by myself. Somebody would be brought in, I would do the surgery and save their lives and send them out and their families would be outside the waiting room, wanting to talk to me to find out how their mother, brother, sister, relative was, but I sent the nurse. I said, “Go out and tell them they’re going to be fine. They came through okay. Bring the next one in.” I’d work on them and I’d fix them, and out they’d go, and I’d send the nurse back out to their family and say, “They’re going to be fine. We saved their life.” But the people out there were saying, “Why won’t the doctor come and talk to me about my father, brother, sister, whatever?” “Because he’s busy working on the next person.” They didn’t hear, “He’s working on the next person.” They heard, “He won’t come out and talk to me.” And so they said, “Well, that son of a gun. You know, here’s the important person in my life suffering in a life-threatening situation, and the doctor won’t talk to me?”

I understand that. That’s the heat of the moment, of the crisis, and that’s where the election was, the crisis. Suddenly people were saying, “You didn’t talk to me in my crisis.” “Did we save the program?” “Yes, we did, but you didn’t talk to me.” That’s what I heard time and time again, and then after the

election when someone much different than I was defeated me in a very close election, people were shocked into, “Holy cow, he’s gone. This great doctor that saved my child is not there anymore, and someone who I don’t want is there, who talks to me.”

So people would say, “I’m sorry.” It was an amazing experience I had because, you see, the election was a very close one. I had several “liberals,” quote unquote, who were encouraged [to run against me]. People who were upset with me because I hadn’t talked to them after the surgery, encouraged people like Richard Hongisto and Angela Alioto to run against me, and they were chopping me up on the left. I had Tom Hsieh, who was sort of a conservative on the right, and Frank Jordan. I think that Tom Hsieh was put in the race to take away some of my Chinese constituents, who I’d always been popular with, and he beat me up over taking down the Embarcadero Freeway in Chinatown.

I was getting chopped up from all sides. They were all attacking me as the incumbent mayor. So I sort of limped into the runoff in second place, behind Jordan. The conventional wisdom was that if all of the liberals who had voted for Hongisto and Alioto supported me, the numbers added up to me defeating Jordan in the runoff. But the liberals, many of the liberals—I should say too many of the liberals or progressives sat on their hands because the damage done to me in the primary, so to speak, by the liberal opponents lingered. There was not the kind of enthusiasm for me that had occurred in the first

election because I was saddled with four years of all the things we've talked about, good and bad.

I also found—and I've talked to other incumbents—usually when you run for reelection, even within your own team of people there isn't the same kind of enthusiasm, and it's not because they don't like you or they've been hurt by you, but it's because they're in a different place in their lives. So all of the people, for example, who were my deputies, who were placed in important jobs within the city government didn't want to leave comfortable pay—you know, making seventy, eighty, ninety thousand dollars a year—to work in a campaign at half that to reelect me. So they would keep their jobs and work on the campaign on their off time, which wasn't the same amount of time that I had before they got these jobs. Then people who became commissioners and people who became other parts of the administration don't have the same time or energy that they had when they were on the outs, so to speak, on the way in, and so you don't have the same oomph. Even your campaign managers tend to think, "Hey, we're incumbents. We're going to win." So there isn't the same kind of energy and thrust to succeed.

We made some mistakes. We didn't do absentee ballots, which is really what defeated me. On election day in 1991, I won the election. More people who went to the ballot in December of 1991 voted for me than voted for Frank Jordan. I got approximately six or seven thousand more votes than Frank Jordan did on election day. Our whole campaign was aimed at convincing voters to vote for me on election day. A mistake we made, or an omission, was

not to send out absentee ballot applications to my supporters who might not go to the polls. My opponent, Frank Jordan, did a much better job of getting absentee ballots out to his more conservative supporters so that when the votes were tallied on election day, he had 18,000 votes with absentees. I had about 6,000. So he had a 12,000-vote head start. Then when the election day results came in, with me leading by 6,000, the net was he beat me by six or seven thousand votes, which is how he became mayor in a big upset. Maybe not a big upset, an upset.

Then progressive people said, “Oh, my God! Jordan won, but we want Agnos.” A lot of people said that. But it was too late. Then the phenomenon occurred that I told you about. People would start [apologizing]—and still do, because they remember things that have not been the same that occurred while I was mayor, and it’s been ten years.

McCREERY: Of course, Mr. Jordan himself was a one-term mayor.

AGNOS: Oh, yes. One of the most remarkable examples of what I’m talking about, of this seeking of redemption occurred with probably the most infamous campaign manager in San Francisco history. His name is Jack Davis. Jack Davis, I had never worked with before. I have nothing against him, didn’t really know him that well but just knew who he was, as another one of these campaign managers. I didn’t pay enough attention to him, and he’s obviously got an ego that wants that.

He was on the other side of the ballpark issue. I think we talked about the ballpark, that money was being siphoned in from a developer, [Gregg]

Lukenbill, in Sacramento. My campaign, the pro-ballpark campaign, filed a complaint that caused the district attorney, Arlo Smith, to investigate and indict a group of the campaigners for the ballpark, including Jack Davis, who became very angry with me and blamed me, as the titular head of the ballpark campaign, for what he perceived to be a great deal of harassment from the district attorney, with the indictment and the legal defense he had to put up.

So when I came to run for reelection, he became the major campaign consultant for Frank Jordan and did a good job in directing his campaign, including the absentee ballot mailings which my campaign failed to do. It was our mistake that he took advantage of. One of the most difficult days of my life, professional life, was the day of the swearing in of the new mayor, when his side is happy, my side's glum. The outgoing mayor traditionally makes a statement on the swearing-in day, at the swearing in of the new mayor.

So I got up to do my farewell and made a statement congratulating him, telling him how great the city is and how it was going to be when he turned it over, the same thing as you see [from] an the outgoing president. I'm sitting there, and I'll never forget Davis and Quentin Kopp, who was one of my political nemeses, were sitting side by side in the front row, purposely in my line of sight, with smirks on their faces. I made believe that I didn't see them so that they would not get the satisfaction of getting a reaction from me. But I'll never forget seeing them in my peripheral vision, looking at me, right in the front row, front and center, first seats, sort of letting me know, "We gotcha." They did. More power to them.

AGNOS: Let me move to what comes next. I never expected to lose the election. I thought that good work really would speak for itself, and ultimately it does, but it didn't in the immediate election, and so when we lost I was unprepared to lose, which means that I had no future plans. Suddenly December whatever it was, seventh, eighth, ninth, whenever the election was, comes. I lose. We've got about six, seven weeks, and I've got twenty, thirty people who need jobs, with families and all that, and so my immediate task was to try to place them. Because if you know you're coming to an end because you finished your second term, you see people start to look for other jobs. You encourage them. They get placed throughout the last year. Sometimes the last two years, they're moving on to other opportunities as they come up. But suddenly we got six weeks to—people are going to lose their jobs, with families and all the rest of it, mortgages. Now they have got to find another job.

So I spent all my time helping relocate all of the people that needed to be relocated. There were a lot of them. I didn't spend any time on myself. So one day Willie Brown walked into my office. He says, "Geez, I'm sorry you lost," and did the kind things that people do when you lose an election. He said, "If there's anything I can do, let me know." I said, "If you hear of any jobs, let me know, because I've got to find one in a week," because I had a family. I was fifty-two years old, with young children and all the responsibilities that come with a young family.

People have this perception that, "Oh, you're the former mayor. Everybody's going to want you." Well, yes and no. People might want you if

you come from a certain orientation. For example, the Republicans always take care of Republicans. Democrats—and I'm a social worker, so what am I going to do? Go back to the welfare department and be a social worker, or go back to the housing authority, where I was twenty years ago or before that? I was not an attorney, where I could go hook up with a law firm and those kind of things. As a social worker, there weren't the kind of return opportunities to the private sector that normally exist with the usual kind of person who gets involved in politics, a lawyer or a business person or that kind of thing.

So I was a little nervous but hadn't focused on it until Willie asked me the question. A couple of days later he called me back and he said, "You know, I've got this job, this part-time job at the Unemployment Insurance Appeals Board. If you want it, you can have it." Now, by this time, I was two days away from leaving office and had no job prospects. He says, "I think it pays \$90,000 a year." I said, "I'll take it." Because I was in no shape, emotionally, mentally, psychologically to go out and hustle a job. I was a defeated candidate, I was depressed and didn't feel like the best of myself, didn't feel the best about myself.

So I took the job and was grateful to him for the job, because I didn't have to think. I left the mayor's office, and the next day—it was a wonderful job, the Unemployment Insurance Appeals Board. I will be forever grateful to Willie Brown for doing that, because it gave me a kind of incubation period to recover from not only the defeat but four years of enormously intensive, high-pressure kind of lifestyle. The Unemployment Insurance Appeals Board was

the first opportunity and the last opportunity I've ever had to be in a judicial kind of environment. I was always in a legislative environment. I was in an executive environment as a mayor.

But the Unemployment Insurance Appeals Board was a judicial environment, where the insurance appeals board received appeals from employers and employees who were appealing a decision made by referees, quasi-judges in our state system of unemployment, whether they could get unemployment or give it. In other words, when a person is eligible for unemployment, it comes out of a fund paid for by the employer. You go down to the Employment Development Department. You apply for your unemployment, and a determination is made whether you're eligible for it or not based on the facts that you present. If you're fired from your job for stealing or for absenteeism or something, sometimes—well, not sometimes, you're not eligible for unemployment benefits. About eight hundred dollars.

The referee will look at that when the clerk or the administrators say, "I'm sorry, you can't get your unemployment because you stole on the job or you harassed somebody or you did something wrong, and you can't have it." They can appeal it and go before a referee, who listens to the case and listens to the employer who comes in, and both sides make their pitch, and it makes a decision. That decision is then appealable to the appeals board, where I sat with six other people—no, with four other people. They are kind of like the supreme court. Nobody appeared before us. We would just get the written cases, just like in the court system. You get the written cases, you look at the

facts presented by both sides, the employer and the employee, and then you make a decision on the appeal. That's why it's the Unemployment Insurance Appeals Board.

You didn't have to be a lawyer to be on there for certain slots, and Willie appointed me to a slot which didn't require a law background. In fact, the original law said that certain people would not be lawyers. They wanted a non-legal point of view to be represented on this board.

Okay, so that's what it was, and so the day after I left the mayor's office, the next day, I'm driving to Sacramento to be on this board. What came out of it is that it was a wonderful self-therapy, the best therapy until this experience with you. [laughter] Because I was leaving the city and driving for an hour and a half by myself, with my own thoughts, to sort of decompress. I would get to the office. Every day I drove to Sacramento, and there would be a stack of cases, about thirty to forty appeals. Each one of us would get issued these cases that had come from all over the state. There are many, many offices around the state. Each appeals board member had a stack waiting for them in the morning, and you would start reading.

And so I would go to this quiet office, didn't see anybody. If I had questions, I would call in the lawyers who worked for the appeals board in Sacramento and ask questions about the law as it pertained to the case that I was reading. But if I didn't have those kinds of questions, I would sit there for seven, eight hours, reading these cases one after another, and making my own mind up about the facts as they were presented to the referee, who made a

decision which was being appealed to me. Then I would write my opinion. It took three votes to either sustain or overturn. It's just like the supreme court does. So I would have minority opinions or majority opinions, and I would write out what I wanted to do or what I thought, and then I would have the lawyer who was assigned to the case write it up in legal language.

Let me give you an example I brought here. I have some files. Here's one where I said I wanted to reverse—let me see if I've got the case. What was happening here?

McCREERY: I see this particular one was a dissenting opinion.

AGNOS: Yes. I would dissent. Here's what I would write, for example, "In my judgment, the employee made an agreement with the"—I guess with the employer, to give days off so that he could take care of his wife's therapy. "The transfer didn't live up to the agreement." But anyway, I would write out my reasons for wanting to reverse the referee's decision, and then I would tell the lawyer who was assigned to the case, working for me—you know, like, supreme court justices don't write their own opinions; they have a whole bunch of lawyers that work for them as clerks to write this up. They sit and discuss what they want.

So I would say, "Please write this. My dissent is based on the theme of family values." It only matters in Republican platforms, and I had a Republican majority on this board. So what I was trying to use in that case was to try to sell my view to my Republican colleagues. There were three Democrats and four Republicans.

So I had to go get people to agree with me. This is where my political skills came in. I would come to people and say, “How do I convince them to agree with my dissent?” On the family values thing, I said, “Hey, you guys are the ones that talk about family values, and this person was taking time off, was asking for a transfer so they could take care of their wife’s cancer therapy. The employer didn’t live up to the bargain and fired him instead. They should get their unemployment.” The employer was saying, “No, we don’t want to give him unemployment.”

I would look for ways to sell my colleagues on agreeing with me. Here’s a better example of a dissenting opinion. The decision involved a grocery store, a lot of grocery stores. This was a worker, one of the clerks in the grocery store. Here’s what I’m reading: “The claimant,” the person seeking unemployment, “was employed as a meat wrapper at a grocery store for two years and four months, earning \$9.44 per hour. She was discharged two years and four months later under the following circumstances.” She went into the deli section of the grocery store that she worked in to get a cup of coffee. She laid twenty cents on the counter and told the deli manager that she would bring the rest of the money for the cup of coffee back—because they were all required to pay for coffee and deli—“when her work was over.” All she had was the twenty cents. So when her shift was over, she would bring it in.

There’s a sign posted at the cash register of the deli section directing all the employees to pay for any purchases at the time they receive them and to get a receipt. She didn’t do that because she didn’t have all the money. She said,

“I’ll be back to give you the other ten cents when I finish my thing.” She was terminated. “The claimant was terminated at the end of her shift for violating the sign that was posted and also Rule Ten of Rules and Regulations, which calls for the immediate dismissal of unauthorized possession of company property.”

So here I get this case, and I’m reading it. “The claimant,” it goes on to say, “acknowledged that she had not left enough money to cover the price of the coffee but explained this was not unusual, that people often did that, and she intended to return following her shift to pay for the remainder of the money with change from her car.” I don’t know what was going on there, but they fired her to make an example, whatever. So for ten cents this person lost her job, and then was being denied—I couldn’t get her job back, but she applied for unemployment, and the employer—the large grocery chain has people who respond to these—came in and said, “This person broke the law. She didn’t pay for her cup of coffee, all of it, and therefore she should not get her benefits.”

The referee said, “That’s the law,” and agreed with her and denied the claim. The claimant appealed it to us; hence, where I come in. So I’m reading this, and I say, “My God, for ten cents this person not only loses their job but now we’re not even going to give them unemployment?” So I wrote on my reverse, on the comments—I was the first one to get this, and I had to get one other person to agree with me—“Reverse this decision. Does anybody believe that an employee who has two and a half years on the job is going to risk it all

for ten cents? She paid or left twenty cents on the counter and was short ten cents, which she intended to pay after the shift. Before she could, everybody but the FBI and the IRS had descended on her. I'm not signing my name to this two-bit decision, rules or no rules. Agnos."

Anyway, that's the kind of a raw opinions I wrote—I'm not a lawyer. I didn't pretend to be a lawyer. I went to a conservative Republican, who was one of the activists in the Republican Party, and I said, "Ingrid,"—her name was Ingrid Azevedo—I said, "For ten cents, this person lost her job and now we're going to say we're not going to let her support her family?" [Ingrid] says, "The decision going by the rules is totally acceptable as written, but I, too, have a problem with a ten-cent crime, so please reverse."

Then I wrote back to Ingrid, who agreed with [me], "Ingrid, you are the best. This case goes to the very heart of why we're on this board. A great legal staff does its job, but we must enhance it with our power as board members." Therein is what I did for a year. I learned not to take everything at its face value, and that's what I've learned over my career, but especially here. Even though this was a sort of a whole new area for me, looking at legal cases and trying to understand the law, and it took me a while to get it. I would have the lawyers explain it to me. But ultimately I didn't take it at its face value. She broke the law. She lost her job. She couldn't get her unemployment benefits. For ten cents. I reversed that.

McCREERY: There's the letter of the law and the spirit of the law.

AGNOS: Exactly. So it was my job not to take it at face value and to look and ask the next set of questions. Had this person ever taken anything else before? Had they ever done any of these kinds of things? And then to sort of bring the humanity into this issue, and the law. And so we reversed it. This person will never know me. All she knows is she had her unemployment for a year during tough economic times, in 1993.

I had another case, and this is the last example I'll give you in this whole thing, because this is what I did for a year, and it was a wonderful experience that healed me from the pain of losing an election. Another case where a person was arrested, a farmworker was arrested, and it was a case of mistaken identity. He was in jail for two weeks. Nobody knew where he was. Couldn't call out, couldn't call in. It was in Ventura County somewhere, in a sort of a rural farming area, and he lost his job because he was in jail. Two weeks later, the cops get the right guy and let him out.

Now, he was too poor to understand what he could have done for false arrest and all these other things. The cops said, "I'm sorry." He goes back to his employer, who says, "Where have you been?" "Well, I was arrested mistakenly. I was in jail for two weeks." He said, "Well, we hired somebody else. We thought you took off." He lost his job. Then he goes to apply for unemployment, and the employer said, "He was in jail. He wasn't on the job, and so I got somebody to replace him and fired him." The referee said, "Well, if he wasn't there, then he's not eligible because he was absent."

I get the case. I don't have that example here, but I remember it so clearly. I said, "Wait a minute. This guy was arrested falsely. It was a mistaken identity. He was the wrong guy. He lost his job because he was in jail even though he was the wrong guy. Has anybody given him credit for that?" But the law, in their eyes, the employer's eyes, certainly, because it came out of his pocket, out of his fund—and the referees are looking at just the law.

I said, "Nonsense. This person has paid enough of a price by losing their job for mistaken identity and being in jail for two weeks. If it was any one of us, we'd have a big-time lawyer suing them for false arrest and all the rest of those things. The least we can do is pay his unemployment." So I reversed that case.

We did that kind of thing. Again, what I learned was not to take things at their face value and to ask the next set of questions. What happened to this guy? Then I was trying to get our referees and our people to say, "Let's refer him to a lawyer so that he can get compensated for two weeks in jail for mistaken identity, plus losing his job and all the rest of it."

So for a year, I did this work. I drove every day to Sacramento, drove home every night. Once in a while, I'd stay over with friends in Sacramento if it was a late night, and I would deal with these cases. It was like I was in an incubator, because I was leaving the city every day—came home for the weekends—and going to this place where I didn't have to see people, didn't have to talk to people unless I wanted to. Big difference when you're the mayor. You see people you don't want to see but because they want to see you.

I felt like I was in sort of a legal monastery, you know? I could sit in an office like this one we're in here and not see anybody the whole day, but just read, look up some information in the law books to understand that or make a call to ask a question, and write these decisions on behalf of people, and then leave. Once a week we had a board meeting where we would discuss these cases, and people would make a presentation on the issues that they wanted to present.

So I did that for a year, and it not only gave me an opportunity to do something that was socially useful and paid my salary and took care of my family without going through the indignity of having to go hustle a job when I wasn't really prepared for it, but I felt like I made a contribution while I was doing it, and it was a wonderful experience that I thought taught me more in an area that I didn't know much about, in looking at these judicial-style jobs.

During that year, President Clinton was elected, and he started his administration in January of 1993. By the spring I had done this, and I was feeling good and ready, and I asked Congresswoman Nancy Pelosi for a referral to the administration, to cut through all of the—well, before I go into this, do you have any questions about that? I mean, I'm moving on to HUD [U.S. Department of Housing and Urban Development] now.

McCREERY: The insurance appeals board?

AGNOS: Yes.

McCREERY: No, I think you've done a very good job of explaining how you got the job and why it was so important to you at that time. Offered the chance, I would have to ask for some comment on these kinds of political appointments.

AGNOS: Yes, I was just going to go there.

McCREERY: There are a lot of criticisms about that.

AGNOS: Yes, absolutely. It just flashed in my head that I had left that out. Now, let me ask you something. Was I qualified for this job or not?

McCREERY: Well, from what you say, you did meet the basic qualifications.

AGNOS: Of course.

McCREERY: You didn't need to be a lawyer. You had a huge amount of experience in public policy.

AGNOS: And this was a non-lawyer slot.

McCREERY: Yes.

AGNOS: I had been a state legislator, dealing with \$14 billion budgets.

McCREERY: Right, for twelve years.

AGNOS: For twelve years. I was mayor of a major American city through all the things we talked about, for four years, and prior to all of that I was the chief of staff, doing all of the writing and doing all of the work of a staff person for the speaker and for a state legislator. I had all but the dissertation in social welfare, with a master's and all that. Now, how the hell am I not qualified to do a job which said, "We want you to look at these cases from a non-legal point of view to tell us whether there is equity in the decisions, whether there is the kind of humanity that we want in the spirit of the law in these decisions."

But what the press does is say, “Look at this politician taking care of that politician.” Well, isn’t that what every business does, every academic institution does? Everybody networks with someone else to get a job. People who know other people, who know that they’re competent and qualified, will refer them or try to hire them for whatever the job is at hand that they have an opportunity for. But in politics, somehow it is seen as a negative and some kind of chicanery at best and corruption at worst for one politician who knows another politician as qualified, capable and competent to be given a job. I really, frankly, resented—not that you asked, but it was in the news. You see these stories from the press.

McCREERY: Frequently.

AGNOS: Now, the question really ought to be, is this person competent, is this person qualified, and is this person doing the job? If that’s true, then the fact that they came from a political job, wherein they were either defeated or left office, with a set of knowledge and skills that might be useful in whatever the new job is should be what is considered. But what the press does, and a cynical public, who doesn’t bother to think beyond what the press tells them about it, is say, “Oh, it’s just one politician taking care of another.” Well, what’s the difference between one professor taking care of another, one newspaper reporter taking care of another? Because we see the sons and daughters of newspaper reporters following their parents in jobs with newspapers, at the *Chronicle* and at the *Sacramento Bee* and elsewhere.

So I found that frustrating and annoying, if not infuriating, because in my case, at least, I felt I was qualified for the job. I felt that I had earned the right to be assisted by someone who was a political ally, and I needed help. One of the few [times] I needed help. I needed a job, just like anyone else does. What does anyone or everyone who reads what I'm saying right now do when they need a job? They go to their friends, they go to their network, they go everywhere they can and say, "Do you have any ideas, and can you help me?"

McCREERY: A lot of people are in that situation as we speak because of the way the economy is right now.

AGNOS: Sure, and so they come. Politicians are human beings also, and they need help from time to time, especially now, when you look at the current political structure of our state, with term limits. If you want people to come in that reflect all walks of life, including working class people and non-lawyers who have to leave a job to go work for six years in the state legislature, they may need some help to come back to the private sector as a transition in order to be willing to go there in the first place.

That is not to say that people who are not qualified or not competent or aren't willing to put the time in to do the job the way it was intended to be done and that there is work to be done—[it's not to say] that shouldn't all be an important part of the opportunity. If it's a make-work or if it's phony, that's dishonest and corrupt and shouldn't be allowed, but if there's a real job there, I think a politician should be given the opportunity to do it, just like anyone else.

Besides—I’ve got more to say about this. [laughter] Friends help friends. I mean, it’s sort of an axiom of life. A politician is no different than anyone else who’s going to say, “What am I supposed to do, appoint my enemies to a job that is a good job? I need to have someone there who can tell me what’s going on.” This notion that you’re going to take someone who you don’t know, who has never done anything for you, and reward them with something that is important to you, when you’ve got a friend who’s competent, qualified, and skilled—it’s a myth that doesn’t exist anywhere else in the world, and it’s not going to exist in politics.

Okay. We’ll see what that sounds like when we read it.

McCREERY: Okay. Going back to the Clinton administration—

AGNOS: What I want to talk about, what I want you to push me on, is about bureaucrats and what I learned, how to deal with bureaucrats.

McCREERY: You had Nancy Pelosi give you—

AGNOS: In the spring of ’93, the Clinton administration was taking form. I knew that this job with the unemployment appeals board was a transition job where I needed to get myself on my feet. I knew it was not going to be a lifetime or a career, that it was just a respite that gave me an opportunity to contribute something important, to get my own self together to begin to move on with my career in whatever direction I saw that the opportunities lay.

With the Clinton administration taking shape and, recalling my work with the homeless and my interest in housing, I talked with Nancy Pelosi, who was the congresswoman, a friend and ally of mine, and said, “I don’t know how to

get to the Clinton administration, but I'd like to be considered for some employment opportunities." She began to make the inquiries with the transition team. That's what I was trying to think of, and, after the transition team the people who were seeking qualified applicants for the thousands of appointments that the president makes in his administration in all of the different departments.

She agreed that I would be outstanding for HUD because of my work as mayor in developing more affordable housing than we'd ever had in the city, the homeless stuff, and all that. It was March 25th of '93. I was in Washington as a part of, oh, I don't know, thirty or forty people—have I told you this story about that?

McCREERY: I don't think so.

AGNOS: Okay. I was invited as a Greek American leader.

McCREERY: I apologize. You did, because you told about how Mr. Clinton remembered you. He came right over to you and remembered the homeless [program].

AGNOS: Right. So this all came together with Nancy's advocacy for me in HUD. The president made his presentation and then came down to sort of mingle with the crowd of about thirty or forty people who were there from all parts of the country as Greek American leaders. I happened to be standing next to Senator Paul Sarbanes, and after he greeted Paul, as Paul started to turn to me to introduce me, Paul said, "You know the mayor of San—" and before he finished President Clinton said, "Of course, how are you doing, Art?" and

grabbed my hand and shook it and said, “How’s that homeless program doing? Are you going to help me with that here?”

That’s when I was so stupefied by the fact that he remembered our conversation three years earlier and all that. So clearly, between Congresswoman Nancy Pelosi’s wonderful advocacy on my behalf with the people who were making those kinds of evaluations of prospects for different roles in the administration and the president’s comments, which got back somehow also to Henry Cisneros, I got a call saying would I consider a position. Of course I would, because I was very interested, so I flew back to meet with the secretary. We hit it off, because we had met earlier as mayors, when he was mayor of San Antonio and I was mayor of San Francisco. I was subsequently offered a job.

He was interested in me coming to Washington. I really didn’t want to go to Washington because I wanted to keep my family here, and so I was offered the job of regional director for the four western states—California, Arizona, Nevada, Hawaii—and Guam, to be the administration’s top point person in housing and HUD in those four states, California being the most important state because that was a swing state politically. So they wanted someone with my political background as well as my substantive background in housing, starting with my work as a social worker in public housing at the earliest point in my career in California.

McCREERY: Did you have any hesitations about this?

AGNOS: No, no, no, this is something I wanted. This is something that I saw as a next step in my career. I wanted the experience of a, quote, “national” kind of administration. The regional director is the third, is the lowest—how do I put this? There are three levels that the president appoints people to. The first level is his cabinet, obviously, the secretaries. The second level is the assistant secretary, who works under the secretary, and they’re based in Washington. The highest presidential appointee outside of Washington is that of regional director or regional administrator for a particular federal department. They require the screenings and the background checks by the FBI and all that, but they do not require senate confirmation. Only the secretary and the assistant secretaries, which are in Washington.

I was a third-level presidential appointee, lowest on the totem pole, highest outside of Washington. I came on the job in June of ’93, just about the time the Northridge earthquake happened in Southern California, which made them expedite my appointment because I was the mayor who had dealt with the Loma Prieta earthquake in ’89. I was the housing person and a political person, so I was one of the first people appointed in the field for the Clinton administration, which had been to that point notoriously slow in appointing these third-rank presidential appointees outside of Washington. They were criticized at the time for being very slow to fill the positions. They expedited mine through the FBI and all the others, because they wanted me on hand in L.A. to help Mayor [Richard] Riordan and the local officials there with my experience from San Francisco.

So I jumped from this sort of bucolic kind of semi-judicial cloistered setting in Sacramento, dealing with unemployment appeals, right into all of the huckledebuck of a major crisis in L.A. around the earthquake and all of the issues of a major bureaucracy that dealt with cities in this four-state region. It was my first experience in dealing with a huge, deeply embedded bureaucracy. The federal bureaucracy is the oldest, the biggest, the most resistant to change of any of the three bureaucracies that I had any exposure to, meaning city, state and federal. The feds are the oldest and the biggest and the toughest to deal with because of the size of it, I guess, and the length of time it's been in business.

[End of Session]

[Session 13, April 28, 2003]

[Begin Minidisc 13]

McCREERY: Last time, we talked a bit about the role of President Clinton in getting you this appointment into his administration. What about Henry Cisneros? What role did he play in bringing you in?

AGNOS: The only role he played was sort of approving me, so to speak. The president always gives his cabinet secretary the right of refusal if the person feels as though the chemistry is wrong or something is there. So when the president recommended me, with the strong endorsement of Congresswoman Nancy Pelosi, I had to pass an introductory interview with the secretary himself to make sure that we were compatible, as people who were going to be on the same team. That was really never an issue, because we knew each other from prior experience as mayors of big American cities, he in San Antonio and, of course, me in San Francisco. There was a lot of common experiences that instantly brought us to a very compatible relationship and now a very personal relationship. We got to know and like each other. I passed muster.

As a matter of fact, we became so close—this is sort of an aside, but as I was telling you, I played a number of roles in HUD because I never wanted to go to Washington, despite two secretaries, Andrew Cuomo and Henry

Cisneros, trying to get me to relocate to Washington to take on heavier assignments. I wanted my children to finish their school, and my wife was employed, and I didn't want to disrupt anybody else's life in my family any more than I already had in my career. So I stayed in California and did this.

So from time to time, they would ask me to come back for temporary duty, temporary assignments in Washington. The first one was to be the director of special actions. This was sort of a think tank within HUD that Cisneros created with a previous mayor, who left HUD. So he asked me to fill in there, because it brought me to Washington on a periodic basis, where we could talk about different issues.

As I said, I don't even know if it exists anymore under the new administration, but it did under Cisneros because he was a very intellectual and a very forward-thinking individual and wanted a think tank that was removed—there was only a staff of about six people—just sharp people to be thinking about issues outside the box. Because the bureaucracy is one big box that sort of absorbs everyone, and the federal bureaucracy is probably the biggest box of any bureaucracy that I worked in, from city government or state government to the federal government. He asked me to come back and work there, which would give me an opportunity to be there. I did come up with some ideas that now are commonplace at HUD that we did not have at the time. I can tell you a little bit about that.

I also served later on as the acting commissioner for FHA, Federal Housing Administration. I think the proper title, as I'm struggling with it, is acting

secretary for housing and FHA commissioner. It's two different jobs that are sort of in one place. The assistant secretary for housing oversees all of the non-public housing programs of HUD, those programs for the elderly, 202 housing they call it; those programs for assisted living; those programs for market-rate FHA loans. One of the most progressive programs in the history of the federal government was the FHA program, which provided below-market interest rate loans to middle-class families to get them their first home. Even today, I remember, or at least back in those days, five years ago, FHA was the single largest creator of first-time homebuyers among those populations who often struggled: minorities, women, single women, and working-class folks. So that was what the housing program was, and then the FHA commissioner administered the mortgage programs. So I did that for a while. As I said, I would alternate between coming back to San Francisco and Washington.

As director of special actions, I had first-hand insight into the bureaucracy in Washington and trying to get something done. I recall being in a hotel where if you want to find out where shopping areas are or restaurants, there are often these kiosks in the hotel where you finger touch a computer screen that leads you to whatever information you want. As I said, shopping areas broken down by children's, men's, women's; movie theaters, entertainment, sports activities. I mean, you just use a touch screen, and it leads you to a directory of different events or places that you want to go to.

It struck me that HUD could use one of these kinds of kiosks in public places to help people get better access to the programs that are designed to

serve them. When I, as director of special actions, asked the Washington-based bureaucrats to do this, they were sort of polite but discouraging, but I didn't hear a good reason why, other than they'd never done it, they didn't want to it, they were overwhelmed with other things and other priorities, and I wasn't important enough for them to listen to.

So when I came back to San Francisco, to my own office, where I was important enough to be listened to, I asked my own IT [information technology] people, information and technology people, about this. We went to a local hotel so they could see what I was talking about, and they understood the idea. I brought the different program directors and asked them about it, and so we developed a kind of prototype and bootlegged it, and I brought it again to the bureaucrats in Washington, the IT bureaucrats who didn't want to bother with it because it was different, it was out of the box, it wasn't what they wanted to do.

I waited until we had a staff meeting with the secretary, and when it came for my turn to report, I had this computer that I set up and I asked him to touch his way through, to find out about any program in the HUD, within the limits of my region, which is what my bootleg product was prepared to do. He was fascinated by it and immediately gave instructions to see if we couldn't develop a prototype for the entire country, which suddenly made the IT people in Washington enthusiastic supporters of the program. Within a year, we had these kiosks that were set up in different parts of communities where people could easily get access to them. Today, they are very commonplace.

That was the kind of thing we did in special actions. We looked for ways to think out of the box and make HUD programs more accessible to consumers. Teacher housing is another example of the kind of think-out-of-the-box creativity. One of the things that President Clinton pushed for with Cisneros was to create the notion of police and fire housing, to keep police in the inner city, to help stabilize communities by offering police officers houses at below-market rates so that they would buy these houses and live in an area that had been designated as a troublesome area for crime and those kinds of things, and hopefully, by having a police officer live there, they would stabilize the area.

What they didn't count on is that police officers don't want to be police officers when they're off duty. They want to be like everybody else and just forget about their job for a while. So even though police officers started to use it, they weren't staying there. They were moving out in a short period of time. It struck me, from my experience as a mayor, that what we needed was more housing for teachers and all personnel who are important to a city, because very often they are what I call the middle-class infrastructure of a city: the librarians, the nurses, the teachers, who are, frankly, almost as important, if not as important as a police officer because they aren't paid what police and fire are, the highest-paid personnel. So I wanted my librarians, I wanted my teachers, I wanted my nurses, I wanted those kinds of people to be getting this kind of housing.

I started with teachers, and we developed a program so that teachers could get the same benefit. It was wildly successful because teachers do stay in a

community. They don't go moving around a lot. They can't afford it, and with their relatively low salaries, starting at \$32,000 in San Francisco, they just were dying for this kind of housing, so it became a very successful adaptation of an existing program that I thought was just a little off the mark. We didn't really need it for the police, who could afford it.

McCREERY: Where did you test out the teacher housing idea?

AGNOS: Here in San Francisco and in the Bay Area. The rest of the country didn't want to do it until we tried it, and then we went to school boards, and they liked the idea. All we were doing was taking existing federal programs and saying, "Teachers can do this." They hadn't thought of it before, the school boards hadn't, and so now they're being done. The first one that was just finished was in San Jose, with Mayor Ron Gonzales. This was what special actions did, the kind of out-of-the-box thinking to try to make programs better.

I want to go back to the bureaucracy in general, because I had three roles: the regional administrator, the director of special actions, and the FHA commissioner/acting secretary for housing. I was at HUD for approximately seven and a half years, from July of 1993 till January of 2002, when President [George W.] Bush came in, and all of us who were presidential appointees resigned, as is the protocol and the custom. It really gave me an extraordinary lesson and an experience in understanding the bureaucracy in a way that I hadn't earlier, because as a legislator and even as a mayor, you're sort of the titular head. As mayor, I was the titular head of a workforce made up of bureaucrats, almost 25,000 people. As a legislator, I oversaw a budget that

dealt with maybe eight or nine thousand. But I really didn't manage them in a day-to-day fashion. As a mayor, obviously, I dealt with the department heads, which was one kind of experience.

But at HUD, I saw the bureaucrat from an entry-level employee to a top director, during that seven and a half years. I got to know them and to understand the system and to really try to understand the culture of the bureaucracy, which was something I could have used a lot earlier in my career. I wish I could have flipped the experiences, because it would have helped me as I progressed through the legislature and through the executive branch of city government.

Just some generalities that I want to talk about and some lessons that I think would be useful. The bureaucracy is an overwhelming system of regulating programs that are created by legislators, populated by people who are often overwhelmed by the institution of the bureaucracy, by the culture and the regulations and the rules that are part and parcel of a bureaucracy. Nowhere is it more solidified and stultified than in the federal bureaucracy, which is the worst bureaucracy I was ever in, in my view. It takes the brightest and the most energetic people, and if they can adapt to become sort of mindless automatons, that stultifies their creativity and energy they stay. If they don't, they have to leave. They have to leave and go. It's the system that does it, and if they don't adapt, then they don't succeed in promotions and moving up the chain.' I don't want to say everybody is like that, but in my opinion enough people become like that that I would make that generalization.

McCREERY: You had surely seen this at the local and state levels. Why do you think it is that the federal bureaucracy is so much more so?

AGNOS: Because it's the oldest bureaucracy. It has the most rules and regulations. Whenever something goes wrong in a bureaucracy, there's a new law or a new regulation designed to stop it. I'll just give you one of the stupidest ones that I came across right at the beginning of my career. Here I was, a former state legislator, dealing with \$16 billion budgets; as a mayor, building and creating \$2.5 billion budgets, and 25,000 people. I became a regional administrator of this four-state region, one of the biggest in the country, and yet when I first took that office, in order for me to check out a federal car to drive from San Francisco to Oakland, I had to get permission from Washington because there had been some previous abuses by people in my position in the use of a federal car. When I started to say, "I'm going to Oakland," they said, "You've got to call Washington and ask them." I said, "That's absurd. I'm making decisions here that affect millions of dollars, and they don't ask me to approve them, but they want me to [get approval to] drive a car twenty-five miles?" I didn't do it, and they said, "You're going to be in trouble." I said, "Well, then I'll deal with it, but I'm not going to do it." So I never did, and I never heard a word about it. But it was the first exposure that I had to that kind of mindless rules.

The way I explain it to people is that the bureaucracy develops these rules to take out all of the risk-taking in decision making, so that if you follow the rules you won't get in trouble, and the rules are made so specific so that the comfort level of the individual bureaucrat is such that they don't feel like

they're taking a risk. The analogy that I use is one from baseball. Barry Bonds is the highest-paid baseball player for the San Francisco Giants. He makes \$20 million a year. He's probably one of the highest in the history of baseball. We look at what he does to be worthy or to merit that kind of enormous salary.

What does he do? He goes up to the plate to bat in a game four times, and what he does one of those four times or two of those four times is so productive that he wins games, and if you look at his batting average, he gets a productive hit maybe three out of ten times, sometimes three and a half out of ten times. That means that, if you flip it around, seven out of ten times he fails, does not succeed. He fails.

McCREERY: As does every other player fail that often.

AGNOS: Right, that's right. But what he does three out of ten times is so productive that the team wins a lot of games and a championship, and therefore he is worthy of \$20 million a year, despite the fact that he fails seven out of ten times, but he swings and hits it three out of ten times.

Okay. On the same team there would be an infielder—third baseman, shortstop, second base, something like that. What's their job? The ball is hit to them. They pick it up, they don't drop it, they throw it to first base before the other player gets there from the other team, and if they do that nine out of ten times, they are considered to be outstanding, very successful in getting the opponent out by picking the ball up and throwing it to first base. That means if you flip that around, they only fail maybe one out of ten times, but they don't make \$20 million a year. The third baseman for the Giants doesn't make \$20

million a year. Why? Because when the ball is hit to them and they pick it up and they throw it successfully nine out of ten times, they are helping to preserve and protect the victory, not create it the way Barry Bonds does with the home run that goes out of the park.

What's that got to do with the bureaucracy? The bureaucracy rewards those people who are good fielders, not hitters. What does that mean? It means that in the bureaucracy, a piece of paper comes to their desk. They pick it up, they don't drop it, they don't mess it up, they look at it carefully and make sure all the boxes are checked and move it over to the next desk in a timely fashion. They're considered to be outstanding. No one asks, "Did that piece of paper produce something that meant an improvement in the lives of the people we're supposed to be serving in this department?" That's not the criterion or the standard. The standard is: Is it properly filled out? Are the rules followed? Are the regulations in place and followed? If you do that in a timely fashion, without messing up, without making an error nine out of ten times, you're outstanding and you will be promoted. Indeed, at the end of the year, you get a bonus of anywhere from two to five thousand dollars for not making a mistake, for not making a mistake.

There is no mention in all of this, within the bureaucracy, of who's trying to produce something that makes a significant improvement in the programs or in the delivery of this program. That's not a question. So when I became regional administrator, I used this example I'm giving to you, and I said, "I want people who are hitters, someone who's going to go up and swing at the

ball, and I don't care if you miss it a couple of times. I want you to try to hit it so we produce a victory." I couldn't get them to do it. They would not do it, because they are not measured by being hitters. There's too much risk involved, because if you swing and miss, it's a strike, and if you miss three times, you're out. Well, in the bureaucracy, if you get three strikes, never mind seven outs out of ten, if you fail seven out of ten times, you're done. You're toast.

So, it was just impossible to get them to take risks. So the way I finally resolved it, when I figured out—of course, they didn't say, "I don't want to swing." There'd be other ways that they would resist. They let me know it just wouldn't happen, and there would always be a plausible reason. So finally I figured out that they didn't want to go up to bat. All they wanted to do is field the ball and pick it up. They knew how to do that well. I said, "Okay, let me swing. Bring me the opportunity to swing at the pitch. When, in your program, you see an opportunity to produce something big but there's some risk involved, let me take the swing, because I'm used to swinging, you see. I want a hit." They didn't want to hit. They just wanted to stay out in the field and catch the ball.

So when they understood me, it was a perfect marriage. I was the hitter. I was the designated hitter, as they say in baseball. So whenever they had a problem that they thought would be a good idea but there was some risk involved, they would just come to me and say, "Well, here it is." I'd say, "Okay," and I would take it and swing.

McCREERY: You were the public face of the risk.

AGNOS: Yes, within the bureaucracy, as well as outside, within the bureaucracy. That resolved it. It put them at ease, and it was a great marriage of the hitters and the fielders. I was the hitter, and they were the fielders. One day I was sitting in a staff meeting, and they kind of forgot that I was there because, you see, there are the careerists in the bureaucracy, the people who are there for a career, for thirty years or more, and then there are the political appointees. I'm there for four years. There's a sort of, at best, at best, creative tension because I got four years to get something done; they're looking at thirty years to get something done.

McCREERY: Yes, you related the A-team, B-team.

AGNOS: Exactly. I told you that story. Yes, it's the same thing, and so to them taking five, seven, eight, nine years to get something done is a relatively short period of time because they're looking at thirty, thirty-five years for their pensions and their retirements and all that. I'm gone in seven or eight years, at best, usually less. The average stay for a person of my role in Washington, in a political role, is eighteen months, eighteen months! That's decimal dust to the average careerist in terms of time. They understand that, and that's one of the tools they use when they don't want to do something that a new administration or the current administration wants to do. They figure out ways to use the rules and regulations to delay, delay, until the political appointee's interest has waned or been distracted by some other urgent matter, and then life goes on as normal for them.

This one day, I was sitting with them in a staff meeting. They were comfortable with me, and they kind of forgot that I was there in the room, and they were talking among themselves about an issue that I wasn't too interested in but just observing. One of the program directors said, "Well, now we can finally proceed with that change in the program that we wanted, that we've been waiting for for seven years." It caught my interest. I said, "Seven years you've been waiting to make this change? What happened to make it possible now?" Then they realized they had sort of been talking a little out of school, but they're honest, and they said, "Well, this person in Washington," who was in the bureaucracy—now, not a political part of the administration, who was above them in the district office here in the region—"never liked that idea and always resisted it." But he had just recently retired, and the new person was open to it.

So I said, "You mean you've been waiting seven years because that person in Washington didn't like it and therefore you didn't want to take it over his head?" "Right." I said, "Well, why didn't you come to somebody like me or whoever had my job, who would go to the secretary or the deputy secretary or one of the other political appointees and say, 'This is a good idea. We ought to do that, but there's some resistance in Washington, in the bureaucracy, and we'd like to explore this.'?" Here there was a long silence, and finally what I pulled out of them, without taking you through the whole process, was that when I'm gone, and that person in Washington who they went around when they came to me would still be there, and he would retaliate by not being

supportive on other issues or even, in worst case, having them reassigned to another job or relocated to another job if the offense was great enough.

So they would simply outwait them. In this case, a program was delayed by seven years—because I liked the idea, and we changed it, and they changed it—because they didn't want to offend someone in the bureaucratic chain of command that didn't like the idea. They know they're all there for thirty to thirty-five years, and you can't get divorced from your colleagues because they're all there for the duration. You can't get away from each other because they're there for the same amount of time you are.

So the political appointee who goes in, the person like my job, has to go in there and if you understand this, you figure out ways to penetrate it or get around it so that you can accomplish your mission as an appointee of the president or the governor or the mayor or whoever it is that has put you over a group of bureaucrats. But you've got to understand the system, even though there are individual standouts, because I had some. The system forces them to concentrate on fielding rather than hitting. Somehow we have to change the bureaucracy so that the incentives are more balanced between hitting and fielding, so that a bureaucrat who's inclined to want to swing and hit at the ball and take a chance and absorb the risk isn't discouraged or penalized for doing it. But today, as I see it, there is no reward for wanting to be a hitter.

McCREERY: How can we make that change that you suggest?

AGNOS: I think that first of all, we have to let people know that we will not hold it against them. We have to write it into job descriptions, we have to write it into

promotional opportunities. For example, the state doesn't give a bonus. I know the University of California doesn't give a bonus if you turn out so much paper. If you do ten of these interviews a year or you do three, they're going to pay you the same. There is no reward for the productivity that is creative and risk-taking. We need to write that into bonuses when we give them.

The federal government gives a bonus to everybody, virtually, if they get an outstanding rating, and the outstanding rating is based on good fielding, how many pieces of paper you moved and the absence of mistakes. So people tend to do the work which doesn't risk a lot of mistakes. If that happens they get a bonus even though they didn't produce a damn thing. And so you need to revamp the promotional and reward system that says: We're going to reward risk takers and not penalize them. But unfortunately, people like those in my position aren't there long enough to make that comprehensive kind of change.

McCREERY: It's interesting to me that your staff was responsive to this idea, that they could pass the risk to you, and you would assume it.

AGNOS: Yes.

McCREERY: Give me an example of something they brought you.

AGNOS: It happened all the time because they trusted me. I said, "I'm not going to expose you. I'm not going to put you at risk. If I swing and miss, it's on me, not on you." You see, underneath the skin of every bureaucrat is a human being who really is dying to do something good. You know, they want to do this but the system represses it and so, depending on the leadership, it either gets more repressed or at least it comes closer to the surface. They sensed that

I wanted to do things, that I wanted to hit, and I gave them that kind of cover so that they were dying to do it, and they got a great deal of pleasure.

Probably the best example I can give you, and I have lots of them, but I'll get to something I want to talk about, which is Geneva Towers. Let me set it up first, but before I do, let me make sure I haven't left anything out.

The other way of explaining bureaucrats is that they are often like smokers who want to quit. They always want to quit, but somehow they can't give it up. With the bureaucracy, they can't because the system doesn't encourage them to give up the preoccupation with paperwork and rules and regulations. Some of the most vicious arguments I saw at HUD between bureaucrats were on whose interpretation of a little nondescript regulation was right. The worst arguments I saw at HUD among the politicians were, "Well, should we have a one-strike policy in public housing or not?" This was, if a person did one thing wrong they got thrown out of public housing. We had some terrible arguments over the morality, the philosophical basis of that decision because a lot of us, and I was one of them, felt that that was too punitive to say to a grandmother, "You're evicted from your low-income housing because your grandson sold drugs at the corner of the public housing project," and that's how that rule, under President Clinton, was created.

But that's a valid argument to have. But in my view, arguing over a regulation and whether it was 4-AB or 4-AC and which one was the most appropriate was boring to me, but exciting to them. So it just gives you a sense of the differences.

To answer your question earlier about how to change it, the other thing is to bring in people from the outside who have life experiences that are not totally within the bureaucracy. I saw people who came in right out of college. Most of the bureaucrats I saw were one of two types, one of two types. The first type were smart, idealistic, college-trained people who came into the federal bureaucracy right out of college or right out of graduate school, full of vigor and energy and ideas to do something, and then the system grinds them down if they stay in. If they don't, then they're off somewhere else. But if they stay in, it grinds them down, and so they will spend their entire life in the bureaucracy because they're lifers, they're careerists.

The other type is the person who comes in at an entry level, as a secretary and is what I call regulation-trained and educated and moves up to a high level policy job over a thirty-year career. It happens too frequently as part of upward mobility programs, they learn the regulations, can recite them by rote on a test, and get promoted to the position of a supervisory job, which means more money and all the rest. [They] can sort of go up the ladder by taking tests and never doing anything outside of the program area that they've learned these regulations in.

Those people were good, if they recognized an issue as something they had done before. If they met a problem that they had worked on before, then they knew what to do, but if it was a new problem that required thinking about it and drawing from previous experiences, maybe a principle or two that you combined with your wisdom and intellect to apply to a new learning, a new

program, a new thought, a new solution to this new problem, they're at a loss because they didn't have a full enough, in my opinion, combination of training, intellect, experience, education. They're what I call regulation-trained. Those are the two types.

We need a third type to blend into that, which is someone who comes in from having built homes for ten years, who understands what it takes to build a home so when we're talking about a mortgage and what the regulations are so the developers can build a group of homes, they can say, "Here's the problem from being on the ground." They're used to taking risks, so they come and take that as a part of the process. The bureaucrat is risk-averse, as I've been saying. I've said enough of that.

Let me give you an example to answer your question, which is probably the best piece of work I did at HUD and maybe in my career, which speaks to something the bureaucracy was afraid to do until I came and took the risk. Geneva Towers is in the Visitacion Valley of San Francisco, which I call the South Pole of San Francisco because it's right along the border. It's only a couple of football fields away from the border between Daly City and San Francisco as one travels down 101. You used to see these two monolithic towers, twenty-story towers, that were originally built for middle-class people to rent by Joseph Eichler, who was a very progressive developer in the fifties. He built a project there that included low-rise, one-story homes for purchase and those two twenty-story towers in sort of the rural part of San Francisco, if

one can imagine that. It was just a lot of small family farms down there. So land was available because it was a remote part of the city.

The marketing plan by Mr. Eichler was aimed at the San Francisco Airport. The idea was that people who worked at this growing enterprise of the airport—the flight attendants, the pilots, mechanics—would be interested in renting an apartment near the airport so that they wouldn't have too far to go to and from work. And then for those who wanted homes, he would also offer them homes in low-rise brick buildings. It was a very attractive project when it was built sometime in I think it was the late fifties or early sixties.

When it started, as I said, it was for middle-class people, and as we say it had a recreation area, a little space for tennis and swimming pools, and it had glass walls, two and three bedrooms, with lovely views of the bay and all that stuff. But the marketing plan didn't work, and therefore the middle-class people who would pay the rents to pay the mortgage, which was FHA mortgage and hence the involvement of HUD—[it] didn't rent or buy. They didn't attract those people. So the owners who took over the buildings, the two tall buildings, progressively lowered the standards for rent, the amounts of rent so that the market would finally bring them full occupancy.

That turned out to be low-income people. Nearby there was, oh, about almost a thousand units of traditional low-income public housing called Sunnydale housing projects. So the area was basically a low-income area that Eichler had found cheap land in trying to develop this middle-class housing area, which ultimately failed. And so Geneva Towers became a de facto public

housing development run by a private enterprise. It was not publicly owned. There was only the FHA mortgage, but it had private management, private ownership, who always struggled to pay the mortgage, which was owned by the federal government.

In order to pay the mortgage they would cheat on the maintenance, so by 1991, even though the mortgage was current, the place was in such terrible condition that the federal HUD administrator at that time, who had my job under President Bush, Bob DeMonte, who was a very courageous, progressive Republican, broke precedent by going to court and saying to the court that even though the mortgage was paid up the federal government wanted to foreclose and take the property away from the owners because of the terrible conditions the people were living in, because of neglect. The court, in a precedent-making decision, agreed.

Some of the things that were wrong there were seventeen pages of fire and safety violations. When HUD cleaned it up, there were something like thirty or forty dumpsters of trash. The police would not go in there unless there were at least six of them because television sets and, in one case that was documented, a dead body came hurtling down from the upper levels aimed at the police cars. The telephone company took out all the public telephones. The post office would not deliver mail there. Pizza companies would not deliver a pizza. People had to leave the premises to get these kinds of services in this development, and different floors were controlled by different drug gangs, so that you had to get permission to go from one floor to the other from

a different gang. The no-man's-land was the lobby, where the different gangs would set up tables like a flea market to sell their drugs.

It was a terrible place. So HUD foreclosed. Just when they completed that President Clinton was elected, and the bureaucracy was in charge because Bob DeMonte, sadly, got sick and left with a year left in President Bush's administration and ultimately died of stomach cancer. So the bureaucracy was left in charge of this building that they had repossessed through this wonderful, progressive, courageous move by the political leader under the Bush administration, Bob DeMonte.

The bureaucracy went back to doing what they knew best, which is: How do we fix this place up now that we own it without getting in trouble? They were planning on remodeling this building, without looking at it to say: Is this the best option?

Fast forward to July of 1993. I become the regional administrator, and one of the first issues is Geneva Towers. I gave them my philosophy about trying to think out of the box, trying to think of the most innovative solutions we could to difficult problems. Geneva Towers was before me for approval of a plan, and the person who was in charge, the acting regional administrator, who was a thirty-five-year career person, had a plan before me to approve—sign off on, I should say, in the final stages, to remodel each of the apartments, 576 units, divided equally in these two buildings. I knew something about Geneva Towers, having been mayor for four years just immediately prior to that, and I said, "Have we looked at what all of the options are with this property?" He

said, “We have, and we think that this is the best one” kind of thing. I was not comfortable—even though I wasn’t quite sure what it was that I was uncomfortable with because I didn’t have all the information.

So I went to see the housing administrator in a separate meeting. The person who was promoting this program was the deputy regional administrator, which is a career position. It’s the number one career person in the regional office, and the deputy regional administrator wanted to remodel the places.

McCREERY: Who was that?

AGNOS: His name was John Wilson, a wonderful, honest, decent man who had spent thirty-five years in the bureaucracy. The manager of the housing section that oversaw that specific program was Keith Axtel, another twenty-eight- or thirty-year career person who was under the deputy. I asked him what he thought, and he said, “Well, we’re going to remodel it.” I said, “I know, but I don’t think that that’s the best solution.” I said, “I think that that place ought to be torn down. It seems like it’s out of character with the rest of that neighborhood to have two monolithic high-rises” and all that.

Then he says, “You’re right, but John doesn’t want to do that because it’s never been done before.” I said, “What do you think we ought to do?” “Well, we think we could demolish it and rebuild it in a scale that’s more appropriate with the current population of residents. We think that remodeling the existing structure would not make any difference in the lives of the low income people, although we’d improve the housing,” because, you see, the original concept was for flight attendants and pilots, not for large families with eight kids or six

kids in two- and three-bedroom units, without a family room, without a large social area. It was never designed for large families or even modest-sized families. It was designed as sort of a singles place.

But nobody wanted to deal with all of the issues that were involved with demolition, because they weren't thinking that way. They had never done it before that way. That clicked with me, and I said, "Of course, that's the right way to do it. We need to demolish it." John didn't want to demolish it, and that's why the subordinate didn't propose it, but he let me know that that could be done, so I picked it up and when it became my program then all bets were off because I was taking the risk. I had to go back to Washington and sell Washington on this new way to deal with this old problem of dilapidated high-rise housing that was not appropriate for families.

So I did, and we began the process. I began the process by bringing people from Washington to go there, walk the halls, and feel the horrible conditions. In fact, I used a visit to hijack the secretary. I used to hijack the secretary when he came for visits. Usually when the secretary came, there would be a team on the ground sent from Washington who got a car and were his advance men and escorts as he went to the various stops on his agenda for a two-day visit or a three-day visit. But I always insisted, as the regional administrator, that I would drive him because I wanted to use the time in the car to get his undivided attention. He was always so busy in Washington.

So on the way from the airport to the first stop, I would take a detour by some place I wanted him to see that was on my agenda, much to the

consternation of his advance men. But they couldn't do anything about it once I had his ear because he liked me, we enjoyed each other's company, and he was anxious to see what I was talking about.

For example, one time I wanted him to—I'm deviating a little bit, but I'll get back to it—Hayes Valley, which was a terrible public housing project that the HUD bureaucrats were reluctant to give San Francisco the money for to demolish because money was tight. There was a lot of competition around the country for this. I took Cisneros there, and I said, "I want you to see this place," because people in Washington never get out and see these places by walking the ground to get a feel for it. So I took him there, and we were walking through the projects, and there right in front of us were about four guys doing a drug deal. They froze when they saw the two of us because they thought we were some kind of narcs, and they stopped, we stopped, we looked at each other, and then they walked away. The doors opened, and a couple of people told us what was going on. They recognized me. Maybe the other guys did. They didn't know who Cisneros was. But that left an indelible impression on Cisneros, seeing a drug deal and talking to residents who were terrified and prisoners in this place. He went back, and within a week I had the money I wanted to demolish the place.

I did the same thing with Geneva Towers on another visit with him and with Cuomo, so that they could see it, and then when they were in Washington and I was advocating for it, they had a mental picture, which the bureaucrats—I never got a bureaucrat to come out, only the political appointees.

So those were some of the techniques I'd use. As I said, I would hijack the political big shots to give them a walking tour of a terrible situation that they needed to understand when the debate was going on in the capitol.

So I got the money. The other major player was the assistant secretary for housing, Nick Retsinas, who came out and really took—I didn't have to hijack him—took the tour and understood what we needed to do, and I gave him my solution as it was secretly passed to me by the lower-ranking bureaucrats. So we began. Once I got authorization for the money, then we needed to go to the people and involve them in the process of creating a new home for them, because San Francisco has an ugly history in urban renewal that was sponsored by HUD in the Western Addition.

There were two projects called Western Addition A-1 and A-2, which in the fifties and the sixties were basically the demolition of slum housing, as defined by the city, using HUD Urban Renewal programs, and it was in effect the removal of black people from the Western Addition. A whole culture and a whole community was literally removed. So here I was going to—it was basically a black community in Visitacion Valley, in these two high-rises. The overwhelming majority were black, many of whom were elderly, who remembered this. I'm coming from a different orientation than that which existed in urban renewal programs in the fifties, and I wanted to have a process that empowered the residents as partners in the decision that affected their lives, as I've said throughout my career.

So we went to them and told them that we needed to make a decision about these two tall buildings that were such—and they knew. They knew what it was, because they lived in it every day. Most of them were good people that had no interest in drugs, with their children. So I said, “Yes, we can remodel it or we can demolish it and replace it with beautiful housing that’s in scale with the rest of the neighborhood, not two twenty-story towers but one- and two-level homes, town homes that look like the rest of the neighborhood and don’t stand out and say, “Look who lives here.”

But there’s a matter of trust. How could they believe that we would do what we said we would do? We invented the idea or borrowed the idea of a contract. All of us who live in the middle-class world, if someone makes a promise and we agree that we’re going to do something between us, as parties, whether it involves money or not, we put it in writing, with words, creating the promise on paper that can be held in a court of law as a contract, a contractual agreement.

I had used the notion of a contract years before in GAIN to accomplish welfare reform in the legislature. So I said, “We’re going to make a contract between you and us and the city,” because I knew, and they knew because they said it, “What happens when you’re gone and someone says, ‘Well, that was then, and this is now, and we’re not going to do what they said; we’re going to do what we want.’?” I said, “We’re going to put it in a contract, and you can take the contract to court and force them, and we’re going to have the city [sign] also. So you tell me what you want.”

So they liked the idea of new homes that were in a town house style with the various amenities that we were talking about, because we knew that new homes in and of themselves would not be enough, but they were interested in better schools, in better health facilities, in better transportation, and all the things that make up an attractive community. They know. Even though they were poor, they knew what makes a good community.

So we wrote it all down, we put it all in a contract. We needed the participation of the city, so we brought the city in, which was an interesting kind of dynamic because the person who was running the city was the guy who'd beaten me, and I knew he was kind of a doofus and therefore we needed to write down what we wanted. I knew how to get to him, which was to have the people go and advocate, not me. So I did. I told them how to do it, and they went and did it.

We wound up with a first-of-a-kind memorandum of understanding—which was the contract—that spelled out what the tenants were going to do, what the federal government was going to do, and what the city was going to do. The federal government agreed to relocate each person in the 500 units to a place of their choice for the duration of the demolition and rebuilding, which would be approximately four to five years, and then they would have the right of return guaranteed in a contract. The city agreed that they would do the things that were necessary, as spelled out, with transportation and the schools and all the rest of that stuff.

Then it came down to a vote, and we said, "You vote which one you want." We had a vote on how we would demolish the building as well. They said, "We'll demolish it." They supported the decision to demolish. Now, these were people who were voting to demolish their own homes and trusting, with a contract, that they would be successfully relocated and then have the right to come back when the new homes were built over a five-, six-year period. They voted overwhelmingly to do this, and then we set up a governing committee made up of tenants and people from HUD and the city that would oversee the process, and we blew up the two buildings in a spectacular event that was covered by TV. We relocated all of the people, some of whom used their relocation money to buy into condominiums and didn't want to come back. We were locating them as far as Florida and New Orleans. We kept in touch with them through the governing committee that let them know what the progress was and, when it was completed, that they now had the right to come back. Some of them came back to look at it and said, "I want to come back." Others said, "I like where I am."

We built more units than we destroyed, in scattered locations, because we couldn't put them all on the same site, but across the street as well as two blocks away, for the elderly. And a school was strengthened with programs that came from the board of education.

MCCREERY: You mentioned the elderly. Talk about the senior housing for just a moment.

AGNOS: HUD got 202 housing, which is housing just for the elderly, and built an extraordinary place that is about two and a half blocks away, ninety-one units

for elderly people who had previously lived in Geneva Towers, and for others in the neighborhood who were eligible if there were extra units, and there were extra units available. The place is a multiple-use facility because we have a senior center there for the neighborhood and a childcare center, so that the elderly go and work in the childcare center, as well as use the senior center and live upstairs, with food programs for the people who use the facility.

The entire process, though, was so successful in relocation that the residents threw a barbecue for the federal bureaucrats who demolished their home and relocated them. Never been done anywhere. It was just unprecedented, but it was such a positive experience that they wanted to express their appreciation that way. We have a video. We wrote it out as a model for others to use—because the process is one that is applicable to any place, and it was a combination of my experience in trying to empower people and some principles that I believed in and that the secretary believed in to make it happen.

McCREERY: It was quite a change from the Western Addition.

AGNOS: It certainly was.

McCREERY: You said by the time you went to the residents, you had the funding lined up.

AGNOS: I had the funding lined up.

McCREERY: How did it pan out financially?

AGNOS: It made sense because we knew that if we built the kind of housing, new housing, that was large enough for families, with social rooms that could be used by children in the neighborhood, that it would be more conducive to the

people who actually were going to inhabit the housing, as opposed to putting a square peg into a round hole, which was what Geneva Towers was when it was designed and what it ultimately turned out to be used for.

That was an example, probably the best example of bureaucrats telling me something they didn't want to do because it was too risky.

McCREERY: It also involves really looking ahead over a long period of time to see what the outcome would be.

AGNOS: Having vision. They knew it, but it was risky, so go with what you know won't be prone—or won't be vulnerable, I should say—to a mistake.

McCREERY: Now, Mr. Cuomo came in as the second HUD secretary of the Clinton administration. What changes did that bring to your operation, if any?

AGNOS: Not many changes. Cuomo was just a different personality than Henry. Andrew was a different type of personality. But we had the same president and the same philosophy of government. It was just a style that was a little different. Cuomo was a little bit more the micromanager, a little bit more publicity conscious than Cisneros, and Cisneros had managed a city. He was older, and he was established. He didn't have to prove anything and as a result, I think, was better prepared to be secretary. Cuomo was not as well prepared. He got it mainly because of his political connections through his father [former New York Governor Mario M. Cuomo] and all that, rather than really being ready to manage a national bureaucracy. I think he would, in the privacy of his own thoughts, agree with that now as he looks back, even though he would never have said it at the time.

The only other thing that's worth talking about—because I think I've said what I want to say about the bureaucracy of HUD. There are many other examples I could talk about, but basically it's the same story is—we did do the same thing over in Oakland with Acorn [Apartments]. Same process. Oakland had some projects that were originally built by well-meaning somewhat idealistic developers in the fifties. What they wanted to do at Acorn was a campus, suburban-style housing development that you might see in Orinda, where you walk—there are no streets. They took out all the streets in that part of Oakland, which is West Oakland, for blocks and blocks, so that you could walk across a campus of low-income housing. They envisioned a lot of middle-class people moving into West Oakland and living in this kind of suburban campus, but they didn't. As a result, it became a de facto low-income housing project. The area wasn't well suited for a suburban campus style because, unfortunately, the crime and other things that came in made it a fertile area for people to commit crime without getting caught, because there were no streets for the police to go. They could run across the campus and hide out. Ultimately the city wanted to change it and not only refurbish it but restore the streets and update the project.

So we sat down and, using what we had done at Geneva Towers, where we restored streets and eliminated any city campus-style housing by putting streets back where they were, so it looked like the rest of the neighborhood and could be used like the rest of the neighborhood. We did the same thing at Acorn and created an MOU [memorandum of understanding], a contract with the city as

well as with the residents, who oversaw the development, and reproduced the model at Geneva over in Oakland in a different kind of setting.

McCREERY: What interactions did you have with the city of Oakland?

AGNOS: The same, with the mayor, with the city manager. They had a city manager. We told them that we, in the federal government, were not going to spend all of this money fixing this up unless the city also did things to contribute to the upscaling of the entire neighborhood: new street lights, whatever the neighborhood decided. In their case, it wasn't so much transportation as it was the schools again; also the street lighting and police presence and things like that, which they identified as their needs. We put them down in the contract so that everybody knew what the deal was and could hold each other accountable.

McCREERY: And similarly, the residents were eager to make the change?

AGNOS: At first they distrust us, but we convinced them that we were going to be different, and it wasn't just our word, it was a contract. The government said, "We're going to give you a written guarantee," and they believed us enough to do it.

McCREERY: I'm wondering a bit about how you worked with the entire region in your jurisdiction; that is, California, Nevada, Arizona, Hawaii? Is that right? I know you had the field offices in different areas.

AGNOS: Yes, I had a ten field offices.

McCREERY: How did you operate?

AGNOS: I would make periodic visits. I would go where there were difficulties. I had a regular videoconference with the offices every week. We had a

videoconference meeting where I could see them and they could see me, and we would go over issues in their part of the region. If something required me to be there, I would go there. But what they wanted from me was the same thing that the people in San Francisco did, which was—well, they wanted more. They wanted advocacy. In San Francisco, in the regional office, the regional bureaucrats wanted me to go to Washington and advocate for their view of issues that affected our region that the Washington headquarters bureaucrats resisted or wouldn't approve of. There's always that tension between, quote, "headquarters" and the region.

I saw a mini version of that between the region and the district offices that were spread around in the four states, from Tucson and Phoenix to San Diego, Honolulu, Reno, et cetera. Those managers often felt that the regional bureaucrats in San Francisco were too arbitrary and didn't really understand the local issues. So I was always sort of going in between these gaps trying to close them, basically, with communication. What bureaucrats never wanted to do was talk face to face. They always sent memos and e-mails. E-mail really stultified person-to-person contact. It's easier to disagree with somebody through e-mails. It takes the confrontation or the confrontational component out of it when you do it with an e-mail.

I would see these e-mails that would just go on and on, with these little nitpicking arguments, and—you probably see it here; this is a bureaucracy—and they'd all CC me. So I would insist that everybody come to the same room. Then they'd all clam up. Nobody would want to talk. So I'd pull out the e-

mails. I'd say, "You were saying here" and "you were saying here, so what are you going to say now?" [laughter]

I would have to do those kinds of things, but they knew I wasn't trying to hurt them. They knew I was doing it in a—I always stuck up for my folks. I was their advocate. I wanted them to understand that, even though I may be demanding of them, I was going to stand up for them so that when they felt they were being abused or overwhelmed by headquarters, I would stick up for them. We would have national videoconferencing or national staff meetings with the secretary and all of the assistant secretaries on the phone in Washington and then all of the HUD offices around the country on the phone. I would bring up questions or make statements on behalf of "the field." I would get calls from all around the country that would say, "Thanks for sticking up for us." I did that purposefully because, first of all, it was right, and secondly, I wanted them to know that even though I was very demanding of them, that I would stick up for them when they took risks. Or if they would stick by me in bringing me the material, I would take the risk and stick up for them.

McCREERY: Let me ask you this: How did your methods and habits change, if at all?

AGNOS: Good question. I learned in the bureaucracy to be more patient, more—you should have asked me that before so I could think a little more about it! You know what I learned? The best thing I learned—it was emphasized more in the bureaucracy—was not to take things at face value but ask the next set of questions. Now, one should do that in any policy matter, but in the

bureaucracy it fits even more. I can't think of a good example at this point, but Geneva Towers is probably the best one that's still in my mind, which was to ask the next set of questions about what else we can do.

But the funniest ones I think I've used before, but I'll bring it back and we'll decide where we leave it—was going back to when I was mayor. We were demolishing Kezar Stadium. I told you this. And the trees, right?

McCREERY: Yes, the trees.

AGNOS: Yes. I didn't ask the next set of questions. We demolished Kezar Stadium, and suddenly the neighbors on the other side of Kezar could see the trees of Golden Gate Park, and they didn't want a new football stadium, albeit a much smaller one, to interfere with their view. So when I asked the bureaucrats of, in this case, the Recreation and Park Department, they said, "Oh, don't worry about the new poles," which was what the neighbors were complaining about, "because they'll be camouflaged by trees." I stopped there and didn't ask the next set of questions. I took that at face value, which was I assumed the trees would be as high as the poles, instead of being two feet high, and so I never asked, "How tall are the trees?"

Well, I didn't learn that in the mayor's office, but I surely did in the federal bureaucracy, to ask the next set of questions and not just take it at face value, because often the bureaucrats would disguise what they want to do with something that appears to be sound on its face value and probably is, but not sound enough for what I want or for what the administration, President Clinton, wanted, and so you needed to push even further.

McCREERY: Since you mentioned President Clinton, did you have many more direct dealings with him?

AGNOS: No, the only time I saw him was when he came to San Francisco or to someplace in the region, L.A. or Arizona or somewhere, as president for some event, like when he came to L.A. for the earthquake down there, the Northridge earthquake. But then there was a whole different protocol because I was no longer mayor. When I was the mayor—I used to get a kick out this—when I was mayor and the president came, I was at the head of the line, but as a regional administrator, I was way the hell back in the line.

One of the sweetest things that Henry Cisneros ever did for me, because he was the secretary and, of course, he was at the front of the line—there would be the governor, the mayor, the secretary would be right up there, you know? Then you'd get the state legislators, then you get the city legislators, the city council, and I'm back below that because I'm a federal political bureaucrat. One of the sweetest things: I was in L.A. one time and the president was coming—and sometimes when Al Gore was coming, because he came more often—Cisneros came up to me when I was at the back of the line because I had been told by presidential advance men what the protocols were and what my job was, and he says, "Hey, Art, what are you doing back here?" I said, "Well, this is where I'm supposed to be." "Like hell," he said, "Come on with me." And so he pulled me up to the front. But I was bemused by it because I had been in both places, so to speak. Depending on your title, you were at the front of the line or the back of the line. It was the part of politics that I never

really, I don't know, appreciated. It was just so silly, all that stuff, but boy, it's part of it.

McCREERY: HUD really completes the picture for you personally, though, doesn't it? You've served at every level of government.

AGNOS: Yes.

McCREERY: Was there anything you had to leave undone that was important to you?

AGNOS: At HUD? No, fortunately I was there for seven and a half years, which was the longest record by about three years of anybody in my job, or two or three years. I never expected to stay that long but, despite what I say about the bureaucracy, I had a wonderful group of bureaucrats. Once I understood them and once they understood me, we worked together like a wonderful team. If you were to go there now, they would sing my praises, as I do them, because we were effective in doing things that they miss today because the administration that followed was not as committed or as energetic about trying to get stuff done. I tried to make them reach back, because I knew underneath all that bureaucratic crustation were idealistic people who really want to get something done. I had to reach that and make them feel safe to bring that up to the surface, and I did most of the time in a way that made them comfortable enough to really give their all, and they did.

We had—and this not me bragging—the month after I left, a national evaluation was done of HUD, and our region was selected as the best because of the programs and the policies and the administration that we had run, and it was when I told people, “You go ahead and do it. I will cover for you if you

get in trouble.” I gave them the impetus and the authority to get stuff done, and they knew I would back them.

The other thing I want to tell you about in the little time we’ve got, which is, what, till three-fifteen?—is from time to time while I was at HUD, I was asked to go to different parts of the world because of my unique background. I’ve done local government as a mayor; state government as a legislator; and federal government as a bureaucrat, in effect, running a bureaucracy. For a year I was in a quasi-judicial kind of role on the Unemployment Insurance Appeals Board. I would be asked to go places around the world and represent our country or speak to legislators or public officials in different countries. There was usually an agenda there that I was aware of but wasn’t specifically asked—so I’ll talk about just two of them.

The State Department, when I was at HUD, Secretary [Madeleine] Albright’s office, asked me to go to Turkey to a place called Diyarbakir in the southeast corner of Turkey. It was sort of an unsettled or kind of a difficult area for Turkey because it is the Kurdish part of Turkey, where the Turks had a problem with the Kurds who spill over from Iraq. It was right near the border of Iraq, and so that portion, the southeastern part of Turkey and the northern part of Iraq, where the Kurds have been was many, many generations ago a country in its own right. I guess it was Kurdistan.

Anyway, these Turks of Kurdish descent dominate that part of Turkey, and the U.S. State Department wanted to do sort of people-to-people diplomacy with them to try to reinforce some of the democratic kinds of institutions. So

they asked me if I would go as a part of a team with two other mayors from other parts of the country to give seminars to these Kurdish mayors for a week and talk about our form of government and just give them the benefit of what we did, as well as hear from them what their issues were and how they dealt with things. I did. It was a fascinating opportunity to see a different part of the world that I wouldn't go to as a tourist, and meet with people and talk about these things that you and I have been discussing with an idea of telling them to trust people to be part of a democratic form of government that can really work. That's basically the message.

[US]AID, the Agency for International Development, often funds these nonprofits. We're seeing a lot of this now, or hearing a lot about this now with Iraq. I may be going to Iraq sometime later this year. Some people have asked me to consider it, to do what they call democratic capacity building. You go there, and these are people who do not know what our form—what empowerment means. They do not know what it means to vote for somebody that is going to be responsive to you. The politicians don't know what constituent problems are. They don't know how to create legislation. They don't know how to pass legislation. They don't know how to run bureaucracies the way we do that are responsive to citizens. So that's what we do.

The State Department also asked me to go to Angola. I had never heard of Angola except reading about the twenty- or twenty-five-year civil war. Just to give you a little setting, we were on the wrong side in the Angola civil war. The war started during the time of the Cold War between us and Russia on the

other side. So the Russians and the Cubans backed—José Eduardo dos Santos, who's the president now. We backed, and the CIA created, this guy named Jonas Savimbi, who was this revolutionary leader, and we funded him and trained him and gave him arms and all that kind of stuff.

Now, Angola is an enormously resource-rich country, mainly diamonds and timber and some oil. If they weren't so broken as a government, they would be one of the richest countries in Africa, but they're one of the poorest because they have not been able to use their resources for the people. It's been ripped off by corrupt government and suffered as a result of the civil war that's gone on so long. Savimbi was just killed about a year ago by the incumbent forces.

But this is six, seven years ago; Savimbi was still alive. The U.S. abandoned Savimbi after the fall of the Berlin Wall and the end of the Cold War, the fall of Russia and the end of the Cold War because we didn't need him anymore. We were now trying to play catch-up with the winners in the civil war, the apparent winners, who were Russian- and Cuban-trained. So they asked me to go over there and do some democratic capacity building—which is: how do you use citizens in government? How do you involve them? How are you responsive as a public official to the citizenry? And all that kind of stuff.

So I went over there. This time I went by myself. I'll never forget, I was driving down the main street. My first day there I'm walking out of the hotel—I had two bodyguards throughout this because the civil war was still

going on and see children coming out of open sewers in the middle of the street. They lived below the street. Just about three miles outside the capital, Luanda, was a flea market, the largest flea market in the world, where you could buy everything from the tires that were stolen off your car the night before to atomic weapons, nuclear weapons, because that whole region of the world was a marketplace for weapons—you know, you have Nigeria, the Congo, and you have all these different places where war was a commonplace thing, and so you could outfit an army at this flea market.

Every day, as I walked to my car, I saw the children who were living down in the sewers. I asked, “What are those kids doing coming out of the sewer?” Cars are going by. You know, it’s amazing one of the tires didn’t go in the open manhole. But the kids just lived down there. They’d go down there at night and sleep. They’d come out in the daytime. That’s the kind of place it was.

So anyway, I had a meeting with members of parliament to talk about what I know best, which was empowerment of people. It’s what you’ve heard me talking about for the last three months. That’s what I talked to them about: how the police department runs with the police commissioner, how you pick them, how you try to reflect diversity. Sure, they didn’t want to talk about gay people being picked to be on police boards [Laughter].

Anyway, I went through all of that, and I’ll never forget—they came up to me afterwards. They said, “We’ve never heard an American talk like you do.” It was the first time I really understood the difference today between what the

average American thinks of themselves and what the person abroad thinks of us because of our foreign policy, which is totally different than what the average American thinks we are to the rest of the world. Today when we hear it questioned so much, “Why do they hate us?” You know why they hate us? Because they don’t know us. What they know is our foreign policy, which is totally different than what we are. If the average American went to a foreign country and saw what we are through our foreign policy, they would say, “No wonder they hate us.”

Everyplace I’ve been, that’s what I see, that our foreign policy reflects an American I don’t like, I don’t blame anybody for not liking America. But when they see us as we really are, when we go as individuals, human beings, they like us. They told me a wonderful story, these parliamentarians, how earlier in the war the oil refinery to the north of Angola was run—and still is, to this day—by Chevron Oil Company headquartered right here in San Francisco. The revolutionary army headed by Jonas Savimbi, backed by the U.S. CIA, was closing in on this Chevron-run refinery, to take it over. The Cuban army had to rush up there to protect Chevron from the American-backed rebels. They drove them off. [laughs] So that’s how upside down we wind up in too many parts of the world because of our foreign policy, which is often American industry-oriented. In this case, the Cuban army is protecting Chevron from the American CIA-backed revolutionaries to whom—I was sent later on to sort of make nice as a representative of the American State Department.

McCREERY: How were you received?

AGNOS: They love what we have to say. I always get a big kick out of some of these right-wing Republicans, who talk disparagingly about the “San Francisco Democrat,” quote unquote. It was used just recently against somebody, Nancy Pelosi, when Congresswoman Pelosi was a candidate for minority leader—the first woman ever chosen by her colleagues in the Congress—and her opponents, no, the Republicans said, “That’s great that we’ve got a San Francisco Democrat leading the Democrats because now we can really show them.”

Well, I’ll tell you what a San Francisco Democrat means to the rest of the world. It’s the best of America, because we speak to the empowerment of people in the decisions that affect their lives. We have a set of values that is what every human being wants, which reflects a respect for their individuality—a respect for their health, their education, their families, their children, and all the rest of that come first, not second to American industry or some other capitalistic notion, but what human beings all want, which is their fair share of the good life that is available to all in a fair democracy, you know?

And so that’s what I do, and I’ve done this in Angola, in southeast Turkey, in Korea, in the Russian Far East, in Vladivostok and Khabarovsk. I spoke with Communist officials, who were—and this was in 1994, I think it was. No, it was in ’93. These Russians were newly democratized politicians, trying to understand: How do I run for election? How do I serve constituents? Because it had always been run by the Communist Party. There were no elections, there was no constituent service, there was no nothing. We were there to teach them

how to do that in their first efforts as public officials, to run for election and to serve constituents.

McCREERY: As an aside, who in the State Department gave you these assignments?

AGNOS: They weren't all from the State Department. The invitation to go to Turkey came from the secretary of state's office. In Angola, what the State Department does is fund these nonprofits that go into these countries and work on an ongoing basis to build democratic institutions as those people want them, and then they bring people like me in, but they're funded by the State Department or AID.

Last summer I went to Bethlehem, to Palestine, about five or six days after the Church of the Nativity seige by Israeli tanks. Bethlehem is a city and a county. The city of Bethlehem, the historic city, is about 40,000 people within a state in Palestine, which is also called Bethlehem, of about 135,000 people. It's immediately adjacent to Jerusalem. You walk across the border, and you're in the state of Bethlehem. About eight miles down the road, you're in the town of Bethlehem. In Palestine, all their governance is top-down from Yasser Arafat, who appoints the governors, the mayors. Everybody is appointed by Arafat.

Well, this Arafat-appointed governor of Bethlehem, when he came out of the siege, tried to put together a citizens advisory committee, who would help them make decisions to rebuild their city after the Israeli incursion had destroyed many parts of it, mostly governmental buildings. The State Department was so desperate, so desperate for some hope of democratization

and a solution as well as an entrée to the Palestinians, who hate us, that they funded the National Democratic Institute [for International Affairs], which is one of these nonprofits that works in these areas. They gave them emergency money to send me over there to work with this governor and citizens advisory committee on how to rebuild their city and develop a citizens empowerment base.

The reason they chose me was because I had done this in other places, as I've described earlier, and I had gone through the earthquake in 1989 and rebuilt a city, using all of the resources that involve not only the people but the state and federal government. Now, a war and the damage of war is nowhere analogous, similar to, an earthquake, but there are enough similarities that my job was to go over there and try to develop a relationship and help them do what they were asking for.

But the real agenda was to encourage them with this fledgling effort at involving people in a democratic manner. This was last June, and I met the top person in the State Department—not the secretary of state, but the person who you will see standing next to the president, who's a career person—I can't remember his name, but anyway, who always briefs the president on the Middle East issues of Palestine and Israel. I said, "With all due respect, how come I'm seeing you?" "Because," he said, "this is the best hope we've got so far to try to reach out to the Palestinian side, to encourage them to a more democratically oriented kind of government." I said, "All it is is a bunch of citizens sitting there saying, 'How are we going to clean up the streets?'" He

says, "But that's better than we've ever had." I said, "It sounds like we have a long way to go." He says, "We do, but we want to start here."

So I went back there for a week. My wife was scared to death. She thought I was going to get killed. But I found the Palestinians were smart, wonderful people who want what everybody else wants. When you get down to it, everybody wants the same thing: a safe, secure community, where they and their families can live with the peace and comfort that comes with having a little bit of what you need in life and working for the rest. That simple.

I had to listen to what they had to say, try to build on it while reinforcing the notion that "you can impact on what happens in your lives if you play this role and believe in it," rather than this authoritarian, top-down thing. But I had to get past a few things and used all of the wiles of all my career. The first two days they were giving me all kinds of hell about the Bush administration and the American foreign policy toward the Middle East, which they thought was too heavily slanted towards Israel. They said, "If you really want to help us, go back and tell Bush to stop sending Blackhawk helicopters that kill us over here." I said, "Look, I'm not here for Bush. I'm here because I want to help you rebuild your city, using a system that I'm familiar with, that you seem to have developed here since the end of the siege, which is involving the citizenry in the solutions of their own problems. But I'm not here as a Republican. I'm a Democrat. I was a Clinton man. I'm not a Bush man."

Well, for two days they just kept giving me the needle. So finally I stopped them. I said, "Hold it." I said, "We can't seem to move past this." So I said, "I

want to give you an experience in democracy, as I know it right now. If 51 percent of you hold your hands up right now and say you want me to go home because you can't get past this notion that I am a puppet or whatever of the Republican Bush administration, and I'm not here to help you, I'll leave. If I leave right now, I can be at the airport in an hour, and I'll be home this time tomorrow playing golf. So that's democracy. Fifty-one percent hold up your hands, I'm gone. I don't need to stay here." I said, "I'm not getting paid. I'm a volunteer, and I'm here because I care about what's happening in this part of the world, and I want to see you and your families be safe from all the troubles you're having, and we start here. If not, I'm out of here. I don't need this."

They're looking at me like [laughter], "Holy mackerel! What is this guy saying?" Because usually, quote, "diplomats" don't talk that way. But it was a calculated strategy on my part, because nothing else was working. Well, immediately, "Oh, no, no, nobody wants you to leave." "Then let's stop this. Put it aside, and let's deal with the real issues." And they did. They did. By the time we were through, they were asking me to stay and run for mayor of Bethlehem, [laughter] which was a wonderful compliment, you know?

Unfortunately, the whole thing has failed because within a week or two after I left, the Israeli army was back in there because the Palestinians used these suicide bombers, and they continue to this day, although there haven't been any recently, at least that we have been seeing, because of the preoccupation with Iraq. But I was stunned as I again did what I've been talking about for the last three months.

It just turned out that that week, there had been—and maybe you recall it because it was such a dramatic picture, cover on *Newsweek*, that had these two girls, the same age. One was Palestinian and one was Israeli. The Palestinian girl had put bombs around herself and walked into a grocery store and blew it up and killed the Israeli girl along with herself. I was so struck with that picture because they were both beautiful teenagers, and it turned out the Palestinian teenager came from the refugee camp that was in Bethlehem. So I asked, “I want to go see this place. I want to walk the ground. I want to feel just what it is.” So they took me to the camp. As part of the process, they had the camp director orient me, brief me on the issues. These people have been living in camps since 1948. They’re like our public housing projects. You’d see these beautiful kids that are dressed neatly, you know, they’re clean and they’re going to school. There are just dozens of gorgeous little kids. I said to the commander, “As I walked around here I saw all these lovely little kids, eight-year-olds and nine-year-olds just going to school.” I said, “How do they grow up from that lovely little innocence to just, in about eight years from now, they blow themselves up”—and I had the magazine—“like this little girl?”

Well, I went to her house. Her parents weren’t there. He said to me something to the effect—I’m paraphrasing, but he said something to the effect—he said, “Because those children grow up in an atmosphere controlled by the politics of this conflict, they have no hope on earth, and so they kill themselves because they believe there’s more for them in heaven.”

I said, “What do you do about that? Do you tell them that there’s more hope here than there is in heaven if we do something about it, as adults?” He says, “No, because we think the same.” I said, “Then that’s a terrible, terrible thing to tell these children.” That is the philosophy that permeates a lot of these people in these camps. They believe that they’ll be better off in heaven than they are on earth, and therefore they go do these things, whereas you and I think that life here is good enough to want to stay and raise our children to a better one. They don’t, and until they believe that way, you’re not going to see a change over there.

Anyway, it was a fascinating insight. As I do it, I try to show them the kind of America that I think we really are, in what I talk about and the examples that I use. Once again, these Palestinian leaders—I met with labor leaders, and appointed officials from Arafat, and doctors, and businesspeople, and housewives, and gave seminars on how our city operates, with all the ways we’ve talked about. Again, they were fascinated.

I don’t hold anything back. I don’t hold anything back. I think it’s dishonest if I do, so when they asked me, for example, about the police commission, I told them that I appointed homosexual people on that. They were stunned, because a lot of them were Muslims and had deep religious convictions. They were stunned. I said, “But they help me pick the police chief, and they direct the police chief as to what to do, and if the police chief misbehaves, he will answer to me and to them,” and all that kind of stuff. What was I trying to say about that? I try to give them the picture that I think

we really are as a democratic nation, as opposed to what they think we are from their experience with our foreign policy, which is sometimes totally different, you know?

All of these experiences come from the same wellspring of principles and values that I have carried with me, that you've heard me say over and over again no matter which job I held at a particular time in my life. It all comes down to if people feel like they are empowered to affect their own lives and that of their families and their neighborhoods, we're going to have a very peaceful place when, by and large, people feel it's been a fair process. Whether it's Angola or it's Diyarbakir or it's Bethlehem or it's Visitation Valley or it's Pacific Heights or any other place in between, people all want to feel like they have some opportunity to empower themselves to get what they feel they have a right to in their community.

McCREERY: How is your hope holding up?

AGNOS: My hope goes up and down, depending on who's in power, but fundamentally I think we're always going to be all right. I believe in our country. I believe in our system. I understand its weaknesses and its failings, but overall it's the best there is, and I don't think there is one better. We will tinker with it forever and hopefully make it better. The biggest thing I see, without question, the toxic in our democracy today is a very dangerous one, and that is the influence of money in American politics today. We desperately need public financing of campaigns to get rid of that toxic. That's not to say it will be problem-free, but it is a cancer, in my view, that is the only very serious, if not terminal,

certainly—I don't know what the right terminology is. I am very fearful of what the influence of money in political campaigns means or portends for our democracy, because these campaigns get more and more expensive, and politicians become more and more dependent on it, and I think the people's empowerment is threatened by that.

McCREERY: Any suggestions?

AGNOS: Yes, we need public finance. We need to remove these enormous contributions that come from wealthy individuals and wealthy institutions as well as single special interests who try to direct policy to favor them over others in an unfair way, whether they are American traditional special interests like banks and insurance companies or the newest of special interests, like the Indian tribes of California, who are dictating policy in Sacramento with enormous campaign contributions around gambling.

McCREERY: It's a fascinating story.

AGNOS: Yes, yes, so, until we just say, "No more money"—and one of the examples that is the most promising in my view is of all places, Arizona has a system which says that any candidate for office has to go out and get a certain number of five-dollar contributions. I can't remember specifically, but if you're running for statewide office, you have to get something like 2,500 five-dollar contributions or something like that. No more. You can only get a five-dollar contribution, so the most you can give me is five dollars, and I've got to go get more from someone else. Once I have those, then I qualify to get money from the state, and they pay my campaign. Now, that, to me—it's not a hard

solution to come up with; it's just the will to get over this dependency on huge amounts of money.

Then I think we also have to force the media interests to give nonprofit rates or no-profit rates or something to public campaigns. When Governor [Gray] Davis raises, what was it, \$40 or \$50 million, two-thirds of that will go to television. They charge him capitalistic rates, and yet their editorial policies were blasting him for raising all the money that he's giving to them to put himself on television to get elected. So it's a very vicious circle.

We have to get rid of the influence of money, we have to have public financing of campaigns, and a combination of those things that lower the cost so that the ordinary person feels empowered to run.

McCREERY: Thank you.

AGNOS: You're welcome.

McCREERY: Now, you are retired. Talk a little bit about what you are doing and what you'd like to do.

AGNOS: When I left HUD in January of 2002, I didn't expect to work in politics as an elected official again. Thank God that I had been smart enough with my savings and investments and stuff so I didn't have to work. I had enough of a retirement so that I had a comfortable, middle-class retirement. I never thought that I would get involved in a business but I have since leaving HUD. One of the things that always vexed me throughout my career was being told by Republican interests and business, "You don't know what it's like to meet a

payroll. You don't know what it's like to be in the private sector where you have to take risks and you have to run a business.”

It always frustrated me because I didn't think the private sector was that hard, but I just chose public service. Somehow public service has this reputation that it's welfare when you're getting a paycheck, and yet being mayor is the hardest work I ever did in my life and still is. It's certainly a lot easier than running Wells Fargo, Bank of America, or Chevron, where you can spend thirty years doing the same thing and finally get to the top. So, it's not too complicated. You've just got to make some good decisions. Whereas when you're in public office, you're making decisions about health and welfare or public safety or the environment and all the various issues, and you've got to be an expert in all of them or at least make good judgments about them.

So anyway, the opportunity came to get into some businesses. Early on, they were asking me to use my political influence to do things for them, to help them make money, and I didn't want to do that, so I declined. But when the opportunity came to be a bank director, be on a board of directors as the consumer voice for a bank—even though I didn't know anything about banking, I did know something about empowerment of people and the consumer voice and the consumer point of view. That's the role I was asked [to play] in this new era of independent directors who talk back to CEOs. Well, I know how to talk back, and this CEO wanted some unquestioned kind of independence on his new board of this new bank.

So I agreed, and so I go to a meeting for two days a month in Los Angeles. I only work outside of San Francisco so that no one thinks I'm doing anything in San Francisco with my political influence, whatever that is these days! I go to Los Angeles and I'm on the board of directors. I was chairman of the audit committee for a while, and now I'm chairman of their public affairs committee.

I also am a strategic adviser. I've had a lot of fun with this job, which is strategic adviser to an investment banking firm, the largest Latino, minority-owned investment banking firm in the country, which was ready to compete with the major Wall Street firms, even though they're based in L.A., but were always unsuccessful when they tried. I'm talking about competing against Morgan Stanley and Merrill Lynch and Goldman Sachs and all these other Wall Street firms when it came to selling investment bonds in cities, counties, and states.

This minority-owned company wanted to break the "green ceiling" and compete with Wall Street Firms. So even though they had the capacity, they weren't recognized. This was a couple of years ago. So they asked me to help them—because of the multiple roles I played in government—shape their message, shape their approach in a way that would make them successful. I did something that was sort of unprecedented, in a way. I said, "You want me to do something you've never accomplished before, right?" "Right." They offered to pay me from their current revenues for the work they do get, in other words a retainer. I said, "I don't want a retainer. I'll take a percentage of the new business that you get, but it won't be the usual 10 percent, it'll be 15

percent, which is a little richer than normal. But if you don't succeed, I don't succeed, so I don't make any money unless you make money."

They liked that, because there was no risk to them. I was taking the risk, because they had never been where they wanted to go, and if they didn't get there, I didn't get paid. So then they started, and I would coach them. I didn't know anything about investment banking, but I do know government and politics. So they would come to me and give me their presentation. I'd say, "It's too much of this and not enough of that. You need to sharpen this corner and cut out that stuff, and I'd like to see some more here." We would develop their product, their approach, and then I would tell them how to go about doing it, without me doing it. I don't lobby. I told them, "I'm not a lobbyist." They can hire lobbyists, but I will not be a lobbyist, but I will advise them on how their lobbyists should do it.

So now, in two years, they have gone to the top. They are successful, sitting at the same table, right now, literally, today—I was on the phone this morning, and right now they're meeting with the governor of the state at three-thirty on this day, sitting next to Goldman Sachs, Merrill Lynch, Wells Fargo, Morgan Stanley, and a couple of these other Wall Street firms, because the state is in such trouble, the governor is trying to figure out how he can sell bonds to absorb part of this huge deficit and, in effect, mortgage the future by not dealing with these in a combination of cuts in programs and tax increases, which is the right way to do it, in my opinion.

Anyway, they are sitting at the table, the first time in their history they've ever met with the governor.

McCREERY: The big leagues.

AGNOS: Yes, they're in the big leagues, and they're making more money than they ever made in their lives, and so am I. [laughs] So am I, and all I'm doing is transferring the skills and knowledge of government and applying them in the private sector, without being a lobbyist or a rainmaker, as they say. I do that about 20 percent of the time.

About 100 percent of the time, I work for nonprofits that I like. I talked to you a little bit, I think, in the past about this Chinese healthcare plan called On Lok? That is a health plan for the elderly to keep them in their homes in independent living. That I think is the wave of the future. I'm also working for a group building housing for elderly gay and lesbian people. Then everybody in the neighborhood thinks I'm still mayor, so they come to me and ask me to help them with different issues. Those that I believe in, I do. The big issue right now—I think I've told you about—is I'm using all of my skills with my neighbors and teaching them how we can get the Recreation and Park Department to allow us to walk our dogs on the ball field. I'm not the chairman. One of the neighbors is, who's never been chairman of anything in his life. And we're winning, because I know what to do. So far.

And then lastly, I work with a couple of academic institutions, including with Bruce Cain over here at the University of California, and over at USF at the Leo McCarthy Center for Public Service and the Common Good. It is an

institute Leo has created and I serve as his chief of staff—see, we’ve come full circle. We are trying to teach young people all the things that we’ve talked about over the last few months, to first of all make them believe that they can make a difference in public service and make them believe that public service can be an honest, rewarding career, and then that there is a set of skills, knowledge, and values that you can take with you to have a very rewarding life, because I think my life has been a very rewarding one for me that has been very meaningful.

McCREERY: Anything else you’d like to say about your political influence or activities?

AGNOS: No, I don’t think so. People always ask me, “Do you miss it?” And I say, “Yes, I do miss it.” I miss it when there are tough decisions to be made, complicated problems to be addressed, and I sense that those who are charged with the responsibility of dealing with them are not facing up to them. I miss it because I’d like to be there to gather the best brains, bring the people in, empower them to address it, and we always figure out a way. There is a way, if you really want to be honest about addressing it and not avoid it.

I miss that. I don’t miss the folderol and the shenanigans of politics. I never liked them to begin with, and I’m glad I don’t have to do it anymore. But I do miss the addressing of tough problem areas that I think can be solved if you bring the right people together with the right values and the right principles to address them.

McCREERY: What about running for office again?

AGNOS: I thought about it this year, and I decided—even though I always kind of get itchy—that after working all my life and never having the time, this year, I’m doing what I want to do rather than what I feel I should do. All my life, I’ve done what I should do and sacrificed what I want to do. Does that make sense to you? Okay. So for the first time in my life, at sixty-four-and-a-half, I’m doing what I want to do, and it’s a wonderful luxury that I’m enjoying. As I said, it’s not to say that I don’t miss politics under the circumstances I described a moment ago. And so if an opportunity arises to do that, I would seriously consider it.

I was asked a couple of weeks ago if I would allow my name to be submitted to the governor for appointment, and I said no, because I don’t want to work for him. I don’t like him, and he doesn’t like me, so it’s very simple. The wonderful thing for me is I can say that now. Five years ago or ten years ago, I’d say, “Well, yes, I’ll consider it,” because I needed to work. Now I don’t, and it’s a very liberating thing, and this [comment] is not going to stay in this thing, either. [laughter]

McCREERY: What else should I have asked you?

AGNOS: Oh, you’re just like reporters.

McCREERY: Am I missing anything here?

AGNOS: No, it’s been very comprehensive. You’ve been—

McCREERY: I just want to give you the chance.

AGNOS: Yes. No, I think we’ve covered a lot. We’ve covered a lot. I can’t think of anything.

McCREERY: Okay. Well, let's end it there for the moment.

AGNOS: Thank you.

McCREERY: Thank you so much.

[End of Session]