CALIFORNIA STATE ARCHIVES
STATE GOVERNMENT ORAL HISTORY PROGRAM

ORAL HISTORY INTERVIEW

with

A. ALAN POST

STATE LEGISLATIVE ANALYST, 1950-1977

April 23, 25 and 30, May 3, and June 4, 2002

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INTERVIEW HISTORY

Interviewer/Editor

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Interview Time and Place

All interview sessions were conducted in Mr. Post’s home in Sacramento, California

April 23, 2002
Morning session: one and one-half hours
Afternoon session: one and one-half hours

April 25, 2002
Morning session: one and one-half hours
Afternoon session: one and one-half hours

April 30, 2002
Morning session: one and one-half hours
Afternoon session: one and one-half hours

May 3, 2002
Morning session: one hour
Afternoon session: one hour

June 4, 2002
Morning session: one and one-half hours
Afternoon session: one and one-half hours

Editing

Dr. Seney checked the verbatim manuscript of the interview against the original tape recordings, edited for punctuation, paragraphing and spelling, and verified proper names. Insertions by the editor are bracketed. The interviewer also prepared the introductory materials.

Mr. Post reviewed the entire manuscript making only minor changes.
Papers

Some of Mr. Post's papers were consulted in preparation for this interview.

Tapes and Interview Records

The original tape recordings of the interviews are in the University Archives, The Library, California State University, Sacramento, along with the records relating to the interview. Master tapes are preserved at the California State Archives.
BIOGRAPHICAL SUMMARY

August Alan Post was born on September 17, 1914 in Alhambra, California to a prosperous family involved in farming and land development. The family moved to Tucson, Arizona where his father invested heavily in land for agriculture and development. Beginning in 1920 the family fortunes declined as land values plummeted. The family then returned to South Pasadena in Southern California.

Mr. Post attended primary and secondary school in South Pasadena. He graduated from Occidental College in 1938 after some interruptions to work in order to pay his tuition and expenses. Next he moved on the Princeton University to do graduate work in economics. This led him to a teaching post at American University in Washington, D.C. until W.W.II intervened and drew him into Naval Intelligence.

In the early 1940's he had taken a job in the newly organized California Legislative Auditors Office. After his experiences at American University and in the Navy he returned to California and briefly worked at the Legislative Auditors Office. In 1945 he took a job studying the taxing system and business climate in Utah. At the end of that job in 1946 he returned to what was new the Legislative Analysts Office. In 1949 he was appointed Legislative Analyst and led the office until his retirement in 1977.

After retirement, he served on many boards and commissions for the study of the problems of state and local government. Most notably he chaired the commission appointed by Governor Jerry Brown in 1978 to address the problems created by the passage of the property tax cutting initiative Proposition 13. He also served on a number of boards and in consultative positions in the private sector.

Among his many accomplishments, Mr. Post is recognized as an outstanding painter, a life long interest in the arts that has been combined with a distinguished career as a public servant. He continues to serve on board of the Public Policy Institute of California as well as to paint and work everyday. He would say that his success is due not only to his own efforts but to the love and support of his wife Helen. They were married in 1940. Mrs. Post is also an outstanding artist; she is a sculptor. They continue to work together in their Sacramento home where they both have studios. They recently held a joint show of their work.
Session 1, April 23, 2002

[Begin Tape 1, Side A]

SENNEY: My name is Donald Seney. I am with A. Alan Post in his studio in Sacramento, California. Today is May 23, 2002.

   Good morning, Mr. Post.

POST: Good morning. It’s nice to have you here, Dr. Seney.

SENNEY: Thank you.

   You know, I do want to talk about your art along with your career as a public official because people who say something about you almost always say, “And he’s an artist,” or if they know enough, “He’s a painter,” as though, somehow, as a longtime official dealing with all the details of government, you can’t have an artistic side too. So, we want to explore that as we go along.

   This is what’s called a life history interview, so I want to start with when you were born and where you were born and what your parents did and your education.

POST: Okay. Well, let’s see, I’ll reach back through eighty-seven-and-a-half years to where I was born in Alhambra, California. My family were there very briefly. They came from Iowa, where my father’s father was a very distinguished man who was offered the position of Secretary of Agriculture in one presidential
administration but turned it down because he had a family and a large
establishment to take care of. In those days, it wasn’t as significant a position
as it is today with the whole change in agricultural economics. But he owned
the bank, and he was a big farmer and a very, very smart man who came from
Germany and located in the United States. My father went to the University
of Chicago and then Stanford, briefly. He got enamored of the West and came
out here in about 1907.

My mother was born in Iowa, also growing up in the same little town of
Moulton. She went to college in Iowa and then in Denver—the University of
Denver—where she got her teacher’s credential. She taught school up in the
mountains of Colorado, near Pike’s Peak, and then my father took her away
from that and brought her to Southern California.

SENÉY: I take it they had a romance that was rekindled at some point, having grown
up in the same town?

POST: That’s right. They grew up in the same town and knew each other. It was the
kind of romance that stayed forever. Like my wife and I, we’re in our sixty-
second year of marriage. Seems like it’s going to last. [Laughter.]

Anyway, after a brief stay in Alhambra we moved to South Pasadena,
where I went to grammar school and high school and on to Occidental
College. So, I came from that part of the world. I’m one of four children:
three boys and one girl.
I went to Occidental College for two years, and then the Depression hit. My father, who had had a very successful career as a young man, owning thousands of acres of land in Arizona and developing it with water and making millions of dollars, lost it all when the land crash came in 1920, after the World War closed out, and agriculture prices fell. He was overextended financially. He got out of Arizona within days, came back to California and started over, and that’s where I really began to be aware of life.

SENEY: Did you say your forebears were German? Were they born in Germany, or were they Volga Germans?

POST: No, my father’s mother came from England. We’re three-quarters English and one-quarter German, I guess. My father’s father was German stock. Other than that, my mother’s side was all English. My grandfather was born in Canada, but they were English immigrants.

SENEY: What do you remember about your early schooling that you think today might have had an impact on you?

POST: We had a wonderful school in South Pasadena. It’s a wealthy suburb of Los Angeles, of doctors, lawyers, businessmen, and so on. It was small: 13,000 people in South Pasadena. I remember it was distinguished by the fact that the mortuary there was Berry & Berry, which I always thought was funny. And my doctor was Blood & Savage. [Laughter.] I never forgot that.

1 Unless otherwise indicated, materiel in brackets was inserted by editor.
Anyway, I grew up there in that small town. South Pasadena High School had about 500 students, all white. I never knew a black man until I got to know William Grant Still, who was the great black composer of America. I found him to be a wonderful, delightful person.

SENLEY: Where did you come in contact with him and when?

POST: I had a girlfriend when I went back to college whose family owned the White Star shipping line and were very wealthy and moved around the world a lot. They never got very much education except in a kind of exposure; they were dancers and things like that. They sort of picked Still up and folded him into their life. They had a number of very interesting people—artists and so on—that a very cultivated woman in the family liked to bring into the household, and that's where I first met Billy Still. But as an adult I'd never previously been in contact with a black person. We had a black cook in Arizona who was the father of a small son. We had two cooks, black and Chinese, because we had to handle all the people who came from all over the country to buy land in Arizona. That's how I first became acquainted with a little black kid, who ran around with us when we were very small.

My schooling was in an all-white enclave but a very good school. It was a wealthy school district, and we had superb teachers. When I went to Occidental, I was so well educated in English literature that I got an A without hardly having to go to class. It was entirely because the high school teachers were so advanced in their teaching, I had skipped the eighth grade when I
went to Arizona, briefly, where my father went back to handle the sale of land for Dr. [Alexander John] Chandler, who started the city of Chandler, right next to Phoenix.

Before attending grammar school in South Pasadena, I had been taught largely by my mother. When we were living in the desert area in Arizona before 1920, my mother, who had been a school teacher, educated all of us and did a wonderful job of it. So, we were always advanced.

SENEX: You were a pretty good student, were you?

POST: I wasn’t a particularly good student. My brother and sister were super students, but I was only a fair student because I really wasn’t that interested. I was interested in athletics. And my eyes hurt. I didn’t realize what my problem was, but it hurt me to read. Until I got glasses after graduating from college.

But then I dropped out of college at eighteen and went to work in the Security First National Bank in Los Angeles for three years, and that’s when my life intellectually really began. I got ambitious and read day and night, whenever I wasn’t working. I worked at night a lot in the bank as a bookkeeper. That influenced my early painting. I was very much influenced by people like [Edward] Hopper and the American Ash Can School, people like that. After work in Los Angeles, at 6th and Spring Streets, I went down Los Angeles Street where I waited in the Big Car Barn for a train home. At
night, sitting in a place like that and reading, I absorbed the sounds and the feelings of the city at night and became fascinated with it.

I’m rambling here, but the first part of my painting—and I’m writing a retrospective catalog now, going through all of this—was very much influenced by those three years in the bowels of Los Angeles.

SENLEY: When you say “Car Barn,” you mean Trolley Car Barn.

POST: The big red cars. I rode them either to Long Beach or out to Arcadia or up to Pasadena after I got off of work. I would go there late at night and wait for the next train to go.

We rented always. My father didn’t believe in buying a house. For one thing, he was peripatetic, kind of, with his business, developing farmlands all over the West, so we just moved around a lot.

I went to work at eighteen. I returned to Occidental again after three years, when I didn’t have to support the family. I had about eight jobs at college. I was assistant to the graduate manager and the reader for the chairman of the department of economics. I was the assistant to the engineer who took care of the heating for the college. I sold copies of the Saturday Evening Post. I audited the books of a sorority. I was the cashier and auditor of the college cafeteria and manager of my fraternity, so I got my board and room free. I worked my way through and did very well and graduated Phi Beta Kappa, I then went on to Princeton. The first year I almost starved to
death because I had no money at all. The second year I was a fellow and lived well at the Graduate School.

I finished my general exams for the PhD in two years and decided I didn’t want to teach. I wanted to go back into the financial world because I really enjoyed the banking life.

SENLEY: If I may, you had a very different education, thanks to the collapse of the land values in Arizona, than you would have had if your father had remained prosperous. What do you make of all those experiences, all those jobs, and the difficulty in getting through that?

POST: It taught me a great deal. I learned so much from those multiple experiences. I got a license and sold real estate in college also. When I was at Princeton, my father would put ads in the Trenton paper. You couldn’t work when you were a graduate student there, but I would hustle off to Trenton and try and sell real estate to the prospects’ names that he sent to me.

I had sold real estate previously during summer vacations in San Bernardino, when we lived there. So, I had had that experience behind me. And my father, who was a super salesman, had told me how to do it, how you get your foot in the door by telling them that you represent the bondholders of such-and-such corporation, and they don’t know what you’re talking about, but by that time, he said, “You get your foot in the door and you tell them you’re selling land over here at Muscoy, just outside of San Bernardino,” and he said, “They’ll say, ‘Oh, that just a sandlot out there,’ and you say, ‘That’s
right. ‘You put a hose down on the ground and the water just disappears,’ and you say, ‘That’s why it’s the best chicken soil in the world. It’s disease free.’” He told me all the sales tricks of the trade.

I thought I had sold a piece of property and then went back to Princeton with that money in prospect, but the sale fell through later, my family said, so I really ate one meal a day and practically starved at Princeton. I lived off campus in a private home, which was a good experience. The family took an interest in me. They were a local contractor and his wife and a daughter who was crippled.

In my first 24 years of life I had a lot of interesting experiences. In the meantime, when I was at Occidental, I was going to art school at night. I went to the Chouinard School of Art in Los Angeles. I also went with an Occidental College professor of art to off campus adult education life drawing classes. He was a very well-known artist who had work in the Metropolitan Museum in New York. He took a fancy to me and thought I was talented. We would go to night schools where you could get a nude model, which you couldn’t have at Occidental. I had wonderful art experiences like that.

When I graduated, I could either go to Princeton, which is what the chairman of the department for whom I’d been his AA wanted me to do. That’s where he’d been educated. Another of my professors, Arthur Coons, who was later President of Occidental and head of the [1960] Master Plan [for Higher Education], wanted me to go to Harvard Business School. He thought
that fitted in more appropriately with my personal attitude and talent. But my department chair was so close to me that I went to Princeton anyway. That's where I met Helen [Post], after two years at Princeton. I wanted to get back into the world of work and get married. I didn't want to spend time writing a dissertation, which I thought was kind of a useless task at that point because I had no intention of teaching.

I really didn't like economics that much, to be honest with you. I was good at it and certain parts of it I liked, but I wasn't interested in econometrics and some of the new things that were coming in. So, I was very happy to get back to the world of private finance. As a matter of fact, my experience with the brokerage business didn't last very long because the first thing I knew, my chairman, again reaching out to me, asked me to go back to Occidental and take over his classes when he went to Washington with the outbreak of war. So, I took over all of his classes, and I taught at Occidental until I resigned with the intent to go into the military service.

However, I couldn't get into officer's training because of my eyes, so I was waiting to be drafted. My Occidental mentor, John Parke Young, again reaching out, said they were looking for a chairman of a department at American University in Washington, D.C., and "I recommended you. Would you like to grab it?" I said, "You bet. That will take me from my previous rank of instructor to assistant professor, so when I finish I'll have a higher rank on my resume, and it will also be a great experience, I'll get to see
Washington.” So, on that basis, I went back there and taught until I was recruited for the Navy.

SENEY: You went into Naval Intelligence?

POST: Japanese Language School. They sent me right out to Boulder, Colorado, and that’s where I fought the war. I wasn’t much good at it, frankly. I couldn’t memorize nonsense syllables. I’ve not that kind of a mind. I’ve the kind of a mind that has to have some kind of logic attached to things.

That’s why I was pretty good at being the legislative analyst. I was not a numbers man. I hired numbers people. I didn’t care for that so much as I did public policy, and so, I ran that office from a public policy standpoint. I tended to want to run everything. I was a hard runner. I wanted to have every assignment come through me so I knew what was going on, and I could see that it got done in time and that I could properly inform the legislators who requested the assignment when they asked me about it. I was always brushing elbows with them over in the Capitol. I had to know what was going on in a relatively modest office. I signed all the letters that went out, and that’s how I was able to help design and monitor and respond effectively to members of what we were doing and where the assignment was in the process. So, I had a lot of interest in shaping and designing our reports.

SENEY: If you don’t mind, I’d like to go back to the art business. When and how did you discover your interest in art?
Oh, I started as a youngster drawing horses. I've got two horses in a show now and just sold one of them--big paintings--because we're having a horse show at our gallery. And then I got to drawing other things, I cartooned poorly as I went through high school. I went to work in the bank, as I said, when I was eighteen, in 1933. I'd been in the theater in high school and loved it. I'd also had some art, and I was raised as a musician. My family were all musicians. We had a family quartet. I played the violin, and my sister played the violin and the viola and later the cello. My brother was a cellist, and my mother played the piano. We were all expected to be good musicians, but then when I went to LAJC [Los Angeles Junior College] to see what courses I could take at night while I was working daytime in the bank, I decided to take some art. I went to LAJC and other public schools and took life drawing classes and I was hooked. From there on I took art classes wherever I could get them.

I was an art minor when I went back to college three years later and an economics major and a literature minor. I had, really, two art related minors and the economics major. I've always been involved in the humanities; I love the humanities. Art has been a part of my life. And Helen was an artist in Princeton. She's now a sculptor, a very fine sculptor.

How did you meet?

On a blind date with a friend of mine who was in love with Helen, but she wasn't in love with him. He said to her, "You ought to meet my friend Alan
because you are a lot alike.” So, we went out together and that started it all. Helen and I fell in love, and as soon as I could get back to California, I got a job and raised enough money to bring her out here, and we got married. I came back in June of 1940, and we were married November 21st in Arizona because I could only get off Thanksgiving for a couple of days. In California you had to wait three days in those days. So, I bought a secondhand car and drove to Yuma, Arizona where we got married just across the border. I was an hour late because I didn’t realize at the time that that was where the time change was. I thought I was punctual, and she began to get nervous because I was exactly one hour late and she was waiting in a hotel over there.

SENEY: Oh, no.

POST: We went out and got married that day and drove back to San Bernardino where we had Thanksgiving dinner with my folks and went on to Los Angeles, where I had an apartment that I’d rented. It’s been a love affair ever since.

SENEY: You’re really smiling nicely. The tape won’t see this, but you have a wonderful smile on your face.

When you were off in the military, where was Mrs. Post?

POST: She was with me.

SENEY: She was able to go with you.
POST: She was working in Washington. I was able to get out of the university dormitory in Boulder that the Navy had obtained for the language school. We had a nice basement apartment in Boulder.

SENÉ: So-called garden level, I think.

POST: Garden level, that’s right. You could just barely see out. But it was very pleasant and comfortable and warm because they had the furnace down there.

She studied Japanese with her friends who were part of this family of recruits that were there in the school. Almost everybody in that school was a Phi Beta Kappa. That’s how they recruited. If you were in an academic position, as I was, and were also a Phi Beta, they came looking. If you were a good student, they figured you could learn Japanese quickly. It was a crude way of doing it, but it worked out quite well overall.

It made it a very interesting school of several hundred of these wild looking people, as you might expect. Most of us probably were on physical waivers of one kind or another, but they didn’t care. They wanted translators and interpreters and people like that. I didn’t do very well, as I said, so when I was finished with the program, I was part of a group that was given honorable discharges. By that time they didn’t really more translators as they did initially.

I went back to Washington and into the State Department, where I, again, was recruited by my former Occidental economics chairman, who was then assistant chief of the division of Financial Affairs, in the Division of Finance
in the Office of Economic Affairs. When I resigned from Occidental--I was married to Helen--I had to have some money. Somebody in the Political Science Department at Occidental said, “There’s a new position, a new office in Sacramento that’s exempt from civil service. Why don’t you see if they would hire you temporarily?” I called, they did, and I became one of the first employees of the Legislative Auditor’s Office.

I was there for about three months, and then the opportunity to go to Washington appeared, and so, I left. I went to Washington and then into the Navy and out of the Navy into the State Department.

When I was in Sacramento with the legislative auditor, I had two principal assignments that he gave me. One was to analyze the . . .

SENLEY: Excuse me, Mr. Post. Let me turn this over.

[End Tape 1, Side A]

[Begin Tape 1, Side B]

POST: To analyze the program of Extra mural Care, which Dr. [Aaron] Rosanoff, the new Director of Mental Hygiene from Los Angeles, who had a private clinic there, set up as a way of getting people out of the “snake pits,” as we used to call them.

SENLEY: It would be the mental hospitals.

POST: Out of the state mental hospitals. For years when someone went in there, they were more or less buried. Many worked on the farms, and the dairies. A lot of them were mentally impaired and beyond that the state of therapy was so
limited that most really were just kept there. He tried to bring in a new
approach as a bridge to get people out. And so, they set up this new office,
and he asked me to analyze it.

I enjoyed very much this incursion into the mental hygiene area. I’d
always been interested in mental hygiene anyway and thought I wanted to be a
psychiatrist. But it didn’t work out that way, because when I went back to
school after working in the bank, they said, “You’re too far behind to ever
catch up for a medical career,” so I went into economics instead, which is
what my father wanted me to do anyway.

So, I prepared the analysis and Vandegrift let me present it to the
committee. I was going along fine, and some of the members said in effect,
“It’s a lot of bunk,” and so on. They were primarily farmers and lawyers, and
they were not, really, much taken with this sophisticated idea. Although,
some of them were and particularly one: Senator [Edward H.] Tickle, who
owned Tickle Inn down in the Big Sur area. He was a fine gentleman, and he
was interested in this. He started asking me some questions. My boss began
to backtrack when members started getting critical, and was about to back out
of it. I said to myself, “You son of a bitch, you can’t do that to me.” So,
when I got the opportunity, I went in and I never let him get back. I just kept
on explaining its benefit. They finally approved it, and it’s been there ever
since. I said to myself: This guy’ll never hire me again.

SENÉY: This was Rolland [A] Vandegrift?
This was Rolland Vandegrift, who was a wonderful man and was like a father to me. He was difficult, brilliant, and a wonderful historian, as you know. He taught at USC, and he knew California history like the back of his hand. He was brilliant and pragmatic. He’d been director of [State Department of] Finance; he’d been Executive Secretary of the California Taxpayers Association. He knew the whole scene. As Director of Finance, he practically ran the state, everybody said, because [James] “Sonny Jim” Rolfe, who was then the governor and former mayor of San Francisco, was going around touching all the bases, shaking hands, and doing all of that sort of thing. Vandegrift ran the budget process and the audits process. He was a dynamic powerful man.

That’s where I got in contact with him, but when I got back to Washington, he called me and sweet talked me into coming back at twice the salary of what I was getting in the State Department as director of a new foundation, he said. They were making a tax study in Utah, and it was an opportunity for me to get back west, where my love was as a Westerner. I did that. It was really a taxpayer’s association, by another name. I was there for a while, and I wasn’t satisfied. He had said, “If you don’t really want to stay there, come on back and be my deputy.” So, I did that after about a year.

Utah, however, was an interesting experience. I ran an office with all Mormon youngsters, and I got to see a side of the Latter Day Saints and their offspring.
SENÉY: What does that mean?

POST: The young people were more liberal. They were kind of rebellious.

SENÉY: The young people.

POST: Yes. They drank. They’d tell you jokes. They would say, “There stands Brigham on his perch with his hand in the bank”—the Bank of Utah is right there—“with his hand in the bank and his back to the church.”

SENÉY: I see what you mean.

POST: They were brought up in the faith, but they were beginning to, some of them, peel off, and that was part of the problem over there. They were leaving and going around the world.

SENÉY: I want to talk to you more about the mental hospitals and whatnot, but maybe we’ll wait until we talk about the era of ’58, ’59, and ’60.

POST: Okay. Because I handled the mental budget when I came back.

SENÉY: And did you have something to do with the Lanterman-Petris-Short Act?

POST: Not much, although I was close to [Senator Alan] Short.

SENÉY: We’ll talk about that when the time comes then, because the whole history of the reform of mental health is an interesting one and sort of a troubling one, I think, in the state.

[You were then in an exempt position, I take it? It would have been ’44 to ’45 when you were in Utah?]

POST: Yes. I was director of research. I was hired and paid by this powerful group of industrialists that were the board. There were some fine people there.
Some didn’t want me to go, but I said, “I’m not a Mormon. You need a
Mormon to come in here and run this taxpayer’s association.” The managing
director was the old Manufacturers Association head, and he wanted me to
doctor my reports to make them more appealing to industrialists, and I said,
“That’s not correct. You can’t say that.”

“Well, but it sounds good and it gets to them. You’ve got to make this
report punchy for them.”

I said, “Well, that’s just not intellectually honest, and I’m not going to do
it.” I wouldn’t release any of the reports that he wanted to change, and we
were at loggerheads, and I said to myself, “This is a no-win situation for me.”

SENEX: Was he kind of a booster, looking to attract capital to his state?

POST: Probably. He was a much older man. He was kind of stupid. He was a glad-
hander. He would say, “I go down the street and ‘Hi! Hi! Hi!’ I know
everybody here.” He would sit in there, and he would say, “You just think
I’m sitting here but I’m thinking.” That was fine with me. I was going ahead,
trying to write up reports on highways and other major expenditure programs.

Anyway, it was an impasse. I left there and came happily back to
California, and three years later, Vandegrift unfortunately got cancer and died.
He had recommended to the Joint Legislative Budget Committee that I was
the man that was capable of taking his place. I was thirty-five and young and
not a political scientist, not a public administrator. I was an economist, but I
had the capacity to understand and deal with and innovate what needed to be
done. He had set the pattern of how we did things. The module was set by his having been director of the Budget. He knew how to do it, so we simply carried on that format of getting out a report on the budget each year. It was simply a question of designing what needed to be done to make an effective book.

When he was dying of cancer and I was driving out to his ranch, which was out at Pleasant Grove, at night and then coming back to the office, he would tell me what I should be doing. He was always giving me good advice. He knew his days were numbered. He had been running for governor and had committed himself to a lot of speeches up and down the river, the Farm Bureau, and the little villages, towns, up and down the river, all the way up practically to Red Bluff.

Anyway, my new chairman was William Rich, a lawyer from Marysville; a pixyish, delightful, funny man who had a caustic way of talking to bureaucrats but his heart was really gold. He was very kind, and he said, “Alan, you go out and you make all those speaking commitments.” He said, “I want them to get to know you. See what people are like out there, and they will get to know who you are, and it will be helpful to you. A wonderful experience.” So, I’d work during the day getting the budget analysis together. And then at night I would traipse down the river and go to these potluck suppers, and everybody would cotton to me because I was young. The women would say, “Oh, you’ve got to have some of this,” and “You’ve got to
have some of that.” I’d get so stuffed I could hardly talk. [Laughter.] And then I felt embarrassed to be talking about millions while they had their business meetings and talked about $5 for paper cups and that kind of thing. There was this dichotomy of financial range in everything, and I was always kind of embarrassed about that. But I gave them a synopsis of what was going on and what I felt was important and then drive back to fall into bed and start the next day with the budget analysis.

In those days we had fifteen people in the office, and we were assigned topic areas. When I’d been there the three years before Van died, I had handled about fifteen budget items. I had social welfare, mental hygiene, public utilities, all of higher education, elementary and secondary education, Alcohol Commission, Arts Commission. Actually we didn’t have the Arts Commission in those days. It came just a little bit later. I have a funny story about that.

Anyway, we didn’t do much with most items. In those days, Van for example, simply had one point with respect to mental hygiene. It was: You should get one hospital, model it the way you think it should be, and don’t touch the rest of them; leave them the way they are and see how that works. If the model works, then you can start transplanting that program to other hospitals. And that was all he said about mental hospitals, and that’s practically all I said to start with too. It was a very truncated approach to mental hygiene, and it was only when some of the newer professionals came
in with ideas for therapy and the drugs began to come in that would pacify agitated patients and make them more amenable to treatment.

SEN: Chemotherapy it's called sometimes. The psychotropic drugs?

P: Yes, they gave them some of those drugs, and then they also would give them electric shock. There were two kinds of shock. There was the chemical . . .

SEN: Insulin was used.

P: Insulin shock, that's right. And then there was the electric shock. I've observed those. It's a shocking experience to see them go through an electric shock.

SEN: Describe that.

P: Well, they would just jerk violently all over, you know, this thing going through them. Then when it was over, theoretically they were disassociated from whatever their experiences had been that had caused them to be disturbed. They would then supposedly be more capable of responding to the therapy that they would receive.

Part of the problem with that was that there wasn't much therapy. The doctors that were recruited for the hospital generally were retired older physicians who were in a second life, so to speak, and they looked after the general medical needs of the people. The staff also cared for their feet and their teeth, common needs they couldn't take care of themselves, and so, you had a cadre of people, not at the medical level really but at the hospital attendant level, that would take care of their ordinary physical requirements.
And then there was a very limited amount of therapy, and they didn't know much of that either. The doctors would say, "We really don't know what causes this." But they had lobotomies occasionally to tranquilize those who were a problem to them and to themselves. It was overall a pretty crude kind of treatment for years.

SENLEY: Let me go back to the founding of the office, which was in 1941. Do you know, did Mr. Vandegrift ever discuss with you why it was that the legislative auditor began?

POST: Not much, really. Most of what I learned was from readings. Governor Culbert [Levy] Olson was the first Democratic governor in California. The Senate was a Republican establishment and the Assembly had a conservative bloc, although largely Democratic. You had a whole series of Republican governors, and then came the New Deal and the Depression and Olson got in. The Legislature sort of pilloried him. They resented the fact that here was this former senator, Culbert Olson, who was now the Democratic governor, with a Democratic lieutenant governor. It led to the creation of an "Economy Bloc" in the Legislature, both Assembly and Senate, and they were called the Economy Bloc. They pretty much thwarted his New Deal types of efforts.

There was a hangover from the Depression. I'd have to review it again, but there were a number of measures that the governor tried to establish and budgets that he created that would provide unemployment insurance and pay for the welfare costs of the unemployed. That was where he and the bloc fell
apart. He never got to first base. It took a long time for him to get approval of anything; to get rid of the deficit that had accrued in the previous Depression years. He needed taxes to close that gap, and they just gave him a bad time on that. Olson made some bad political choices of appointees. As part of that, the Legislature decided they would have to create an office that would monitor the administration.

There had been a movement, as you know, in America for creation of legislative counsels, and they varied greatly. In Oklahoma every member, I think, belonged. Some other places they would be ten people, ten members, by two houses. But they were not into the budget side of it. They were on the research side of it to help with developing legislation but not budget analysis.

So, we were the first such fiscal office in 1941, when everything came to a point. They created the Joint Legislative Budget Committee, and they reached out and got Vandegrift, who’d had this background as the Republican director of Finance and very knowledgeable, and he was available. He was selling insurance, and they made a deal that he could continue his insurance business out of his public office if he would come. We had a tiny little office up at the top of the Capitol, and Vandegrift with several staff ran the office from up there.

[Interruption.]

We had this tiny cubbyhole in the Capitol dome. It was so tight that my secretary sat right next to the door, and if I had to get up and go anywhere,
why, she had to get up and back out of the office, and then I would go out.

[Laughter.] Vandegrift was back in that little tiny office where he could close the door and work, along with presumed trysts with the women who he’d occasionally bring from Bedell’s restaurant after dinner. There was a stack of papers a foot high on his desk, and he had an uncanny ability to reach in and pull out the right paper. He’d do that too. See, we would wait until he was back from dinner, sometimes pretty well soused, so that it took a while for him to really get back to normal. And then around, maybe, nine or ten o’clock, we would all begin to file into his office, and he would give us our budget instructions. I never got to bed before midnight except on Sundays. It was an incredibly chaotic situation, and when I took over I normalized it as much as possible immediately.

SENEY: Back to Culbert Olson for a minute. He was governor from ’38 to ’42, if I’m not mistaken.

POST: And then [Governor] Earl Warren came in.

SENEY: Yes.

POST: Well, I was gone.

SENEY: You were gone by that time.

POST: I was gone and came back. Olson was there the three months that I worked. George [Killion] was the director of Finance. He later became CEO of the shipping line American President Line. He was a former reporter for the [Sacramento] Bee, I think, and he became director of Finance. I remember
him only because he was the director of Finance, and Vandegrift was the newly appointed legislative auditor, and Vandegrift was investigating the Department of Finance, the State Guard and the printing plant and they were giving the governor a bad time on them.

SENLEY: And the Assembly was, during all that period, in Democratic hands from '38 to '40. How do you account for the Republican dominance for such a long time? I think it was 1937 when there were more registered Democrats that year than there were Republicans, and that number grew, and there was a bigger and bigger disparity. But the Democrats don't take over, really, until '58. Do you have any insight on that?

POST: Probably a great deal of it had to do with cross-filing so the incumbent was going to win. He ran on both tickets. That meant that it was the supremacy of the incumbent. They happened to have been Republicans in the Senate, and so, it was very difficult for the Democrats to get control because elected officials ran as both Democrats and Republicans and incumbents dominated. [Arthur] Samish helped them with his signboards, and there was great longevity to those positions, and they were well thought of in their communities. Many of them had come up either through the city council or the board of supervisors, and they were well known, and they were trusted, and many of them were conservative Republicans. It was just very difficult for Democrats to crack.

SENLEY: Well, you, yourself, were a Republican until you decided to...
POST: Yes, my family was arch-Republican. They still are. I'm the only one who ever left. I married a Democrat, an ardent Democrat, from Texas. Her family was all Democrats. I was a Republican. I was a conservative Republican. I was, as a young adult, told by my family how to vote. I did what my father told me to do. And that fitted in too. I was comfortable with it. There were a lot of good moderate Republicans. They not only cross-filed as Democrats, they were thoughtful, moderate, good, kindly people, and I got to know them well.

SENENY: What names would you put on that list?

POST: Well, there were people like [Senator] George [J.] Hatfield, who was the former lieutenant governor and federal attorney in San Francisco. A brilliant man. Stanford lawyer. George Hatfield was the guy who really ran the Senate. He was the brains of the Senate. [Senator] Ben Hulse was his buddy, and he was from El Centro, and he later became president pro tem of the Senate. Hatfield died, while he was running for president pro tem, of a heart attack. He programmed everything in the Senate. He recruited the people that were the sergeants-at-arms, and he looked ahead and saw what needed to be done, and he worked with the governor. The governor was always helped by the Republicans until Olson came along and then after that with Warren...

Let's see, Hulse and Hatfield were two of the powerful people along with the Pro Tem Harold "Butch" Powers. Then there were a lot of good. . . .

[Assemblyman] George [R.] Butters from, Imperial Valley, and
[Assemblyman] Tom [Thomas M.] Erwin who was later chairman of the Rules Committee in the Assembly. There were some bad actors in the Assembly that I had to avoid scrupulously. There were some bad senators that Vandegrift warned me about.

SENEY: “Bad,” how do you mean?

POST: They were shady. Let’s put it that way.

SENEY: Would you feel comfortable in being more specific and saying who they were?

POST: If I can remember their names. In the Assembly some of them went to prison, of course. The speaker went to prison during the liquor days when Samish was there. Of course, we were so deeply involved in reforming that, but that’s a whole story in itself.

SENEY: Mr. Post, let me change this.

[End Tape 1, Side B]

[Begin Tape 2, Side A]

SENEY: Go ahead, Mr. Post.

POST: There were people who were getting money from the lobbyists and expected to vote accordingly. Tom Erwin, who was a good friend of mine, he’d been a fraternity brother--years older--in Occidental. He and [Senator John L. E.] “Bud” Collier, who was an Occidental buddy of mine, who was much older too, kind of took pride in the fact that here was one of their own fraternity brothers from Occidental who was legislative auditor, and they were very,
very helpful. Tom Erwin, particularly, would tell me about—he was deeply involved in the machinery of the Assembly—and he would tell me who the people were who were getting checks regularly from the Teacher’s Association you know, they were supported, really, by lobbyists directly.

SENEX: In those days you weren’t required to report that either, were you?

POST: No, I guess not. Actually, Bud Collier had a large hand in establishing the lobby laws, and we worked with him on that. We registered lobbyists.

There’s a story about that. Ben Hulse was chairman of the committee by that time, after [W.P.] Bill Rich returned. Hulse was a good, kindly, solid guy and very close to me, because instead of going home to El Centro for the weekend, he insisted that I come down every Saturday morning and spend it with him, telling him about what should we be doing, because [Senator George J.] Hatfield had died. Previously, Hatfield and he had walked in the park and had discussed what needed to be done and what the program was for the week.

So, he came and affixed himself to me, and we would talk about what the state should be doing. We had to have a full pipeline of reports every time the Budget Committee met. That was one of Hulse’s requirements. He said, “I want them to come here to sit around. I want them to have a full day’s work of reports, and we’ll decide where we send it from here. We’ll hear it. Then decide what ought to go to the Water Committee or what ought to go to GE [Governmental Efficiency Committee], or whatever. I want to keep them
occupied. I want to get them interested in coming to Sacramento and keep them occupied.” So, we had to have a full pipeline of reports for them, and we would talk about things like that and what was happening in the Legislature. And then he would take me to lunch over at the Senator Hotel, and I could go home. That was good for me.

SENÉY: Would he talk tactics with you of who needed to be persuaded and who couldn’t be persuaded and that sort of thing?

POST: No, he didn’t do that. He knew I wasn’t cotton to that sort of thing although he tried to get me to recommend a state college for El Centro, and I said, “You don’t need a state college. It’s not right. What you need is a good community college, a junior college. Get a good junior college down there.”

“I want a state college,” he’d say. “Make a study of that.”

We made a study of it, and I came back, and I said, “You need a good junior college, Senator.” [Laughter.]

He finally gave up, but it wasn’t easy.

SENÉY: Because he hoped you’d recommend what he wanted, right?

POST: Yes. I wouldn’t recommend what he wanted. I never recommended what members [just wanted]. I also stayed away from the members as much as possible. I went to lunch with my staff, and we talked about things. I never wanted to get involved with the members at Bedell’s or down here where the senators met south of the Capitol. I stayed away from all of that totally. We didn’t talk tactics. My attitude was: That’s your business, but my business is
to tell you what I think is good, what the facts are, and make
recommendations, and that's difficult enough. Then what you do with it is
your business, and how you handle it is your business.

People did come out to my house: Hatfield, Collier, Tom Erwin, Ben
Hulse. They would come out here, and Helen was a wonderful hostess. They
just loved her. She is so entertaining and was a good cook and was involved,
and they just thought she set the moon. They'd come out and we'd have a
wonderful dinner, and we'd talk, and they'd play cards. I never played cards.
The four of them would play cards, and they had a great time. So, I got to be
close to the power structure in that social way, and I enjoyed it, and I enjoyed
them, and it represented with Bud Collier and Erwin in the Assembly and
Hulse and Hatfield in the Senate a very good thing.

I have to go back a little bit. Before I became legislative analyst, or I had
just become appointed, I guess, they had a hearing, and I appeared before it, a
Senate committee, and Senator Hatfield had a concurrent resolution, both
houses, to require that before you could spend any capital funding that had
been approved in the budget that involved agriculture in any way, the Joint
[Interim] Committee on Agriculture and Livestock Problems had to go out
and review it and approve it.

Well, this resolution came up, and he presented it, and I was sitting down
there, brand new, and I said, "Senator, I think that's wrong." I said, "Once
you know you approve something, the administration ought to be able to act
on it and get it implemented. It takes time, and that’s part of the separation of
powers, as I understand it,” not being a political scientist. I never had a course
in my life.

SENLEY: Probably just as well.

POST: Probably just as well. I had a deputy who was a professor of political science
and public administration who was very helpful. Just died the other day.

I said, “I think that’s wrong. I think you should make those decisions
before you make the appropriation, and we’ll help you do that.” They went
ahead and put it out. He came down later and put his arm around my shoulder
and said, “Young man, you just keep doing what you’re doing. You’re just
doing fine. Don’t let this bother you.”

Well, what happened was they would pass this budget. I was required to
get a list of all of these appropriations, and in those days you had agricultural
establishments, the mental hospitals, the prisons, the state colleges at Fresno
and Chico, and we would go out, and I would go with them, and it would take
some days before they could finish this, go through all of this. A good deal of
this would be in the interim, because in those days you had a budget session
and a general session, and once you got the budget out, why, it was over with.
So, I would go with them, and we would spend days out there in the field, and
I would present to them all the data on it, and then they would go out and look
at the projects. I would go with them, and they would approve it, and I would
write it up into a report.
Well, what happened was I got to know all the members on the Joint Agriculture and Livestock Problems Committee. It was a good-sized committee of both houses. I became their boy. I mean, I was doing their homework for them, and we became good friends. They were [Assemblyman] George [A.] Clarke, who was a farmer and an assemblyman, and Hatfield and Hulse and Erwin and the rest of the farmers. They were good people. Of course, I come from a farm background.

Anyway, I also got to see every mental hospital. When we’d go out there, the superintendent wasn’t going to let this powerful group of legislators go just looking at their agricultural farming and feeding and dairying and all the things that supported the people in the mental hospital. He wanted them to have some knowledge of the wards and what was going on in therapy and that sort of thing. I was interested in that. I thought that was great.

What it did for me was to introduce me to the people who were the directors of their therapeutic programs, the doctors, the superintendents, the wards, as well as the agricultural operations. In that way, I got an education on the ground that I could never have gotten otherwise.

SENEX: And pretty much across the state.

POST: Across the state.

SENEX: What kind of capital improvements were you looking at in terms of agriculture?
POST: Mainly what we were looking at were improvements to the dairies. They all had dairies because they furnished the milk. In those days, you know, it was a good thing to provide support for the requirements feeding. These are little communities, you understand, is really what they are, and so, you have to feed them and house them and give them something to do. Many of these patients were agriculturists anyway, and so, you had people who were milkers. They could work in the fields. Or, if they were so far gone that they couldn’t do anything, they’d go out and sit in the sun. That would be the way in which you sort of took care of the activity of a great number of the male people in it.

All the prisons also had some operations like that. They were essentially support operations. So, there would be capital structures and adding improvements to the dairy barns or to the hay barns, minor things, just repair and maintenance of a very large establishment in which there was some degree of agriculture involved. You’d look at the pigs, and you’d look at the dairy cattle and things like that, and they loved it. They were all farmers, and they’d go in there, and they were mostly older folk, and they just loved to do that. And they also got the chance to talk, to some degree, to their constituents from their districts.

SENEY: In those days, these institutions were expected to be partially self-supporting.

POST: Sure they were. And it was supposed to be therapeutic to have these people busy working, getting out. California’s a lovely place: a lot of sunshine and
beautiful. They were at Agnews [State Hospital], and they were in Stockton, and they were in Camarillo; places that are beautiful.

SENEY: Atascadero or Vacaville?

POST: Atascadero and Vacaville.

SENEY: And then there was one in Sonoma County.

POST: In Sonoma County, yes. They were all over.

SENEY: I remember, especially, one in San Bernardino, and I can’t recall the name of it now. It was a very large hospital.

POST: Yes. Of course, I lived in San Bernardino. We went there. I know where it is. It’s over by Arrowhead Avenue, to the north side of San Bernardino. Some of them had names.

In the early days, before the legislative auditor was created and before Earl Warren came along and reformed so much of this, you had a prison program that was run by wardens who were semiautonomous enterprises. They had their own breeding horses that they rode. It was just their “Provence.” They ran it their own way. The Prison Board was the policy board on it, and of course, Earl Warren changed all of that. He hired Richard [A.] McGee, who was a federal prison administrator, and the first thing he did was to say, you know, you can’t have this prison labor. You can’t put these people in these positions just to save money because they then get a hold on the other prisoners, and they use them for sex and for all kinds of things that are not good in terms of the prison administration. So, you’ve got to have, what he
called, "freemen": you hired them. Of course, what that meant was that you upped the budget significantly to hire these people, and that was always kind of a controversial matter. But Warren was strong, and McGee was strong, and they won the battle, and they changed the whole nature of the prison system in that way.

SENLEY: This was when the Department of Corrections is...

POST: It's broken into two parts: You had the [California] Adult Authority and the [California] Youth Authority. It was Warren's reform doing; that you ought to have two categories and two hearing boards, and you ought to internally reform it. You put up free tobacco, and you did what McGee thought was the best way of avoiding what was a trading for favors for the kinds of things that go on in prisons.

SENLEY: And tobacco is one of those commodities.

POST: And tobacco is a key commodity. Rather than bargaining for cigarettes, he said, "We'll just put that up there and you just go help yourself."

SENLEY: Bull Durham, was it?

POST: Yes. You'd make your own cigarettes, and that takes away one of the critical trafficking problems that we have. McGee was a reformer, and Warren supported him strongly.

Warren had a weak, but nice, director of mental hygiene.
SENLEY: If I may, to this day, the wardens of the prisons are approved by the Senate Rules Committee and confirmed by the Senate. I take it that was the case then.

POST: I can’t tell you.

SENLEY: Okay. I was just wondering if you had any insight on the history of it because that’s a very unusual arrangement, isn’t it, to have their appointments to go to the Rules Committee and for the Rules Committee to approve them, etc.?

POST: The Rules Committee had a habit, in the Senate particularly, wanting to affix that degree of legislative authority on appointments. Now, when [Senator] George Miller [Jr.], who was chairman of the budget committee and the Finance Committee, was there, and to whom I became very close after a rocky start—which is an interesting story—I used to say, “George, I don’t think this is a good idea. I think you should be very careful about doing this. It’s really an executive prerogative to appoint who is going to carry out your administration, and the Legislature should be careful.”

He said, “All we want to do is to look at it and see that he doesn’t get a real bad apple that he doesn’t understand.”

“Well,” I said, “that’s good, but it’s a risky business, and I wouldn’t do it too extensively,” but they did.

Part of it is the constant encroachment of one branch of government into the other, particularly over time. First, everything was legislative in American history, and then the executive became much, much more powerful until
finally, because of administrative law and all of that, the administration became more powerful than legislatures. The governors were more powerful than the state legislature. And so, what I was a part of, and Vandegrift was the leader on it, was to begin to develop a cadre of informed professionals that would put the Legislature on a par with the Executive branch.

It started because of Vandegrift’s background, I suppose, with the State Legislative Auditor to the director of Finance having a parallel position. Our task was to let the governor have his day in court. The Constitution said he shall have the right to develop a budget, he shall have the right to introduce it into the Legislature in that form that he develops it, and at that point the Legislature can modify it. The governor still has the veto power and the pulpit, and so, he’s going to be very powerful in what finally emerges from whatever the Legislature does. In the case of people like [Governor Ronald] Reagan and [Governor George] Deukmejian, it went right back without any change whatsoever by the Legislature.

SENEX: Yes, the line item veto makes them very powerful, doesn’t it?

POST: Line item veto, governors could just put it right back where it was before legislative consideration. So, there was always that kind of encroachment, one into the other. That was always interesting.

SENEX: If I may, in reading about [Assemblyman] Jesse [M.] Unruh, when Unruh became Ways and Means chair in 1960, that was without [Governor Edmund G., Sr.] Brown’s approval, which caused friction between the two of them
because, as I have read prior to that, the governor really would have some say
about who would chair Ways and Means.

POST: Oh, yes. He was the governor's man. During the Warren Administration,
there was an unspoken tradition that the chairman of Ways and Means in the
Assembly was the pick of the governor. The Senate was independent; they
were going to pick their own chairman. They would be the legislative power,
but the person who was the chairman of Ways and Means was really the
governor's man to carry the budget on the Assembly side. Historically, then,
he got appointed to the bench by the governor. That's the way in which it
worked, and that's what happened with [Assemblyman Thomas W.]
Caldecott, and it happened with his predecessor. I can't think of his name, but
a San Francisco lawyer. And that's the way it worked.

SENEY: That's fascinating. I didn't know about the judgeship appointment.

POST: It always ended up that they were somehow or other appointed to something
quid pro quo. That was just accepted, but it was accepted from a political
standpoint: that the governor ought to have somebody to carry the ball for
him in the Assembly. And even after he was not the pick of the governor, he
tended to feel that he had that responsibility.

I see my telephone man's here. He's outside. That's good. I want him to
fix the damn thing. It's terrible. I'm expecting a conference call at eleven
from the PPIC [Public Policy Institute of California] people that I met with all
day yesterday.
SEN: I use their papers in class, by the way.

POST: They're excellent.

SEN: Oh, they're superb.

POST: They really are.

SEN: Especially on demographics. I'm really grateful to them for that.

POST: When we started, Harold [M.] Williams, who was CEO of the Getty Foundation and dean of Business Administration at UCLA and former chairman of the Securities and Exchange Commission, a lawyer and a Ph.D., and an extraordinary man, said, "We've got to have sociologists. We can't just hire a bunch of economists. We've got to get sociologists," and we've done that. Most of them seemed to come from Berkeley, where we're close and which is, anyway, a big source of good people and public policy school and so on.

SEN: Let me go back because we were talking about this. Did it bother you? Did you think it was a bad arrangement for the chair of Ways and Means to be representing the governor?

POST: No, I didn't. I accepted that and said, "Well, that seems to make sense. He's got to have some spokesperson. It's got to go through the other house, and the other house is a conservative powerful body, and they'll iron that out." I was very familiar with that whole process because, of course, you go to the conference committee and I was the only person from the legislative side in that conference committee. You had the deputy director of Finance, or the
assistant director of Finance, carrying the governor's side of it. It was either Roy [M.] Bell or somebody else. They were closed sessions in the Senate Lounge, and we would lock ourselves in, and we would go through it item by item.

The first interesting showdown that I knew about was when--and I wasn't originally a party to that--but anyway, George Hatfield decided that because there was an impasse between Earl Warren and the Legislature, particularly the Senate, over expenditure of the moneys which had been accumulated in a surplus during the war years, when the revenues flowed in because of the extraordinary war related activity which occurred in California, and the inability to spend it for capital or things like that . . .

SEN: You couldn't buy concrete or steel and everything else.

POST: That's right. So, it piled up, and you had these big surpluses, and they were segregated into two funds. There was a state building program, and then there was another fund that was for local improvements. It was the local items that the Legislature was interested in. This was going to build fire houses and city halls and local parks and all of that sort of thing, and they wanted their share of that money.

Now, Earl Warren saw the need for state properties and catching up in the expansion of the school system because of the extraordinary population expansion: a 7 percent-a-year increase in school population and the impact of the GI Bill of Rights. All of these things. People were flooding in here. We
needed more colleges, community colleges, expansion of the University [of California], more prisons, more mental hospitals--bigger, better--and Earl Warren was the ideal man for that. He had good professional help. He had a wonderful director of Finance in James [S.] Dean, who had been an architect and then city manager of Sacramento, very capable and very close to Warren as director of Finance.

Anyway, there was this fight over priorities in the conference committee. When the Legislators couldn't get their way with Warren on getting more money for the local items, they said, "Well, we'll just look at these items one at a time." So, they went through the five-hundred-and-some-odd line items in the budget bill, and we had a full discussion of every item. It dragged on and on and on, and finally Warren capitulated.

SENEx: What could he do?

POST: What could he do?

SENEx: Why don't we leave it there.

POST: Okay.

[End Tape 2, Side A]
Session 2, April 25, 2002

[Begin Tape 3, Side A]

SENLEY: When we ended last time, you were talking about Governor Warren and the Legislature arguing over the funds that were available at the end of World War II for public works projects. You were saying that he kind of gave up on the legislators. I guess they outlasted him or something.

POST: They outlasted him. They just went through this thing so slowly that he finally said, okay, you can have the amount they thought they wanted and needed for local projects.

There were the two funds. There was the state building program, and then there was another one that was, in effect, the local allocation. You had two different allocation processes.

SENLEY: Do you recall how much was in there? Was it a fair amount?

POST: At the time it was a very substantial amount. I can’t tell you exactly the figure. I’d be probably wrong if I guessed at it.

SENLEY: That’s all right. In terms of magnitude, it was a fair amount.

POST: Yes, it was something like, maybe, at the time, $150 million for local projects. I built this house for $6,000 at the time. A few thousand dollars went quite a long way.
SENSEY: I interviewed late-Congressman [John E.] Moss, whom I know you must have known well over the years.

POST: Yes, I knew him.

SENSEY: This project deals only with the Legislative and Executive branch business, so I didn’t talk to him much about his congressional experience. I was more interested in his four years in the Legislature, from ’48 to ’52. And one of the things that I discovered, in doing research for his interview, was how, when he came to the Legislature, you were dealing with problems that were left over from the war. There were power outages, the housing crunch.

POST: School populations. The major things during those years, and it was in contrast to what came later--I would say the Reagan years--we had population increases, and then we ran into the problem of inflation with full employment and so on. The first ones were how do you deal with this enormous increase of all the young people who were flooding in, who had come through hereto go to fight Japan and thought it was great and couldn’t wait to get back, plus the increase from the South? Blacks were beginning to move in. There was a tremendous change in population and in the population requirements; primarily education facilities.

SENSEY: Well, I know in the 1940 Census there were, I think, seven African Americans in Oakland, in that census, and by 1950, thanks to the war and Kaiser Industries, of course, there was a substantial--well, any increase, I suppose, would be substantial--but there were many thousands by that time. That’s
kind of like the population change in recent years: the influx of immigrants who are a little needier in terms of public services.

POST: That's right, education and public services. They were poor. Some places in the South subsidized paying their transportation to get them out of there and off of their welfare rolls and into the California environment, and they came thinking that there were jobs out here; it was a better place to live. And it was. Economically, the status rose gradually. And in the Legislature you had those who were concerned, as [Assemblyman William] Byron Rumford was with housing and equalities for the minorities. And then, of course, we've got the Hispanic and the Asian that we see today.

SENEY: What do you recall from that post-war period about the power problems? My understanding is that up into 1948 even, there were rolling blackouts/brownouts because there was an insufficient supply of electricity.

POST: I don't have a good recollection of there being much of that. There may have been some, but we didn't experience it up here. Once in a while you read about a brownout, but there wasn't that much emphasis on energy as such.

Of course, what's changed the whole picture has been the Silicon Valley impact where so much energy is used on top of everything else, plus the utilities being very careful not to overbuild. They were afraid of an excess supply, and so, they fought any real increase in capacity.

SENEY: What about the housing crunch after the war?
POST: Well, housing just boomed everywhere. You could look out, just like we could here, and just see this thing coming across, just moving daily. It was incredible. For example, I built this house, in large part, myself. My wife and I, we both decided we’d have to do it that way.

SENKY: With your own hands.

POST: With our own hands. I’d get up early in the morning at, say, five o’clock and go to the site. I lived not too far away; half-hour away maybe. I’d work here until about seven o’clock, and then I’d dash home and clean up and eat breakfast and charge off to work. When I ran into problems, since I was not an architect nor a construction person—I’d helped my brother build houses in Southern California just a little bit: “Hold this line, Alan, and hold this here,” but I really wasn’t interested in it—I could jump in the car and run out and see how somebody was putting together the bathroom and how the joints worked. I’d make a little sketch, and then I’d come back and would use it that way. But there was always some example at arms length here in the building that was going on, and you could just walk through the solution.

One of the interesting things I ran into one time was I went to a house. I said, “Something’s rotten there.” I measured it, and they had made a foot error in the walls, and the whole thing was askew. That was how fast they were building houses in those days. There was full employment in the business.
We could go, as we did, to some hardware and borrow the tools. If you bought your materials, they would give you tools to use for plumbing. Just like with my swimming pool. I dug a big swimming pool we had here. Every day, when I came home from work, I would go out. We had a rather wet year, and I could dig down to where I’d hit hardpan, and then I couldn’t get any farther. So, I would go out and do that, and the Paddock Pool people would give you all the plans if you bought their hardware for the pool, and that’s the way in which I did it.

I had to use a little innovation. I didn’t have the tools that you really needed for the leveling and so on. Since we had some heavy rains, the hole that I had dug filled up with water, so I went and built a frame around the sides that I was going to have to use to finish it off anyway, and then I measured down to where the water was all the way around, and then when I made the sides and the top, it was perfectly level, because water’s always level. Instead of having the proper tools, I just had a tape measure.

My brother, as a matter of fact, who was a very smart guy, was in the alfalfa business, as I mentioned, in Southern California, and he built a leveling machine that used water. As he leveled the land, the water, somehow or other, determined the level of the blade. He was brilliant and had a mechanical interest, and he did what needed to be done.

SENEX: It sounds like it runs in the family.

POST: Well, I wasn’t mechanical.
SENLEY: What possessed you to undertake building the house? This is a beautiful setting. We're sitting in your art studio, and the light is wonderful. Are we looking northward here?

POST: We're looking north.

SENLEY: And surrounded by trees. You'd think you're out in the middle of a forest somewhere.

POST: Well, we didn't have any money. It's just that simple. I was on a modest salary. We wanted a good-sized house, and my brother brought up one piece of equipment to help me level the property and then took it back again, so I didn't have it for the swimming pool. Other than that, we got plans the people who would sell you the Baselite brick that we used for the main part of the house. We had stock plans, and I took them and modified them into a California type house that we liked. We liked the long porches. The house was 85 feet long, and it had a porch the whole length of it. I was modeling it after photographs that we had seen of the early California ranch houses, because this was to be a ranch house community. You had to have your plans all approved. There were going to be horses and little riding trails out in front. The developer never honored that, but that didn't make any difference to me because I didn't want horses. But that was the style. Only recently has that expired. People have been coming in and tearing down these houses and building great big mansions.

SENLEY: Yes, I did see one a couple doors down.
POST: Oh, they’re coming up all around. Huge houses. You know, 15,000 square feet, that kind of thing.

SENEY: How much land do you have?

POST: About two-thirds of an acre.

SENEY: It looks like much more. I mean, the visual impact is considerable.

POST: Yes, it looks as though they’re close to three-quarters, or an acre maybe. We had the swimming pool, and behind that there’s a good-sized area of open land with ivy and trees. We planted a lot of trees around the house. I originally went out and bought some trees but also got them free from the Division of Forestry that would give you plantings if you would build windbreaks, as we did all along the north side of the house there.

SENEY: Well, I came to California with my parents in 1953. This was Orange County, and there was so much activity going on and so much energy and so much change; really, up until the early 1960s, I suppose. Where would you draw the line?

POST: It seems like it’s always been going on. There was that post-war bulge with the Baby Boom, and we’re facing another baby boom now. But it’s been a constant thing. When I first came here, there were several million people, I guess, maybe like five million, but then all of a sudden, everything began to balloon and the budgets began to balloon, both because of population and inflation. I invested, as many people did, in 10 and 11 percent tax exempts. There was just that feeding frenzy to get money. Those were great.
SENEY: These were state bonds.

POST: These were state bonds. And local bonds too. I had a dealer who believed in bonds. At that situation, you couldn’t lose.

SENEY: Were these general obligation or revenue?

POST: Yes, they were general. Some were revenue. Some were University of California, housing, hospital, and things like that, and they were great. I never worried about them. The UC bonds were not general obligation. But most of ours were general obligation bonds.

SENEY: Well, those are the safest you can get.

POST: Oh, yes. They were great. I have friends that still have some of those, although they pulled them back just as fast as they could as the interest rates came back to normalcy.

SENEY: Right. Well, we’re in the situation today, and we’ll get to this later but just to refer to it, where there’s going to need to be bonding, selling bonds again--I guess about 7 billion--to cover the revenue shortfall.

POST: That’s right. The problem is that, politically, governors and legislators, but particularly governors, seem to be in favor of borrowing rather than pay as you go and paying through taxes. Rather than that, they want to pay by borrowing. Reagan was the same way pretty much. They all were. I mean, even the conservatives--Deukmejian.

SENEY: He used it extensively, didn’t he, for his capital projects? Prisons and other kinds of things.
POST: Yes, he did. I was on the conservative side on that. I had a long debate. We had a tax increase Reagan didn’t understand, and the people in the Department of Finance, his Department of Finance who were the tax people, laughed about it later that they gave him a real ride by putting in tax programs that had an acceleration because they were flexible in terms of increase in values. In other words, as inflation came in, it had almost a multiplier effect on revenues. That’s the way in which these professional bureaucrats in the tax field really wanted it. It was a good way of providing the funds that you needed for infrastructure and things like that. And I agreed. I thought that was a good idea that people were making all this money and industry was making all of these profits. You might just as well keep up with the infrastructure and not let it get behind.

They had a surplus, and of course, at that time Reagan wanted to run for the presidency, and he had an idea that he would give that money back and be the first governor in history to return taxes to the people, and that would be like wildfire and carry him to Washington. I, on the other hand, thought that we had all these authorized bond issues; we just hadn’t sold them yet. So, I made the proposal—and I took it to [Senator] George [R.] Moscone, or he picked it up when I made the proposal—that what we should do is go pay as you go. Reagan, I said, was right. We should not use this surplus to create new programs.
But here you had an example where the people--the people, not the Legislature--the people had already voted that they wanted these big, major projects. Why not, instead of bonding, go pay as you go on them, where they were not the kind that brought in steady revenue like water bonds but were one-time purchases, like beaches and parks and other infrastructures, and then we would husband our bond capacity? It would be more favorable when we did need to borrow, we could borrow it at better rates, and the amount of money you’d get back from the government rebate would be so miniscule in a person’s budget that it would hardly be noticed, except for its political impact.

SENey: You mean the individual rebate would be felt marginally.

POST: Yes, the individual rebate. You got back $30, or something like that. It really didn’t amount to much. I said, “My proposal is a very conservative policy. It’s conservative because it’s not new unauthorized spending and we’re conserving our tax credit, our bonding capacity. Pay as you go is conservative more than borrowing is.”

I had a close friend, Verne Orr, who was director of Finance, who I’d grown up with, and I went to him and said, “This makes a lot of sense. George Moscone is willing to carry the legislation.” So, Verne took it to the Cabinet and to Reagan, and Reagan said, “No, I want to do this.” I pleaded, and Verne said, “Look, I happen to agree with you totally.”

SENey: Reagan told you this?
POST: No, Verne Orr did. "But," he said, "I'm a team player. I made my case, and they said no, and I can understand what the politics of it is," and so, that ended that.

But that was my attitude toward bonds. When you needed bonds and where they paid out like with water—over a period of time—and you had the revenue structure that was built into it and that people in the future paid—not just today—that made real sense to have bonds for schools. But for a lot of other things that didn’t have revenues attached—prisons, for example—were big costs. We’re not only building the prisons but keeping them staffed and so on. Anyway, I won a lot of arguments in my day, and I lost some of them, and that one I lost.

SENEY: If you borrow a billion through a bond issue, you’ve got to pay back a billion-and-a-half.

POST: That’s right. Interest balloons the cost.

When I was chairman of the California’s Water Future Task Force created by Mike Curb as lieutenant governor and I had testimony coming in on the peripheral canal issue, it became apparent that people were talking different kinds of language with respect to the costs of the peripheral canal to be built by the state. The Department of Water Resources was talking about the partial initial cost, which was the lowest cost. Others were talking about the total plan, and there was the bond interest cost on top of that. We had estimates that ranged from an initial 750 million to something like 50 billion,
if you took the cost of the whole system, not just this initial first year of costs, so to speak, but the cost of the total system and how it would be developed for the delivery of water in the south and the bond costs attached to it. And I said, "The newspapers are carrying all these stories, and they're different amounts, and nobody understands what it is. We ought to set out a schedule that says 'This is what you get for this amount and this is what's included for this amount,' and take it from the lowest cost to the highest cost and spell it out in a matrix and get it in the report and let everybody understand it."

Well, of course, when we did that, what the press did was to grab the highest cost, and it helped kill the water plan. A classic example of unintended consequences. I didn't believe in the proposal anyway. I thought that conservation was the way to go. We found from testimony, from the Division of Water Resources, that if you would line these canals down south, to prevent seepage, and if you would reform your water pricing policy so that you didn't buy water on a daily basis and let the pumps run all day, even if you only need a half a day, with the result that it created an overflow that went into the Salton Sea and not only was destroying the land around the Salton Sea but was lost forever because it was saline With modest amounts of investment in lining canals and establishing a more metered type of water delivery, as recommended by the people at [the University of California at] Davis and others who understood these agricultural problems, you didn't have to build now. You could wait. We knew that if you just went ahead and built the
Peripheral Canal and siphoned the water off and sent it south, in a lean year for water, we would be dry in the north. There's no question about it. And they would spend that water for development of more land and more demand and swimming pools and golf courses and all of that. I didn't think that was a good idea.

We didn't end up with much recommendation in the report that finally came out because it was very evenhanded, but it pointed out the facts. And you could never get that water back again because the population is down south, and when it's got its water, they would take whatever they needed and to hell with the north, its agriculture and fisheries and recreation and Lake Davis and other places up in the foothills and the mountains. So, it was not a good idea.

SENEY: The spillage's you're talking about came from the Imperial Irrigation District down in the Salton Sea, didn't they?

POST: Yes.

SENEY: You must be aware that the San Diego utility has struck an agreement with the Imperial Irrigation District to pay for the lining of these canals if they can have the excess water.

POST: You see, by not giving in but insisting that there were those options and they made sense over a period of time, when it was defeated they put them in place, and they did reform their water policies. Just how much I haven't kept track of it, but I know that it did change the whole perspective with respect to
a sounder policy of conservation. There was so much loss of water in that
sandy country down there, but it was a real viable option.

SENey: Right. And time has made it necessary, hasn’t it?

POST: And time has made it necessary.

SENey: Let me turn this over.

[End Tape 3, Side A]

[Begin Tape 3, Side B]

POST: . . . We probably would have to develop more water for Southern California.

But you ought to exploit all the avenues that would minimize that and delay it
as much as possible while we could.

SENey: The Peripheral Canal had been defeated, and I’m trying to think when. It was
a legislative referendum. Was it ‘76, do you remember? This must have
come after that, obviously.

POST: Yes, the vote took place while our report was just out. I was retired by then,
so it came after ’77, when I retired. I’m not good on years, but it would have
been close to ’80, or something like that.

SENey: I want to ask you kind of a political question involved with this study and with
Mike Curb. When I interviewed the late Senator [Kenneth L.] Maddy, he
talked a fair amount about Mike Curb— you’re smiling when I say that—and
the fact that Curb was kind of the anointed successor of [Governor Edmund
G., Jr.] Jerry Brown for the ’82 election from the same people who had been
instrumental in Mr. Reagan becoming governor: Henry Salvatore, Holmes Tuttle, and William French Smith, and Justin Dart.

Did you see this, could we see this, as him acting as the kind of representative for them and other Southern California interests, trying to get more water back into the south?

POST: Well, he obviously wanted to get publicity on this and to show his interest in California’s water future. That was the first major political step that we had to recognize. It made him very controversial as the chairman, and that’s why [Speaker] Willie [L.] Brown [Jr.] and others in the Legislature simply wouldn’t be a party to this study unless I came in and was the evenhanded broker on it. They didn’t want Curb to get any more mileage out of it than was necessary. But there he was. He had the capacity to do it, and with me in there, they felt that that would take a good deal of the edge off of it, apparently.

SENELY: I think after the tape was off last time, you chatted a little bit about this, and you said you were in Spain, as you go every year to paint and vacation, and they called you there: “Would you be a member?” Willie Brown and others really wanted you to serve. And when you get back, you turn out to be the chairman of it.

POST: Yes, they asked me and said, “We’re assuming that you’re going to be chairman.” I didn’t know that, but that was a challenge. And so, I set up, as I
always do for things like that, an outline of what I thought we had to do and how to go about it, and we followed that.

The members of the task force, one of them, I asked him what he did for a living. He said, “I build one high-rise technical building in Orange County every year.” He was a very successful developer of that kind of thing that went on down there. A superb guy. I remember, we had a little break, and we went to the toilet, and he said, “I really like the way you run this committee.” I took that as a real compliment because we had all the right people, the whole spectrum, from the Friends of the River to Sierra Club and whatnot, coming in and testifying along with the big farmers in the valley. They were also represented, in large measure, on the committee because that’s the way in which Curb appointed them to get this kind of spectrum.

Curb was a problem to me. I liked him. He was a pleasant young man, but he would go out in the hall after the meeting and start sounding off in a way that was totally independent of what we were doing, and it was for political purposes only. And so, when we had lunch the next time, I said, “Mike, I can’t do this and do it right if you’re going to continue to take that kind of a political lead on it. It just gets us off the track. If you want me to do it, I’m happy to do it, but you’re just frustrating my efforts to get it done the way it needs to be done.” He said, “Okay, I understand.” Well, he always kind of gave in at the last to these newspaper men. He’s kind of like [Caspar W.] Cap Weinberger was when he was on the Commission on Government
Reform. He'd always go out in the hall and go off on his own politically and people would listen to him. Since Mike and Cap, both, were important political people, they really were a problem to me as the chairman of the committee to keep it on track.

But he did better after that. I admonished him a couple of times. I said, "Now, Mike, you're not abiding by what you said you were going to do." We remained very good friends. He was a very nice young man.

SENEY: You know, often, though not in the case of these reports you're associated with, I think, but often the report conclusions are put together before the study's ever done. Sometimes these are meant to delay decisions, and sometimes they're meant to lead the way to certain kinds of decisions.

Obviously, you don't operate that way.

POST: No, I didn't operate that way. I didn't know what was the right thing to do. I had [Governor] Pat Brown and his former director of Water just telling me, "Alan, we've got to get this thing built, and this is the right way of doing it." I admired and was very friendly to Pat, but I wasn't convinced that it was the right way until I had the conservation picture out on the table and we saw what the plan really was and listened to all the sides on what the practicalities were and so forth; meeting with people like the faculty at Davis, who are very knowledgeable in water policy and economics.

From my point of view, I came at it with no preconceived economic or political conclusions. I wanted to do it right and to get the right testimony in
there and to develop an outline so that we all understood what the proposal was all about in terms of the logistics and economics of this aqueduct system that we had.

We went through a training period, so to speak, in which I got the outlines of how it functioned from Water Resources, and I studied it and learned it well so that we could follow that kind of a track. I was trying to bring everybody along: This is the way it really works, and these are the problems, and these are the options. We had, really, a very thoughtful series of hearings. I had no ax to grind. I just wanted to do the right thing.

SENLEY: Right. Let me suggest to you this way. I think the conclusion would be more water needs to go to the south. That's an economic engine of California. The real economic activity goes on down there.

POST: That's right. You either get more out of it in the short run by conserving and prioritizing and correcting what were abnormalities, such as our water pricing policy and the lining of the canals and things like that. If you can get more mileage out of what water you're already sending there ... because we were sending water and it was coming from various sources. We had to understand all of that. We had to get estimates of capacity. We had to be sure that we were talking sense on it. But when that fell short, and in God's good time we knew it was going to, we concluded in the report that the time would come when you really have to rethink the best way of doing it, and maybe it was the Peripheral Canal, which had a certain logic to it.
SENEY: Right. I guess what I’m thinking here is if I’m Mike Curb and the others who have a political agenda to push, they’re going to know that Southern California’s got to have more water. The question then becomes: What are the details of the plan, and how does that work out? They know that you’re a credible individual, and if you chair this they’re going to pay attention to it. And while they may quarrel with you a little bit on the details of what’s going on, in the end—and I don’t mean to suggest anything devious here, I hope you understand—but in the end, here you have a report chaired by you that they may not agree with all the details but it does say more water for Southern California.

POST: Actually, everybody signed off on the report ultimately. I was close to the Chandlers.

SENEY: The *L.A. Times* family.

POST: *L.A. Times* family. One of the Chandler boys married a very close, personal family friend. I knew Otis Chandler. He and I got a doctorate together, at the same time, got acquainted, and then he used to send me stuff all the time. When the marriage of his son took place, why, we sat with the Chandlers at the table there. They had little small tables. I sat next to Buffy. I’d known her as a member of the board of regents slightly. But we had some very close, personal conversations at that time. The Chandler people on the staff, political people, used to call me every once in a while, saying, “Now, you be careful, Alan. You’ve got a great reputation. Don’t let these people ...”
Well, they wanted the water in the worst way because the Chandlers owned a lot of land, and they wanted it for development, and I knew that. I kind of kept them at bay, and I was pleased that when the report came out. I talked to one of the key reporters down there, and he said, “We went over the report, and we went around and talked about it, and somebody finally said, ‘You know, there’s nothing wrong with this report. It’s a very well-balanced report. It doesn’t do what we want, but we can’t argue with it.’” So, I felt pretty good about that.

SENLEY: And they couldn’t argue with your reputation, wouldn’t you say, in this case?

POST: Well, they hated to do so. People tried to protect me. It’s funny. Herb Caen would never run funny stories. I’m the kind of guy who would pop off at hearings, and everybody would howl, and they would call Herb Caen, and he’d say, “No, I’m not going to run things like that. Alan is in a different category. I can’t make a jokester out of him,” and he never did. He had all these different kinds of things, but he said, “No, he’s different. He’s got to be protected.” He only said one thing: “If intelligence were the criterion, Alan would be governor of California and ... [Harvey M. Rose, Mayor of San Francisco]. He does a good job, and he’s still much quoted and respected.

SENLEY: Did it ever work the other way with Herb Caen, who, obviously, you must have known well?

POST: I didn’t know him well. I met him, and I bumped into him a few times. But no, I didn’t know him.
SENEN: You wouldn’t have called him to suggest some...

POST: No, no. I never did things like that. To me, that’s danger. I worked for the Legislature, and I talked to legislators. I went to a meeting of the higher education people in the governor’s office when Pat Brown was governor, and I kind of sneaked in the back quietly so nobody would see me to see what was going on, but Brown spotted me. It came to one issue and he said, “I notice that Alan Post came in. He’s sitting down in the back there.” Everybody turned around and looked at me. He said, “I know he speaks only to the Legislature and to God, but I would hope he would give us an opinion on this.” I looked around and I said, “Governor, I don’t see anybody from the Legislature here. So, I presume that I should assume that I am now speaking to God?” He laughed, and the press, of course, picked that up and ran out and somebody said--they told me later--they said, “Nobody but Alan would say anything like that to the governor. [Laughter.]

SENEN: Well, you know, you are in a different category.

POST: I was in a different category. The Legislature over time got to love me and protect me. People said, “One day I hate you, and the next day I love you,” because it depended on whose side they were on.

But we did it the way we thought it had to be done. We didn’t pay attention to politics. My attitude always was you say it the way it is. They can do anything they want with it, but this is the way it is. We’ll talk to the press, not through press releases or conferences or things like that, but if
somebody comes in and says “I don’t understand what this is,” I’ll explain it to them. I’d come away from a hearing, and if they had questions about things that were technical, I would simply say, “This is the way this works, and this is what we were talking about.”

We had good rapport with all the press because they knew that I was trying to help them with their work, and I respected them, and I thought they were invaluable. As I used to say, “You guys explain things a lot clearer than we do. We get it sometimes so technically muddled up, but when I read it, you get right to the guts of the issue,” because there were some very good people covering the media in those days in Sacramento, from the [Los Angeles] Times and the [San Francisco] Chronicle and the Oakland Tribune and the one in …

SENĘY: The Mercury News in San Jose?

POST: Mercury News in San Jose.

SENĘY: Long Beach.

POST: Long Beach had a good man. He was a friend of mine I’ve kept all these years. I see him every once in a while. They would come in, and we would talk, and I would explain it, and that was it.

SENĘY: They must have known what, obviously, the limits were with you as well.

POST: Oh, yes. Actually, under the rules, I couldn’t talk to anybody. My predecessor, Rolland Vandegrift, got to sounding off because he was politically savvy and knowledgeable and ambitious. They put the throttle on
him quick. The rules said you cannot talk to anybody except a member of the Legislature. Well, of course, I ignored that. It had to be ignored. But what I learned from it was that what you do is be careful in not venturing off into political fields. You stick to the facts, and you talk to people about that. The central element in that was the grist of your mill and the mode in the way you handled it, but you did so very carefully to let others do all of the politicking.

I avoided politics just as much as I possibly could by staying away from these, as I said, luncheon groups. I was an Independent. I was a Republican, but then when Reagan’s people raised a stink about everybody in my office being Democrats and no good, boy, I went down and checked their registration. It was something I’d never done before, but I felt we had to protect ourselves against a guy who was as politically potent as Reagan was. They were mainly Republicans. There were very few, a thin scattering of Democrats, and none of them at the top was a Democrat.

SENÉY: And you then changed your registration.

POST: I went Independent to insulate myself. If I’d changed to Democrat … and I vote Democratic, I have to admit now, because I think they’re generally right. I read something in the paper today, and I said, “Democrats are right on this one.” This has to do with the energy policy in Washington, and it’s whether you go conservation and whether you go up into Alaska and just temporarily use up what we’ve got in the reserves and so on, and I just think that’s the wrong policy.
So, I would side with the conservation policies, as I did back then when I was a Republican and as I would now as a Democrat. But I'm still an Independent. It's an advantage to me. I have great friends that are Republicans, and I went, at the point when Reagan leveled his accusation, to a Republican: Howard Way, who was a Senator from the valley and who later became, briefly, the president pro tem, until he failed to count votes. He got rid of committees in a reform movement that took care of just the number of votes he needed to stay in as the chairman of Rules Committee and as the president pro tem. [Senator] Jack Schrade from San Diego, who was more astute politically and not the least bit concerned about that kind of reform, came in and pushed him out.

But I went to him and I said . . .

SENLEY: If I may about Mr. Way, I understand he had some political scientist from Davis come and take a look at the Senate and what should he do, and he said he should reduce the committees. If I may, like a fool, he paid attention to this academic and he did . . .

POST: His AA was an academic type. It was a reform. There were too many of them. Everybody had their committee. Everybody had their little pot of money and a largesse of staff and so on, and a certain amount of that's okay. But there were too many of them, and they overlapped, and we didn't have the kind of policy leadership that we needed.
Yes, he told me later. He was a very, very close personal friend. I just called to see how they were and found that he died a few months ago, or a year ago. They were living up in Washington, where he had family. We were very close to Howard.

SENERY: Well, he was well regarded, wasn’t he?

POST: He was a fine, fine man. He was the farmer type that came in and spent $13,000 getting elected, after he’d been through the chairs locally, like they used to do: the city council, then supervisor, and then you become a senator. He was a man of principle.

He disagreed with me on water. We felt that too much of the state’s water policy was spent on taking care of crops which were of marginal value, like cotton and too much alfalfa and so on, and that there should be conservation and prioritization in that area. Of course, he being a farmer in that field argued against it with me. But we didn’t change our policy any.

SENERY: But you went to him for advice and some protection after Reagan was critical?

POST: I just went and said, “Howard, these critics are staffers, and you’re close to them. I’m not. They’re in the Republican Party.” I don’t know that he was close to Reagan, but he was close to a lot of their staff people that were doing this criticism. I said, “You tell them to go do what I did. Go down, if they say they’re Democrats, and check their registration. They’re public records. All you have to do is go down to this Hall of Records and check it out, and you will find out as I did that they’re almost all rock-ribbed Republicans.”
My deputy, my chief on the budget. They were all Republicans. I said I was really surprised how few of the staffers down the line were Democrats; the younger people. Because I'd never really thought about it that way. We served both houses. As I said, I loved them all.

SENLEY: Did Reagan introduce a different tone to things?

POST: Yes, he did. I think that's mainly his contribution. He talked conservative but didn't have the capacity and knowledge and people around him that could effect that. Actually, things just went about like normal. As I always said, they're going to do so anyway. The bureaucracy are largely going to run the government, and that's probably the way it ought to be. They know what they're doing. They have their assigned legal responsibilities. You can upgrade the quality of it. Warren did that by getting good directors and trying with academics to improve the processes of employee selection, retention, training, and whatnot. Those are all fine things to make the bureaucracy better, but they're still going to be the major factor in the running of government.

But he toned things down a bit. He was negative on everything. His attitude was negative: Don't do anything. And so, we languished in keeping up with the growth of needs for infrastructure and water and the highways and things like that, and then Jerry [Brown] came along with his philosophy: Little is better, smaller is better kind of thing. We lost ground there.

Deukmejian so concentrated on the penal system that we lost ground there and
then made compromises that were not very good to fund that. There’s been a lot of slippage in government ever since Pat Brown.

SENÉY: Let me change this.

[End Tape 3, Side B]

[Begin Tape 4, Side A]

SENÉY: In reviewing things for our discussions, one of the things that stood out about Mr. Reagan was this was the first time, at least I’m aware of, that the University of California really became a kind of political issue and its funding became a kind of political issue. He and Mr. Unruh particularly were at odds over the tuition. Can you talk about that a little bit and his impact on the UC system?

POST: Well, he talked tougher than he was. Actually, he treated the University pretty well. They didn’t think so. But if you took a sanguine view of it, they continued their policies pretty well, and they met their needs for enrollment and so on. He was better with them than probably anybody else, for reasons that I can’t explain. Maybe because there were powerful people on the board of regents that were politically powerful and conservative and friendly, and they were looking after the University in terms of preservation. So many of them come from the University. There’s a lot of things that don’t come into a welfare program or a labor program unless you’re in the other party.

But as far as he was concerned--we were just talking about the University--he was somewhat niggardly. I remember at that time Norton Simon, who
was on the board of regents, got in a debate with the president of the
University, Charles Hitch. They had a dispute about taking the trust funds.
He wanted to take from the trust funds and put it into support.

SENLEY: Simon did?

POST: Yes. And the president said, “No, that’s just wrong. You can’t do that. It’s
bad fiscal policy anyway.” The president called me and said, “Norton Simon
said to ‘call Alan Post and arrange a meeting, and we’ll go down to talk to
him, and I’ll do whatever he says.’” So, they came down and came in. I
heard Simon make his case. He said, “We’ve got to have more money for the
University.” I said, “No, that’s absolutely wrong. You don’t take from trust
funds.”

SENLEY: Now, these were … ?

POST: Retirement funds and trust funds of that kind. You just don’t do that. Those
are “trust” funds, and they’re put in a different way and for different purposes,
and they’re dedicated purposes. You’d be better to raise tuition or do
anything, but don’t dip into trust funds. That’s not right. Economize where
you can but not that.

So, he dropped it and never mentioned it again. He got up to leave and I
said, “I want to thank you for what you’ve done for art in California, Norton.”
He came back. He had his man outside who was his curator who happened to
be with him, who was sitting in that chair outside of the office, waiting until
the meeting was over, and they were going to go to Pasadena, I guess, to talk
about the museum down there. We spent about an hour and he explained to me his philosophy of how he was trying to preserve the collection, how he would put it in for several years until people in the community had gotten the full benefit of it, and then he would move it. But he said, "I don't believe in moving it around too much because it's hard on collections to do that."

"Ultimately," he said, "I want to have it sited in Pasadena in that museum down there" which he bailed out. They were very avant-garde there, and the people in Pasadena just didn't support this minimalist art and things like that.

SENLEY: Simon was very avant-garde.

POST: He was avant-garde, but he was also conservative. He knew the whole picture, and he wanted a full-bodied collection. So, he agreed to take it over, but he was going to run it. He was going to bail it out, and they agreed to that. Of course, what he's done in the Norton Simon Museum has been expanded. It's a beautiful museum now. It has a Catholic collection.

SENLEY: Any of your work in his collection?

POST: No, no, my work isn't in. I was only in one museum, and that's in Crocker [Art Gallery]. My dealer says she going to, when we get this catalog, she's going to send fifty copies of it to all of the museums in the country because "You belong in more museums," she said.

SENLEY: I think you do. We're sitting in your studio here, and you have such lovely things around. This one is obviously finished, the man with the cello.

POST: A woman and a cello is what it is.
SENEY: Oh, is it? I’m sorry.

POST: That’s all right. It’s a woman in leotards, and that goes in the show, but it’s already sold. I’m having a hard time with my dealer. She’s already sold five of them to people who saw the slides that we had for the book that we’re doing. I said, “Slow down a little bit. I don’t want to have everybody come and find they’re all sold out.” I said a few is fine. She’s got her economic interest in it, but she’s already sold that one. The frame got damaged in the process apparently, so I came in last night and repaired it. I’m going to take it back today.

SENEY: You do your frames as well?

POST: No. I have the frames all made, and then I just put them in. They come with the canvas and the frame, and then I plunk them in. This one I was painting on last night, late, after I got in. I painted until midnight. I was doing some work on it, and I said: I’ll plunk it in and see how it looks. But I’ve got to put the screws in the back and get this fixed and take it down this afternoon, because the people want it back. But there was a problem with the frame getting banged up. I think they banged it up in the van. I bought some stuff yesterday and repaired it.

SENEY: My understanding is that your work sells very well.

POST: Yes, I usually sell out. Sometimes people have said it’s like a feeding frenzy when you go to the show. I do real well.

SENEY: That must make you feel good.
POST: Helen does well. Her work's more expensive, as the dealer raises the prices, and she's been raising the prices on everything. You don't make anything really. This is our life and we don't lose anything, except maybe this year or last year we did because we're spending about $100,000 for castings for my wife's work for this show, believe it or not.

SENEY: Wow.

POST: She's got one piece eight feet high and two life-sized goats, and those things cost nine, ten, eleven thousand dollars for a casting and the base and all of that. It's expensive.

SENEY: What does she render them in before they're cast.

POST: In clay. Lately, because she'd been ill, we went over and worked in the wax room with the people that do the wax. This is where they come off from the molds.

SENEY: The “lost wax method?”

POST: Yes. So, we worked in wax, and I've been doing that, in large part, since she'd been ill. They've been helpful. I go down and stand over them. What we did was; we cannibalized recently. My wife was spending so much time redoing some of the legs and whatnot I said, "Helen, that's crazy. You just don't have that energy. Let's do like other sculptors do: we'll cannibalize. We'll cut the heads off of some of these and cut the arms off. We'll refashion it. They can do that in wax. We'll go down there and stand over them.” It's very easy for them to change things.
She made a small goat, and this one figure is standing and holding the goat. Well, the figure that’s doing the standing is a figure that was otherwise with arms folded like this, and we put the arms on it, and it’s now holding the goat like this, and shifted the feet a little. I said, “Let’s shift the feet this way.” So, you’ve got a whole new thing, but you’ve got the same pair of legs. That’s been done all through history. This way we got a lot of work done, and that’s what I’ve been working on all day yesterday, practically till four o’clock, when I went to my dealer and worked for another hour-and-a-half on the catalog. So, that turned out to be interesting and creative. We’ll have about fifteen of her sculptures in the show.

But it is expensive by the time you take care of that. My work is not costly like that. I pay several hundred dollars for a frame and a linen canvas. It’s big. They’re $200, or whatever it is, and lesser amounts for the paper and stuff that I have in those frames and matted. So, I get a good profit margin on my work. Hers is much more narrow because you split 50/50 with the dealer.

SENLEY: Oh, you do?

POST: If you’re going to put $12,000 into a piece of sculpture, you’ve got to make it $24,000 . . .

SENLEY: Just to break even.

POST: Just to break even with the cost. You try to get a little bit of profit for investing in the future and whatnot. If you get a couple of thousand dollars, why, you can put that into the future. I have to pay income tax at the highest
bracket, so there goes close to 40 percent state and local tax. So, it’s not for us an economic situation. The year before last we sold $200,000 worth of art, and we ended up with no tax cost. When it came out, much to my surprise the tax man said, “It’s just flat even,” because the costing of the bronzes were so expensive. But we’re in very deep now on this coming show and the catalog, and we may not make it come out. That’s all right.

SENLEY: It’s a labor of love.

POST: Labors of love, and it’s nice to have a catalog like that, and it’s nice to have it sent to fifty museums, and maybe somewhere it’ll lodge a little bit, and in the future, why, I’ll have something. The painting is a good painting. As Wayne Thiebaud said, “Alan’s a fine painter. If he wasn’t the legislative analyst, he’d be far better known than he is.” In those days I was the legislative analyst.

SENLEY: Right. Who paints. A painter who’s the legislative analyst.

POST: And I’m pleased now that people once in a while, when they hear my name, “Oh, you’re the painter.” I am a painter. And they don’t know anything about legislative analyst.

SENLEY: That’s good, yes.

POST: It’s been since 1977, even though people still think I’m running the office once in a while: “Well, I thought you were still legislative analyst,” because they see your name in the paper once in a while for a report that you’re on. Anyway, getting back to . . .

SENLEY: Mr. Simon?
POST: Mr. Simon. Norton was excellent, and he always sent us copies of their publications when they came out. I talked to him on occasion. His sister served on the board of at the University of California, Berkeley Art Museum, when I was on the board of trustees. I got to know her well. She and her husband have art museums in Los Angeles.

Anyway, I liked Norton. He's dead now. Helen has a funny story. They called and told us that he was going to marry Jennifer Jones. We were having him to dinner, and he called to say that he couldn't come and if she could watch the news, she'd find out why: that he was married on a boat in the Caribbean or the Mediterranean or somewhere to Jennifer Jones. But he was a nice man, as far as I was concerned. He was also tough.

SENLEY: Well, the UC Regents has always been a very powerful group.

POST: They have been because they're appointed, I think, for that reason, in large part. They have political benefits to the governor in appointing them. But they've been a good bunch, and they've become very loyal UC supporters, and that's what regents are really supposed to be is loyal supporters and to bring money.

When I was on the board of the University Art Museum, they had a financial problem, and that was the reason that I got recruited for the job by [Richard N.] Dick Goldman-- you know, the Richard & Rhoda Goldman Fund. He just funded with a lot of money the School of Business Administration--the Levi Strauss family's heirs--at Berkeley. He married the
money. It came with Rhoda. Richard was an insurance man. I knew him because George Moscone brought him in one time to meet me. We hired his son, who was a very bright guy, for a while and has gone on to do great things. If we found somebody like that, there was no political reason in it. But his kid is a very bright young man and wanted to work for the office, and that was fine. The turnover in the office was always pretty heavy because we were a feeder for the legislative staff. They would go from our office to where they could get more fun playing with politics of a committee and get more money. It wasn’t as hard a life.

SENLEY: Weren’t the salaries tied together, to some extent, when the staff system began to...?

POST: No, because ours was tied with civil service. I introduced that policy at the beginning. I said, “I’m uncomfortable criticizing the administration and the agencies without having policies that are followed in terms of how we spend our money and how our salaries relate. They pay decent salaries, and we ought to follow it.” So, we geared our salary structure to civil service. My salary was linked to the director of the Department of Finance. The committee said, “You’re our budget man, and he’s the governor’s budget man, and you ought to be paid the same.”

I took a cut to come with the Budget Committee in the first place. I was paid a lot more money in Salt Lake at the Utah Foundation, but my psychic income was increased immeasurably by coming over here. But then when I
became legislative analyst they cut from Vandegrift’s salary because I was a young fellow and hadn’t had all his experience. But then, before long, they decided that I had become their boy ... and my first job, incidentally, was to get to know the legislators. I spent great effort in understanding who they were, and then I said, “By the grace of God I got that Joint Agriculture and Livestock Problems Committee that took me with them, and I became their boy.” They liked me, and I liked them, and we just became great friends.

We behaved ourselves. In our office we were told that “there are no politics in this office.” As one of the staff said when he became head of the County Supervisors Association, “You never had to lie in Alan’s office.”

[Laughter.]

SENEY: I guess he was figuring he’d have to start now.

POST: He’d have to do a little of that probably.

But anyway, that’s the way we ran the office. It had to be without blemish, and we ought to be in line. The one thing we didn’t do, and I’m really surprised, we never had an audit in the office. But we ran things with intense supervision of everything, and we really never had a problem. It was only after I got out that they got into some trouble of somebody writing airplane tickets and keeping the money and things like that.

SENEY: Was this on Mr. [William G.] Hamm’s watch?

POST: Yes, when he was there, on his watch. It was embarrassing, but they straightened that out. But we never had an audit and never thought about
having an audit. We monitored our office carefully. When I'd go before the Senate Rules Committee to have our budget approved, they'd say, "Now, are you sure you've got enough money?" I'd say, "Yes, we've got enough money." Actually, we salted away a little extra because you could carry it over. In the Legislative Contingent Fund there was a carryover to protect the office from the governor. And the Legislature wanted a little of that because they said, "If you get a hostile governor," as we did with Reagan—the first hostile governor was Reagan, but in other states the governor had reached in and had cut out offices—"we don't want to be where he can cut anything out. We've got to be independent. If we cut you out, that's fine; that's our business. You serve at our pleasure. But we want enough money in there to carry on the Budget Committee and the staff in case we get into a hostile position with the governor, who wants to start punishing."

SENEX: Did Reagan do any blue penciling of your budget?

POST: No. It was his people that bitched. He had asked me to be his Director of Finance. He had campaigned on the basis that I ... the newspaper people would say, "How are you going to do all of this?" He said, "There's a man in Sacramento. His name is Alan Post. The Legislature doesn't pay as much attention to him as I think they should, but I'm going to. And when I get there he's going to be my first appointment. We're going to talk, and he's going to show me how to do these things." Well, my wife saw that. Being an
ardent Democrat, she took umbrage of that. [Laughter.] She was in Texas when she heard this speech. I’d never met him.

SENLEY: He hadn’t bothered to discuss this with you.

POST: No, I’d never talked to him. I’d heard him speak once, and I said, “He’s full of baloney.” It’s all this kind of rhetoric about conservative and so on. It just can’t happen that way.

It did happen that way. When he got elected and they put him in an office building here in Sacramento, I got a call: “Will you come over and talk to the governor?” I, at that time, had told Deukmejian that I wasn’t going to accept the position of director of Finance. He came to see me.

SENLEY: Deukmejian was a senator at the time, right?

POST: Yes, a senator at the time, and he came speaking for Reagan and said, “Alan, would you be his director of Finance?” and I said, “No, I really don’t [want to]. I like what I am here. I’m Independent, and this is the way I want it to be, and I don’t want to be hustling for any governor.”

There’s a funny story. When Warren left, of course he was succeeded by [Governor] Goodwin [J.] Knight. Goodwin Knight and Warren, you know, didn’t see eye to eye.

SENLEY: Oh, didn’t they?

POST: No. Warren thought Knight was a lightweight and so did his Director of Finance. I used to hear them talk on it. He was a lighthearted, funny, interesting guy, Goodwin Knight. Nice, nice man.
SENEY: Known as “Goody.”

POST: Goody. But anyway, he became governor. Warren hated to leave, they said, more than anything else because he didn’t want Goodwin Knight to succeed him as governor. He was then lieutenant governor. But he did. And my boss, the chairman of the Budget Committee, was Ben Hulse, and Hulse lived down in Imperial Valley. He had a big Cadillac with air conditioning before anybody else had air conditioning in cars, because down in El Centro it was hotter than Hades, and he had all kinds of money. He was a rich agriculturist, an oil man, and whatnot. So, he had everything down there that you needed to protect you against the heat, including a house that had enough for a factory ... we used to laugh about it. He asked our engineer to help him with ideas for getting air conditioning in his house down there. We used to say, “There’s enough in there for a school building,” but you needed it.

Anyway, he was going east, and he’d gotten as far as Kansas, and a highway patrolman pulled him over and said, “The governor of California wants to talk to you.” Hulse told me this later. So, he went to a phone and called back, and the governor said, “Can I have Alan Post for director of Finance?” and Hulse said, “No.” Goodwin said, “Okay, Ben,” and that was the end of it. Later, Hulse said, “You know, I feel bad about that. I should have asked you instead of just saying, ‘No, you can’t have him.’ That’s a decision I should have let you make.” I said, “I’d have made the same decision. Don’t worry about it.”
SENEY: Well, it must have made you feel good, too, at the same time.

POST: Well, kind of, that they thought that I was that invaluable to them.

I liked Goodwin Knight. He was a man of good will, and he tried to do what Warren had done. He tried to carry on those policies. He was a faithful shepherd for Warren, even though Warren thought he was not up to the job. He got smoked out of it, of course, by [U.S. Senator William F.] Bill Knowland, who had ambitions to go from senator to governor of California and maybe president. So, they pushed him out by fund starvation.

SENEY: So I understand, Knowland switched with him without asking Knight.

POST: "You run for the Senate, and I’ll run for the governor," and he gave him no choice because the powers that be around Knowland cut off funding for Knight.

SENEY: I’m told the Republicans are much better at doing that than the Democrats are in this state of channeling and directing the campaign funds.

POST: I think that’s probably so. I’m still remembering Will Rogers’ comments: "I’m a member of no organized party. I’m a Democrat." [Laughter.]

SENEY: That’s right. Don’t you think that if you had become Finance director you would have had to do things that you wouldn’t have wanted to do?

POST: Of course. I remember Pat Brown telling me one time, because as I say, we became real good friends, and when he’d come to Sacramento he’d call and we’d have lunch together and talk about the state of the state. He said, "Alan,
you never had to go out and hustle money.” He said, “That’s the hardest thing.” I said, “No, I never did, and I don’t want to.”

SENELY: He’s now regarded with a lot of affection.

POST: Oh, and great respect, because he did the right things. He was a man who kind of bumbled, and people made fun of him a little bit. But he was no fool politically. He was a good man, and he had some good people around him. He’s the guy who finally put together the Master Plan for Higher Education and the water plan, he took a very active interest in getting that finalized. It was floundering, and we went through a whole series of conference committees that involved the budget and the water bills. Knight couldn’t seem to bring it to fruition and Brown did. Brown came down and hustled it on the floor and used muscle. He was a tough political bargainer. When the chips were down, he knew the politics of favoritism and rewarding and non-rewarding, and he did what needed to be done, and he got it done.

So, in that period that I described as the “growth period” of population increases, he was the right man for the job. Fortunately, we also had federal policy with grants to local governments, including the state, of course, and …

[End Tape 4, Side A]
Session 3, April 30, 2002

[Begin Tape 5, Side A]

SENEY: As I was saying, Mr. Post, I'd like you to talk about the whole budget process, from the beginnings of your work with it around Governor [Culbert L.] Olson, all the way up, because I know you kept up with it all over the years.

POST: Well, I didn't really have much to do with Olson. I was here just a couple of months when he was governor. I never met him. At that point, there was a lot of hostility between the Republicans and the Democrats; Olson being the first Democratic governor in California in the century, after a long line of Republicans and a Republican legislature. So, they gave him a bad time. They thwarted as much as they could his ability to try to balance the budget and to pay off the debt that had been accumulated and to provide some unemployment relief for the unemployment situation we had at that time. So, it was very frustrating for him, and things didn't really even out until after I came back. Earl Warren had been elected, and you had a Republican back in the saddle, although a much more liberal Republican than those that had preceded him.

The budget was about a half a billion dollars or somewhere around 500 million, I guess, at that time. It was much ...
SENENY: This would be 1945/46?

POST: This would be 1946, when I came back, yes. He came in in ’42, I guess.

Anyway, it was much simpler. We didn’t have the federal funding.

As I had pointed out earlier, we had accumulated reserves from that which had been not spent--could not be spent, really--during the war and the surge of revenues that came from the increase in population and a resurgence of rebuilding and relative prosperity in California and the advent of federal funding, which became very significant.

The budget had new federal funding. We hadn’t learned how to handle that very well yet in terms of a budget process. It had to be handled differently, with allocations. And then you had shortages of school facilities, so you created allocation boards to allocate those funds out, to develop formulas for how much the state was going to expect to be reimbursed through the property taxes of the districts in which the state laid out a basic program. When I first came in there was basic aid, and it was “X” number of dollars per pupil state funds and the rest was from the property tax.

SENENY: And the largest portion would have been from the property tax.

POST: Yes, it would have been more than 50 percent; although, pretty soon 50 percent, or 40 percent generally at that point, became kind of the norm. My boss, Vandegrift, on his deathbed, when I went out to see him at his farm and I talked a little about the fact that we were going to move into
some improved form of equalization aid, and he just hit the ceiling. He said, "‘X’ number of dollars per pupil! ‘X’ number of dollars per pupil! ‘X’ number of dollars per pupil! Never get away from that!" Well, we did.

SENÉY: Equalization would mean trying to make up for some of the poorer districts?

POST: And the rich districts. Equalization of resources, that’s right, for schools in which you had some districts that were incredibly rich. They had no pupils to speak of, and they had power plants, and they had taxable entities that gave them thousands of dollars per child. And then you had the bedroom areas that were beginning to spring up, and they had only the taxes on the homes, very little from industry, and so, they were the poorer districts. They were not poor people, but they were poor school districts in terms of property tax. We had experts from Princeton and Columbia who came out and introduced the idea of equalization and it caught hold, and we had legislation doing that. And so, it changed the nature of the budget.

The school funds were outside the budget bill itself. They were like welfare funds, and the school funds were separate and funded under formulas, and the appropriations for state government took care of higher education and the matching amounts that had to be paid for the equalization programs, both in welfare and in elementary and secondary
education and the community colleges. The rest of it was for state programs like health and agriculture, and these were fairly stable kinds of budgets.

SENLEY: Sort of general government expenses?

POST: General government.

SENLEY: Secretary of State’s Office, Attorney General’s Office.

POST: That’s right. They were peanuts, really, in a sense, they were so relatively small. They weren’t large offices either. The Governor’s Office was small and so were all the constitutional officers.

So, that was not a serious problem. Prisons were relatively modest. They were not run well, and Warren had to reform them. They were run kind of like the private preserves, as I may have mentioned before, of the wardens. They had a powerful Board of Corrections that made policy, much as the police commissions do in the cities. And so, this was a very simple kind of thing.

SENLEY: Can you talk a little about how equalization worked in the schools; what the mechanics of it were?

POST: Well, what was done was that there was a basic aid: a certain amount that the state was going to supply per a.d.a. to school districts, which was, I think, Vandegrift’s fifty dollars per pupil. All schools got basic aid. Even the rich districts got basic aid. Districts then got local revenue up to the level of a calculated “foundation program.” If the basic and local revenue
did not reach the foundation program the state supplied equalization aide. We tried to get a reduction in the basic aid for rich schools because it didn’t make sense to have schools with many thousands of dollars per a.d.a., getting basic aid that could go more effectively into equalization, since there’s a limited amount of resources that was going to be made available. Wide variation in resources led to a lawsuit brought by John Serrano against the State Treasurer. Ivy Baker Priest declared the current inequities unconstitutional under the equal protection clause of the State constitution.

So, that was a bit of a struggle, and at the same time, there was a strong move to consolidate school districts. There were many—too many—of them. Little tiny districts that were inefficient. And so, there was a feeling that you had to balance the needs of these isolated little communities; be sure they got taken care of. Transportation could fill in rather than having some sort of one-room school houses. So, we had a commission to reduce them to some more manageable level, a smaller number of the districts.

Going back to early days, all those equalizing factors were going on, and then, under Warren, the state got into the building program for schools. Previously, all of that had been done by the local districts in their discretion with property taxes, but the burden was getting to be too heavy, even with equalization for support. So, we provided, in effect, an
equalization program for school construction, and that was based on the premise that, first, the district had to levy taxes up to a certain level, a certain burden, and when it exceeded that, then the state would begin to repay the loans that had been made to the districts to build these facilities under standards that would be set by the state as to size and building standards of various kinds.

The Allocation Board managed all of that, and our office set up a little task force that went in and worked with the Allocation Board. We really played a very extensive role there because Department of Finance was nervous about being tough on architects who came in and wanted to build a monument to themselves and school districts having totally uneven facilities down to the carpeting and the tiling of bathrooms. And so, we sort of worked to get standards of tile up to a certain level but not floor to ceiling and all that sort of thing. We played a very strong role in sitting in there and stiffening the spine of the Department of Finance and the Allocation Board in forcing these and saying to architects, “You just can’t do all of this. You can’t make a palace out here. You’ve got to stay within certain limits. There’s just too many schools to be done.”

And there was also an effort to structure schools against earthquakes, and so, we had money going into that.
SENEX: If I may, when the surplus had accrued at the end of the war, was this money loaned, then, to the school districts to build the schools and then they paid your bank back?

POST: That's right. It was a loan program. We approved, say, the amount which was proper to loan to a district, and they paid that, and we paid the service on the bonds because it was a bond program, which had long pay-out and longevity to it. It was very properly a bond program. The state, then, was repaid, as the district was able to, under the equalization program that was set up of repayment; by a district taxing itself up to a certain percentage of its tax capacity. Then, above that, the state would pay off, ultimately, the whole thing. In other words, at the end, if you'd paid off under that formula less than the full loan, why, the state picked up the whole bill and liquidated it.

Anyway, it was an equalization type of program involving pay-out through the Allocation Board of an appropriate amount for construction and then a pay-back locally up to a certain limit.

SENEX: Where did the pressure for this program come from? Was this something Warren simply saw the need for?

POST: Well, yes, saw the need for it. I remember the first time I saw him. He came before committee and made a pitch for it because it was a new policy. The state had never been into the building of school facilities. And then we had experts from out of state and within state--academic--
who came in and pointed out the way in which you could do this, and testimony from school people who strongly supported it, and the school districts. The education fraternity was very powerful in those days. They had good lobbyists, and so, they got heard very regularly. So, it was not a serious problem for Earl Warren to lead the battle and get this in place, much as he did reforming almost everything.

He was deeply involved in reforming and strengthening higher education—the University of California. He was a product of the University, so he was close to it. And prisons and mental hospitals. Public health, which was then a separation, really, between the local public health... we didn't have, you see, the federal programs into the picture, so it was a question, then, of allocating a certain dollar amount per person to local districts to take care of what the local health officials were responsible [for], a certain amount of disease control and epidemiology studies and things of that kind. And so, there was a program to give basic aid for these local health departments. Then the property tax in the district could add to that as they saw fit.

SENLEY: And this was new, too, that the state had not done this before.

POST: Well, when I came in, it was doing it, and I think for quite some time; that the state had had a hand. I don't know when it was really introduced, but when I went to work, it was in the picture.
SENLEY: Was there much opposition generally to this whole notion of the state now getting involved in what had been previously local matters.

POST: Not state for local, but for federal programs, yes, there was. For example, I remember so distinctly the problem with respect to the pilot projects that the federal government would establish. They would get things started, and then they would pull out. The state was supposed to take it on at that point, and that was bitterly argued at the time. The mental hygiene clinics, for example. They came in with four experimental clinics in different regions. I worked closely with Portia [Bell] Hume, who worked for the University of California and was at a higher level of mental hygiene. She was in charge of this pilot program. There was a lot of argument against that: “These people are going to pull out, and we’re going to be left with all of these local pilot programs for mental hygiene clinics.”

I remember getting pilloried by the League of Women Voters by simply commenting that when you had these clinics, you obviously increased the caseload: people had access to this system. They thought I was being critical of the fact that we were spending money for these clinics. I wasn’t at all. I was quite supportive of them, and I worked very closely with Portia Hume. We were good friends, and I wanted to see them succeed.

SENLEY: About what year would this be? What period are we talking about?
POST: Well, this would have been in the early '50s because I was just legislative analyst. I really was made permanent in the first months of 1950. Vandegrift died in December of '49, and I was made active; and then shortly after that, as soon as possible, why, they made me the legislative analyst. I was still working on the mental hygiene budget. I had had mental hygiene, education, public utilities, social welfare--a whole host of other agencies--that had been assigned to me. So, I carried a major share. I was his deputy of the big programs. I was the only one who had any educational background in higher education, like a degree and teaching and that sort of thing.

So, we just split them up. There weren't many of us. At first there were five, and then when he died, there were fifteen. One was for corrections. We didn't do much on some of them. We did very little. Frankly, we just didn't have the time, working around the clock during the budget period. But we did something that had never been done for them before, and we went to the hearings; and so, the Legislature was feeling that it was getting into the act. Some of these people became quite well equipped. I moved into water and into transportation from the state standpoint. Not the allocation, because that was under Collier-Burns and deliberately was to keep the Legislature and the governor out of allocating funds for specific projects. But the whole system was authorized by the Legislature and the governor determining the network of highways.
SENÉY: This would be true both for highways and water? There would be separate allocations of that?

POST: Water was a whole new development. We had the Division of Water Resources that did water planning. But the federal government was largely the funder and the source of irrigation water, except that which was local. Like in Los Angeles, the power and light. But the big dams along the...

SENÉY: The Central Valley Project.

POST: And the Central Valley Project were all federal. My first introduction to that was being taught by my staff that this didn’t make sense for the state to buy out Central Valley. They were going to use millions of dollars because the big farmers didn’t want the acreage limitation.

SENÉY: The hundred and sixty acres.

POST: Yes.

SENÉY: Since they’ve always gotten around anyway.

POST: They always got around it, but they wanted it wiped out, and they wanted to own the thing. Somebody from the Bureau of Reclamation, who was a friend, came to me and said, “Alan, this is the stupidest thing in the world. You need this money for the development of water in California because we’re going to need a lot more, and to use it to buy out for the farmers something that’s already in place is stupid. You ought to foster federal projects and then add to it what you’re going to have to do on your own.”
And that was, of course, followed later by the state Division of Water Resources who presented a big plan for transporting water from the north to the south. That’s the basic ecology of it.

I may have touched on this before.

SENEX: That’s all right.

POST: But the Legislature came to me and said, “You prepare something so we can get some bids on an independent review.” As I say--I think I said before--I went to the Bureau of Reclamation and the Corp of Engineers and said, “How do you do this?” and they told me how to do that, because you had the highest dam and the longest canals and the biggest pumps, and it was superlatives in every facet. And so, you had to have experts in every field, and we did that.

SENEX: So, they told you how to estimate the costs.

POST: Then, in 1955, I hired a guy from Washington who was an economist who had worked with Bonneville [Power Administration] and was a pretty savvy fellow. He knew all about federal allocations. We weren’t familiar with that. The legislative Committee on [Agriculture and] Water Resources was only concerned, really, at that point, with water rights: riparian versus municipal rights and so on.

They had no economist over in the Division of Water Resources, but they got approval of the project, and they started moving in on it. Well, at that point, you had to determine how you were going to pay for
this. It was expected that there would be power production and merchandising of water, and there was nobody over in Water Resources that had been planning that. They hadn’t even been thinking about the economics of it. And so, we took a major role. Our man was very, very good, and he moved in on that area.

And Pat Brown appointed, from the federal level, a man who had been undersecretary of the Bureau of Reclamation, I guess, and that was William Warne a dear friend of mine later. He’s now dead. He taught with me at USC’s [University of Southern California] graduate school on a part-time basis later. He was a strong character, and he did recognize that economic planning problem, and he did create the kind of personnel in the department that were necessary for that. We disagreed with some of their budget requirements and argued about that, but by and large, what we did jointly was to create the capacity to work out formulas, somewhat similar to some of the federal, of allocations to recreation and fish and things like that that were non-reimbursable, plus the reimbursable components of salable power and sale of agricultural water.

SENÉY: That water from the [California] State Water Project turned out to be much more expensive per acre-foot to the farmer than this federal Central Valley Project water, which was four or five dollars an acre-foot for a long time.

POST: Well, it was subsidized more heavily at the federal level. Our goal was to be, ultimately, a 50/50 sharing. It never really quite reached that. It’s still,
I think, subsidized more than that. But it was supposed to be paid back and ultimately work out at about that kind of sharing.

SENLEY: I asked that because I'm wondering if these farmers who came to you, wanting you, the state, to buy up the Central Valley federal project, had any idea that that would have a tremendous impact on the amount they paid for water.

POST: Oh sure. Sure. They wanted the federal formula to apply, and they did well. There's no question about that. Incidentally, in the building of that great project down Highway 5, you initially had no highways over there. You had all that dry land on the west side of the valley, and the state was smart enough to know that as you dug those canals, there would be earth pulled up and you'd need a right-of-way for the highways that would service it from farm, city and agricultural generally and for transportation generally. So, they did one thing right: they bought the right-of-ways all the way down. Where Highway 5 runs down is on a purchase of enough land to not only put the canals in but to put the highway system alongside it.

SENLEY: So, then you planned Interstate 5 at the same time.

POST: They did it at the same time, and they used the earth to carry over and build a base for the highway.

SENLEY: Ah! Very smart.
POST: It was smart. It was very smart planning. One of the really successful things that we did. Every time I drive down there I think about that, as I drive that fast highway down the side of the valley. Of course, what it did then was it opened up that whole side of the valley to . . .

SENEY: Let me turn this over, Mr. Post.

[End Tape 5, Side A]

[Begin Tape 5, Side B]

POST: William [E.] Warne was the name—W-A-R-N-E—was the federal official.

SENEY: Probably commissioner, had he been, at Reclamation?

POST: He’d been deputy, I think, and he was very savvy, well educated, strong personality.

SENEY: Now, he becomes head of [Department of] Water Resources?

POST: Brown appointed him, because Brown is the one who brought the thing to fruition, with considerable energy and advocacy on his part.

Higher education was brought into the Master Plan for Higher Education under Pat Brown.

SENEY: Talk a little bit about that Master Plan, because that’s still pretty much in effect, isn’t it? It was highly regarded at the time, both here and elsewhere, as a model.

POST: Yes, it was considered to be a model. It was based on some principles that had been brought in, again, by education experts at higher education, that there ought to be a separation of the levels that could be afforded. The
University of California was very jealous of protecting the research programs and the formulas that they had for supporting faculties with much less workload and much more widely dispersed activities. There were three principles that were involved: research, public service, and instruction.

The idea was that as you moved down the line from a limited budget for the University of California, the University of California was to be protected as one of the top universities in the world, which they were. They had a formula for teaching ratios that was lower than that which would apply to the State colleges, which were originally teachers’ colleges which had graduated into general higher education programs but they still had a higher level student per faculty budgeting; say, fifteen units compared to, say, ten for the University. No, it was not fifteen. Fifteen was for the community colleges. About twelve, I guess, and it went down to as low as eight, maybe, for the University of California, because there were a lot of professors that taught one class and that was it. They were required to engage in research, and the idea was that you weren’t going to have research at State colleges except for teaching credentials; you were going to have instruction. That was their role. And not much public service either.

I remember commenting one time early on that I didn’t understand why, with this sudden surge of enrollments, you had to raise the level of
research and public service in proportion to those requirements for
instruction of greater numbers of students. I got a call from the chancellor
at Berkeley to come and talk to the Academic Senate about that. So, I
went and did and they said, “We’ll be a second-rate university if we don’t
have the level of research that remains proportionate to enrollment and
expands accordingly. You may be right in terms of the fact that the real
burden is going to be instruction.”

I thought there ought to be some reasonable limit, and I said, “I
don’t know why you have to expand proportionally research in the
literature of the Spanish language. I can understand it in the sciences and
places like that. I come from the humanities, and I would think that that
would be a fairly limited kind of thing.”

“No,” they said, “we’ve got to require every new faculty member
to carry the same proportionate increase in instruction, research, and
public service or we will become a second-rate institution,” and they were
very forceful about it.

So, I laid back after that and thought, well hell, I’m not going to
bump my head on that. It seemed to me like it didn’t make much sense,
but I guess maybe they knew more about it than I do, and I don’t want to
destroy the University of California.

SENLEY: And they were very powerful and probably difficult to argue with.

POST: Oh, they were hard to argue with because the Legislature listened to them.
The real battle went on between the State colleges and the University of California. When I was in my office one day, a faculty member I knew came up from UCLA, and I said, "What are you doing up here?" He stuck his head in the office, and said, "I'm here to look after the University of California. We're deeply concerned about this tendency on the part of assemblymen and senators who want to have a State college in every one of their districts, and they have more political power than we do. We're under the board of regents, and we're regarded as kind of a sanctum sanctorum with great respect, but when it comes to political power, these people are at arm's length with the constituents and we're not. We're afraid we're just going to be eaten up by the State colleges." I listened to him, and I felt, well, that's true; that's what's happening.

So, I went over to a Ways and Means Committee meeting, and I talked to some of them and said, "You know, this is what's happening. We need to have some kind of a balanced higher education plan." And others, I'm sure, were saying the same thing, but they immediately created a committee, and then they had the study plan for the Master Plan, and they appointed my former professor of economics at Occidental: President Arthur [G.] Coons as chairman of it. The vice president at Stanford University was vice chair of it. They did a very good job. They hired experts, and they had a strong... the University was well represented by Clark [E.] Kerr and the State University by the chancellor's office
under a fellow who was an associate of mine at Occidental, who also
became head of, for years, the State University system.

SENIEY: Dumke?

POST: Glenn [S.] Dumke. He was my age. He was in my class. I knew him. He
was not very sociable because he was a brilliant student. He and my sister
were one-two all the way through college in their class. I remember I was
saying something about “Well, how are you?” or “How are you doing?”
and he made kind of a cryptic remark. Oh, I said, “What do you know?”
about something, and he said, “You wouldn’t know. You wouldn’t
understand what I know,” something like that. He was kind of that way
then. Very smart. Later we became close friends. When I became
legislative analyst and he came to see me quite often.

We went through a lot on the Master Plan. When they finally
brought their product in, both the State colleges and the University of
California were to be constitutional, and the Legislature rebelled. They
didn’t want another board of regents telling them what they had to do, and
so, they tossed the problem to me and said, “You write something that
we’ll accept; otherwise, we’re not going to buy this thing.” Clark was
pretty much doing his own negotiating, looking after the University to be
sure they were protected. But we worked closely to try and get a strong
Coordinating Council, as they called it. It’s now the Postsecondary
Commission, but then it was the Coordinating Council. It had certain
authority with respect to new programs, as to whether they should fall
within their own category, or if they were in engineering, what they should
be in the State colleges versus engineering in the University and the
components of research and all that went with it.

So, I worked hard at that, and later, when Coons was critical of the
fact that I had recommended that they not--knowing that they weren't
going to do it anyway--that they not be constitutional but that we create a
structure that would be permanent where allocation would be nonpolitical
by giving real strength to the Coordinating Council, he told me later that
Dumke had said, "Don't be too critical of Alan. If we hadn't had Alan in
there, we would never have had a Master Plan for Higher Education. I can
assure you of that." So, Coons told me that and said he felt better about it,
but he thought that I had helped dump the constitutionality of the State
colleges.

Then they passed laws that permitted the colleges to become
universities, as they really were, as they grew in size and complexity of
programs and master programs, and research began to creep in because
you can't stop grants from coming. These people were used to grants, and
they wanted grants, and they would go out and get them on their own. So,
there's a lot of research--and you're part of the research concept--in the
State University system.
I know, being a part of the State University system, there’s always quarrels between our system and UC. UC wanted a monopoly of professional schools: law, graduate, and medical.

And they had it under the Master Plan.

Right, they did.

Unless they approved, you could not have a doctoral program in the State college system, and they saw to it that you didn’t get those. It was only in education because they were educational schools to begin with. A doctorate in education, that was okay; but when it came to other disciplines, that was under the control of the University of California, and it took a lot of persuasion to get them approved as to quality that would be commensurate with the degree given by the University of California.

I can understand their concerns. They put every roadblock in the way, and I can understand why they would do that if they possibly could.

Sure. They were protecting against economic pressures. Money began to get more scarce, and that tightened the fact that they needed to protect their turf, as they saw it.

You know, I was told--if I may--one of the facts on our campus is that except in the very newest buildings, there are no large lecture halls: three, four, or five, six hundred, that sort of thing. I was told--and I’m asking because you may know about this--that, specifically, we were forbidden then as the CSU system from building large lecture halls because they did
not want us to begin to do what the UC system did; and that is have a
professor lecture and then have teaching assistants help to conduct the
course, otherwise as is commonplace in the UC system. Do you know
anything about that?

POST: No, not really. I know that senators came to me. I was close to the
senators, really, and they came to me and said, “We’re concerned that the
State college system is gradually moving away from being just instruction
and teaching and going into research. What can we do about it?” I said,
“Well, I’ll tell you one thing you could do that I think would be
constructive is to set up funds that would go to the State University system
to provide rewards for teaching instruction that are, in many ways,
commensurate in prestige and in money—particularly prestige—that these
people rightly want in that field as distinct from these other fields.” So,
they said, “Well, why don’t you work out something?”

So, I sat down and worked out a battery of things which were
rewards for teaching and publication of syllabi and a host of things:
supplements to the humanities; encouraging them to put their theaters near
where people could access them better than having to go clear into a
campus—get it close to, say, over near a thoroughfare—and reward the
professors for their production of plays, and things like that, so that you
would have a public perception and an academic perception of “we are
important people, and we’re being recognized as such.” I think originally
I had maybe seven or eight different things that were rewards that would bring prestige and access, and it was funded at about $3 million annually at the time.

Dumke didn’t want to accept it when we presented it. The senators took it; put it in the budget. Just put it in the budget: there it is, a battery of supplements. Because they hadn’t done it, they were resentful that the Legislature would impose these kind of things on them that might take money away from some other money they would beget. Gradually, they began to accept them, and they did give these awards for superior teaching and for the teaching materials. There was also one for having what the faculty would determine was a superlative syllabus for the teaching of some discipline. We would pay for it--recognition and publication--so we could get out a body of literature that showed what was being done at a high level, and it would also be good for everybody else to look at in terms of getting points on how better to teach.

I remember going through all of these things. It was just out of my own head, thinking about it as a former university and college teacher, that these would be nice things to do, and it would meet their objective of not having the “publish or perish” kind of thing that went on at the University of California. It would be somewhat similar but different. Some of those things, I know, are still in there. I don’t know whether they all are or not.
But talking about the lecture halls, I don’t remember addressing that thing at all. I know I did address the idea of having cultural facilities—the museums and the theaters—made more physically accessible to the public so that people would go and attend college plays.

SENÉY: I know our theater is right on the periphery of the campus. There’s a parking lot right there that can be used.

POST: That’s right, and I pushed hard for that because I’m very much involved in the humanities, and I could see that. I talked to Clark Kerr about it on numerous occasions at the University of California, how they ought to have an exchange. They had some very talented artists, and they ought to have a better program of exchange of work in terms of enhancing the museums that are on campus. At [University of California] Davis, we worked on a program there because I was a very close friend of Emil Mrak, who bought my paintings. He was a lovely guy, and we were good friends.

I told you the joke that he said. When I went over to him one time, as we were walking away he looked at me and said, “Alan, the Lord never intended you to be much. If you had been a steer, we’d have killed you years ago.” [Laughter.] Of course, he was an agriculturist. I never forgot that. Well, I guess I wasn’t much physically, I was so skinny.

But he was a dear friend, and he was a broad-gauge guy, and we talked a lot about that since he headed up Clark Kerr’s committee on the
development of statewide facilities, and we talked about the role that a university has, or a State college has in developing cultural and economic resources in scarce areas. That where the current formula required that you have a certain critical mass of population and students and whatnot, for establishing new campuses, Emil and I both agreed that you ought to add another strong element, and that was: Was that an area which, if fertilized by the infusion of an institution of higher learning, could develop economically--because there weren't a lot of resources there--and then become a center of activity where everything would be ripe for it, as we got more and more pressures in the urban areas and you had to spell out that we ought to prepare for that and that that would be a factor on growth?

That's part of the argument now. We finally went along with the creation at Stanislaus, which didn't meet the formula at all, but there was some feeling that in that area of Tulare and so on there would be. And in Bakersfield, the State college down there would tend to create resources that would come there from being not too far from Los Angeles and so on--my family coming from Lancaster and finding that kind of growth taking place there as a spillover across the mountains from Los Angeles. All you had to do was open up the freeways through there and put some water in there and whatnot and they would come.
SENSEY: So, you were using the college campuses as you developed them as cultural centers.

POST: That's right. First, it was a matter of prestige to the legislator, but later, as we thought more about it, this should be a factor in the growth of California and in the growth of culture. I'm a great believer in culture, and I probably told you this story, that when I was on the board of the University Art Museum, they were starving—the museum. They had built a museum there on the campus, or just off of it, with money that had been donated by a very distinguished German expressionist painter. He'd been put on the faculty, and he gave them the money. It was the seed money for building that museum there, and they were not maintaining it. They had no funds in the budget for it. They were relying on continuing to get money from the outside. So, they did create a board, and Richard Goldman, of the Richard & Rhoda Goldman Fund, as I may have mentioned earlier, the . . .

SENSEY: Part of the Levi Strauss family.

POST: The Levi Strauss family. Sweet-talked me into going on the board. I went to the chancellor, whom I knew, and said, "Shame on you. You don't even require one course of art to go to the University of California; yet, you're their lead institution to the world. And the State University system does have a requirement for at least one, whether it's theater or visual arts, or whatever."
You’ve got to have something, and you don’t have anything, and you get these scientists and these doctors and these lawyers and they don’t know anything about anything except their own discipline. I talk to them and I think they’re kind of narrow, and you oughtn’t to permit that. Here you’re not giving them the money that they were due.” We had $750,000 that they’d holed up—wouldn’t give it to us for the museum—and so, he said, “Well, I’ll give it to you but as long as you’re there and look after it.” I said, “I will.” Well, I didn’t look after it very well.

SENÉY: I’m sure you did.

POST: But I went back to the next board meeting, and I said, “We just got $200,000 as the first payment, and they put us in the budget.” I said, “You ought to budget it.” I went to the budget man. He was a very decent guy, and I said, “You really ought to have a budget for a museum. It’s your museum, and it’s one place where people who don’t know much about art can go and learn something. They can see these exhibits, and that’s part of the whole system of higher education. It’s there. You build it. You’re not utilizing it, you’re not supporting it, and that’s criminal.” And he said, “Okay, okay.”

SENÉY: And you know, of course, obviously in tactical terms, once you get that in the budget, there’s money for it.

POST: Of course! So, it went in the budget for the first time. I went over with the new director. We had to get rid of the director who was part of the
problem. He was creating so many enemies. He was a very well-known curator that had been at the Museum of Modern Art. Jim... I forget his name now. I'll think of it in a second. These names come back to me.

SENENY: Sure. That's all right.

POST: But anyway, we got a new director—a woman who was very attractive and smart—and she and I went over and talked to the chancellor about it. She said, "That was a great argument. I loved that." [Laughter.]

SENENY: Do you think this is why the Goldmans got you to get on their board, because they knew you could approach things like this and knew what to do?

POST: Oh, they knew I was savvy about money. Actually, what we did—I may have mentioned this—I sat down with the controller for the museum and we segregated out those things that the board ought to support and those that the University ought to support because one related to instruction and their academic program. The other was for exhibitions and acquisitions. I said, "As a board, we're in a good position to go out and raise money for that. When we go out there and they say, 'Well, the money's just going to go into bricks, into the janitors, and other things like that—that's what the University ought to be supporting,' then I have to say I agree with them. So, let's separate this out," and we did. And it was on that basis that I was able to go there and say, "We have a role to play, and we will play it, and we can be persuasive. You have a role to play, and all we're asking is that
you fund that. It strengthens our hand. Together, we can make this a great museum.”

SENLEY: Let me turn this over, Mr. Post.

[End Tape 5, Side B]

[Begin Tape 6, Side A]

SENLEY: Did you get a nice donation out of the Goldmans for the museum, based upon your good works on this budget business?

POST: No. Goldman gave a lot of money to the business school, and I think they gave money to the theater. I don’t know what they’ve given to the University’s museum. The University Museum is a little difficult for a lot of people because it’s very avant-garde.

SENLEY: Yes, I’ve been in it.

POST: It was a little hard for me sometimes to get very excited about it when I was on the board. Nevertheless, they get money from a lot of people who are wealthy and who are fond of very avant-garde art. They do quite well in getting money of that kind, as long as they get the “bread and butter” money in the budget.

SENLEY: And could you tell a donor that their gift was going for acquisitions.

POST: And this is going for an acquisition or for an exhibition--“We’re going to have a big exhibition”--like Matisse.

SENLEY: Well, it’s not uncommon to go out to someone and say, “Will you buy this for us?”--a particular piece--is it not, in the art fundraising world?
POST: Yes, it is. That is exactly right. And it's not all that difficult. We did the same thing here in Sacramento. The Sacramento art museum here--the Crocker Art [Museum]--Mrs. Crocker didn't trust city hall, so she created a California Museum Association. I was later a member of that association and president of it. That was to divide the authority 50/50 between the city--because it was a city institution and they ought to support it--and the outside world.

What we did, when the city decided that it wanted to play a stronger role in the picture, we worked out a formula--some of us on the board. Again, principally because I was the budget chairman and whatnot, I worked it out. [Assemblyman] Phil [Phillip] Isenberg, who was very interested in art and wanted the city to be in it more, bought off on this idea that we would support the acquisitions in that program but they would take care of the same support item just like the University. It was clearly in my mind when I went to Berkeley that that's what they needed in order to get recognition. So, it wasn't a new idea; it's just that I realized we needed to do the homework. The controller for the museum sat down with me and said, "Here's this. This kind of money falls in this category."

Between the two of us, we made that kind of an academic/nonacademic collocation and worked out a little report. Then I was able to go, first, to the vice chancellor for budgets and make my case and then later to go to the chancellor and make the case at that level.
SENEY: Well, I can’t imagine many other people who could go lecture the chancellor on his responsibilities and not only get away with it but get him to agree with you.

POST: I used to argue with everybody. I was very fond of and really quite close to Clark, who’s been out here and had dinner with us. We were good friends.

SENEY: He had a tremendous reputation as a University chancellor and as an academic and economist.

POST: Yes, he was. He was a labor economist, and he still has had a chair there at the University ever since, so he spends some time over there.

I first met him when he was made chancellor. He’s about my age. We talked about the future of the University. He’s a cool, intelligent guy. We’re both economists. So, we’ve had a cordial relationship, really, ever since. He wrote a book, which I had a copy of, but I must have loaned it to somebody because it’s disappeared, and I hated to lose that. It was a little thing called, The Multiversity. You probably know about it.

SENEY: Right. It was very influential.

POST: It was an important document in developing the concept of the system, like the University of California. He wrote in the face of it--and that’s one of the reasons I wanted to keep it--“For Alan, who understands. Clark.” He always had that tiny little writing. He wrote so small.
Anyway, I was very much impressed with that. It had a lot to do with my thinking about the concept. As he said in there, the University is an instrumentality which is operated, or something like that, by...not decrees but by some other word that's like that, the academic...

SENLEY: Fiat?

POST: No, it was the instruments that you use, like academic policy documents. There's another word. And powered by money. It is administered by these kind of decrees that are academic decrees and powered by money.

Of course, I was on the money side. I had been critical of the University early on--again, rather naïve--and said that my observation of the University--I didn't say this in writing but I said something about it somewhere because I was always making addresses at different kinds of groups, including higher education--that it seemed to me that the committee system of the University was awfully inefficient. I had attended a lot of them. For a way of managing things as a matter of discourse and policy discussion and that sort of thing, fine; but when it came to being self-administered by committees, it seemed to me terribly inefficient. A very famous professor of politics and public administration, a very distinguished guy who was an acquaintance of mine--a pretty good acquaintance--said, "Alan, you're right but you're not the right person to say that." [Laughter.] "But," he said, "we're going to try and improve
that.” I said, “It seems to me you need more structure to those meetings so that they get to the point and they don’t just become talkfests.”

SENLEY: I’ve heard the committee system compared to the classic definition of a city council meeting, which is “rambling, uninformed, and inconclusive.”

POST: Well, I don’t know how informed they were, but it was rambling and, to my point of view, inconclusive. We just couldn’t run an office like that, in my view, because I had to focus [on results].

SENLEY: That’s the old way, and it’s the persistent way.

POST: Right. We considered our role for the Legislature as being a focusing issue, among other things; that there were so many political, including minority, groups in the committees and whatnot that were centrifugal, that fragmented it for political gain, and I said, “We’ve got to have something out there that tends to be centripetal and brings these issues into focus. We should always think about that, as we lay out our stuff, how can we bring this into a point where the Legislature will find it manageable and make some right decisions and make decisions and make them quickly and well-defined.” So, it was a principle of the office that we don’t add by our arguments to that propensity for fragmenting issues but the other way around. That’s what struck me about the committee meetings.

Now, at one point, I went before a committee--as I did all the time--and this had to do with a bill with respect to nuclear energy and a nuclear problem. We had witnesses from the University and other experts, and it
had largely to do with safety and how are you going to handle this
albatross, in a sense, that we had inherited from the war. I went back that
night and I said, "You know, I don't think my office--I--looked good, and
I don't think the University looked good either." So, I called Clark Kerr,
and I said, "Clark, this is my feeling today." And I said, "There are a lot
of issues where I'm impressed you people who have superior knowledge,
but somehow or other it doesn't seem to get into the fabric of decision-
making by the Legislature. I think that I ought to take the responsibility
for going out to the committees and their staff and finding out what are the
issues in which you think you need to get more intelligence and that the
University faculty," who were knowledgeable about this, "can be helpful,
and I'll bring a list of that, and I'll bring the contacts of that to the table,
and you bring your people that can provide this intelligence to the table,
and let's have a series of regular meetings. I'll come to Berkeley at night,
after work, and we'll convene, and let's talk about and see ways in which
we can link issues with your intelligence." We did that for a while.

The problem was that all these guys have their own agendas. They
have contracts, they have timetables, they have their own desires, and
they're really not too interested in what the hell the Legislature does.
They don't realize the extent to which they could enhance the
policymaking. So, I think it just eventually died on the vine.
I went to UCLA, and we had another one down there. It's a difficult thing, and I found that hiring University people also was difficult because of the timetables. We had to have time certain to meet the deadlines imposed by the Legislature, and these guys didn't really meet that very well. You could use pieces of it, but somebody, again, had to be the force for focusing it and not to be delayed by somebody's wanting to do something or go to Istanbul--[laughter]-- or whatever they do that would knock a hole in your timetable. But nevertheless, I really tried hard to do that.

I met with the chancellor at San Francisco about getting culture into these doctors. He was interested in it. He said, "I think that's a great idea. I've been thinking about that myself. We ought to have exhibitions." I said, "You ought to borrow and get art from the University, you've got a lot of nice wall space here. Why don't you introduce them to art, and things like that? They're powerful people, these doctors. They're wealthy. Their human contacts are enormous. And so many of them don't think about anything but medicine. I know a lot of them. I have a lot of them around my home, and I go out to dinner with them: 'God, I had a patient the other day that had this lesion on his arm.' They just weren't interested in anything else." And I said, "That's fine, you've got to do this, but medicine is becoming so specialized and so much information is pouring out--credible information. Everything's
scientific these days. It's just unbelievable. I know that they're struggling with it, but at the same time, they ought to be a force for a cultural enhancement in the community and political awareness so that they have a role to play that isn't just negative, because they just have a negative vote on a lot of these things, but they can understand what the positive side of it is too."

He was really very helpful and constructive in thinking about that and so were one or two professors that had the same points of view in medicine. They were very forceful and very effective, and I was happy to be able to listen to them and have the opportunity to talk to them and enthuse with them a little bit.

SENEY: I want to shift a little. In the context of the Master Plan, how were the junior colleges seen?

POST: The junior colleges, according to Arthur Coons, kind of fell out of the picture. We said, "We just didn't seem to have the time or expertise to decide how they would fit," except that they were to be the ones who would take any graduate of a high school, or otherwise capable of learning, and provide the base for a ladder that on successful completion of your program in the community colleges, with the right grade point average, you could be admitted to a State college or the University of California. You earned it by your academic record to go up. "There has
to be a ladder, and we put the community colleges in that ladder. But we
didn’t do enough, really, to finish that job.”

Then later, I became executive director, on an interim basis--
because I said I was retired--and worked for two months for the
Commission for Review of the Master Plan [for Higher Education]. I got
them started on the last round of the Master Plan Review Commission
dealing primarily with the Community Colleges, and I became executive
director. Rocco C. Siciliano called me and said... Gary Shansby was the
chairman of it. He was an industrialist. He didn’t know anything about
this sort of thing, and Rocco, --who was a big power in the title insurance
business in Los Angeles, who had also been undersecretary of Labor under
[President Dwight D.] Eisenhower; -- said, “I told him, ‘look, if you want
to get your commission started, call Alan. He knows how to put these
things on the table.’” I was retired at that point.

So, Shansby called me, and I went to San Francisco to have lunch
with him. We struck it off well right away because his place was full of
modern art. He said, “I acquire modern art every chance I get.” He had a
big, beautiful Wayne Thibauld: cityscape of San Francisco. He was very
interesting. I talked to him about it, and he said, “Well, can you help me
do it? I understand now where you’re coming from,” because some
people on the Master Plan Commission knew nothing about it. Others
were very knowledgeable about it, so you had a wide spectrum. And I
said, "Okay, I'll do that," and I did for several months. I made a syllabus. I held meeting to present the issues in the Community College role.

[Interruption.]

SENEX: Okay, we're back in business.

POST: The idea was that Community Colleges would be the feeder to the system and that the University of California, in the Master Plan itself, called for the University of California, eventually to become an upper division and graduate institution. The State universities would have the full four-year program, but there would be less emphasis on the impact Community Colleges would have on their role.

The community colleges were to be a basis for really taking care of more and more of the two first years, and they were limited to two years. I've come to conclude that maybe that's now not logical if we have enough pressures, from increased numbers of students statewide. They maybe ought to be four-year. I don't know. But they were to be two-year and limited to that, and they would rely more on the property tax for state-supported programs, and they would have an average student-faculty ratio of 15. I happen to believe that they're the real workhorse for the system, where more and more people are going to get their education because that's as far as they're going to go.

As I was saying before, the Master Plan Commission, when I went to work for them, emphasized the community college in that particular
review; that we ought to try and complete that work. We ought to look and see what’s happening, see how many qualified students are being produced, look hard at the remedial education, which I thought ought to be done more at the high school level because there was more easy access to it. You’ve only got 115, or whatever it is, community colleges. The Community Colleges wanted remedial education because it meant money. But adult education, I thought, was the place where it really ought to be done. There was funding there for it, a lot of federal funding, and to a large measure it’s a federal problem. But I also felt that logistically, that’s where people could more easily go and get their education. But the community colleges resisted that. There’s also a lot of it that’s done in your State college system, too, and in the University system: much too much remedial education; because we aren’t doing the job at the lower levels.

A number of years ago I said, “We don’t need a higher education commission now. We may need that, but we need an education commission that will look at the full spectrum of all the resources that are available for all education and try and define what they should be doing and who should be paying,” and “let’s get a system that works, from the ground up, so that we get rid of all of this repair work that has to be done at higher levels which diminishes the effectiveness of the classroom for those who are qualified.” Because the facts are, as developed by our
commission before I left from studies that I got from the Postsecondary Commission, you have people that are six grade levels below admission standards and, on average, it’s something like three grade levels below those qualified for those institutions. And I said, “That’s just not right. We ought to be able to do that job where it more effectively can be done and where it will not diminish the qualify of the work for the others.”

But, you see, people want to be college students, and the colleges want the money. So, it was a hard row to hoe.

SENÉ: Yes, it’s difficult to get them to give up anything. We still teach remedial classes and have tried to get away from it. But when I read some of the essay examinations I give, I just cannot believe that the people have gotten this far.

POST: And that’s wrong, and I think we’re beginning to recognize this. I think Davis is beginning to talk about it a little bit.

Anyway, it’s a serious problem. I was very much involved in that because I felt so strongly about it, as you can tell. I set up a syllabus that broke the thing into three major areas for the commission to address. One had to do with the numbers and one had to do with the problems of access, the third was the role of the colleges, and who should be going.

We did have three chairmen for the committee meetings. And then I would hold classes north and south every week. At the meeting, we would talk about these issues, so that in maybe two months, when they
could get a full-time director, these people would understand the nature of
the problem and more about what the Master Plan had tried to do and what
the problem was today. I said, "You know, we don’t need to generate new
material. We’ve got so many resources. The thing to do is to go out and
grab it." And so, I went to the head of the Postsecondary Commission,
and I said, "Help me," and to the State University system—they had
representatives—and the University. "Help me get the materials. I want to
put them in order. I’m going to develop a syllabus." And so, on a crash
basis, really, because the materials were there, I simply assembled all this
stuff, tried to digest it, and then went to the meetings and said, "Look,
here’s what we’re facing in terms of the logistics in funding, and here is
what we’re talking about in terms of role," and the other, I guess, was
access.

To me, it was very interesting, and I enjoyed it thoroughly, but I
said, "I’m going abroad and paint." I had just retired. So, we finally got a
man who had a lot of experience. I think they dropped the ball, to some
extent. I was all fired up to do more in these areas, but they tended to, I
don’t know, play a little politics. He came from the State University
system. He was the retired vice chancellor of the University—and very
knowledgeable.

But anyway, I became a so-called consultant from time to time
with the commission, but I was elsewhere.
SENSEY: Well, why don't we leave it there for today?

POST: All right.

[End Tape 6, Side A]
Session 4, May 3, 2002

[Begin Tape 7, Side A]

SENEY: Remember, Mr. Post, we were talking about the UC business, and I wanted to get into the study you made for them over the controversy with Mr. Gardner's salary and the perks and all of that.

POST: Well, David Gardner was a very capable man. He'd been vice president of the University--and I'd met him years ago--and then he went over to Utah as president of the University of Utah, and they recruited him back as president of the University of California. He was dynamic, articulate; a go-getter who made a good president, as he had at the University of Utah.

The problem that he incurred was he was, if I may say so, greedy. When he came he made a bargain that he would have a special house for him and special provisions, apparently, for his wife. He had a number of perks that he wanted. As is typical in higher education, there's a lot of latitude because the Board of Regents run the University of California, not the state government, and it's composed generally of high-priced industrialists or leaders, such as the owners of the [Los Angeles] Times and of the newspapers and prominent lawyers and people like that who are used to paying high industrial salaries--private enterprise salaries. So, they offered him a significant increase in compensation.
Clark Kerr, for example, had always said he didn’t think, as a matter of public policy and appearance that the pay of the University president ought to be higher than that of the governor. There were perks that he [Gardner] had that… well, the governor has them too, the things that come with it, but Kerr was very conservative on that, and I think rightly so. Not so with Gardner.

So, what had happened, some of his top vice presidents were also people who thought their compensation should be equivalent to that of people in the private sector because, after all, the University of California is an absolutely major economic enterprise with complex parts to it.

The president of the University, as I pointed out in the report, has an extremely demanding job in the sense that he has to deal with the alumni; he has to deal with the faculty, the Academic Senate; he has to deal with the public in a way that others don’t; he has to be able to appear and make very learned and high-quality addresses at conferences. He’s a person who had to be both scholar and sound businessman and make good contracts for the many enterprises that the University gets involved in and also be a good recruiter of funds, since most of the budget of the University of California doesn’t come from the state but comes from outside sources: such as grants of multiple kinds and contracts, as with the nuclear facilities and so on.
But nevertheless, it is a public enterprise, and it’s governed by public policy, and it’s not a private enterprise. And these lieutenants of his were getting, unfortunately—and he—were getting compensation upon retirement in secret agreements that were made by the Board of Regents and never disclosed to the public or the faculty or anyone else. They were in-house dealings by the Finance Committee, which was dominated by people who were, again, very highly compensated, or rich.

When he retired after his wife died, and he said it wasn’t interesting to him anymore, really, he had in his pocket a proposed contract with the Hewlett Foundation that obviously was a highly paid job and much easier than the University of California because it’s concerned with simply protecting the investment and apportioning out funds. He thought that would be interesting and a lot of fun to do, and he made no bones about it.

But he had made a contract that he would come to the University and stay for a specific period of time, and for that, the regents had made him a special offer to bind him. He walked away from that, and he took all the benefits that came with it without having earned them. These kinds of things were brought out in my report and for which I was particularly critical; that he bargained for these and he didn’t deliver, for personal reasons; that he had a better offer in hand. So, I was quite critical in the report.
I also addressed the fact that they paid for his tax preparation, and he got a special insurance policy, which I said I could understand in a private enterprise where, if you lost the president, you had lost maybe a great deal of the value in terms of stock prices and so on, but this wasn’t applicable in the public sector. Generally, you recruited from people who’d been in the University and certainly in the university system; by and large, mostly within California’s own University. That’s the way it had been historically and with good reason. That’s actually what they did again when he left. They brought in a man who had been the dean, and then the chancellor of one of the branches of the University of California.

So, it was a critical report and made a lot of flap. I agreed to do it by request of the University, as long as I wasn’t compensated for any of it but simply paid my out-of-pocket expenses and given someone to help me get the material that I needed, with which they readily complied. I finished the report, I delivered it, I went to my vacation in Spain, and they asked if I would come back and make an all-day presentation to the Board of Regents at UCLA. They wanted to send me back first class, and I said, “No way am I going to get caught up in that after what I’ve said.” [Laughter.] So, I went back and…

SENEY: Would you normally fly first class, by the way?
POST: No. I’ve never flown first class, except several times when I went to work, upon retirement, with Touche Ross & Company. They fly first class.

SENEY: I’m sure they do.

POST: And they flew me and my wife back to Chicago and New York to meet the partners. I was their only national consultant, and they were showing me off to the powers that be in the Touche Ross organization. I worked in New York later and in Washington. But I stopped going first class after I worked for them a bit… all the rest of them did but I said it just didn’t sit well with me to charge clients for that kind of cost when it served no useful purpose. Actually, I got more work done by sitting back where I usually did and setting myself up at the table that usually you eat off of and putting my work up there and working. I enjoyed working on the plane. It was a good place to get some things done and in preparation for meetings that I was going to attend for Touche Ross. The rest of them sat up in front and had their drinks and their special meals and chatted and did all of that. But I said, “That’s a waste of time, I find. It’s not good business, in my mind.” So, I didn’t do that. And so, I was used to flying charter [to our vacations], when we got these cheap charters in the early days by belonging to a travel club, but we traveled every year to Spain and Europe, and that was my mode of travel.

SENEY: So, you came back then and gave a report to the regents?
POST: I came back and made a report to the regents, and I suggested a new way of handling executive compensation. It was my view that comparison with other universities was really not that good a way of doing it because the positions in the whole hierarchy in the University are so different in others. The titles may be the same, but the jobs are totally different. And I didn’t think they did a very good job of fashioning out some sort of a structure that was fair to everybody else. Generally, they hired somebody in the University anyway after looking, and his compensation was based not on a comparison with the chancellors’... who I thought probably may have been undercompensated to some degree, especially at UCLA and Berkeley and San Diego. They were called chancellors, but they were equivalent to the presidents of major universities, and as such, they should be compared with the president’s salary.

Anyway, they didn’t buy out on that. They did get rid of the insurance policy and the tax payments and things like that that had no real business in the public enterprise and were so different from the way everybody else was treated. They were already compensated, far more than the public employees elsewhere in the state.

SENLEY: How did the business of Gardner’s salary leak out and become public?

POST: I don’t know. Well, when it came out, there were members of the Board of Regents who took great exception to it--some of the conservative
members: [W.] Glenn Campbell at the Hoover Institute and a man by the name of [Frank] Clark from Southern California.

But, I met with the regents. I went around and met with them and talked to them about it and learned that the policy of the Finance Committee was really run by two or three powerful people. It was not a broad-based discussion of issues. They're narrowly constructed, and therefore, these secret agreements were sort of like smoke-filled rooms. I was critical of the fact that they didn't have full meetings of the Finance Committee and then with the full Board of Regents in a way that was openhanded, but everyone just sort of deferred to these powerful people on the Finance Committee--not the full committee, because it wasn't really involved. But it was several people who were just doing all of this, and they were doing it secretly, and it was just not a good way to run a public enterprise.

SENÉY: Right. There was some, I don't know, surprise, but I don't know what they expected when they asked you to do this, because of your reputation and the kind of credibility and cover you might give them. But Mr. [William] Bagley, especially, who was a friend of yours and a regent at the time, was sort of surprised. I don't know if he was surprised, but he was asked about the tenor of your report and he said, "Well, that's Alan. He calls them the way he seems them." Do you remember that part of it?
POST: Well, I remember that I was invited to a lunch. They brought up the subject, and I said, well, I was retired now. I loved the University of California. I never went there. I'd served on the board of the Art Museum and on their National Advisory Committee to the Institute of Public Policy. What do they call it? Not Public. It's one that does the public studies. I've been on so many of these since I retired that the names kind of get fused because there's been over thirty of them.

Anyway, I was on their National Advisory Committee on the political research side of things. I was always involved and interested in the University of California. I knew their presidents all personally very well, particularly [Charles J.] Hitch and [Clark] Kerr and [Robert] Sproul. Sproul was always trying to hire me. I knew Bob Sproul very, very well and admired him tremendously.

SENEY: He was highly regarded, wasn't he?

POST: He was. He was a great force. He did not have a Ph.D. degree. He was the controller, but he knew everything. He had a fine mind and an extraordinarily booming, commanding voice. There was a story that went around that the former president of the University when Sproul was controller one day heard this huge noise going on and he said, "Who's that talking?" They said, "Oh, that's Sproul. He's talking to Sacramento." And he says, "Then for god sakes, why doesn't he use the telephone?"

[Laughter.] But Sproul was that way, and he could come before
committee and he had a grasp of all the details of everything in a way that nobody else did. Very effective and a very broad-gauge individual. A good president.

They were all good presidents. Hitch, of course, came from the Rand Corporation and had been assistant secretary of Defense and done their studies on efficiency and all of that and was a Rhodes Scholar and the only Rhodes Scholar, apparently, that they asked to be a “don” when he completed his term and go onto the faculty. He had a fine mind. He was quiet, kind of introspective. I got to know him very well. His wife was interested in art and so were we, so we stayed at their place in Berkeley, and they came here and spent the night. We had a close relationship.

So, I was fond of the University, and I wanted it to prosper. It was losing money because people were beginning to pull back on their contributions. They were embarrassed and angered by this fracas that was going on.

SENEY: With Gardner.

POST: Yes, the Gardner affair. In the introduction of the report, I said it was my objective to get this thing behind us and get on with the normal business of the University. I met with the Academic Senate, and I told them in the report that I thought that there were things that the Academic Senate should not get involved in. It was not an administrative agency, but by
definition, the University of California is a faculty-administered institution. And as such on major policy issues that are going to cause embarrassment or be regarded as not right, that the faculty should be brought into these kinds of discussions in the Finance Committee.

The chairman of the Academic Senate at Berkeley agreed with me. He was a professor of public policy and agreed with me totally, that there were things they should have been in, things they were not supposed to get messing around with. As I told you yesterday, I thought their committee structure of administration was cumbersome and too much talk and not enough decision-making.

SENEY: You know, Clark Kerr, who was a very notable member, apparently is still alive?

POST: Yes, he’s still alive. We saw him. He came out and had dinner with us here, or lunch with us, with his wife. He is still a Professor Emeritus, I guess, in the labor field—he was a labor economist—and he still has a chair there. He still, of course, writes. His work with the Carnegie Commission and others is still a very significant force in higher education in America. He has a fine mind; still very articulate. I saw him last at the memorial service for [Dr.] Emil [M.] Mrak, who was chancellor at Davis. He made some very nice remarks about me at the same time. He said, “I was over meeting with Emil Mrak recently and we were reminiscing about better days, when Pat Brown,” as he said, “when Pat Brown was governor and
Alan Post was legislative analyst," and everybody in the place turned around and looked at me, and I was embarrassed. But I was pleased that Emil Mrak would say that, because although I was not their toady, certainly I understood what they were trying to do and was sympathetic to the University's being the greatest public university in the world.

SENELY: You know, I have to think that when the late chancellor and Mr. Kerr were talking about the "good old days," they were talking about the pre-Reagan days.

POST: Yes, they were. Reagan didn't treat them all that badly, truthfully, in terms of the amounts he gave, but he kicked them around every chance he could get. You went to the regents' meetings and the students were almost rioting against the things that he talked about—that we ought to go out and shoot a couple of a students, or something like that kind of talk that he would say, and then this just inflamed everything. It got to be so bad that I didn't go to the meetings anymore. I decided I'm just going to stay away. They barricaded the roads. His mouth was bigger than his actions actually, always, in everything.

SENELY: Now, he's an ex officio. The governor's an ex officio member.

POST: He's a member of the Board of Regents.

SENELY: And he would go to the meetings himself?

POST: He went to the meetings himself, and he chaired them. He dominated it. The speaker was also a member. Unruh was a member that was on it. So,
they were the political forces that were permitted to be on the Board of Regents, and he played a dominant role because he appointed a number of the members of the board, and they had a cadre that really threw Clark Kerr out.

SENEMY: Yes, I was going to ask you about the removal of Clark Kerr and how that came about.

POST: Well, the student riots were...

SENEMY: Let me turn this over, Mr. Post.

[End Tape 7, Side A]

[Begin Tape 7, Side B]

SENEMY: Please.

POST: Members of the University administrative branch told me later that Clark Kerr thought that if he took these issues--some number of issues--that Reagan was raising to the Board of Regents, which was normally very supportive of the University, that they would go against him--the governor--but they didn’t. They blamed Kerr for it because they were Reagan people, and Reagan always demanded people stay with him, whether it was the courts [or any other part of state government]. He was furious with the chief justice, [for example] because he didn’t agree with his [opinions].

SENEMY: That was Donald [R.] Wright.
POST: That was Donald Wright, and it was the death penalty. Wright supported it originally, but he was sweet-talked by a number of members of the court that this was really not a smart thing to do, or the right thing to do, and being a man of broad humanities as well as legal experience and feelings, he bought into that, and that infuriated Reagan. And so, he tried to get rid of him as fast as he could and put in a real dud who was mentally incompetent at the time and still on the courts. Everybody used to talk about it.

SENEY: Who are you referring to then?

POST: Oh, I can’t think of his name, but his clerks wrote all of his opinions, and they used to say he sat on the court and did his exercises the whole time. But he was a notorious member of the court. He was old. He should have been super-annuated and gone off, but he was wealthy enough that he still liked to be thought of as a member of the [California] Supreme Court.


POST: Yes, McComb, and McComb was senile. It used to be a common thing, the conversation on the courts and in the Legislature. But McComb was stubborn; he was not going to leave, and nobody could force him off. Besides, he was close to Reagan.

SENEY: I remember that finally they got a superior court judge to find him incompetent and made his wife his conservator, and she resigned him from the court.
Yes, that’s the only way they could get him out of there because as far as he was concerned, it was his banana.

Yes.

I want to talk about Donald Wright, too, because you must have been close to him because you wrote a memoriam for him when he passed away. Why don’t we just talk about him now, and we’ll go back to Clark Kerr in a minute.

Well, Donald Wright was introduced to me by Ralph [N.] Kleps, who had been legislative counsel and was the first administrator of the Office of Administration of the Courts--first director of the Office of Administration of the Courts--which was set up to tend to reform some of the administrative problems that they had in the courts. Rather than just appointing judges every time they thought they needed some other position, there had to be some workload data and some standards met. Judges would go off for six months, and courts were left empty. They really needed management beyond what was provided by the Judicial Council. And so, Ralph became, in effect, the head of the Judicial Council and the administrator of the courts.

Ralph and I were very close. We were appointed at the same time. We were sometimes confused by members that called me “Ralph” and called Ralph “Alan” because we kind of looked a lot alike in some respects: same builds and same ages, and we were close friends.
Ralph had a cabin up in Inverness, and he invited Don Wright to come up and visit them there, because he was the advisor, of course, to the chief justice, who was the administrator of the whole system. So, Kleps was chief operations officer, in effect, for the chairman of the board.

Donald was concerned with the case that was coming up on the distribution of funds for schools, the so-called . . .

SENEX: Serrano case?

POST: Serrano v. Priest Thank you. And he didn’t know whether the courts should accept it or not. He talked to Ralph about it, and Ralph said, “Well, you ought to talk to Alan Post. Besides, you ought to meet him.” And so, we were invited up there too, and we spent the weekend up there and talked a lot. I told Donald Wright that they had to take the case, in my view.

We had already written some five reports on the financing of elementary and secondary education and the community colleges—the so-called public schools under the law—in terms of equalization aid and the disparities between the districts and had found that the poorest districts were taxed the most and the richest districts, in effect, were taxed the least. Because under the property taxes, they had all the property tax resources, so you could have a very low rate on the properties and still get all the money you needed for the relatively small number of students that you often had in these areas where you had power plants and oil refineries and
things like that, where much revenue was developed but where people
didn’t tend to live. People lived in the communities, in these burgeoning
communities that were springing up all over California, where in terms of
property tax revenues, you had very little except some commercial
establishments and stores; things like that. But by and large, it was the
residents. And so, they had high property taxes and had a hard time
financing all the children that were coming from these families that were
peopling the schools. We were suffering at the time as much as seven-
percent-a-year increases in school enrollment. And so, we just felt that
was unconscionable, and we developed a series of reports, the fifth report
of which dealt explicitly with the reapportionment problem that we were
facing.

The Legislature had skull sessions that would go up to Tahoe, and
we would send our expert up there, and he would put them through a
primer in education of school finance. Up to that time there were really
only two people in the Legislature that understood the complexities of
school finance, and the others just took their lead from the lobbyists of the
powerful school people. That was [Senator Nelson S.] Dilworth in the
Senate--Senator Dilworth--and in the Assembly, the chairman of the
Education Committee. I can’t remember his name now, but he was a
tough guy and was very close to the school people. According to my
inside informant in the Assembly, he got a check from them for campaign
funding regularly, which he lived off of. Or a check, in any case. It was kind of a corrupt situation—at least allegedly so by this member who was also a chairman of the Rules Committee who knew about all these things.

SENÉY: This was your informant?

POST: That was my informant.

SENÉY: The chairman of the Rules Committee was your informant?

POST: Yes.

SENÉY: That’s a pretty high-up informant.

POST: He was a high-up informant, and he was a guy who was kind of fond of gossip anyway, I must say.

SENÉY: Who was that?

POST: That was [Assemblyman Thomas E.] Tom Erwin, who was an Occidental man, he was older than I was, but he had that Occidental affiliation. He was a dairyman from Puente. He was quite wealthy. His father had made the dairy, and he really, sort of profited from it. Sold off, I guess, the properties—he had the real estate—and was very savvy in how to finance things, and he was a prominent member of the Assembly. He didn’t like the way in which some of the members of the Assembly were getting money from the lobbyists. He was complaining to me that the chairman of the Education Committee was getting too much money from the school people.

SENÉY: Who was that, do you remember?
POST: I can’t think of his name now.

SENLEY: That might not have been illegal at the time.

POST: I’m not saying it was illegal. I don’t know that it was illegal.

SENLEY: Pardon?

POST: I don’t know whether what he was getting was illegal or not, but in those days, the pay of legislators was something like $100 a month, so it was sort of an endemic problem, that either you had money, as many of them did, or if you lived on the margin, you got money one way or another.

SENLEY: I’m not suggesting it was right, but I’m not sure it was illegal under the contribution laws at the time.

POST: I’m not sure it was illegal, but he took great exception to it.

SENLEY: Sure.

POST: Anyway, I convinced Donald Wright that they should take it on in terms of principle, and I offered him the report that we had prepared and told him to read it and make his own judgment. He did, and then he turned it over to a member of the court who wrote the final opinion on it, who said later that the legalisms were things that they dealt with—the professors from the University of California and so on—but the logic of it all was made so simple because of that report and the fact that the inequalities under the law of the poorest paying the most and the richest paying the least and the difference in benefits in schools—the rich schools that had billiard halls and all that kind of stuff, and on the other hand, those that
were just living hand to mouth—that it was the sort of situation that from
the standpoint of logistics and economics, it was clearly something that
had to be changed. And so, they developed the formula that went into the
decision.

SENEX: Am I right in thinking here that the state amount of aid was even,
wherever it was, and the difference came in the local property tax base.

POST: Well, there was a floor. No, it wasn’t even because of equalization aid,
but the idea was yes. There was this so-called foundation program, and
that foundation program was made up of two elements: basic aid and
equalization aid. The foundation aid at that time was something like $125
per pupil. Everybody got that: rich districts and poor districts alike. That
was the basic aid. And then above that, there was local tax revenue plus
equalization aid up to the amount of the so-called foundation program.

But your property taxes could bring in revenues way above that. So, there
were still great inequalities even though the state had a foundation
program which was a floor, but it wasn’t really what was needed for the
educational program in many districts.

SENEX: Maybe I don’t know enough about these things, but the idea that Mr.
Kleps would encourage the chief justice to meet with you on this issue
and that he would do so, is very interesting.

POST: You know, they’re not supposed to talk about cases, but it was not yet a
case before the court.
SENEN: Ah, I see.

POST: It wasn't something that they had accepted as yet. It was a lower decision, and the issue was what were the facts that would cause you to feel that you should take it, and I simply was in education. I'm sure that when they considered what they should take, they're informed about the case; not by people who have anything to do with the end product in terms of self-interest, but they have to find out what the reasons are and the background for it, and this was background.

SENEN: Right. No, I don't see anything wrong with it. It's just the way the courts normally act or want us to think they act. I would think that was unusual.

POST: They're very careful with that, and I was always very careful in talking to him about issues, even though I was pressured to do so by friends on one or two occasions in high places--in the telephone company concerning the apportionment of pass through of funds and so on--to talk to the chief justice about it. We were very careful about that sort of thing.

SENEN: So, people did actually ask you to talk to the Chief Justice.

POST: Just once. Just once. That's the only time it ever happened. I was interested. I didn't quite know how it worked myself, so I think I asked him one time, "Explain to me how this thing works," and Don explained the whole thing to me, and I left it at that.

SENEN: I see. Did any other chief justice ever contact you?
POST: Oh, yes. We had some problems with chief justices in the beginning.

From the very beginning, [Chief Justice Phil S.] Gibson...

POST: He was chief justice, had been director of Finance, and he...

[Interruption.]

SENLEY: Go ahead. I turned it back on.

POST: Where were we?

SENLEY: Talking about [Phil S.] Gibson, and he was Finance director.

POST: We were learning how to analyze the budget. We were a small staff, and it was right at the beginning of my tour of duty. Somebody looked at the court, the [California] Supreme Court and Judicial Council, and there was an added position in there, and he couldn’t find any reason for it at all. There was nothing in the way of workload that justified it.

SENLEY: Your staff analyst.

POST: Staff analyst. So, he brought it to me. We decided that there was no justification for it, so we said so. The same way that we said some of our legislative staff people...I mean, when I came in, there was a legislative counsel, and we took on the budget of the legislative counsel. Well, you just didn’t do that. [Laughter.] He was a very powerful man and a friend of all the legislators and their servant and whatnot, and yet, we felt there were some things that were just not very efficient at all. And they weren’t, and we were told later that they weren’t. In this particular case, there was no justification.
SENÉY: By the way, if I may, what happened with your recommendations about
the legislative counsel?

POST: Oh, they threw them out.

SENÉY: Okay.

POST: George Hatfield came to me and laughed and laughed and laughed and
said, “Alan Post took on that long-time”—at that point, Ralph was not the
legislative counsel—but one who’d been there for many years and who was
a very revered, venerable person—“took on him,” and thought that was the
funniest thing he ever heard.

But anyway, we took on the chief justice’s request for this
position, and he was furious, and he came to Sacramento, which was
unusual.

SENÉY: Because the court sits in San Francisco.

POST: Yes, they sit in San Francisco. They won’t come to Sacramento. I tried to
talk Don Wright into moving it to Sacramento, and he said, “No way
we’re going to be around the Legislature.”

So, he came in. I’d never seen him. He was a fine looking man.

He had on a hat, you know. In those days you wore hats. He took his hat
off, and he put it down, and he just took me apart: this was separation of
powers; this was the kind of thing that we had no business getting into.

The committee heard him out, and then they recommended that they take
the position out. He put his hat on his head and marched out of there and
said, "I'm never coming back here again." He got back to the office and he gave me a call, and he said, "For heaven's sake, let's talk about this and get it ironed out before we get in that theater again." [Laughter.]

But the position was one to take care of a relative of his--son-or-law or something like that. It had no justice whatsoever. It was just stuck in there. No, it wasn't his [relative]. It was the son of the attorney general. He had done it as a favor to him. So, again, George Hatfield, the senator, who knew everything and was a good supporter of mine and the office, came in and laughed and said, "Do you know who that person was?" I said, "I haven't the slightest idea." And then he told me who it was. We just took him right out of the budget. [Laughter.] That's why it was there. It had no workload or other justification, and we were taking very seriously our work as auditors. And so, I had that squabble with him.

As a peripheral issue, when I first was installed in my third floor corner office in the Capitol, which had been previously occupied by the director of Finance, they took out of the office--they had to send him to his new location--all the furniture. So, we sat in this big, empty office. There was a little yellow secretary desk that they'd brought in that Vandegrift sat down at once and never came back and then died; so, it was my desk. Well, within days in comes some furniture. A beautiful table with all the chairs, a big beautiful desk and a lovely leather chair and
everything. I said, "Where in the world did this come from? I didn’t order this."

"Fred [W.] Links did it."

Fred Links was the assistant director of Finance and the head chief of the budget office. He was also the most knowledgeable man in state government probably. I’ve a lot of funny stories about him because he became a neighbor of mine, and I got to know him very well. I admired him, and I thought, gee, that’s what I want to be in state government. I want to be the one that everybody says knows everything. He would appear before committee and he would comment on the governor’s position on all the bills. He, like Sproul with the University, knew everything about it because he’d been raised and had gone up to be the chief of the division of budgets and audits and was a powerhouse.

SENEY: Well, you did become that person, didn’t you?

POST: I have that kind of reputation.

SENEY: Yes, you do.

POST: I don’t think I ever knew as much about it as Fred Links, really. But things have become much more complicated than they were in his day.

SENEY: But that’s not what you said: to know as much but to have people think you know as much, right?

POST: They give me credit for knowing more than I know, and I realize that. Because I had a super staff and I knew how to use them.
SENLEY: I'm not saying you didn't know more than Mr. Links, but that's not quite how you put it.

POST: Well, it got to be to where they wouldn't do anything without me.

SENLEY: Right, exactly.

POST: The chairman of the Republicans and the chairman of the Budget Committee and the state chairman of the Central Committee—who was chairman of the Budget Committee—when I said I was going to retire, he came in to me later and he said, "I always figured that you put your pants on like everybody else: one leg at a time. But when I talk to the members, they think when you leave this place is going to fall apart." He said, "I never appreciated that." [Laughter.] Well, he was pretty new; he had just come in. He's now a lobbyist. His name is Carpenter—Dennis [E.] Carpenter—a very capable guy and is a very capable lobbyist.

SENLEY: He has an excellent reputation.

POST: Yes, he's smart.

Well, anyway, back to...

SENLEY: Mr. Links and your furniture?

POST: Mr. Links and my furniture. I said, "Where did this come from?" and they said, "Well, Fred Links arranged it." And I said, "Where did he get the money to do that?"

"Well, there's a little fund that they call the Links Fund, which he has since he's the budget chief, and he dispenses favors with that, such
things as,” and they mentioned that he buys the robes for the chief justice and he buys little things like that.

And I said, “Well, that’s a heck of a way to run the State of California, with a little slush fund that brings me stuff and brings the chief justice stuff.” I said, “Let’s take that out of the budget.” So, we recommended it out of the budget, and it came out.

I’m sure that the chief justice never liked that. Fred Links took it. He was the kind of guy who rolled with the punches. So, he doesn’t have his little slush fund anymore, and they couldn’t expect him to do these things for them. When it became an issue of curtains for the mansion, we recommended against him, and that was for the governor. And these were peanut items, but it was just kind of a challenge that you couldn’t get away with putting things in the budget that didn’t belong, and it was a matter of principle. But it became kind of a cause celebre, and I think it added to our reputation as being maybe picayune on certain things but incorruptible.

Links built a house right out here after I built this house. He used to come out here and work on it. It was really kind of funny. He had a little Coupe with a plate on it an assigned plate.

Vandegrift had convinced the Department of Finance and the governor, I guess, that he was making investigations and he needed an undercover plate, and so, he had a car. I found that it was used by some of
the members on some business like that, and I found it was, in my opinion, being misused, so I got rid of the car immediately: "The plates will go over, the office car will go to the State Garage, and we'll get a car just like everybody else, and we'll check it out, and we'll take it back, and we'll be accountable. I don't want to have this kind of monkey business."

SENEY: Would this have been a license plate that didn't say "exempt" on it or "State of California," whatever?

POST: No, it just was a regular license plate but it was undercover. Link's used to cover up his license plate. When he was working on the house, he'd cover it up with material. He had a diamond on that plate, so he covered it up.

But anyway, he would work there, and then he would charge off to work in the morning. He would have with him for the day, because he appeared before the fiscal committees, as I did later--the deputy director of Finance or the assistant director stopped coming and they had lesser people appearing. I used to follow him often because I was going at the same time, and he would have a stack of bills and he would be driving along in this little car on a two-lane road in those days--it's Arden Way. He would be charging off to the Capitol and here would come these pieces of paper out the window of the car into the field. [Laughter.] He'd look at them, he'd see what it was, and out the window. He was preparing himself for the day's hearings of those committees, and with his
encyclopedic knowledge, he knew what was of interest to the governor
and on which they had a position, and if it wasn’t in that category, out the
window it went. I could follow him with a trail of bills all the way to the
Capitol. [Laughter.]

SENEY: Let me change this.

[End Tape 7, Side B]

[Begin Tape 8, Side A]

SENEY: Mr. Link sounds like—and you too—a person that you find in state
governments everywhere: who’ve been there a long time, who are steeped
in what has gone on; very able people with a kind of encyclopedic
memory. You referred to him having that. I suspect you have that as well.

POST: Well, as you see, I remember quite a few things in my advanced age. I
used to remember a lot more than I do now. Everybody in the office
considered me to be the “library,” because, as I said, I kept a close hand on
all assignments that came into the office in order that I could be sure that
we were taking on things that were appropriate, because at times members
would ask us to do things that I flatly refused to do.

SENEY: Which would be? Do you remember some examples of that?

POST: Well, one good example would be that I was asked to look into the affairs
of a member of the Senate who somebody said was totally misbehaving in
what they were doing, and I said, “That’s the attorney general’s role, not
ours. I don’t look into the background of the activities of members.”
And we were asked to make a study of the board of supervisors of Los Angeles County, a public entity. There were certain affairs that the state legislator thought ought to be examined, and again I said, "No, Department of Justice has that authority. If he feels there's a breakdown under the law of law enforcement or anything like that in one of the jurisdictions, the attorney general has the authority to investigate it, and that's what he should be doing."

SENELY: The LA Board of Supervisors--the county board of supervisors--is a very powerful entity.

POST: Indeed it is. It's the second-most important legislative body in California and a plum. But it was that sort of thing where I clearly said, you know, "This is not anything that we have a role in."

The speaker asked us to look into the contracts in which there was alleged corruption in the handling of refuse in Los Angeles. We did look at the structure of that. I talked to him about it. They wanted us to look at the labor contracts and things where they felt there was kind of a Mafia influence, because it's that kind of a business, you know. Waste management has always been accused as a company of being involved in that sort of thing. But we discussed the relationship in terms of government jurisdictions refuse disposal, and that was appropriate. But we weren't going to get into an investigation of the operation of it as such because, again, I said, "That's the job of the attorney general of the State
of California, when he feels that law enforcement officials locally are not doing what they should be doing.”

And members also wanted on occasion to get something in kind of an overblown investigation, and I said, “What are you looking for? What piece of information do you really need? Because this would be an awful lot of effort that goes nowhere if it were to find simply one thing. You tell me what you want, and if it’s legitimate, we will get it for you.” And I did. I wanted to be able to make those judgments before we took on assignments because I was always very protective of the reputation of the office as an evenhanded broker, both politically between the Democrats and the Republicans and between the governor and the Legislature.

So, I wanted to do all of that personally, and then I signed every letter that went out of the office so that I would know when the product was delivered and what it said when it left. I also kept a tab—my secretary did—of every assignment, to whom it had been assigned, what the timetables were. I reviewed it every morning to see whether we were on course in terms of meeting those timetables because they’re critical to members and critical to our reputation as a deliverer of completed products. So, I had a hands-on understanding of what was in the office.

Now, my deputy was the manager of the office, and I said, “You’re the chief operating officer and you run the office, and I’ll take care of the things that come in, look at the things that go out after you’ve seen them,”
because he reviewed them. My original deputy left after about twenty-five years. The other one was more hands-on with respect to many of those matters because he was, really, better at it. My first deputy was an academic and a wonderful aide. Taught me all kinds of things. He had a doctorate in political science and taught public administration and had been head of a research organization like ours for Hawaii and deputy director of the legislative research agency in Illinois and knew all of that and was able to guide me when I first came in and knew so little about those matters.

I relied on my staff who were talented, and I gave them great leeway to make judgments as long as when they came back I had an opportunity to see it.

SENLEY: Right. Well, you had to be very careful because credibility was your main product.

POST: That’s right, and I used to tell them that: credibility is our product. When some of them got involved in too much in-house kind of politics, like bringing in posters showing Reagan in a cigarette ad and stuff like that, I said, you know, “That’s got to come out of here. I’m sorry, but we don’t do that. You can put up all kinds of pictures that you want, but don’t get into the political side of things in California or nationally in a way that is going to embarrass the office. It’s not being nonpartisan.”

SENLEY: You had to be purer than Caesar’s wife in all of this.
Indeed we did, and as I’ve often said, “I feel like there’s a sword of Damocles over my head—that it takes just one event and the reputation of the office may be destroyed—so we have to be extremely careful—being bold, meeting challenges, doing what needs to be done in a forthright bold way, but,” as my chairman used to say, “You jolly well better be right.” George Miller told me that on the contracts for issue textbooks. In terms of getting involved in water and highways, my former chairman, Senator Hulse said, “be careful.” And in taking on the state treasurer when we got him ousted for corruption, he said “You’d better be right because he’s a twenty-six-year elected official with a great reputation as ‘Honest Gus Johnson.’” I said, “Well, he may be [Charles G.] Gus Johnson but we can prove he’s not honest,” because he was playing around with the bank funds and getting loans, which the banks were writing off because he was a good friend to them, and not making money for the state by holding millions of dollars as demand accounts that were, in fact, time accounts because they never moved, and it was that which alerted us to the problem. When we’d see these idle bank balances sitting there year after year, we said, you know, “These should be making money for the state.”

And these were noninterest-bearing accounts.

They were noninterest-bearing. They were demand accounts, and they were noninterest-bearing. The banks knew that they were not going to be moved, and so, they could invest them accordingly; and they were making
all the money that the state should have been making in terms of this investment program. So, we got involved immediately in a reconstitution of the whole pooled money investment program.

I was very personally involved in that because I had spent three years in the bank, and I had studied money and banking at Occidental as an undergraduate and then again as a graduate student at Princeton. I completed my work for the doctorate, except for the dissertation. I was in money and banking because I intended to go back and be, as I’ve said, the best banker in America. In those days there weren’t many of them that went on to school, and they tried to discourage me from going back to school when I was in the bank because I was one who had been selected to be advanced and put in a Toastmaster’s class and things like that. They were grooming me for a leadership role.

So anyway, I used my banking experience to talk turkey to these bankers and say, you know, “When I was in the bank, as a youngster I used to make out bank charges calculations for everybody’s bank account. We calculated what the average balance was. We added up the checks and the deposits and had an agreed-upon uniform charge for each deposit and a charge for each check, and if you were costing us money because the interest rate that we applied as earnings from deposits was not sufficient in your monthly average to pay for the service we rendered you, we would charge you the difference as a service charge.” And I said, “That’s all we
want. The State of California is a client. They want to have you take care of the checks and the deposits which are processed by the State. That's what we want you to do, but we want to be assessed a uniform charge for that, and we want to have earnings from the funds that we invest'"--loaned--"in terms of deposits with the banks. We'll do exactly the same thing as you do with depositors, and we will maintain a level of loans to banks"--deposits, I should say--"deposits to banks that will pay for our services, and beyond that, we'll invest it in the best way that we possibly can. It probably won't be in bank deposits. It'll be in something; either government securities or whatever else is legal but which carries a bigger rate of interest and income to the state," and that's what we finally, after much arguing, came to.

SENLEY: A demand account, if I'm right, would be one where you'd need that money within thirty days, sixty days, ninety days, something like that.

POST: Sure. So, you would have special investments for it. They are lower interest to the bank because they'd be held in, say, commercial paper or whatever it is.

SENLEY: And you'd cash those in and move them into the demand account as you needed them.

POST: Yes. In any case, those have their investment portfolio that's based on liquidity.

SENLEY: Right.
POST: We have ours based on liquidity and need for services.

SENey: But "Honest Gus" was parking it all in these demand accounts and essentially subsidizing the bank, which was then loaning him money and forgiving the loans.

POST: That's exactly what happened. And as such, he came to me, as I recall vividly, and wept that I was ruining him, and I simply said, "You're ruining yourself."

SENey: He literally wept?

POST: He wept. Because he knew it was fatal. I said, "You have really not done right, and I'm going to have to tell the Legislature exactly the way this thing works, and we're going to have to reform the whole system." We had a pooled money investment fund that pooled monies and managed it better. When I talked earlier during the initiation of this to the controller, who was on the Pooled Money Investment Board, he said, "We let the treasurer handle all of that." "Well," I said, "you have a fiduciary responsibility as the state controller, and the director of Finance has a fiduciary responsibility to the people to say that this is being done properly, and it's not being done properly. So, you have to change your attitudes on that. You have to take those things seriously."

And the controller, who was a close friend of mine at that time--was a former assemblyman, a terrifically fine man--was sensitive to that criticism, but he realized that they were simply not paying attention to
what they were supposed to do, and he felt that I was being critical of him, it was. Bob Kirkwood--Robert [C.] Kirkwood--and he had been one of the brightest assemblymen, and he was appointed, I guess, when [Thomas] Kuchel went to the U.S. Senate, appointed by Warren. Kirkwood was a very fine man. That was the only blemish, you see, was the fact that here was this scandal in the treasurer’s office and they were part of the machinery that should have been providing oversight to it and were not.

SENEX: Right. Well, you started out talking about how careful you needed to be with your office and its credibility. Did you ever have any problems that you had to iron out in that regard--staff who overstepped or misspoke?

POST: Oh, yes.

SENEX: Anything serious?

POST: Well, some that were kind of embarrassing. We had one employee, who drank too much apparently. I didn’t know about it, but he would stop and drink with the boys, and he accused Pat Brown of being too close to a well-known Mafia figure, Whitey Crystal. Where he got that in his brain, I don’t know. He must have been just drunk. I had a good relationship with Pat Brown up to that time because we’d been working together in the liquor administration and in other investigations in which we did our work. We’d shift it to him…

SENEX: As attorney general.
POST: As attorney general. That material which more appropriately would have
to be taken up by him. I would get calls from Pat Brown saying, “You’re
doing a good job. I appreciate this,” and so on. I admired him as a
person, and where this Whitey Crystal came from I had no way of
knowing at all. He was still attorney general at the time. I called and said,
“I don’t know where this came from. It’s certainly not anything that has
ever been an issue with our office. It must have been just a guy who had
been thinking about something and got drunk.” I took him apart on it and
told him, “I don’t give a damn what you do when you get home. You can
drink all you want. But don’t stop on the way home and embarrass the
office again. I can’t tolerate that.”

SENEX: You had complete freedom to hire and fire.

POST: I did. I hired and fired.

SENEX: But technically, you were an employee of the Rules Committee, probably,
and they were too?

POST: Well, we were all under the Joint Rules, but we were employees of the
Joint Legislative Budget Committee, and the joint committee allocated to
me total responsibility, which was a great advantage to me and to them,
because if some member came to me and tried to foist a son or a daughter-
or-law or whatnot on us, I was able to say, “I can’t do that.”

SENEX: I don’t imagine that happened very often.

POST: Not very often, but once or twice…
SENHEY: You’d send them packing.

POST: And they knew it wasn’t going to get anywhere, and they never followed up on it. But I had that kind of authority.

And they never quarreled with us on our budgets. We ran a tough ship, tight ship. I’d go before Rules Committee for my budget and they would say, “Are you sure you’ve got enough money?” I’d say, “Yup, we’re in good shape. We’re in good shape.”

SENHEY: Because they knew you’d be as tough on yourself as you were on others.

POST: That’s right, we were, because I was a great believer in the principle that if you live in a glass house, you don’t throw stones. If you’re going to throw stones—what is it?—don’t live in a glass house, or something like that. There’s a saying. But anyway, I felt that we were critical and we couldn’t be critical of others unless we were totally clean. And so, we had all of our salaries based on reviews made by the Personnel Board for equivalent positions, and then we stood in line as though we were civil servants.

SENHEY: And you were paid based on?

POST: I was paid by the Budget Committee whenever they met—once every two years initially—to renew the joint resolution under which we functioned. Was it a joint resolution or a concurrent resolution? I guess it’s a joint resolution. No, joint’s with the federal. Concurrent resolution. They set my salary.

SENHEY: I’m thinking, did they tie it to the director of Finance’s salary?
They did later. As the chairman of the Budget Committee said, "You're our budget man and he's the governor's budget man, and you ought to be paid what he's paid."

Did that make a nice raise for you at that point?

No. I started with a one-third cut in the salary--no, not quite that much--when I first came on board because I was just a kid and Vandegrift was a known commodity who'd been director of Finance and so forth. And that was fine with me. It was more money than I'd been getting before as an employee in the office, a plain employee, as deputy, and it went that way until, finally, they decided this isn’t quite right, so they upped it.

In the meantime, we’d made a couple of salary surveys at the request of the Legislature of executive compensation in state government, and the director of Finance and I and the secretary of the Personnel Board-[a] Troika--sat down and reviewed all of the positions out of our own knowledge in terms of their responsibilities, and we formed a pattern or a hierarchy of compensation that put the director of Finance at the top, because he was actually the chief administrator for the governor and was on top of fifteen or twenty or so commissions and allocation boards and so on. He was the key person in the government, so he was at the top. And then you had these other directors listed in terms of what we felt their jobs entitled them to that you’d have to pay to get the really high-qualified director of Corrections and medical salaries for directors of Mental
Hygiene and so on. Although, the directors of Mental Hygiene were
normally not doctors. They were paid more money as doctors than they
were paid [as faculty members at the medical school of] the University of
California, for example, the head of the institute at Berkeley, or at the
University of San Francisco up on Parnassus in San Francisco was paid
two salaries. He was paid one as a University employee and one as a
hospital employee.

SENÉY: Well, they make as much or more money than anyone in the UC system,
don’t they?

POST: They did. They made a lot of money.

SENÉY: Because they get a split off the clinic to takings that come in.

POST: And some of them had private practice. There was one building up on
Parnassus that was for doctors. They recruited faculty by permitting them
to use that for private practice and then paying them a public salary at the
same time. Really, that’s how they got these better doctors.

SENÉY: That’s right.

POST: It was really fairly rational.

But anyway, I was linked with Finance. I went up the ladder, and
then finally, Jerry Brown, who was given money by his father—he told me
all about it at lunch one day—had all the money he needed. He wasn’t
married, and he lived very modestly, and he believed in small is beautiful,
and he wouldn’t compensate executives in the government to the point
where I chastised him for it. I told him he was different from other people, and they had families to raise and school children to support and so on; that he ought to be competitive with at least other public jurisdictions in California. He kind of gave me a bad time about that, but I scolded him about it. Finally, they gave me a salary that was as large or larger than the governor's because, as the chairman said, "You're more important than Jerry Brown is anyway."

SENÉY: Well, he wouldn't take raises, would he, when he was governor?

POST: No, he took a little car, a little green . . .

SENÉY: Plymouth.

POST: Plymouth.

SENÉY: The notorious Plymouth that had been seized by the Franchise Tax Board or something. As I recall, it was a car that the state had gotten in lieu of a debt.

POST: Something like that. Previously, all these constitutional officers got a big black Cadillac. Unruh was very frank about it. He said, "I didn't come up here to wear a hair shirt." [Laughter.] They had drivers, and they had big black Cadillacs.

It was really funny. One of the funny incidents, Gus Johnson, when he was treasurer, his wife drank too much and she'd go out to these parties. She came back in his big Cadillac after one luncheon and drove down the steps in front of the Capitol. In those days there was a road that
went right around the front. There isn’t now. There’s that big paved area out there, but there was a road that came around, and there were parking slots for the important VIPs. The governor had one, Vandegrift had one, the treasurer had one. You parked there and they were marked for you. Beyond that there were stairs that went all the way down in front to the street, through those lawns and big trees and so on. She made the wrong turn when she got there and went down those stairs. Got about halfway down and stopped. [Laughter.] Everybody came and watched while they came and pulled the car back up and parked it. It was an interesting thing.

Vandegrift annoyed Governor Warren because he lived out at Pleasant Grove and he had a farm out there that he had bought and spent a lot of time out there before he came to work, and he’d come in with a muddy truck.

SENES: Oh no.

POST: And he would park next to the governor. [Laughter.] The governor didn’t appreciate that one bit. Because everything else were these nice shiny Cadillacs and here was this muddy truck there of Vandegrift, who always looked, as somebody said, “like an unmade bed anyway.” He was too stout for his clothes, and his collars always went up. He was a nice looking man, and he had them cleaned and pressed regularly, but the moment he put them on, they kind of became misshapen. He was a
delightful guy. He was very smart, very independent, and I was terribly fond of him.

SENLEY: Why don’t we leave it there and get some lunch, shall we?

[End Tape 8, Side A]
Session 5, May 3, 2002

[Begin Tape 9, Side A]

SENEX: Again, Mr. Post, I was asking you about the evolution of the staff for the Legislature.

POST: The first staff of the Legislature was the creation about 1913, I believe, of the Legislative Counsel (S-E-L), who was the Legislature’s legal counsel, who was also the bill drafting agency. In many states, the attorney general does the bill drafting, or a host of different entities, but California wanted an office responsible to the Legislature for both bill drafting and legal opinions; and so, they created that office.

Between then and 1941, there were numerous staffs that worked individually for the various committees of the Legislature. Now, with a few exceptions, such as the Senate Government Efficiency Committee, where they had a very highly qualified person who made analyses of the legislation for them for these meetings regularly and was a full-time employee, the staff were just sort of “catch as catch can,” or people who were responsible politically or otherwise to a chairman who was hired for one purpose or another, and did nothing of substance until they had a major program like the creation of the highway system where Senator Collier hired Ron Welch, who later became Assistant Secretary to the
Board of Equalization, and a fellow named Richard Zettle, who went to work for Harmer Davis at Berkeley, who were tax experts. They did first-rate work for Senator Collier’s committee.

So, there wasn’t really much of anything of any permanence because the Legislature came in every other year, or later for every year of which one was a short budget session following which there were large empty spaces of months when there was no activity. The members were paid $100 a month, and it was really a totally different sort of organization and process than that which evolved with annual general sessions.

In 1941, because of the impasse that this largely Republican Legislature was having with the new Democratic Governor Olson, an economy bloc decided to create the Joint Legislative Budget Committee and to establish a legislative auditor as an exempt employee responsible to them, with such staff as the committee determined, and made an appropriation from a concurrent resolution to fund it. Rolland Vandegrift, a former Director of Finance was appointed as the first legislative auditor. He had a very small staff of about five people that he was able to pick up during those war years, including a secretarial staff or two.

And then I came along in 1946, and we began to expand the staff. He died in 1949, and there were 15 members of the staff at that point, and we did the budget analysis. Essentially that was it: along with an occasional assignment of one kind or another. But primarily, assignments
would be dictated by Vandegrift for reports or the budget analysis. We didn’t have written reports on the bills as they came along. Vandegrift appeared personally before those committees and made comments. But there was no residue of reporting and no pre-preparation but simply, out of his vast experience, he was able to go in and make comments, often negative, on bills.

And he also wrote a report, a letter, to the governor, advising him whether to sign or not sign the bill, which I also did, after I came on board, for a few months, and then I said to myself, “This doesn’t make sense at all. We ought to make these comments and judgments to the Legislature, not to the governor. You work for the Legislature and what I am doing isn’t right and proper.” So I told the governor’s secretary, “I’m discontinuing the letters. He’s going to have to fend for himself. But if he wants to get an analysis of the bill and not just what we think about it after its passage, it’s going to be done in written form to the legislative committees—the Ways and Means and Senate Finance.” We issued those on every bill that cost money that was referred to those committees, and we furnished a body of copies to the two committees, which they could then distribute as they saw fit to members and committees or to any of the press who asked for them.

We always made sure that a copy of the analysis also went automatically, at the same time, to the author of the bill so there would be
no surprises when he appeared before a committee. We did not make recommendations on the bill in the written analysis. That began to be done orally by me at the request of the chairman or members of the committee that asked for my comments on the bill during the committee meeting, and I would give them personally at that time. But the bill analysis itself was a fact-finding analysis, and that was all there was to it, but it was a comprehensive analysis.

SENLEY: And I take it, written in a way that it wasn't obvious what your staff thought or what you thought about the bill.

POST: No, it was just to explain what we felt were the fiscal issues that they ought to consider. The Legislative Counsel wrote a legal analysis of the bill before it got referred to the policy committee. So, they had that legal analysis, and then what we applied was a budget, economic, management or whatever was appropriate kind of analysis.

Now, when these first came into being, I found it very difficult to explain to the committee in the way they were written, on very short notice, because sometimes it was done the day before and I didn't know what had been written until I took it home that night to read—that was generally the case—to understand and explain the facts and issues to the committee. And so, I devised almost immediately a new approach. I said, "Look, I've got to be able to grab this issue and the members have got to be able to grab it and get on board immediately before we get into the
details. So, I want every bill analysis to begin, for example “Present law provides that there are four members of the State Board of Equalization. This bill would reduce that by one, two, three members, eliminating such and such and adding such and such.” Or something like that, that I said, “Immediately I’m on board, and they’re on board. But it must address, first, the status quo and then the changes that are fundamentally made in this bill. Then we can go into detail about it. But they understand it, and I understand it.” So, from there on, every bill analysis was written in that form, and in due course, the Department of Finance adopted the same format, which was a very reasonable way of doing it.

SENLEY: Well, it makes good sense.

POST: And so, it became the model for how you handled a bill analysis. In their case, they would say, “This is a bill which the governor does not support,” or something like that. But we simply got them on board.

And then, as time went on, I was asked to tell about problems that we saw in the bill from a fiscal standpoint in terms of the budget or in terms of who was benefiting and who was losing and that sort of thing.

Now, that same kind of analysis had been done historically pretty much by the expert for the, say, Governmental Efficiency and Economy in the Assembly or Governmental Efficiency in the Senate. And they had meetings before the bill was taken up publicly, and actually, for the most part, certainly in the case of the Senate—Government Efficiency—they
had made a decision as to what they were going to do on the bill. So, when the bill came before a committee, it was all simply an exercise, and everybody on the committee already knew what was going to happen to the bill.

Now, the staff needs of the Ways and Means Committee and the Senate Finance Committee for the budget process were also supplied by our office. They had no other people to start with. Oh, they might have one person who was a secretary, usually not terribly effective, to the Senate Finance Committee or Ways and Means Committee. In fact, the Ways and Means Committee depended on us, I think, totally. Senate Finance often had one person who primarily handled logistical matters—witnesses, whatever—for the chairman of the Committee. But since the Senate Finance Committee chairman historically was also chairman of the Joint Legislative Budget Committee and the chairman of Ways and Means Committee was historically the vice chair of the Joint Budget Committee, they were in a position to not have to have additional staff, but we provided the staff resources to those two fiscal committees. We participated in all the hearings, item by item on the budget bill, made our presentations, and handled the decisions that were made by the committee, we put them into analyses that comprised, ultimately, the book that I took to the conference committee from which I explained the Assembly version and the Senate version (including our recommendations in the “analysis”)

to the six-man conference committee on the budget as the representative
for the Legislature, while a similar presentation or documentation was
made, or available at least, by the assistant director of Finance who
represented the governor and the Department of Finance in those closed
hearings of the committee on conference.

So, until Assembly Speaker Unruh came along, those were the
relatively modest staffs for the Legislature. Now, there has developed,
however, over a period of time, much more expert individual people—
researchers—for major committees. People from our office became
instrumental in that staff development. Well, they left us and went to a
legislative committee because they were always recruiting from our office.
So, you had individuals, formerly of our office, who were either AAs of
the chairman or were the principal staff for a subject committee, including
the Rules Committee, where the chief administrative officers, for example,
of the Assembly and the Senate were former employees of our office who
were well-qualified and experienced and trustworthy. So, they would grab
them, and I'd go out and recruit somebody else. That was part of the
turnover that we expected. But we were a recruitment source for the
Legislature.

And so, those staffs began to be built up. Some didn't come from
our office. Some came from other sources—public health and the like—
came from the outside. People who were, some of them, academics, and
they were attached to the speaker or the chairman of the various
committees.

SENEX: If I may, did these staff people survive changes in the committee
chairmanships, or did they tend to serve a particular chairmanship?

POST: Many of them stayed on because they were allied with the chairman, who
changed infrequently, for one thing, the system that we had favored
incumbents because people ran both as a Republican and a Democrat...


POST: And there was cross-filing, and so they were very long-time chairs of
these committees. And so, if you got hired, you stayed there. And in
many cases when a new person came on board, since these were often
really first-rate professionals, they kept them because they were
invaluable. They brought historical perspective and continuity as well as
the expertise that you needed and the knowledge of the lobbyists and the
others who came into the office. They could get the member on board
quickly and tell him what was what and who was who. So, they became
very valuable people, and there were many of them that were, really, of
high quality.

When Unruh came along, he had ideas of increasing the stature and
strength of the Legislature versus the governor, and, as such, he built up a
staff of well-qualified people, but they began to proliferate rapidly. He
ballooned the Office of Research, and he also had a hand in the selection
and augmentation of staffs of the committees. He made a powerhouse out of the Legislature.

SENLEY: Was the Office of Research more partisan?

POST: Oh, yes. That would change, and it became politically the creature of, say, the speaker. For example, when Willie Brown became speaker, he replaced a man who'd come from our office, highly qualified really, who was head of the Research office for the Assembly and simply offered to...a person you mentioned the other day.

SENLEY: Not Lee Nichols.

POST: No. But he became the hospital...a doctors'...a lobbyist.

SENLEY: Steve Thompson?

POST: Steve Thompson. He said to Steve Thompson, as I was told later, "You can have any job you want in the legislative picture, as far as I'm concerned." And Rick Brandsma, who'd come from my office, who was a superlative person and became the head of the office, was then rather quickly displaced because Steve said, "I'd like to be head of the Office of Research." And so, Brown just rolled Rich Brandsma out for no reason, other than that's the position that he had promised, any position, for Steve Thompson.

So, anyway, that's the political nature of that office, and it was...

SENLEY: What does that office do? What did that office do?
Well, it prepared policy positions on all kinds of issues that had to do with the interest of the speaker of the Assembly. I don’t know what all they do. Over time I’ve got to know them, and there are some pretty good people there, and they get involved in all kinds of studies. But they’re ones in which the Assembly, and particularly this speaker, are interested; and some of them a little bit biased, but by and large, they’re quite professional and their work is well done, and they have long-term employees.

So, that’s the story, really, on staff. It changed tremendously in terms of numbers and, in some degree, quality by Jess Unruh. Then Willie Brown came along. The other speakers that intervened, like Brown and...

SENEY: McCarthy.

POST: McCarthy.

SENEY: Monagan.

POST: Yes, and Luther Lincoln. Of course, Luther Lincoln was before.

SENEY: Yes, he was quite a bit earlier.

POST: And his main interest was—he had a person, that I used to drive to work with every morning who lived over close by here, who was his man—his AA, so to speak—and his main interest in the process was to more carefully organize and make more uniform the reports that came out. There were a lot of legislative reports that came out, and there was really an opportunity to make them into a chronographically arranged series and
that sort of organized thing—pretty much superficial—but, nevertheless, made it a more uniform formatted sort of a document.

When I first came with the office, I may have mentioned somewhere along the line that I was concerned with these reports that were coming out, many of which were really not of much quality and that they needed to be upgraded. But even more of a problem was that everybody got an allocation for a study that they took to the Rules Committee and got approved and then nothing really ever happened to that. It was money that the chairman could spend for all kinds of purposes. There was not much evidence of many completed reports coming out. I may have discussed that earlier.

SENŸ: You may have, but it's all right.

POST: And in any case, that became part of the process.

I saw a study by a professor at Sacramento State College about the legislative committees and their reports, and I was impressed: “This is a great idea.” So, I went to Vandegrift and I said, “You know, we ought to generate some interest and actually be a participant in getting these reports in some completed form.

SENŸ: We didn’t talk about this part.

POST: I find in reading the background that there was some legislative interest going on about this, but I don’t remember that. My memory of it was that I read this report by a professor at Sac State and thought it was a great
idea, and I remember going to Vandegrift and saying, "You now, if you
got out a report like that, it would make these committees much more
accountable, and hopefully, you’d get some better reports, and you’d make
sure that something really did get done and good faith on the subjects for
which they received this appropriation or allocation, and it wouldn’t just
be the largesse of everybody who got a committee and everybody got an
appropriation or allocation." I said, "Let’s make this thing worthwhile."

So, he agreed, and we got out a report, which I kept issuing every
couple of years, on legislative committees and their reports, and it had the
intended therapeutic effect. They would bring their materials to us, and
we would try to make a responsible report out of it. They’d just bring in a
whole bundle of hearings. Maybe they’d take a hearing officer with them,
whatever you call them, who would tape…

SEN: A stenographer of some kind?

POST: A stenographer who would take down what was heard at hearings, and
what often was a rambling, unorganized bunch of stuff, plus a lot of
papers that were brought in related to that. There was no form to it. And
so, what we would do—they’d bring it to us and dump it on us and say,
"Can you make up a report out of this?"—so, we would take it and try to
organize it into a good report that would bring credibility to the legislative
process. And that became quite common.
In fact, then they'd begin contracting with us to do all of that: to make not only the reports but really to do all the necessary work that was needed to be done on issues that the committee was interested in. And so, we had contracts with as many as ten committees, making studies for them. To keep the system appropriate, the Budget Committee required that the allocation be made from the Rules Committee for this defined area and that we would use that money that they allocated, along with approval of the committee and the study, to pay for this so it wouldn't balloon our permanent staff. We could buy whatever services were needed, and then it would be gone when their report was completed. And it also was accountable to the process. That's how we got the money, and it was good for us to in that we weren't doing this on our own initiative. We were a servant, as we were supposed to be, of the Legislature.

SENLEY: Did you approve of the staff change that went on under Unruh? There were, of course, as you said, two kinds. The individual member got more staff. I mean, for the first time, I think, they really got staff. They had a home office, district office, and some people in the Capitol, and then the committees began to get their own majority/minority consultants.

POST: We had no hand in that at all. We tried to learn to deal with them because they had a propensity to come to the office, many of them, and simply dump their problem on us and asked to have us do it, and then they would take it back to their principal. We did that until the chairman, particularly
Don Grunsky who said, “That’s no way to behave. Let them do their own research.” So, we cut that off. If they had a contract and they didn’t balloon us, that’s fine.

But what also began to develop was that members got used to the bill analysis, and they liked it for Ways and Means and Finance, and the next thing we knew, we had requests from the tax committees, government organization, welfare committee, people like that, that wanted the same kind of bill analysis on the bills that came to them. And so, they were dumping on us and we were thinking in terms of the good of the cause. We were trying to grapple with those, and Grunsky said, “Enough of that. This is getting to be out of hand,” and we terminated it. So, that was constructive, in my view . . .

SENLEY: To keep your focus on the budgets.

POST: That’s right, on the fiscal side for which we were originally hired. And Grunsky felt strongly about that; he was a conservative. He was correct. We were simply responding in our terms of the way the rules were written; that we had to respond to any request from any member. So, if they came in and asked us to do that with their committee, well, under the rules, we were supposed to do it. But it became an extraordinary burden.

Actually, just the bill analysis itself became such a burden that when Proposition 140 was passed and the Legislature was cut back on funds, it had a drastic impact on the LAO, as I predicted at the time in
opposing that proposition, it would mean that the Legislative Analyst's Office would suffer because new members, as they got elected much more frequently, would bring with them those political people who got them elected. You would have money that would go for that rather than the established agencies because the new members, by and large, knew about the Legislative Analyst but didn't have the respect and affection for it that a long-term member had, knowing what a resource it was. And so, I said, "We're going to be second-class citizens on this and we'll lose, and we'll lose to the political people to whom this person is beholden because he helped get them elected and for whom he is a close associate." And that's what happened.

So, the upshot was that Elizabeth Hill abandoned the bill analysis and took on writing reports, which is much more controllable and more limited. I didn't think that was a good idea personally, and I've said so to her. I would have kept the bill analysis to the bitter end because I feel that everybody writes reports and members don't tend to read reports. But when you go before a committee, you're there at that point where decisions are made and you can be far more effective by representation there than writing a report afterwards. We wrote reports too, but if I had my priorities straight, I would have said that that contact at the point of decision was invaluable to the Legislature and the office.

[End Tape 9, Side A]
POST: When the Proposition 140 was passed, and there was a reduction in staff, as I predicted, the Legislative Analyst’s Office was cut back substantially, almost to a half what it’d been before. But fortunately, Bill Hamm had doubled the staff in the office. He’s a first-rate brain, but a federal employee who was more inclined to do that sort of report writing, and who brought in high-quality recruits. In any case, it changed somewhat, both in size of the staff, significantly and in size of the budget analysis. My philosophy had always been, and I expressed it to him and I expressed it more strongly to Liz Hill, “Never let the budget analysis get more than a thousand pages because I want members to be able to hold it in their hand and take it to a hearing.” I used to watch how the committee members would have to send out and get the budgets brought in—Department of Finance’s budget—by his AA, and they’d stack these volumes up. They should have our analysis—they put them in their desk so that when they get a constituent who raises an issue (and they raise issues, in large measure, from time to time because we made a recommendation on it in the analysis) they can reach in there, can get it, take it to a hearing where it has an analysis of related issues. When they go to the Education Committee, for example, they can pick it up and it’ll be helpful because it shows education apportionments. Never get it so large that it isn’t comfortable in the palm of a man or a woman. I told Hill, “Do that.” It
finally got so big under Bill Hamm that they had to have two big volumes, and another one that had to do with the policy analyses, which we began to include in the analysis years earlier. We would put these policy briefs in at the end of an analysis or at the end of the budget analysis—in which we dealt with policy issues that related to, but were ancillary to, the actual budget bill, which is primarily the analysis of the budget and bill budget.

SENLEY: Can you give us an example of one of those?

POST: Well, it had to do with education because initially the education program was out in separate legislation and was miniscule in the budget itself when it came to elementary and secondary education—not higher education—so that we dealt with those issues as policy issues. We also would develop certain other policy issues. They were in welfare and its apportionments and bonds and other areas that were really largely policy. Originally, people thought we didn’t deal in policy, but I recognized early on that money is policy, so you might as well articulate some of the policy issues. We would build those in. And as I may have mentioned earlier, I went to Howard Way, as president pro tem and a long-term member of the Finance Committee and Budget Committee, and said, “Howard, get us a concurrent resolution that gives us the opportunity or the mandate to make these available to policy committees so, hopefully, they will look at them and use them in making their judgments before they get to the fiscal committees, where they complain too much policy is being made.” And I
told the Rules Committee, "It's being made because the policy committees are not doing their homework. They're passing these decisions on, and then they have to be made at the end of the line, when they go, finally, before the fiscal committees, and they complain about that, but it's their own fault." And I told the Rules Committee that. I said, "You know, they're not doing the job that policy committees should do, and they're asking, in effect, the fiscal committees to do it from a fiscal point of view. Whereas, if they addressed it, straightened it out earlier, it would be far better."

And so, it was in hope of improving that, that these policy elements were incorporated in the analysis and that Howard Way's resolution would make it easier for us to have our staff appear before the policy committees and explain to them our information on policy issues that we thought needed to be addressed, and perhaps that would make them more accountable for the process. It didn't work out very well. They're not inclined to do much of that. And so, it kind of fell by the wayside, but he did get the Legislature to approve such a process.

The Legislative Analyst's Office now is engaged, in large measure, in policy issues and very good. A good professional staff. They make excellent reports. My feeling was that valuable as that is, and you do do that, and we did it, but not to the degree or even, perhaps, in every instance, the degree of professionalism that they do, we had the bill
analysis. And the bill analysis, to me, was just extremely important because it not only went to the committees, it not only went to the author, it went to the governor ultimately, and it went to where the media could come and grab it, and it, therefore, became part of the well-informed perceptions of the media, which I considered to be very, very important. That improved their understanding and the quality of their analyses, and it also made it possible for me to talk to some of them when they would come to me and ask me to explain further.

SENLEY: People in the media you mean.

POST: The media: “What does this mean and that mean?” And I could do that without expressing any opinions as such but simply to be sure that these guys, who were trying to cover a million areas, including the politics as well as the facts, from our fiscal understanding of the issues, make sure they got it right. And they would often do that, and I devoted considerable time to seeing that that happened.

It also was good from my standpoint that they understood where we were coming from, and they were sympathetic to us, and they wouldn’t hurt us. In fact, if possible, they might help us once in a while. Although, the press are not inclined to get involved in an argument, where you might be involved or where being cut back in the office they would make much of a case. A few of them did, but most of them don’t get involved in that.

SENLEY: Any bad experiences with the press?
POST: No, not really. I never had any real bad press. I made what was regarded as a stupid comment, and I guess it was, but I still have a hard time rationalizing that.

In a hearing for a meeting—it was a very limited legislative committee meeting—I made the comment with respect to the issue in higher education, of the preference given to minorities for admission, that the preference was a tough issue for many of those admitted because if it were recognized by the student or they thought they recognized the fact that they got in as a special category for minorities, it was a burden on them to do well so they could defend that aberration in what was otherwise the standard criterion of an academic record determining their position in the three-tier system of higher education. The minorities jumped on that and said I was hurting them.

And so, it became a bit of a brouhaha and they wanted an apology. My back stiffened, and I said, “No, I’m happy to explain why I did it, but I can’t apologize if I don’t think that I was saying something that’s entirely appropriate under the circumstances. Maybe it wasn’t the smartest thing in the world, but nevertheless, I find it hard to apologize as such.”

I apologize when I make a mistake, and I was the first to go before a committee and say, “I made a mistake the other day. I said [such and such].” And they would say, “Oh, you never make a mistake. Forget it.” But I’d say, “I do. Like everybody else, I do make mistakes, and I want
you to be the first to know that this was an error, and the true way of saying this is [such and such].” It didn’t happen often, but if it did happen, I told the staff, “You let me know. We correct errors immediately. We don’t hide them; we confess them. Hopefully, it’ll be a million dollar error, where we add two zeroes that didn’t belong because then everybody knows that was just a stupid mistake, nothing that was intended to mislead. But those things happen, and we should be the first to recognize it and correct it, and it’ll then go away.”

And so, that became a bit of a brouhaha, and I had delegations of minorities coming in, and I met with them, and I explained my position. I never backed away from it. I had minorities, Latino minority people, some of them came in and said, “You’re absolutely right, and you shouldn’t apologize. That’s the way it is, that we feel that if we get these benefits, we’re going to have to do well to justify it.”

That’s the only real squabble I ever got into, my recollection, with the press, and that came very late in the game. Not more than two or three years before I retired.

SENKY: I want to go back to the legislative staff that Unruh put in again. I don’t think I quite got you to say whether you thought that was a good thing or a bad thing or a neutral thing.

POST: Well, I thought the quality of the staff was a good thing. I mean, Unruh did well to strengthen the legislative process. He recruited directly or
indirectly some first-class people. Since I’m a believer in a strong and independent legislature, that goes to the staff that serve it and make it possible for the Legislature to do that. In that sense, I thought it was good.

What was not good about it was that the numbers tended to be fairly large, and the costs went up significantly, and too many of them began to be used for campaign purposes, allegedly, by taking them off of their legislative duties. But there they were staffers, and they were out politicking for their boss. That aspect of it went a little beyond what I thought was good for the system.

SENSEY: Well, the change was made later that took these staff people off the state payroll, put them on the committee payroll—a re-election committee payroll or whatever—while they worked on behalf of their boss.

POST: Right, but then they went back again, and so they went back, to some extent, colored by politics that may have revolved around that. But that’s all right. That’s the political organization, and the staff are not really different from their principals, and that’s the nature of the beast too. We’re in a different kind of position and have a different role. And so, I wasn’t critical of that. As long as they did it on the campaign account and not otherwise, why, that was okay.

So, I think Unruh increased the stature and professionalism of the legislative process. He, himself, sometimes played too strong a role, I think in part, in political aspects of it, but the process itself was very good.
SENNEY: What do you mean about he played too much of a role?

POST: Well, he had staff that he could use for his own long political aims. For example, when we had the big squabble about tidelands, we had to determine how to allocate the oil that was taken from the ocean at Long Beach and decide how much of it was under the State Lands Commission—the revenue of the state—and how much of it would be the revenue of the oil companies with whom we contracted to extract the oil. That is, I found out, not an easy process. You have lines that reach out into a large pool of oil under the sea or on land, but in this particular instance, it was under the sea. And when it comes up into focus, into the pumps that pump it up from these various pools, there has to be an allocation process that says this is the oil company’s share, and this is the state’s share, and this goes to this oil company and that oil company and so on. That became a bit of an issue as to how that allocation formula would work.

Senator George Miller and Jess Unruh, who had a big hand in oil revenues since they funded a lot of his activities—and, to some extent, everybody in the political process—got money from these oil companies; and so, that made it a little complex.

But from a technical standpoint, we recommended... well, let me back up one little bit. Somebody had recommended that the State Lands Commission should have its budget cut. We had recommended the full
budget of the State Lands Commission which included people who monitored this process and saw to it that the state got its fair share. I didn’t know an awful lot about it, but in principle, that was a large dimension. It had to have staff; they belonged to the State Lands Commission; it was appropriate that they have them. But lobbyists for Standard Oil got to George Miller and Unruh and said, “You know, we do all of this. There’s no reason for the state to be having these geologists do this.” So, George Miller came to me and said, “Alan, my friend, who is a lobbyist for Standard Oil, tells me that they can do all of this; there’s no reason for us to do that. Why don’t we cut the budget?”

I said, “The point, George, is that their interest is not our interest. How much this will factor in, I can’t say, but I do know clearly that if they call the shots, it’s not going to be to our advantage, it’s going to be to their advantage. And so, we’re in different positions, and somebody has to monitor this.” And George bought off on that. He was an honest man. He recognized that that was correct.

But Unruh was a little stickier, and I get a call from him and he says, “Tonight I want you to go down to Long Beach with my AA in this area and meet with the geologists that are down there from Texas who’ve been hired as consultants for the state interest in the State Lands Commission and come back with a better answer than you now have as to why we should support the State Lands Commission budget,” because
he’d been given the same argument by the oil companies. And so, I immediately went down to Los Angeles that night and met with his man, who was pretty much his patsy and had no real independent views, but he went along just to see that I behaved myself, I guess. I met with the geologist from Texas, and he said, “Look, this is a complicated process. It goes through something like twenty different assay steps, and if you don’t have somebody who’s really knowledgeable and looking after your interests, the oil companies will tilt the sand to their way of thinking every step in the process, and the next thing you know, you’re going to get milked, and they’re going to get the benefits. So, somebody has to be watching out for this; from your standpoint, technically competent to stand his ground against oil company interests in these multiple assessments.”

I went back to Unruh and I told him, and I told Miller that, and then I said, “That’s the reason why I think, on good advice, we just have to keep these.” And it stayed in.

SENLEY: Unruh must have thought they were going to say something else.

POST: Well, I guess he thought I’d be bowled over because I didn’t know much about it. But this guy was very clear, and we were fortunate in that he gave me a candid, informed view that I couldn’t have generated on my own. So, I really, then, was just a messenger that went back and said, “This is what this independent consultant said, and it seems to make sense. Therefore, I am going to continue to recommend that they get their full
budget.” That settled it, as far as I was concerned. My mind was made up, and nobody was going to stop me. Unruh heard me and didn’t say anything other than that, and that’s the way it came out. George went along with that point of view, and I guess Unruh had to too.

SENLEY: He couldn’t, obviously, convince you otherwise.

POST: He couldn’t convince me, and he wasn’t going to try to roll over George Miller, his Democratic ally although, they never were good friends. I remember Miller was very uptight about Unruh trying to run and take over the Senate, which is what he kind of threatened to do. In a speech that he made after, he may have been a little bit...

SENLEY: Inebriated?

POST: Well, not really inebriated, but he was fearless. Anyway, Miller called him “a little Nero” or something like that on the floor of the Senate and gave Unruh a very bad time. It may have been just simply that he was mad enough at that point that he wanted to take him on. He saw the problem, and George Miller just did it. No, I just think it was just he got up and concluded that enough is enough. I think both men aspired to be governor secretly, and they weren’t about to take orders from the other. Both were stubborn, brilliant, tough men.

SENLEY: Unruh’s better known to the public, but people who know about the Legislature, I think people have about as high an opinion of Miller maybe, or more, do you think?
Oh, I think that those who knew him had great respect for him; although, there were a number of senators who didn’t like him at all because he was abrasive and they thought he was too much under the influence of, say, his close friend with whom he grew up who represented Pillsbury, Madison...

Madison & Sutro, the law firm?

Who were the law firm, who were the lobbyists for Standard Oil. They had production facilities down there in his district, and there was the water issue where they had a somewhat different point of view. Southern California legislators might have felt that they needed the water down there, and George Miller was damn sure they weren’t going to take it away from the quality of water in the basin, the bay, in the county that he represented.

So, you get those. That’s what makes the legislative process. You have individual positions which are highly decentralized: everybody representing his own district. But under the process, the majority or super majority makes decisions, and so...

Anyway, the legislative process is one of consensus, and that’s why you need to focus issues. You need to have a structure that is centripetal rather than centrifugal and that diminishes the fact that powerful members over represented, maybe, better districts. But in the last analysis, under a good and pure and effective process, it comes to a vote, and the consensus
makes a reasonably informed and, hopefully, wise decision that is the counterbalance to a governor, who has the best forum in terms of speaking out to the public as a single individual and who has the opportunity to make a clear-cut decision with the use of his advisors, without the problems of getting dissenting opinions publicly of individual members who may speak out and diffuse the quality of decision on the part of the Legislature.

But anyway, that's critical, as I see it, in the legislative process to make that kind of thing happen, and Unruh's strengthening of the legislative process was intended to do that. And for the first time, the president pro tem and the speaker would meet regularly and speak in one voice to counteract the governor who was speaking out as a single voice. They attempted to create a single voice as the leaders of both houses with these regular meetings in which they, as Democrats, could coalesce and make articulate.

SENENY: Was that a good thing, do you think?

POST: I thought it was pretty good at the time. I was a little concerned that no two people should be speaking too much for what is otherwise a process of consensus. And that while leadership is critical in the Legislature . . .

[End Tape 9, Side B]
SENLEY: Let me go back to the staff business because that was not the only thing Mr. Unruh did. There was then the move to annual sessions. And I'm trying to think, there were a couple of other things that were . . .

POST: I recommended against that.

SENLEY: Did you? Let me sort of set the groundwork with some things other legislators have told me, the few who I've been able to interview who bridged that gap, who came in before those changes were made and served after those changes were made. And while those were reforms that were attractive and appealing and had, certainly, academic backing, for whatever that's worth, there was some who thought maybe that wasn't such a big improvement on the Legislature when you had annual sessions and had all this staff now and whatnot. You're kind of shaking your head yes. Why don't you go ahead.

POST: Well, I felt the same way about it. I had a great feeling for an interim in which committees, often joint committees, that sat together and wrestled with problems together and could develop, as they do in the federal system, joint bills that represent a lot of discussion and policy formulation between the two houses in the interim. And I missed those interim sessions. I believe that when you open the door to your office as a legislator, somebody's going to walk through there—usually lobbyists—and you're going to be busy. You get an awfully busy office, and it isn't
the most productive in the world, and sometimes it's unproductive. There's still plenty of time with annual sessions for people to have access to the Legislature. There's still plenty of time to accommodate the changes in the economy that take place so that you don't have to have a lot of special sessions. During those particular years before we went to annual sessions, you had such enormous expansion in California that the revenue estimates changed, and it was very difficult to budget for two years. It's not all that difficult now.

But in any case, we went to annual budgets, and what we cut off was the general session on the end. Instead of having two general sessions,—one every year—you had a short budget session in alternate years, which, in large measure, is really the most important legislation that's passed, and in the other year you had a general session where you could deal with both the budgets and also a lot of these other issues on a two-year basis, which wasn't all that bad. And then you had an interim every other year in which there could be some constructive work when all the staff could get with members and work with them, and you could hear from the people in the field, and you could get good representation, much better than you get in a legislative hearing in Sacramento during a general session when there's all kinds of games being played.

That interim activity was a very constructive part of a good legislative process, and I didn't want to lose that. And we've lost it. We
don’t have interims now except to just catch your breath. Enough for me to go abroad for four weeks, and that’s about it. And with good management to get the work done so that it doesn’t disconnect anything.

So, I voiced the opinion that I thought that there should be more joint committees in the interim when senators and assemblymen got together, rubbed elbows, and talked about problems and listened to staff. It was more efficient, more economical, because you had good staffs. And it was good for the process, and I thought we ought to go maintain that. Unruh pushed annual general sessions through on the grounds that this was going to be much more efficient and effective. I don’t know what all the reasons were. I suppose it had to do with the power that comes with a speaker every day of the year instead of every year-and-a-half.

SENEX: Maybe.

POST: Whatever it was, I thought it was a mistake, and I was very forthright about it at the time and voted against it.

SENEX: That was Proposition 180.

POST: And I still think it was a mistake.

SENEX: Right. You know, you alluded to this in talking about your travels with the Agriculture Committee, and this is what people have said to me, especially former Senator [Paul J.] Lunardi: that the benefits were almost as much social as they were anything else.
POST: Well, that’s what I said: they rubbed elbows together, and they began to understand, and they worked out problems that you fail to fully consider when you’re in the turmoil of a legislative session, and you’ve got everybody on your back, and you’ve got the lobbyists on your back. You get to know each other and go out and work in the day and get together at night in the hotel, and you get to talking with each other, and the staff are there often, and they get to understand what the issues are politically in districts and what these people are up against and respect that, and you get to see the institutions, and you get to get rapport not only between yourselves but with the people who you’re dealing with in the state who are bureaucracy.

All of that—I agree with him—all of that is part of what makes for a good consensus.

SENEY: Now, this didn’t apply to Mr. Lunardi because he lived in Roseville, so he could come back during the day. But when you had these biennial budgets and the previous arrangement before the end of sessions, the legislators would come and share apartments and rent whole motels. I can’t remember the one, the name of it now, but there was one that I think was just full of legislators. They would often share apartments across party lines, and this had the effect, again, like the interims, of getting to know each other as individuals and cross party lines. And while they could
disagree during the day, they could be friends at night and that it contributed to the making of a consensus over these matters.

Would that have been your observation too?

POST: Yes. It’s a more normal life. The legislative life is not a normal life. For one thing, you’re disassociated, in many cases, from your wife and children. Some people, like McCarthy when he was speaker, go to San Francisco every night and back. That was fine. He was a fine man, he loved his family, and he did that. But that’s about a two-hour drive or so, or less maybe, from where he lived. But for others from the southern part of the state, from San Diego and Los Angeles—remember, that’s where the population is and under the system of reapportionment the increased numbers of senators for example meant a lot of people are far away from their families. And it’s not the kind of thing that many wives want to participate in because they’ve got kids to raise and school, and they may not care for it particularly anyway. And so, to have a social life in your hometown is much more normal than to not have one in Sacramento. Then you’re sort of thrown with lobbyists who take you to dinner and get you drunk and all that sort of business, and that means that it’s not normal.

And so, to the extent that you had the interim, you had a more normal life, and you created, as you point out, a more normal relationship that spilled over into the political arena that is the legislative session itself.
SENLEY: The decade of the ’60s, as you know, was just...I don’t know that any decade in the history of the state has had as much impact on the Legislature than the 1960s did, because you get also the redistricting, or now the forced redistricting, of the Senate after Reynolds against Simms. Beginning in ’67, you’ve got senators now elected on the basis of one man, one vote.

POST: That’s right.

SENLEY: What difference did you see in the Senate as a result of that change?

POST: Well, it brought a lot more informed, younger people in. Los Angeles had one senator; a huge section of the state and one man. He was not the best man in the world. He was the chairman of the Un-American Activities Committee.

SENLEY: Do you mean Mr. Tenney first?

POST: Jack [B.] Tenney. And Jack Tenney was famous for two things really, other than getting himself reelected and playing along with the people in a huge district: he wrote a song called something Rose.

SENLEY: Oh, I know what you mean.

POST: What is it? A famous song. Because he was a musician…

SENLEY: It’s on the tip of my tongue.

POST: What was the name of it?

SENLEY: Mexicali Rose?
POST: Mexicali Rose. He wrote Mexicali Rose, and he chaired the Un-
Americans Activities Committee, and those were the two things for which
he was really remembered. At the time, he was not the kind of a senator
who represented well the multiple issues that were emerging from this
extraordinary transformation that was going on in that section of Southern
California. That changed and changed for the better because you had
better representation.

SENENY: You know, the senator I had in mind for L.A. County, because Tenney
was his predecessor, and I can’t remember if there’s anybody in between,
was Richard Richards.

POST: Oh, yes.

SENENY: Who was thought to be, I think, quite an able senator.

POST: Yes, he was a totally different personality. A very capable lawyer and a
liberal and a thinking person who was totally different from Jack Tenney.

SENENY: Let me give you what Mr. Lunardi gave me in terms of a discussion of
this. He said that when there was just that one senator in Los Angeles
County, first of all, they had a big staff because they had so many
constituents to be concerned about, and then, when that one senator came
to the rest of the senators, saying this is what we need for L.A. County,
they would go along with that, as is the practice in the Legislature. The
local delegation says, “This is a go.” The rest of them will defer unless
it’s something outrageous of sort. And his point was that you certainly
had more senators now in Los Angeles County, but they didn’t necessarily agree with one another. They’re Republicans, Democrats, urban, suburban.

POST: You had Tony [Anthony C.] Beilenson, for example. You had all kinds of people.


POST: Sure.

SENEY: Again, if I may, his view was that although it looked good on paper, giving more senators to Los Angeles, the fact was that Los Angeles was maybe better represented by this large staff and this single senator, who was a very capable one, than it was with a whole lot of senators.

POST: Well, I don’t consider Tenney to be a capable one.

SENEY: I’m thinking of Richards.

POST: Richards was much better. Well, Paul Lunardi, and I knew him quite well, was a very nice man, and he became a lobbyist, of course, and was very effective—has that view, and maybe it’s a better view than mine, because he was involved in many aspects of it that I couldn’t be. I wasn’t a senator, and I wasn’t a lobbyist. He was both assemblyman and senator and lobbyist, and his judgment may be better than mine, and I may be, again, simply taking the paper view, as you say.

SENEY: Well, no. I think they’re legitimate differences of opinion. I’d just like you to comment on what he says. Give me your view.
My view was somewhat different because I knew some of the senators
down there; as I say, like Tony Beilenson particularly. I'm trying to think
of some of the others that had very forceful and different opinions than
Jack Tenney or even of Richard Richards. Although, Richard Richards
would have been much closer to Tony.

Oh, didn't... what was I thinking about? [John V.] Tunney? Oh, he was federal.

SENEY: He was federal, right. Jack Tunney. Not Jack Tunney. What was his
name?


SENEY: Gene. That was his father.

POST: That was his father.

SENEY: Yes. Well, it was his son.

POST: It was his son anyway.

SENEY: We'll fill that blank in.

POST: Anyway, that's off the track anyway. That's not the person we should be
talking about.

But I really can't speak, perhaps, as well informed about it as Paul
Lunardi would. The people that I knew who were independent thinkers
and represented different constituencies... you see, Tony Beilenson came
from the Beverly Hills area, a rich and powerful area, but also, in large
measure, Jewish and liberal, and that’s what he was and was well
represented.

But I just go back to the work that we did with Jack Tenney from
time to time where we get dumped all these papers again and tried to make
something out of it. I never knew their staff that well, and I never had, I
guess, that much respect for their staff because I didn’t know who they
were or what they were producing particularly.

SENENY: Well, that was an odious group. Tenney, historically, he’s been pilloried,
and I think a lot of historians would say with justification. He was a kind
of minor Red-baiter and witch hunter and was sort of a pale carbon of the
U.S. Senate, or rather, House Committee on Un-American Activities.

Did you deal at all with those kind of matters that he generated?

POST: No. That wasn’t within our bailiwick. We may have taken some of that
and made a report out of it; but no, we did not. That wasn’t a fiscal issue.
Unless it was a fiscal issue or it was policy that was very closely allied
with fiscal—education or welfare and so forth in which fiscal and policy
are interrelated—you don’t know where the first begins and the other
begins. And so, that was not one of them. That was pure policy, and I had
no familiarity with it. I only read about it in newspapers and so on.

SENENY: You're kind of turning up your nose, and that's everybody's feeling about
him and that period.
POST: Well, I'm not one who...I was familiar with its spillover into the
University of California and the oath and things like that that were not
good for the University of California, where they had to take an oath.

SENEY: Did you deal with that?

POST: No. No. We didn't have to deal with that.

SENEY: You're just aware.

POST: I was aware of that because George Miller's AA was a man who was
involved in that. He was a political science professor who got into a
brouhaha about that because he refused to sign it. He had been the
manager, or whatever you call it, of the radio station in Berkeley that was
public, and it was, avowedly, very liberal.

SENEY: KPFA?

POST: KPFA. And so, I heard a lot about that from George and its impact on the
university in terms of the view of Hal Winkler? His AA that I had all
kinds of dealings with through the years. He finally died of cancer after
his brother took him off to Washington, D.C. They owned enormous
amounts of property, which his brother bought very early on in the
environs of Washington, D.C., over across the river into where Park
Fairfax was, and they became enormously rich. When his brother died, he
had to go back and take over. Then he also died of cancer some years
later. But he was very close to George Miller, and since he had been
affected by it directly, I heard a good deal about it. But I had no role in it at all.

SENSEY: Another thing that happens, of course, is the pay goes up for the Legislature considerably, along with these other kinds of emoluments: cars and staffs and so forth. And the number of the Legislature does not increase; although, the population is increasing considerably. Were there any thoughts in your mind, or was there ever any rumblings of any seriousness about increasing the size, the number, of legislators as the population itself increased?

POST: No. My familiarity with some of the eastern states was that you shouldn’t have too many legislators because then they just tend to—I don’t know—accelerate or exacerbate the diffusion that is already, as we discussed it, a problem with respect to the Legislature. I had no feeling that the number of legislators were not capable of representing fairly their districts, and with fewer numbers you had a pretty good number to coalesce in making policy decisions. I wouldn’t care to see more because there’d been a propensity through the years for every member to have a committee and a staff. There were too many of those already who didn’t need that. Again, you had trouble focusing issues.

I opposed the separation of the—although, I wasn’t there at the time—but in my addresses and in the commissions later that I chaired on the budget, I opposed the idea that you would make a political decision to
split the Finance Committee into Appropriations and Budget. My rationale on that is very simple: appropriations are what makes the budget. You affect the size of the budget, composition nature of the budget, through appropriations. They ought to look at it together and realize the impact of one, particularly the appropriations, on the budget. And to split them off so you get two chairs, which was the political reason for it—ambition for power, getting two different chairs—you split a system that was better off where both halves of the issue were together.

SENEX: You must be alluding to the Senate in the early '80s when [Senator David A.] Mr. Roberti split the committee. [Senator Alfred E.] Mr. Alquist, who had been the committee chair, takes Budget, and I can't remember who took Appropriations.

POST: I don't either because I wasn't there, and I can't remember exactly who took it. But it didn't change things much. It's still the same process. It's just that you got a split between the two, and when that was changed by the Legislative Analyst not doing the bill analysis as a single entity looking at this whole problem but you also now had every committee staffer writing reports, often at the whim of the chairman of the particular committee, that's not good for the system.

My former deputy, who was also deputy when the decision was made to abandon bill analysis after Prop. 140—that was John Vickerman, an extraordinary, capable guy—and I had lunch recently—and I've got to
call and have lunch with him again—we got to talking about the energy issue and he said, “If you’d been there, we wouldn’t have had this result,” for one very simple reason: there was information available in the Department of Finance and other legislative committees and available to the Budget staff that pointed out problems that would accrue with the theory that was being embodied in this legislation, and “It wouldn’t have happened if you had been there because you would have gone before committee, and you would have been listened to. You would have imparted, because we would have supplied it to you, the information that they needed to know, and you wouldn’t have had a powerful senator, in effect, telling what you could and couldn’t do. And especially, and more important than that, you would have had the opportunity to express it in a way that didn’t come with writing a report afterwards or not writing a report at all that addressed these issues.” Because the information was there, and it was a question of communicating it, and there was no longer the opportunity that we had before. So, “not because of you personally but simply because you would have been the spokesperson for our analysis, and you would have had the opportunity to speak out on it, and you would have done so, and moreover, they would have listened.” And I’m sure that the same thing would apply to Liz Hill if she went before a committee because they do listen to her. She’s a person of great capability, forthrightness. It’s just that the opportunity had been removed.
SENLEY: Because of Prop. 140.

POST: Because of Prop. 140 and her decision to abandon the bill analysis.

SENLEY: Most people think of Prop. 140 solely in terms of term limits, but it did much more, and that's what we're talking about here.

POST: It reduced... he limited...

SENLEY: The staff.

POST: He limited the amount of money that could go to the Legislature.

SENLEY: It was about a 40 percent cut, was it?

POST: Yes. And it took about a 50 percent cut from the staff of the Analyst because of the reasons that I alluded to earlier: that these newcomers on the scene and the other political people were going to get the advantage away from the nonpolitical. And it's why the Auditor General was transferred from an independent legislative instrument, which it should be. It was initially organized as recommended to us. We made a study and led the battle to create the Auditor General, and we had Price Waterhouse come in, and they expressed their professional view, which we transmitted. We had the same view, but we had better people than us to say that, and that was Price Waterhouse, that it should be legislative, the same way it is in the federal system, because it's an independent entity under the Legislature, where it belonged. Now it's over in the Administration more or less because they didn't have the money. They wanted the limited money for other purposes, so they pushed the auditor
out, and they pushed Research in the Senate, I guess, over to the State
Library. So, they split it up and spread it, but they also cut the Legislative
Analyst's Office, and that's why we lost bill review capability because she
said it was just too much of a fiscal burden.

SENLEY: And that sets up this electricity crisis, in your view, then, and in the view
of your friend.

POST: It's not my view; it's his view.

SENLEY: That's what I mean, in the view of your friend.

POST: And he said that that factor being lacking, it would have made a
significant difference because it just went through under pressure, and the
guy who was leading the pressure was either the chairman of the Budget
Committee, or a member of the Budget Committee.

SENLEY: Steve Peace was it?

POST: Yes, Peace.

SENLEY: It was an energy committee, I think, that he chaired.

POST: Well, anyway, he was on the Budget Committee, and he was a factor, and
it made it difficult for Liz apparently. I asked about that, and her staff
said, "No, he didn't tell them she couldn't do it." Although, I understood
that he pretty much put the kibosh on it. So, I don't say that. I simply say
what John Vickerman told me at lunch. I never said that it would not have
happened if I had been there.

SENLEY: No, I was putting words in your mouth. I'm sorry.
POST: He said that.

SENLEY: Right.

POST: And he said it wouldn’t have happened, and it was not because of me per se, but simply because that was the way in which the system, at that point, would have worked, and I was simply the instrument to voice it and had at least, as Liz would, a reputation to be listened to.

SENLEY: Let me turn this over.

[End Tape 10, Side A]

[Begin Tape 10, Side B]

SENLEY: The energy debacle was a demonstration, I thought, of weakness of the institutions that something like this could get through both houses and be supported by the governor and all the rest of those. People have said this is another...not only on 140, the staff side, in the way you just talked about, but also on the side of the legislators themselves not having experiences they would have had in the past.

Do you see this energy business as a big failure, that it’s institutional as much as anything else?

POST: Well, I have to believe that, in large part, it is, because it’s kind of like a number of issues. What’s happening in the Administration with the Oracle contract is simply a breakdown of the administrative machinery clear up to the governor. I was trying to think of another issue on the legislative side that failed because members don’t seem to tend too take
the time and accountability that would prevent it. But this is a classic example of the failure of the process.

SENÉY: The Oracle case again? And the electricity.

POST: Well, the Oracle is administrative at this point, but the administration breaks down.

The hearings that I've attended... and I've been chairman of a number of the study commissions, and I've been very much involved in making the recommendations because of my background in government; whereas, this is a citizen's commission, such as, let's say, the Senate advisory commission on control of the costs of state government is a citizens' private sector group, and there are a few of us—several of us—who are ex-public servants, and I am one of them, and I'm obviously a particularly well-informed one of them because of the nature of my job. And so, I was involved in the formulation of our recommendations and, as such, and because I was a child of the Legislature, I am asked to go before a committee and present our recommendations. When I've done that recently, I have, frankly, been dismayed by the attitudes, the cavalier treatment of witnesses, the poor quality of judgment, obviously, that comes from some of these committees. The way in which they make decisions is spelled out by either the chairman or a key witness or legislative witness, a legislator, who, in effect, almost tells the committee what they've got to do. Talking to Paul Lunardi and others afterwards
who were lobbyists in the hall, they said, "This is a sad, sad day that these committees are simply not fulfilling the kind of a role that they used to."

I've been appalled by it.

SENEY: He made the comment to me, being a lobbyist, he said, "One of the things this is going to do is give me more power, and I don't need more power," meaning lobbyists and others like him as well. Is that your estimate, too, that the lobbyists have gotten more influential?

POST: It's hard for me to say. I've been gone for so long. Lobbyists were also always influential. When I first came to work for the Legislature, Standard Oil and the telephone company were just incredibly powerful. Pillsbury, Madison & Sutro were very, very powerful. And I just accepted that. It was not necessarily too bad. There was the liquor industry which was very powerful. There's an interesting article in the Bee on that today by Dan Walters about the alcoholic beverage legislation. And since we did the work for [Assemblyman Caspar W.] Weinberger's sub-committee and our own work on liquor reform, I'm familiar, to some degree, with the liquor laws. I wasn't familiar with all the politics that went into creating the monopolies that we knew, to a large extent, existed in California in that respect.

But lobbyists have always been powerful. The Farm Bureau was powerful and the labor leaders: AFL-CIO. The insurance industry, an incredibly powerful industry, that kept them from having any tax
increases. The banks were powerful lobbyists. So, there were many.

Samish was the liquor lobbyist.

SENLEY: Well, I was just going to have...I've got to ask you about [Arthur] Artie Samish.

POST: He, of course, was a major factor in setting up, apparently, the three-tiered process for monopolization, retail, and import prices for liquor. They were always powerful. There weren't so many lobbyists, and they were pretty well identified. I've commented on that in terms of my conversations in the past with committees and so on when they ask you what the difference was between those years. In those years, you knew who was coming into the picture because there were very few of them but they were quite powerful. You knew who they represented, and you knew who to pay attention to. Now there are so many of them that it's hard to know just exactly who is speaking to whom and with what impact, and it, therefore, is different.

SENLEY: It's more secretive now, isn't it?

POST: Yes, it's more diffuse, more secretive. There's a lot more money in play in it because, again, these lobbyists are the wellspring for fueling campaigns, and it's coming from so many of them and so many directions.

It wasn't that way. State campaigns were cheap in those days, and it wasn't a significant factor. But Samish was powerful, and he could throw his weight around.
SENENY: He, apparently, didn’t come over to the Legislature very often.

POST: No. I never saw him.

SENENY: Is that right?

POST: I never knew him. I went to a hearing one time and sat next to his lieutenant, and when I came out of the hearing—I just went to listen—when I came out, somebody said, “Why were you sitting next to Blackie?” I said, “Blackie?” He said, “Yeah. Robinson,” or whatever his name was. “He’s Samish’s deputy.” I didn’t have the slightest idea who he was. I just went in and saw a vacant seat and sat down. But that’s the closest I ever got to Samish. Samish was not a presence there in the Capitol. He was a presence at night in secret meetings and lieutenants and gifts and control over signboards—in many ways—so that when issues sometimes would emerge, Earl Warren said, “In matters that affect his clients, there’s no question that Samish is more powerful than I am.” He said that in response to a question because that’s the way the system worked. But people knew that. They knew that. And you could deal with it in a better way than you can, I think, today.

SENENY: Do you remember the 1948 Look issue? I can’t remember the month, but Samish is on the cover with Mr. Legislature...

POST: On his knees. That’s right.

SENENY: Do you remember when that came out? Because, apparently, that was a big mistake on his part.
POST: Oh, it was a mistake all right.

SENLEY: Public humiliation of the Legislature was just too much.

POST: I remember, but again, I’m so terrible on dates that I don’t know the date. I have, and have recently, read—because I’m doing this writing of the background, my own background, of the Legislature, and I went back to find out what the environment was into which I stepped in 1942 and again in ’46—the famous Philbrick Report on corruption in the Legislature. I have copy of it that Vandegrift made for me, and I’ve carefully kept it. They were bought up almost immediately by members of the Senate to keep it from getting out. As Vandegrift said, “They’re scarcer as hen’s teeth back then,” and I guess now they’re probably more so...somebody has one in the Archives, but I also have one in my archives here. I read it, and it was still a taint of that corruption when I came to the Legislature, and it had some real effect on the legislative-executive relationships.


POST: Well, it really came down to identifying a couple of people that had major impacts in liquor and on the Highway Patrol—a former assemblyman who was involved. The real issue was the taking of...or giving of money as a bribe for a vote on a bill. That was really the thrust of the issue that was faced by the Legislature is what’s the difference between money that is innocent and clean and money that is against the law? Because you
cannot take money to influence directly a vote. You can't buy votes. And
the issue in that was here is evidence that there was vote buying by every
fact, circumstantial or whatever, that comes to bear on that single issue.
There are several people named in that, and it tainted the Legislature to
some degree at that point. I'm sure there was more of it than that, but
Philbrick, being a private investigator, had unearthed data on at least two
or three of them.

SENEX: Right. Shall we leave it there for today?

POST: Yes, fine.

SENEX: Okay, great.

[End Tape 10, Side B]
Session 6, June 4, 2002

[Begin Tape 11, Side A]

SENLEY: All right, Mr. Post. Why don’t we talk about the governors that you are familiar with. Again, you said a little bit about Culbert Olson and the problems he made for himself to some extent. And then, you also talked, before we had that glitch, about Warren and what kind of a man he was and what kind of a governor he was.

POST: Well, Culbert Olson was the first Democratic governor elected in the century, and the Republicans controlled the Senate. I guess it was the Senate. They controlled one house—the Democrats controlled one house—and there was a...no, beg pardon. The Republicans controlled one house, and there was a strong Economy Bloc in the other house.

SENLEY: Well, from ’38 to ’40, the Democrats did have a majority in the Assembly.

POST: All right. They had a majority in the Assembly, that’s right, but there was an Economy Bloc over there. They were very conservative, and they were more Republican, in a sense, than the Democrats by far. And so, with a Republican Senate and an Economy Bloc in the house, they were still able to put together a very conservative, anti-Olson program. Olson came in, tried to get rid of the deficit that had accumulated, and asked for new taxes, which they refused. Asked twice, I guess—later, in a special
session—and they turned him down. He tried to get money for
unemployment relief, which was beginning to really be a serious political
problem, and they only gave him a small portion of that. Not nearly
enough to balance the budget. And the budget wasn’t balanced until,
maybe, 1942, when the war effort began to swell revenues in the country,
and they were able to balance the budget. By that time, Earl Warren had,
really, won the battle.

SENLEY: Let me ask you one more thing about Mr. Olson. I understand from
reading about him that there was actually a telephone—direct link—
between his office and the speaker’s podium during that two years that the
Democrats controlled...

POST: I don’t know about that. I know there was in the South, with the famous
southern...in Florida. It wasn’t Florida.

SENLEY: Louisiana?

POST: Louisiana.


POST: Huey Long. They had a connection like that. And it could be that there
was the same here.

SENLEY: Well, the story about Huey Long, you know, was his successor. If a leaf
blew in the window and landed on his desk, he’d sign it. It was a joke,
you know. [Laughter.] It never was put on his desk.
Anyway, that went on, and when the war broke out, he asked for money for the state guard, a substantial amount, and it was at that point, in 1941...before '41 they had passed a bill creating an audit office, and he vetoed it as saying it duplicated his Department of Finance. So, they then, in 1941, in the fall, created the Joint Legislative Budget Committee and the legislative auditor and made an allocation from their own contingent fund to fund it, and in that way, the governor couldn't reach it because it was within their own authority and not anything that he signed or didn't sign or could veto.

So, that's the way in which we operated for years, in which there was, every two years...you had to renew the concurrent resolution, and they always provided enough money in the budget. And Warren was amenable to that and, in fact, finally signed a bill, in my time, that created the statutory legislative auditor.

Couldn't Olson have line-item vetoed that out of the budget for the Legislature? Or wasn't that sort of thing done if it was the Legislature's budget?

No. The contingency fund, joint contingency fund, is without reference to fiscal year, and the Legislature always had enough money in there to carry them over to guarantee against a governor's veto, because, actually, that's what happened later when they created similar organizations in other states: the governor axed it out. And these guys said, "We want enough
carryover funds to go a period of time so that we can screw the governor if we have to and force him to continue to fund this office." So, they protected themselves because of that feature without reference to fiscal year of the contingent funds.

This was done in 1941, and the Legislature appointed Rolland Vandegrift as legislative auditor, and when the funding came in for the state guard, the chairman of the Budget Committee, who was Senator [W.P.] Bill Rich from Marysville, told Vandegrift to "drop everything else that you've started, and get on this; look critically at the funding of the state guard," because they thought it was excessive. And he enjoyed doing that. He was an investigator at heart anyway, and he wrote critical reports of that.

So, they gave Olson such a bad time that he was just not able to get rapport. He was not the kind of person that did it easily, apparently, anyway. And he had all of these problems, and Warren just came in and took over, in effect, and changed everything because he was quite a progressive. And, as time went on, he had these funds now that flowed in, and as we discussed earlier, they put them in the unemployment relief kind of fund—construction fund—to repair the state's deficiencies that had accrued. Then the Legislature insisted on getting a local fund, and they finally did.

SENÉY: That was the postwar fund.
POST: That's the postwar fund.

So, Warren had a much easier time. He had plenty of money, and he had good support in the Senate and the Assembly; and so, things changed materially. He had a good local government background. He'd been district attorney of Alameda County, and he had a good background there and knew a deal about government statewide. He reformed the prison system and the mental hygiene system and education and got us involved in building facilities on a matching basis with local school districts and had a good personnel board of professionals, people like the head of the department at Caltech. A bunch of real, good professionals and a very clean operation.

He had a bad attorney general who he had to go around, and that was [Frederick N.] Howser. He was a crook. Everybody knew it, except me; I didn't. I thought he sounded so honest when I went to hear him one time. His people were in the numbers racket. He was the kind of guy that Warren went around by creating a crime commission he had do the work, really, that should have been done by the Department of Justice, but he didn't trust the Department of Justice. So, he had people who were from the University of California law schools who were first rate, absolutely first rate.

SENey: One of the things you mentioned when we talked before and had that technical glitch was how he involved influential people around the state in
what he was doing. It seemed to me the Department of Mental Hygiene
was an example of that. He appointed a woman to head that who had
excellent connections.

Yes, her husband was an important guy; I guess a contributor. She was a
very nice lady, and the man who really ran the department was the deputy
director, who was an old pro. In those days, we didn’t know very much
about mental hygiene, and so, they were, in large measure, custodial.

They were kindly custodial. They worked among the farms, and they had
dairies and fed them well. They got out in the sun and that sort of thing,
but they didn’t have much of a therapeutic program because they really
didn’t know much. The directors of the hospitals would tell me that: “We
really didn’t know very much.” The drugs were beginning to come in and
the Menningers in Kansas were beginning to do research. So, things
began to pick up. They still relied heavily, though, on the treatments of
both electric shock and chemical shock, and they still had a number of
lobotomies for those who were hard to handle. The attendants were
generally not professionalized. They were, again, pretty much custodial
types of people you could get cheap. The hospitals, therefore, were not in
the modern era, but we weren’t in the modern era anyway with respect to
the science.

I may have mentioned to you my going out with the Joint
Agriculture and Livestock Problems Committee, and so, I got to see a lot
of them. We went to all of them: the mental hospitals, all the prisons, the branches of the university that had anything to do with agriculture. So, for me, it was a wonderful learning opportunity.

SENÉY: Later, and really not so much later—in the late ’50s, early ’60s—there’s a movement that’s ultimately successful to close down the mental hospitals and put people out into the community for community-based mental health services, something that, as I understand, didn’t really materialize. Can you talk from your point of view of how that changed?

POST: Well, the first movement to get people out of the hospital was Short-Doyle. [Senator] Alan Short, from Stockton, was a Democrat, and [Senator Donald D.] Doyle was a Republican, as I recall, from Santa Cruz or the Bay Area. Both of them were high-minded people who took this issue very seriously and tried to develop a good movement out of the hospital. The federal government came in with a separate program of clinics, and Portia-Bell Hume was in charge of it. She was closely allied with the University of California center up on Parnassus.

SENÉY: The Langley Porter Clinic?

POST: Langley Porter Clinic. I forget these names. There were four clinics, and they were kind of experimental. As is typical of many federal programs, they want to introduce the idea and then draw away from it and have the state pick it up. And there was opposition to them on those grounds
among conservative legislators. But they worked out well, so they became part of the movement to get patients out.

When Olson was there, he brought in Dr. Rosanoff, as I may have mentioned, from Los Angeles, who, I think, owned, as well as was director of, a private mental hospital in Southern California, and he introduced the program of extramural care, which was my first entrée to state government because I was asked by Vandegrift to examine it. I thought it was, logically and also on the basis of all the reports that I was able to get—some from Austria and other places in Europe where it had been applied and was successful—a good idea. So, that was a movement to try to get people out and to provide a bridge between the institution and society. But you didn’t have the support services that were there for it.

And so, that’s where, really, we began to get into more support services with the clinics and with Short-Doyle, and then, Frank Lanterman later supported more of that, including the legal requirements being shortened or lengthened, whatever.

SENLEY: That was the Lanterman-Petris-Short Act.

POST: Petris-Short Act. So that that provided a better legal basis for being sure that they were better taken care of.

SENLEY: Didn’t that have to do with commitment as well, which had been... up to that point, there weren’t many procedural safeguards. You could take someone down and sort of sign them in.
POST: That’s right, and people did that to get rid of relatives and wives and things like that. It was protective as well; you’re absolutely right.

And Warren supported all of that. He had a formula, I may have mentioned this, to using the American Psychiatric Association standards...

SENEY: I don’t think you did.

POST: ...for each type of thing. They had standards for attendants, for health services personnel.

SENEY: For staffing formulas?

POST: Staffing formulas, feeding formulas. And Warren’s approach...Dora [Shaw] Hefner, I guess was her name, was the director, and they supported the idea of simply moving up each budget on those standards to where, ultimately, they hoped to maintain parity with American Psychiatric Association professional standards as being the best index we had. We didn’t have the therapeutic evidence particularly, but these were, in part, humane and, in part, responding to the needs of people who were not able to take care of themselves. You had podiatrists and people that took care of their fingernails and their toenails; you know, the kinds of things that you’d normally take care of yourself or go to a general practitioner. And most of the doctors in the hospitals were retired general practice doctors. There were very few psychiatrists. That, in a sense, fitted the real needs at the time, which, you see, meant that these people at least were properly taken care of physically. And so, that was supported by Warren and
funded, and gradually we did move up in that respect to the American Psychiatric Standards. And then we got directors who were professionals and who tried to get people out of the activities where they simply were supporting the feeding and that sort of thing; working on farms and so on. The director wanted to get them out of that into a therapeutic program to meet what was then beginning to emerge as some positive therapeutic approaches. And so, we had money to supply these new tranquilizing drugs, so it became a much more sophisticated program.

We did begin to get them out of the farms. There were many, however, who were syphilitic or for one reason or another were never going to get out of a hospital situation. So, the farms, in a restricted sense, were still beneficial in having them do things. A lot of them had been dairymen and farmers and whatnot, and they had some interest in that. And so, it kept them occupied, and it kept them outdoors, and if you took good care of them and gave them the health services that they really needed, it was not an inhumane system. It was not a snake pit in that sense. It was struggling for recognition of what was a slowly emerging professionalism.

SENKY: The transfer of the people to the urban setting—that is, emptying the mental hospitals and having them then move into the cities where they would have some sort of care—that never really worked out, did it?
POST:

No. Reagan wanted to maintain a reduction, certainly no increase, and hopefully a reduction in the number of state personnel, and here was a department with huge numbers of personnel. So, they started cutting back on the personnel, and what it meant was you dumped more people out into society, and they wandered around. He was not willing to put money into the local services that were needed for that purpose. There were senators who did want to do that. [Senator J. Eugene] Gene McAteer of San Francisco worked with me. He came in and asked if I would help him. I personally actually developed, sort of, a rationale that we would calculate what it cost to maintain a person in a hospital, and you made an accounting of that, and you established a fund. And as you were able to transfer people out, you would create local clinics with that avoided funding that would provide the clinical services, so you could say politically, “It’s really not costing anything at all. We have evidence that it’s simply a trading of a commitment to making it available for them to go out instead of having the cost of a revolving door process where you came in.” This was primarily with respect to alcoholics, as a matter of fact, and they had a lot of those in San Francisco, and Gene McAteer was deeply concerned about that. So, that was primarily an alcoholism program. But alcoholism, again, was a major factor in mental hospitals, too, because of what it led to in the way of...

SENEX: A good many who were institutionalized were alcoholics.
POST: Yes. And so, that was one that I tried to talk the director of Finance, Verne Orr, who I knew well under Governor Reagan, into buying into that system, but they wouldn’t do it. They just wouldn’t do it. You know, it made sense, and it was good for everybody. I had staff calculate the average cost of taking somebody into a drunk tank and running them through a revolving door process. By avoiding that, you could buy yourself clinics. But I couldn’t persuade Reagan to buy into it. It was something new and different, and Reagan was totally opposed to anything that was new.

SENED: As you know, the governor’s budget vetoes are almost never overridden.

POST: Almost.

SENED: Very rare.

POST: Very rare.

SENED: And I think Reagan only had one, and the one had to do with these community mental health funds which he vetoed, the appropriation for that, and that was overridden because the local communities obviously felt here these people are being put in the communities and there’s going to be no support for them. I thought it was interesting that that was one issue that galvanized, especially, the urban legislators to vote against him. Do you remember that?

POST: Well, I did remember that there was the veto. I remember we had a battle on that, but I’d forgotten that, frankly. The formula was never put in
place, but there was a groundswell of support for some of that. And then, these clinics did begin to crop up. But it was a bad act, really, against local government.

Local governments suffered a great deal under the Reagan Administration. I opposed their bill that Bob Moretti, who's a close friend of mine, and I thought the world of him, and he thought the world of me, but he had a bill that he got together with the governor to protect the state, so to speak, and throw the costs onto local government because they had the property tax, presumably, that was flexible and able to take care of it. Of course, what happened was that the property taxes swelled so fast and the valuations...or a piece of that grew so fast that you brought on Prop. 13.

SEN: Let's go back to Warren, if we can, and talk about the difference between Warren and Goodwin [J.] Knight, who succeeded. A bit more on Warren, maybe, and the kind of person he was and his abilities.

POST: Well, Warren was stately, large. We called him, you know, the Earl of Warren. [Laughter.]

SEN: I don't think I've ever heard that.

POST: Well, the common folk in the government referred to him as the Earl of Warren because that's really the way he was.

SEN: Well, he did have a regal bearing.
POST: He had kind of a regal bearing, and he was stiff but a great glad-hander. They used to make some fun of that in some of these annual poke-fun dinners that they had: “How do you do?” “How do you do?” He was very good at that sort of thing. He had close affiliations with labor and took care of them and was an affable and well-meaning, thoughtful, cautious sort of person. I didn’t have much contact with him. I never was in his office, ever. When Goodwin Knight found out about that, he said, “Come over and come in my office. I want you to see what the governor’s office is like.” He was very... he wanted me as his director of Finance, I guess I told you.

SENEX: Yes, right, but I’m not sure it wasn’t on that part that got ruined.

POST: He had Ben Hulse’s car stopped—the chairman of the Budget Committee and my boss—stopped on a trip to the East for a phone call and said, “Could I have Alan Post as director of Finance?” Hulse said no, and that took care of it. Hulse later told me, “I apologize for that.” He said, “I should have asked you.” I said, “It wouldn’t have made any difference. I would have said no. I think you should have let me make that decision though.” [Laughter.]

SENEX: Sort of like bootie or something they’re fighting over—you’re treasure.

POST: There were several that wanted me as director of Finance; three, in fact.

SENEX: Including Reagan, right?
Including Reagan. I enjoyed what I did. I had freedom. I loved the legislative process better than I did the politics of a governor, and I didn’t want to be having to carry the baggage fiscally for some governor’s program because the Legislature let me say whatever I wanted to, and then they went and did whatever they wanted to. So, that was the way it was.

And you would have been forced to defend the governor no matter what you thought about it.

Sure, you’re the governor’s man. I didn’t want to be any governor’s man. Goodwin Knight was not of the stature. He was too, kind of, happy-go-lucky sort of person, and as I mentioned in that conversation that we may have lost, Warren didn’t want to leave because he didn’t want to turn over the government to a light person, he felt.

Let me turn this over, Mr. Post.

I may have mentioned this tap dance story about . . .

I don’t remember, but say it again.

Well, when he was lieutenant governor, he had an office on the third floor, or on the second floor, I guess it was. Right above Earl Warren’s office was the lieutenant governor’s office, and that was occupied by Goodwin Knight. He would get bored because he didn’t have anything to do really. As one fellow from Arizona once told me, who was lieutenant governor,
he said, “I get up in the morning and look at the paper, and if the governor is still alive, I go back to bed, and that’s about it.” [Laughter.]

Goodwin Knight, was a lawyer and had been a Superior Court judge, but he was also a musician, and he tap danced. He used to go in the corner of his office where there was a little toilet and close the door and tap dance, and it was right above Warren’s desk. [Laughter.] Warren would hear this [makes tapping noise] going on, and it just drove him up the wall. He would have people at his desk, and this would go on, and he hated to say, though, “I’m sorry, that’s the lieutenant governor up there tap dancing.” It infuriated him. He had no use for him at all.

SENÉY: He never said anything to him, do you know, about it? Cut out the tap dancing?

POST: No, I don’t think so. I wasn’t Earl Warren’s type, you know. When [Charles Edward] Charlie Chapel came to town—he was an assemblyman from...Catalina was in his district—he said, “I have more constituents with goats than anybody else.” He was a funny man, an eccentric, and brilliant, in a way. He wrote about guns and ballistics, and he wrote them for the encyclopedias and that sort of thing. He was a real expert. He’d had some military experience.

He came up to Sacramento, and he was very outspoken and had a sense of humor that was incredible. When he made his speeches on the floor, he just had everybody rolling in the aisles. He had just been elected
and here he was walking down the hall of the capitol, and out stepped Earl Warren. He was saying goodbye to this couple that had come to see him outside his door there, on the first floor, and Warren said, “Wait a minute. Here comes a new assemblyman, Charles Chapel.” He said, “Charles Chapel’s going to do big things here in Sacramento.” Chapel looked at him and said, “Oh, bullshit, Governor.” [Laughter.] And that ticked Warren off. He was the kind of a guy who couldn’t roll with that at all. And they tell me that he never talked to Chapel if he didn’t have to after that. Chapel was in, always, one scrape after another. He said when he got on a plane one time, “I’ve just got a bomb in there, you know,” so they rushed at him. You just didn’t make funnies like that.

I remember I was at a hearing testifying in Los Angeles for a committee, and he popped off and said, “You know, this is the only”—when I came up—“This is the only honest man in Sacramento.” And, of course, that upset some of the members of the Assembly who were on the committee and later one of them a congressman. “Oh, he’s not the only one. He’s certainly honest, but oh, no, he’s not the only...” But Chapel was that way. You couldn’t know in advance where he was coming from.

But what Goodwin Knight did when he came in was to emulate Warren. He tried to carry on these programs—reforms—that Warren had put in place. He didn’t have any new ideas particularly, but he tried to be a good governor and do the things that Warren had been doing. In that
sense, I always thought he was a man of good will. He would have been a good and successful governor had he been given a little more time. Of course, he didn’t have a full term because he succeeded, as lieutenant governor, to the remaining term of Earl Warren, when he left to become chief justice. If he hadn’t been pushed out by Bill Knowland, the publisher of the Oakland Tribune, who was a U.S. Senator and ambitious to become governor and then possibly President, Knight would have been more successful. But he was, in my view, a good man. He just was a fine man. That’s all. There’s some funny stories about him.

SENITY: Tell us one.

POST: I’ll tell you one. He had his portrait done. I was tempted to paint his portrait. They had something like $8,000 in the budget, and I said, “I’ll do it for nothing. I can paint a good portrait.” But then I thought, well, that isn’t appropriate. That would not be a dignified thing to do. So, I went to the director of Finance and said, “You people go out and pick some hack portrait artist who uses a photograph, and you get these really stiff kind of portraits, like that one of C. C. Young and some of the later ones that had none of the richness of fine portraits. If you look at the federal government, we had Gilbert Stuart, Eakins, and others who did, really, very fine portraits. And then, as you go down the hall and you look at these, there are some very fine painters, but they’re getting kind of tinselly
looking, I think. For that kind of money, you ought to be able to get a first-rate painter."

And he said, "How would you do that?" I said, "Well, why don't you get a committee of the University of California art departments and have them select some well-known American painter, and we can have an important painting down there that will be a good portrait and worthy of the governor in the State of California. For that kind of money, I'm sure you can do it." "Well," he said, "that's a good idea."

So, he got the University of California committee together, and they, as is often typical, I'm sorry to say, of people in the academic community—and I was one of them—they really kind of do what's expedient for them. There was a guy on leave who was not a portrait painter. He was a landscape painter, and he was at the University of California on a special guest kind of thing; and so, they asked him if he'd do it, and he said sure, he could paint a portrait. So, he painted it, and it was stiff and really wasn't very good. Kind of like the ones that we've been getting, except not as realistic, because he was a little more simplified in painting; the way I paint. When it was unveiled, why, the new wife, because Goodwin Knight's wife died, and she was replaced by a nice young woman, and she said, "If you put that up there, I'm going to come down in the middle of the night and cart it off. It's terrible." And Goodwin Knight said, "I think it's terrible too. I want a portrait like the
portrait of Earl Warren." He said that "When you walk down the hall, the eyes follow you."

That got into the Bee, and the painting disappeared, and they had to make another appropriation—nobody knows whatever happened to the portrait—another appropriation of a like amount, and they hired some guy who painted like all the painters were doing, like they would have done in the first place. And so, I said, "I am a smart legislative analyst. I cost the state $8,000 by my wild ideas to try to do something different and good, so I'll leave such matters alone after this."

SENÉY: Most of these portraits are academic kind of painting and not very uplifting or interesting, although they try to be both, I think.

POST: Well, the one of Jerry Brown...

SENÉY: That's what I was going to ask you about.

POST: It's quite different.

Pat Brown was upset about his portrait. Not about the portrait but the fact that they put it outside the toilet there on the main hall. He thought that was inappropriate.

Jerry's they didn't like at all because it didn't fit. It was kind of a Zen-type person, a very avant-garde artist, and it really looks a lot like Jerry Brown and his attitude. But it didn't fit with the august bearing of the other governors and their portraits, and so, they put it upstairs. You
know, you go up there and all by itself in solitary confinement is this avant-garde painting of Jerry Brown.

SENKY: I thought it was good too, and I agree with you. It represented him in the sort of person that he was.

POST: It’s kind of like [Robert] Bob Arneson’s sculpture—statue, if you would—of Moscone.

SENKY: Yes, I remember that.

POST: You know, I have two of his works—four of his works—in our house, of Bob Arneson’s. He was a good friend, and I said, “You can ask Bob Arneson to do a portrait, but you’re going to get something like what you got. You can’t expect to get something different from what he usually does.” The portrait itself was superb. But what happened was, on its pedestal, he did these things that...

SENKY: Little Twinkies and a gun.

POST: Yes. It was all very factual and appropriate in the sense of what happened, but it was not what the people wanted, and the widow thought it was kind of disgraceful to have this sort of stuff.

SENKY: Suggesting the assassination of Moscone.

POST: Suggesting the assassination and that went against her. It hurt her, you know.

SENKY: I think he got that back, didn’t he? Feinstein was then mayor, and oh, she huffed and removed that: “This isn’t going to be here.” Because it was in
the Moscone Center, the new convention center, which was named for Mr. Moscone. It was there for about an hour, I think.

POST: And they took it out, and it hung around for a while, and some collector bought it. Where it is right now I don’t know. It’s had a history of its own since then, whether it’s got back into a museum or something. We have one of his fine works here in the Crocker Art gallery of a chef, a big one. He really was a superb artist.

SENEY: Right. And you know, I knew...just a little bit I knew Senator Moscone, and I think he would have liked that kind of person he was. He had a sense of humor and a sense of taste.

POST: He wouldn’t have liked having been assassinated.

SENEY: No, not at all.

POST: I knew him quite well in fact.

SENEY: Would you agree with my judgment that he would have thought...

POST: I think he would have rolled with the punches, sure. He was quite different. He was very lively, and we had a lot of dealings together because he would pick up ideas that we had put out in the analysis and say, “That’s a good idea.” So, he would introduce a bill to do it.

He and I went up to the mental hospital, or the mentally retarded place up in Sonoma County where they were having a lot of signs of not doing well for these young people that were in there. So, he and I went up there together. He asked me to go with him, and I did. We made an
inspection of it and came back and made a report saying that you really
had to do some restorative work in getting that institution back to where it
was functionally a decent place to put people.

So, we had a lot of good relationships. One of the most significant
ideas that never flew was, and I may have mentioned this, about the bonds,
where the State had the surplus and Reagan wanted to give it back to the
people and be the first governor in history to give back tax money, and
that would be something that would carry him to the presidency. He felt
very strongly, by his cabinet, that this was what he wanted to do.

Well, I didn’t think that was a very good idea. I thought here
we’ve got this surplus; it’s going to be peanuts when you spread it around.
We had bond approvals ready to be issued: already been to the ballot,
already been approved, and now it was at the point of selling the bonds for
a number of programs—beaches and parks and things like that—and I
think there were five billion of them about to go to market, and I said,
“Why don’t we spend the money to go pay-as-you-go? It’s not anything
new. The governor, and I agree with him and understand that if you have
a surplus, it’s not a good idea to start something new that will have
continuing funding requirements and then no way to fund it when the
money runs out. This is not going to be like that. This has been approved
by the people. It will be debt, however. It will have to be paid off. It will
be paid off at twice, probably, the capital original amount in debt service
over a period of time. These are not the kinds of things that have revenues attached to them like a water plan, where you have electric power and water that will reimburse the bond costs; so that over a period of time it makes good sense to have long-term bonds and then use the revenues to liquidate it because you don’t want to take on a huge program and burden the present generation for services that will extend over a long period of time. I understand that, and that makes sense. But here you’ve got something that’s totally different. You’ve got the money in hand. There’s no reason why we shouldn’t pay for this now, and it will preserve your debt record so that you’ll get better debt ratios in the future. We can then sell bonds more readily and at a lower interest rate. It’s a conservative policy, and it should appeal to Governor Reagan.”

Well, getting back to Moscone, Moscone said, “Gee, that’s a great idea.” So, he picked it up and introduced a bill to pay for these—appropriate the surplus for that purpose—and all he needed was to get the governor’s approval on it. I went to the director of Finance, Verne Orr, made my case, as I made it here, and he said, “Makes a lot of sense. But,” he said, “I’m sorry. I took it to the governor”—he took it to the governor—“and then he came back to me and said ‘no way.’ The governor wants the political agenda that he’s laid out, and that’s the way it’s going to be.”
And I said, "You know better than that. You ought to be able to persuade him."

"I can't. Besides," he said, "I'm a team player, and they voted me down; and so, that's the way it's going to be."

But Moscone was that kind of a person. He could see the logic in something, and he was willing to do something about it.

When I came back from Europe one time, he said, "I called and tried to get ahold of you. I wanted you to be the city administrator of San Francisco when I was elected mayor"—chief administrative officer—and, he said, "But you weren't around, so I had to get somebody else. You weren't going to be back for months."

SENELY: Would that have interested you?

POST: No. Tom Bradley said the same thing in Los Angeles. I got to know him. He said, "Will you come and be the chief administrative officer of Los Angeles?" and I said, "That's just not my thing. There are people who are better qualified to be administrators of local government entities. I'm a policy guy at the state level, and it's nothing I'm interested in, and I'm really not the best qualified person for that" and ended that.

Did the same thing when I was pushed to become governor, and I said, "You know, I'm not in that business. I'm an old pro who likes what I'm doing, and I think I do it well, and I'll be around a long time. I'm not going to go out and raise money."
SENÉY: Well, that was in the '80s, wasn’t it, when they talked about you becoming governor?

POST: Yes, that would been... well, there was talk about that from way back, actually; back in the late '50s. Maybe I had some people come to me, but in the '60s...

SENÉY: It got some press play later on, though, I think, after you retired.

POST: It may have. I don’t know. There was one editor or two that did that, and then Herb Caen in Sacramento said, “If intelligence were a criterion for being governor, why, Alan Post would be governor of California.” And so, that made a bit of a flak.

SENÉY: Would that help you, would you think, or hurt you in your relations with the people you worked with and the members of the Legislature, having talked about it in that way?

POST: When I turned it down, I think they took some pride in the fact that I was highly regarded.

SENÉY: I would think that that would be helpful to you to be talked about in that way.

POST: Once in a while somebody would say, “God, I wish I knew how, as a member of this Legislature, to get the kind of press you do,” because I always had good press.

My office was a good office. They did a clean job. It was very careful to do what it was supposed to do. We were not supposed to be a
policy office, but obviously, money is policy. As Clark Kerr said about the University of California, the University of California is run by decrees and powered by money, and that’s where the power lies: with the money. So, we were into policy. Although, the Joint Rules of the Senate and Assembly were very specific in saying that you should not discuss any matter—any matter—except to a member of the committee or a legislator that was asking for your assistance, but that was to be only within the Legislature. It was the kind of thing you couldn’t live with. And so, I was quite careful not to get involved in the politics of any kind, but when it came to policy, we had to talk policy because policy is related to the funding of prospective legislation. And then, of course, I got to going before committee, and as they requested my review of things, I got into policy and talked about precedents and how they related one with another and all of that because that was something they needed to know. You don’t just look item by item. You have to look at the whole spectrum of fiscal consequences. My office—our office—was one that looked at everything; and so, these bright people around me kept educating me all the time, and I depended heavily upon all of them. They were, all of them, smarter than I was, and so, I listened to them, and they would educate me.

SENÉY: Didn’t it get to be pretty quickly, after you took over the job, a situation because of your rapport with the press? You said before, when we were
talking, that you’d answer their questions, explain the background, what
was going on with these kinds of things.

POST: When they came in.

SENEY: Right, exactly.

POST: I never had press conferences. I never had a press conference on the
budget, anything like that. We prepared a report to show all the
recommendations and spelled them out, and we’d furnish that so that the
press, the moment that they got the analysis—which came after the budget
submission by the governor—could job quickly and correctly without
having to fight their way through a thousand-page document on
everything. So, we highlighted things, and we handed that out to members
and agencies and press at the same time, and all it was an explanatory
review of what was in the book. Nothing new. I never talked to the press
directly before distribution of the analysis and the explanatory summary.
They got it, and I didn’t call a press conference. Bill Hamm, who
succeeded me, and Liz Hill, had press conferences. I never had a single
press conference in my whole twenty-seven years. Not one.

SENEY: Though you don’t avoid press on a regular basis.

POST: They came in and asked questions. We put out materials that they could
use, as members could, and if they came in with questions, I would
explain to them what it was; not trying to make a case for it because I
didn’t do that with them.
But we were involved in policy. You saw this article in the *California Journal*, and it mentions both policy and budget aspects of the policy. And so, we couldn’t help doing that. The real question was to do it in a manner that was consistent with your role in the legislative process as an employee of the Legislature. When Moretti, as Assembly Speaker, wanted me to take over the budget because they felt that Reagan wasn’t getting it done in time, he said, “You guys should write the budget bill and the budget.” And I said, “No. There’s separation of powers, and the Constitution is very clear that the governor has the right to have his administration develop a budget. We’re not back to the days of legislative budgets like they had in the early days in the south, in Texas, and so on, where the legislature wrote the budget. It’s an executive budget, and the Constitution’s very clear, and that’s good. That’s the way it ought to be, and then we will respond to it and tell you what we think. Then you can come in and make your decisions, amending it with your own ideas and our ideas.” So, I said to Bob, “That’s a bad idea.” He said, “Okay,” and walked away from the request. “That’s fine. I trust you,” he said, “I’ll be patient.”

**SENEX:** Right. He was a very able and interesting guy, wasn’t he?

**POST:** He was. He was a very fine man, I thought, and capable. Yes, he would have been a good governor. I think he would have liked to have been governor. He died much too young.
SENLEY: Yes, he did.

POST: But he was an outspoken supporter of our office and of me.

I speak in a personal way, but you have to know that I’m an autocrat. I ran that office. It was a small office, and I was hands-on all the time. I felt I had to be in order to be responsive to the members. I really may have been too much that way, but I had to know what was going on because to not do so would have been very perilous, and I wanted to make sure we were right and that...

SENLEY: No surprises.

POST: No surprises. If somebody came and asked me something on the street, I didn’t want to say, “Well, you ought to go talk to [so-and-so]. He’s got the answer.” On an assignment, particularly, when they had made an assignment, I had a tally that showed me where the responses were at the time to be sure we got them out on schedule because that’s critical in the process. I saw every response before it went out. I signed the letter and sent it to them so that I knew exactly what we were doing and when we were doing it, and I also took all assignments. They had to come in through me so I knew that I could talk to the member, and if it was a bad idea, I could talk him out of it because there were things we should not be doing, and I wanted to explain that that wasn’t our role.

SENLEY: Well, you were husbanding your credibility, right?
POST: I was husbanding the office’s credibility. I believed in it fully and thought we were a great organization. We were the first in the country, and we had to be good.

SENLEY: Let me turn this over.

[End Tape 11, Side B]

[Begin Tape 12, Side A]

SENLEY: You were just saying that when you appeared before a committee, one of your staff said if you ran out of facts, you’d start telling them what to do?

POST: Yes. When we ran out of all the facts or information, then I would start telling them what they ought to do, so that I was into policy all the way. Frank Lanterman would say at meetings sometimes, he’d stop and say, “Mr. Post, I see you’re shuffling your feet. Have you got a problem with this bill?” And I would say, “Well, there are things I think you ought to know about.” I was always very diplomatic because the author was there and is due respect. If they made fun of him, I never laughed. I heard my deputy, who was handling it one time, laughing, and I said, “John, you never laugh when they’re laughing at a legislator. You just look with a sober face and just sit there. They can laugh because they’re his associates and peers, but we’re the employees, and we don’t want them to think that we’re making fun of them along with the others. So, just be very sober. Don’t say a thing. Just look like an owl.”
SENLEY: Right. What I started asking about is very quickly, because of your rapport with the press—and I have no doubt of your personal political skills—I mean, you really became unassailable to these legislators. They didn’t dare tangle with you.

POST: Well, that’s what the press said: Beware the legislator who tangles with Alan Post. Of course, the powerful ones would. I respected Unruh. I disagreed with Unruh, I went in and stated my position respectfully. They made the shots; I didn’t. But it became kind of embarrassing. I didn’t try to foster this attitude. We had a job to do, and we wanted to do it right. I used to say it’s like a sort of Damocles over your head: it just takes about one misstep and you’re in trouble and the office is in trouble. And so, we tried to be very accurate. If we made a mistake, I was the first one to go before committee and say, “I made a mistake yesterday,” and they would say, “Oh no, you don’t. You never make mistakes.” I’d say, “Well, yes, I do.”

But I was skinny and young looking, even though I wasn’t young, and I think they had fatherly...

SENLEY: You’re still skinny and young looking.

POST: Well, not young looking but I’m skinny.

They were not threatened by me because they knew, as one person said one time, “One day I hate you, and the next day I love you,” depending on which ones of his oxes was being gored or somebody else’s
that he thought ought to be gored. But we said the same thing to
everybody. We played evenhandedly. And the staff were the same way.
They understood what the role of the office was, and it was small enough
that you didn’t have, really, many problems of that kind.

SENELY:
I want to say, too, that if they didn’t want to tangle with you, the other side
of that coin was that if they got your support, if they came with an idea
and you were willing to endorse that idea, that was a big lift for them. Can
you remember any times when you had the feeling that they were looking
for your imprimatur, or maybe every time they were?

POST:
Yes, quite often. I remember the first time that I really had a serious
problem on that score was when the state was about to establish a
communication system for all the safety nets in the state, particularly the
Highway Patrol. It was a telephone kind of installation, and the issue
came up at the Ways and Means Committee: Should the state do this all
on its own: buy the equipment, maintain the equipment, or do it under
contract? And they debated the issue, and then they turned to me and said,
“Well, Alan, what would you do?”

And I said, “Well, kind of, in a way, it’s sort of 50/50. I’ve
listened to it.”

“No we want to know what would you do if you were sitting up
here.”
I said, "Well, I would do it by contract because I think that the telephone company has a better program maintaining it evenly, with a very large base support system that isn’t small like the state would have where you might have ups and downs of maintenance. They have to maintain the system statewide and beyond that. And so, I would think that it would be better in the long run, in terms of the quality of the equipment, the service aspects of it and so on, to pay, perhaps, a somewhat more expensive public utility privately owned."

"Okay," they said, and that’s what they did. So, you know, that case I was pushed into.

SENEY: Right. When they asked again, you couldn’t waffle then, could you?

POST: No, I couldn’t. And I kind of made up the argument as I went along. I often did that. I could think of: Now, how am I playing this out? and kind of close my eyes, and there I’d go again trying to structure—structure—the argument. And that argument really emerged, and I crystallized it even though strong cases were made in terms of cost on both sides. I don’t know how they do it now. They may have changed to a totally state-owned system. But you know what happens with many state facilities that just become outmoded. They’re not built forever. They have to be state-of-the-art if they’re going to keep pace, and if you buy into a contract, and a good contract, why, that’s what you’ll get.
SENEX: Let me ask you to compare Goodwin Knight—going back to governors, if we could—Goodwin Knight and Pat Brown.

POST: Goodwin Knight, for example, was never able to solve the north-south water problem. We got into that. When I was first brought into it, I was asked to set up the meeting process and get someone to come in and study the plan that was being offered by the Division of Water Resources for this statewide, long-term, multibillion-dollar commitment. They wanted somebody to look at it and wanted me to set up the structure that would bring in people, engineers, who could make the review. And so, that’s where I first got into water in any degree at all.

After we got to the point where it was really crystallized, you got the approval of the plan, but you didn’t have the funding of it yet; and so, it wasn’t a viable project in that sense. And the state was not, really, at that point in time, equipped to understand the…or didn’t understand the elements of how the federal government had allocated cost in terms of public interest non-reimbursable items. Fish and Game enhancements and things of that kind. The State Water Plan hung up in the Knight era, and we had all these debates going on. We went to conference committee after conference committee and never were able to resolve the north-south issues.

And then, he was succeeded by Pat Brown, and Pat brought in a local water district official from the Central Valley, a very capable lawyer,
and they got the water project off dead center and got the issue on the ballot, and it was, accordingly, approved by the vote of the people. But to get that on the table took the drive of Pat Brown, and he personally involved himself in it. Goodwin Knight was never able to generate that sort of thing. So, there was that kind of difference.

When it came to the Master Plan for Higher Education, Brown got himself involved in it and supported it. The Legislature, in that particular instance, was the instrument that brought on the Master Plan study, and I got involved in that from the very beginning. I probably talked about that.

SENEX: We did talk about that.

POST: And so, that was under Pat Brown’s administration, and that took care of the problem of political establishment of state colleges so that they, then, became subject to actions and directions as to curricular offerings recommend by what was then called the Coordinating Council and later the Postsecondary Commission. That was provided for in the legislation which was carried by [Senator] George Miller [Jr.] after the death of the assemblywoman who initially...and whose name is on the bill.

SENEX: That’s not [Assemblywoman] Pauline [L.] Davis, is it?

POST: No. She had asthma and died of it. I’ll think of it in a minute. Dorothy Donahoe. [Assemblywoman] Dorothy [M.] Donahoe was the one who I went and talked to after I had this visit from this guy from the University of California—UCLA—that was lobbying, and I said, “You know, this is
a terrible situation, and it is kind of out of hand. We don't have any
guidance. Everybody wants one for their own county. My boss wants one
for El Centro and so on.” So, he immersed himself in that and supported it
strongly. He never had much, really, to do with the formulation of it, but
he lent strong support for it and got people together at the Board of
Regents.

SENÉ:  This is Governor Brown.

POST:  This is Governor Pat Brown.

SENÉ:  Right.

POST:  He also got into the area of air pollution much more strongly than anyone
else. He became aware, I remember distinctly, of the nature of air
pollution not being locally centered but disseminated into much broader
areas than just where it was generated. And so, environmental issues
became a factor that he got himself involved in and the structure for
dealing with it and so on. He was a really strong force in developing an
awareness and a structure for dealing with environmental issues such as
air quality, water quality.

SENÉ:  You know, I’ve heard it generally said that Pat Brown had a good staff of
people who worked for him at the upper levels. We talked about Hale
Champion, and there were some others whose names for the moment
escape me. Did Knight have that kind of a staff?
POST: Not to my knowledge he didn’t. I never was close enough to him, and he wasn’t there involved enough to say too much about it. I knew the director of Finance was a nice young man, but he never emerged after that at all. Knight appointed some good people, but he also appointed some people who were not too good. They were politically weak in the Personnel Board and so forth. He just was not on top of issues like that.

SENLEY: Let me ask you to compare the father and son: Jerry Brown and Pat Brown.

POST: Well, Jerry Brown was a rebel. He resented the people that were around his father as politicians. Raised as a Jesuit, he had these puritanical kind of ideas, and he never approved of the political process that his father was so adept in using for public policy issues.

He also had an ethic that “small was beautiful” that had a kind of spiritual background to it. He had people around him, close confidants, like Jaques Barzaghi and others, who were of a religious kind of mystical bent. And he was sort of on “cloud nine,” you know, and everybody thought of it that way. He was a Zen person.

Not Pat Brown. Pat was a pragmatic politician. As they used to say, “The last man to see him is the guy that gets the approval.”

SENLEY: I’ve heard that said.

POST: Yes. But he also had his eye on the ball, and he was much more determined to know how to get things done and then get them done.
Jerry was off in another area. He had good people in architecture in terms of design he had recruited from the University of California, producing some of the best designs that we have and most imaginative. Not all of them worked, but eventually, after retrofitting, they worked pretty well. But he brought in fresh ideas, as was his bent. He was totally unorganized in a sense. You'd go over there and you'd have an awful time trying to find the locus of the administration that's going to get the thing done. You'd go to meetings and they'd go on and on.

I guess I told you about the one on the medical facility in Orange County. My office recommended that you not establish a new medical school in Orange County, that UCLA, with relatively incremental development, could do everything that was needed to be done in the area of Orange County. You didn't have to have the costs, the high costs, of a new medical center. My close friendship with Emil Mrak, the chancellor of Davis, which has a medical center, he had told me that they were eating...the medical schools were eating everything else alive; that the cost of building hospitals was, aptly, a very expensive one. At UCLA, with the nuclear medicine and all of that it was just taking away from the humanities and all the money that there was, he said, you know, and we've got to slow this thing down.

Well, that fitted in, in my thinking, with the recommendations that I got from the staff who said, "We can add 125 doctors. We can add all
the numbers of support staff, and we can do that with these modest incremental costs.” And so, I said, “It’s a good idea. Let’s go for it.”

And we did, and Jerry Brown liked the idea.

So, when the issue came to him, he had a meeting called in his office. It was a late afternoon one. He invited all the deans from the medical schools, and the chairman of the Board of Regents—Bill Coblentz—and others were there and several legislators. There was [Senator Stephen P.] Steve Teale, who was a doctor and chairman of the Budget Committee at that point, or Finance Committee. And they asked me to come, and I went. Tony Beilenson and I and Steve Teale sat together. He wanted me there, Brown did, because I had made the announcement publicly that they didn’t need it. We got into that meeting, and I have to tell you that he got to talking about the courts. He got to talking to Bill Coblentz who’s a prominent San Francisco lawyer, chairman of the Board of Regents. I’m on a board with him now. Been on two boards with him. He just badgered the hell out of Coblentz about “Why aren’t the courts more efficient? Why are we having this increase in numbers of judges? Why are courtrooms empty so often?” and so forth. “We had a Master Plan that was supposed to prevent that,” and so on and so on. We never got to the real issue. Time went on and on, and he was having a ball, and we were not talking about the issue for a new medical school.
SENÉY: It’s like you brought the wrong notes to the meeting.

POST: Yes. So, I turned to Tony Beilenson, and I said, “Tony, this guy is having himself a social evening. When he gets through, he’s going to go across the street to his pad”—he doesn’t have a bed, he has a pad over there in the hotel—“and he’s going to lie down and go to sleep, and this is his social evening. He doesn’t know or care that these people have a program tomorrow to get prepared for or a family to get home to, meals, and so forth. He’s a lone bachelor and this is his social evening, and he’s enjoying it.” He finally had some pop—Coca Cola—and Chinese food sent in, something, snacks, and that was it, and the meeting never produced anything. And that’s the way he was.

He was not organized. His father said, “He will be either the best governor or the worst governor the state ever had.” He wasn’t the worst governor we ever had because he had some good ideas, and they’re still around. But he never learned administration in any really organized sense, and he didn’t seem to have the staff...he borrowed a very good man from the Department of Finance that was a fiscal analyst down fairly low in the hierarchy and took him with him everywhere until it drove the young man crazy that he had to go everywhere that Brown wanted to go. So, if it wasn’t Jaques Barzaghi it was this young man who had the know-how as a budget man of how things were done. He was a very bright young fellow.
But he didn’t have a well-structured organization. And some of the directors of Finance that Jerry had were kind of a disaster after Ray Bill, who had been a long time employee in Finance. He was excellent but got into hot water because of his too candid assignments of revenues and the fiscal situation. So, Jerry let him go. There was one woman who followed and wasn’t very good, and then, one of them, Richard Sieberman, of course, got indicted. He was a money-raiser, and he was the fellow who started and owned these hamburger restaurants, Jack in the Box, and his wife is the one who became mayor of San Diego. They’re divorced now, after he went to prison for laundering money.

SENÉY: I remember that. Yes.

POST: And he was not a good director of Finance. He was not of the caliber that Hale Champion was for Pat Brown. Now, Hale was very smart, and he ran things—I understand that—and he practically ran the state, in a sense, but he conferred closely with Brown, and Brown made the decisions; but Hale Champion was a very capable guy. And we’ve had very capable directors of Finance down through the years.

Warren and an extremely capable man—James Dean—who’d been the city administrator in Sacramento who was an architect and well-organized; a thoughtful Texan and wonderful man. He did a great job as director of Finance and was very close to Earl Warren and was, in every
sense, the chief administrative officer, which is what the director of
Finance really was.

Pat Brown had some early problems with his second director of
Finance. He had John Carr, who was the husband of a wealthy Long
Beach department store heiress. He was a very nice man. But he just
didn’t have a grasp of the situation at all. His first director of Finance was
a temporary one, Bert Levit, a lawyer from San Francisco. Very capable.
Put the budget together, and that was Pat Brown’s first one. Then he got
John Carr.

SENENY: You mean Pat or Jerry Brown?

POST: I’m talking about Pat Brown.

SENENY: Okay.

POST: I’m comparing the two and in terms of administration and going back over
the chief administrative officers of all the governors. Warren had a good
one, and Pat Brown had good ones, except the second wasn’t very good,
and finally, Jess Unruh came to me and said, “Alan, we’ve got to get rid of
this guy. Will you be director of Finance?” and I said, “No; no way.”
They got rid of him.

But he was not a strong person, and at that point—and this is the
point of the story—he asked me to have lunch with him, and I did, and he
said, “My staff don’t think we ought to have a director of Finance who’s
anything more than a budget man and not do what the director of Finance has done in the past is be chief administrative officer."

I said, "Pat, you're off running around doing all the things a governor has to do, and you're doing well, but you need somebody who's the man who stays at home and who's got a hand on things. You better appoint somebody who you respect who can be your alter ego and who can mind the store while you're gone. That's why we've had a director of Finance that's capable of doing. So, don't you go with this idea of your cabinet that you have a cabinet administration. They're fine; they have their own roles. But you need some focal point that you can depend on who minds the store and who has your confidence."

"Okay," he said, and he appointed Hale Champion.

SENLEY: Where had Hale Champion been?

POST: He had been his press secretary and then, I guess, briefly, his executive secretary. So, Hale's abilities were well-known to him. As director of Finance, he went one step up and separated himself from the cabinet, of which he had been a part, and became what they needed -- a peer, a leader, chosen from the cabinet. That's fine.

Jerry had people who were not particularly competent as directors of Finance, and they didn't do a good job.
SENEX: You know, I've heard it said about Jerry Brown that he let a lot of power slip out of the executive's hands and into the Legislature's hands. Would you agree with that?

POST: Yes. The Legislature's always there waiting. As I used to say, there's that separation of powers but there's kind of an osmosis that's there at the margin; and if the executive is weak, well then, the Legislature's going to take over. If the Legislature is weak, then the executive's going to move into those areas, kind of at the periphery, and they're, in a sense, fungible, you might say, and the things that have to be done. But one is pushing all the time, like osmosis, pushing to get out of the sack or into the cell. And that's the way it is. And so... what was your question specifically?

SENEX: About Jerry Brown letting the power go into the legislative branch.

POST: Where he was weak, why, the Legislature then moved in, and where he got weak administrators, they... because you had strong people there. You had the Unruhs and the kinds of people who wanted power and glad to get it.

SENEX: Right. Shall we...

[End Tape 12, Side A]
Session 7, June 4, 2002

[Begin Tape 13, Side A]

POST: George Deukmejian came to me and said, “Reagan would like to have you be his director of Finance. Will you?” and I said, “No.”

When Deukmejian became governor, I was disappointed, to some degree, in him. He’s a very good man, very honest, very upright, intelligent; had been very Republican. I mean, he appointed only Republicans. He was very partisan, but he’s not the only one that has been. He was too concerned with sending people to prison and beefing up the penal system. That seemed to be his main interest, and I think they went overboard on it by increasing the penalties without regard to the best way of dealing with some of these issues in the long run. You’re not going to do it by punishment alone. You’ve got to beef up your education. You’ve got to beef up the stakes that people have in life, in living decently, and sending their kids to school; all those kinds of things in a healthy environment. We were dealing with difficult issues, to be sure—drugs—and we had immigration that brought in some problems that were hard to deal with. But I don’t think he did enough constructively in that respect but went primarily to beefing up the prisons in California.
SENEY: I’m told that virtually all the legislation he introduced when he was in the Assembly and Senate had to do with crime, sentencing…

POST: That’s right.

SENEY: …and there was really almost no exception to that.

POST: He came out of, of course, the Department of Justice as attorney general and was familiar with that. But he overdid it, and he didn’t deal with some issues that I thought he should have. Subsequently, I spoke out. I wasn’t there when he was there. I left in the Brown era—Jerry Brown. I was disappointed.

SENEY: I remember him saying, because he had inherited a slight deficit from Jerry Brown, that “We went from IOU to A-OK,” was the phrase he probably overused to describe things. And yet, by the end of his administration, he was leaving a big deficit for Mr. Wilson.

POST: That’s right. It’s hard to keep ahead, especially when you do as he did and go crazy building expensive prisons and then having to man them, which is a very expensive process where you were upgrading the benefits of the custodians of the system—the guards—who are a powerful lobby. And he also raised benefits of employees generally in order to avoid salary increases and made a tradeoff that way. That is not good business. That’s, in the long run, more costly, but in the short run they’ve had political benefits. So, in those respects I felt that he failed.
SENEDY: Why don’t we talk about the budgets before we get to Wilson, because Wilson is mostly all about the budget and budget problems and all the rest of that.

Would you put Prop 13 as the dividing line in June of 1978 between the way budgets used to be made and the way budgets have been made since then?

POST: Well, with the exception that, as a precursor to 13, you had during the Reagan Administration some—with approval by the Legislature—some of the property tax increases and burdens on the local government which could be met only by property tax increases, as we talked about earlier, that led to Prop. 13. There was a period in which 13, then, came as the solution to the problem of forcing low-income people, or middle-income people, almost out of their homes by virtue of monthly and annual ten and greater percent increases in property taxes. Property taxes were so strained that, 13 came along as the way of freezing them. That, then, became the dividing lines. But it really goes back before 13. It wasn’t as though it came as a bolt of lightening, but that was an attempt...

SENEDY: In the case of Reagan, he was taking monies that had gone to the local governments from the state and using them for state purposes and then leaving the local governments to raise the difference.

POST: It wasn’t that so much, as I recall. It was that he was protecting state government by determining that you couldn’t increase more than a certain
rate at the state level, and therefore, since the costs of government
generally increase—they’re labor intensive to begin with, so they tend to
increase more rapidly than the productivity, the economy generally, which
is a problem—you have to deal constructively with that, and it’s difficult.
But in order to insulate the state, which was his province, they threw the
local governments to the wolves, so to speak, and left them wide open, and
that’s where the increases in the property taxes became such that it was
intolerable to the public, and Proposition 13 stopped that.

SENÉY: Right. You know, I’ve heard it said, especially from Pat Brown’s
administration back to the post-war period, that there was a general
consensus on public spending; that is, that it needed to be done:
highways, water project, higher education, public schools; the kind of
things we talked about in relation to how to spend that surplus that was left
at the end of World War II. And what was done, kind of, was to sort of
add up what the needs were and then adjust the income tax rates so that
you could have the revenue necessary to pay for those increased needs and
then just enact all of that. And there wasn’t a law—a kind of anti-tax,
anti-government kind of attitude—until you get up to Reagan.

POST: That’s true. Actually, what they did generally, because it was politically
most feasible, was to raise taxes horizontally across the board. Everything
except the insurance and bank tax, particularly, had sort of sealed
themselves in and then not have been increased. But everything else was
moved up. So, you increased the sales tax and the income tax and the corporate tax generally and so on. That’s the way in which you accommodated to growth.

But there was a growth feeling about the state. We were growing; the population was growing. Taxes were not that onerous, and the economic base grew fast enough to accommodate increases in taxes, and it didn’t drive industry out of the state at all. They made complaint about it and so on, but the markets were there. As my office analyzed it, we looked at it and said, you know, these taxes really are not what’s shaping the political economy. It’s the markets that are here, and people are going to stay here because they’re profitable markets. You’re not going to go to Nevada where they have a great tax advantage because you don’t sell automobiles to rabbits and things like that, you know. [Laughter.] The people were here, and they needed to be taken care of, and there was pride in the level of education and higher education and the programs that had been introduced by Earl Warren and fostered thereafter that were what made life good and attracted people to California. So, we were growth-oriented, and that was accepted.

It was only later on you began to feel the pressures of the impaction of motor vehicles on roads and population increases and school problems with the immigration of people who were not well-educated.
SENÉY: Now we’re getting a little further up into the ’80s and the ’90s when this is going on.

POST: Yes, but that’s where it really began to...

SENÉY: If I may, what I recall—and even as a kid, we moved here in 1951 to Orange County—it was all fast growing in those days. This may have been slightly faster. But there were double sessions of schools in some cases; even triple sessions of schools. The roads were congested. I mean, this old road structure wasn’t made for all these cars, and there was a kind of implicit promise that, well, once we got enough schools built, education would be fine. Soon we’ll have the freeway system in, and the congestion will be gone, et cetera and so forth. And by the time you get up into the late ’60s, obviously, congestion’s not gone. People are not so happy with the schools as they thought they would be. There begins to be questions raised about the schools. Does any of that make sense to you in terms of how things were evolving?

POST: Oh, yes, they were evolving. Of course, then, where you are talking about, there was this particularly acute problem, or chronic problem, I should say, that became acute, in that you had the one main highway along the coast and the foothills, and it was very hard to do anything except to expand that freeway that ran along the coastal plains. The people were building back in the hills and populating and then coming down and feeding into that one major avenue, and that became a critical problem in
that Southern Costal area; more so than most other parts of the state because of the configuration of the topography.

We were growing so fast, and there was impaction. I remember being quoted in an article written by a man for the *National Journal*, I guess it was. It’s a high-quality political journal. I said, “We’re beginning to be dirty and gang-infested and road-impacted, and our water’s being pushed, and if we’re not careful and don’t expand thoughtfully our infrastructure, we’re going to be just a dirty crime-ridden, problem-infested kind of state, and we’re going to have to start dealing with it.” But we didn’t deal with, because Reagan came along, particularly, and Jerry Brown had his period of “less is beautiful,” so he didn’t help, and then we had Deukmejian and then Wilson, and they didn’t deal with those issues.

Now, Wilson came in with a reputation for dealing with these problems at the local level, which was far better than the ignorance that prevailed around Reagan, who knew nothing; Deukmejian’s centrality being crime and not the infrastructure; what you mentioned earlier, the Reagan credo: “Get government off my back,” and being responded to by a lot of people who are happy with their lot, and the people who are disaffected by it, in large part, not voting because they were aliens who came in—immigration—and were nonvoting, even though they had the most at stake in many respects.
So, we had a dysfunctional political system, and we’re still suffering from that, and we still have not dealt with a constructive infrastructure recognition.

When Warren was in, for example, I worked very closely on a personal level with James Dean, working with the people in our office on…

SENLEY: Now, that was his Finance director.

POST: …this finance structure, but also planning and also a philosophy which came through Jim Dean, who was an architect and had been the city manager of Sacramento who understood the problem of developing infrastructure, and Warren was sympathetic to it and so were the key people in his administration. And so, there was a strong effort, and I was a participant in it, because Dean and I and our experts and theirs worked out a system and a philosophy of annualizing increases in the budget for capital—budgeting—that was geared to meet these infrastructure needs.

And that’s where we developed a progressive system of funding, in those days, which was a considerable amount of money, but not today—it was $150 million a year—that we would dedicate to that purpose.

SENLEY: This would be set aside and accumulated for capital expenditures.

POST: We wouldn’t set it aside, but we would make provision for it in the budget; that the budget would have in it a segment of funding, so to speak, that would be $150 million which, at that time, was determined to be
adequate if properly allocated to keep up. And what we needed to do was to develop a logical allocation process.

Now, we had some of this funding that came from, particularly, the state postwar reconstruction fund, or whatever it was called, to feed it into the budget, but it wasn’t limited to that. It was a concept that incorporated planning, in which we had every major function—like hospitals, mental hospitals, prisons, higher education—developing on state account a planning process that would develop itemized programs with prioritization, and you would adjust it each year as the facts demonstrated it should be adjusted; and along with it, at, I think, the suggestion of a man in our office who handled the capital outlay and who was extraordinarily capable—N. B. Keller, an engineer—who said what we ought to do is appropriate a lump sum planning amount, and we will use that to plan for these priority schedules that are furnished to us by the State agencies, and that will be the basis upon which we fund priorities. They establish them, and they bring the data in to support it so it’s an integrated planning process that’s geared to the budget. And drawing upon the planning money. You next develop the preliminary plans after you make the decisions out of that planning process, and then second stage, in the following year, will be the working drawings and the construction link so that it’s a progressive plan.
SENEX: So, if you want a new campus or some element of the water project, this is the way it was...

POST: You identify it in your own priorities, and you do the planning, and you submit that, and the budget people go over it and say, “Okay, we can accommodate this, and this fits the priorities, and here are the supporting enrollment data,” or whatever it is data, “to back it up.” It then went into the budget, first, with preliminary plans, which then got reviewed and approved. Once you solved how you were doing that, then you went to the working drawings and the construction money which then brought the project into fruition. It was a very well-scheduled, thoughtful process, and the plans were continuously upgraded by the agencies that submitted them so that they were kept current with changes in the numbers of students or felons, you know, whatever it was, graduate students and the like, so that it was kept up in that way. And for years, that’s the way in which we did it through the Warren and Knight and Pat Brown eras. That’s the way the system worked.

SENEX: So, if I may, you developed the plans; you needed a school. Would you then sell the bonds—get the bonds authorized to sell them?

POST: Yes, there were bonds that were needed, but we reserved the $150 million, which is, in those days...

SENEX: A lot of money.

POST: To generally take care of what we needed to do.
SENEL: Oh, okay. So you had pay-as-you-went on these things.

POST: It was kind of pay-as-you-go. There were certain things, certain aspects of it, that were not, but they were not for policy reasons. For example, in the area of water, it was better to have bonds and have them related to the revenues that accrued from the water project and spread it over time. But when it came to the State University system and the University of California and the prisons, which don’t have a revenue structure that supports it, and there were general obligation bonds, you funded that from the reservation that we had, which was a tacit reservation, the $150 million that you could work with, approved by the director of Finance and our office as a working amount, and the agencies bought into it.

We had planning processes within some agencies that had to be developed to be responsive at the operational level. We found there was no planning process within, say, beaches and parks, for building the facilities that they needed for this burgeoning system of beaches and parks. And we recommended development of planning staffs, and so did Dean’s office...

[Interruption.]

SENEL: Yes, just before that interruption, you were talking about parks not doing enough planning.

POST: We found that they had no internal planning staff. What we did was recommend—not just I, or our office, but the director of Finance
supported the idea. I remember discussing it with Dean because our staff felt strongly that there ought to be an internal agency planning office so that as they did these plans, they would use their own in-house people, and then they would implement it, on the basis of what they had prioritized and were familiar with, in the way in which they thought it would work best. You had an agreement, so to speak, between the planners and the operators and that that would be more efficient and more effective if it generated that way rather than having outside planners come in and set up all these projects. We ought to have that kind of quality in an internal planning staff and that integrated approach would be better in the long run. And so, they did that because we found they had none. It was done previously by outside people, apparently, who were bringing in ideas and so forth.

So, those kinds of approaches to the capital budget were...

SENey: And this was true all the way up through Reagan and Jerry Brown until you get to Proposition 13.

POST: Well, I don't know where it ended. See, I left. I have a disadvantage here: that I left in 1977 when Jerry Brown was governor, and it was in force then, and I didn't learn until sometime later that that had, apparently, been kind of abandoned. For what reason I don't know, whether the breaking point was the introduction of a philosophy of the Reagan people and Jerry Brown and their lack of interest in the infrastructure or the breakdown of
the strong kind of director of Finance that we had before that time who understood these things and supported it fully. The system, so I’m told, really doesn’t apply now, and for that reason, you don’t have that same degree of integrity in the infrastructure program.

Moreover, we had separately funded a basis for keeping up the hospitals—for repainting, for repairs, and so on—so that you had not only new construction to meet growth but you had articulated amounts for maintaining the integrity of the structures that were there. And these were separately budgeted, separately reviewed, and separately monitored so that that was a very constructive kind of thing. Those, I think, have fallen by the wayside under the budget pressures that accrued later.

SENENY: To your knowledge and your feeling is it was a good system, the one you had worked out.

POST: A wonderful system. It was a wonderful system, and we kept up with growth. Now, growth was the hallmark of the Warren-Knight-Pat Brown years. We were in a growth stage: population, economy, change from agriculture to manufacturing, new aircraft industries...

SENENY: Thanks to World War II.

POST: ...the things that came in after, and we also had federal funding that came in and changed the complexion of much of the way in which the state government functioned.
So, in that respect, we had, I think, a constructive capital budget being processed which has since, apparently, atrophied.

SENEX: Right. I'm told that Deukmejian, because he didn't want to raise taxes at all costs—I mean, that was just a mantra with him—that he relied more on the state bonds to build things, deferring the payment of them to someone else later on.

If I can just sort of digress here, there is an argument for saying while the state water projects should be bonds, the highway projects should be bonds—maybe the prison projects too—because a lot of people are going to be using those in the future, and you spread the cost out over a period of years for the people who are going to use them. Does that appeal to you as an argument in terms of the use of bonds?

POST: Well, they made that argument. To some degree that's true, but I always felt that allied with that, there had to be a revenue-producing structure so that the General Fund wouldn't be overburdened for those kinds of costs and thereby diminish our capacity to deal with the other matters of state government that have no revenue structure other than the tax system. And since there was a difficulty in getting taxes, why, I didn't agree fully with the Reagan argument that you had to spread it over time, because the impact of it was spread over a long period of time, and I felt that you had to have a linkage with a revenue-producing structure in order to make it
viable; unless there were just overwhelming arguments in favor of the other, and I didn’t know of any.

SENLEY: Right. Let me turn this over.

[End Tape 13, Side A]

[Begin Tape 13, Side B]

SENLEY: From a revenue and taxation point of view, a kind of academic one almost, that it is appropriate sometimes to spread out the cost of the capital, especially if you don’t have a revenue component with it.

POST: Well, I understand that, and in that respect, if there isn’t a revenue element to it, why, I think that’s fine, up to the point that I am not a believer in the borrow-and-spend where the Republicans were so critical of tax-and-spend. I said, “Well, I think tax-and-spend, at least you pay for what you get; whereas, borrow-and-spend you don’t, and you just pass it off politically to the future. So, there has to be a very strong argument that makes economic and political sense to bond, and you preserve that borrowing capacity and optimize it for getting the best possible interest rates because it seems, to me, the courageous and proper thing to do; that by and large, you pay as you go, unless there’s a very good argument for borrowing.”

SENLEY: Let me talk about the revenue side for a minute in terms of the tax sources that were available and how those tax sources become less available as time goes on. You have the income tax, the personal income tax,
essentially the business income tax, inheritance tax, sales tax; and, as time goes on, of course, these taxes begin to disappear. The property tax, of which I didn’t mention, isn’t a viable one, really, after Prop. 13. The inheritance tax is done away with. And in other places where taxes aren’t…or I should say not only do you have tax cuts but you have tax expenditures which amount to the same thing: you lower the taxes on someone and they profit thereby.

I don’t know if I’m making sense here, if there’s a question in here somewhere. Could you comment on the revenue side and the evolution of the revenue side and how problems occur in that area?

POST: Well, as I say, in the old days they used to politically, simply, have a tax structure that had been developed over time from the early studies. It was Riley-Stewart Act way back in the ’30s, I guess. The various taxes that you’ve identified became the tax system of the state. We adjusted that, generally, horizontally, proportionately, but when we had surpluses, as in the revenue flow from the war industries in WWII and the like, why, they temporarily dropped the sales tax and dropped the income tax. And then, when it was over with, they could put them back up again, restore them, and go back to, in effect, normalcy in terms of a balanced budget of revenues and expenditures.

Of course, the Constitution, establishing the budget process, is very explicit. If the anticipated revenues are not sufficient to balance
expenditures, the governor is mandated to name the tax increases, the
revenue increases, that are needed to balance the budget. And that’s a
constitutional duty imposed on the governor. Now Constitutionally, the
Legislature, in the enactment of the final act with the signature of the
governor, who’s also a legislator in that capacity at that point, you have to
balance it.

SENNEY: That’s a strange...the governor’s got to give them a balanced budget, but
they don’t have to pass a balanced budget.

POST: And he doesn’t have to insist that they go back to a balanced budget.

SENNEY: He can sign an unbalanced budget.

POST: He can sign an unbalanced budget, and the way in which you do that, of
course, is to borrow. That’s what Deukmejian did so much of: where you
have an imbalance, you just borrow and spend. Then, paper balances the
budget, but it is not balanced in the long-term political economic sense.

SENNEY: You know, it’s interesting to me because I have to say that I was under the
misapprehension that not only did the governor have to submit a balanced
budget but the Legislature had to pass a balanced budget.

POST: It’s silent on that.

SENNEY: It’s silent on that part.

POST: And the only thing is that they are...under the law, which was abandoned
after I left, you could not create a debt of more than $300,000 without a
vote of the people.
SENKY: Ahh.

POST: Now, in the Deukmejian era, they got a court decision that said, well, you could, for a reasonable period, pass that on. We used to work under the assumption that you had to have a balanced budget because you couldn't borrow beyond that. And so, that's what forced the Legislature and the governor to go into balance.

I remember in the Knight years, one year, they exceeded in a very small amount the balance. It was out of balance, and the governor's people didn't know what to do. So, I called the governor's staff—I can't remember if I talked to the governor or to both; I'm sure it was with his staff—and said, "You know, the governor can withhold some authorized expenditures under the Government Code. He can have the director of Finance, by executive order, hold back on or eliminate some expenditures to bring this budget into balance, and then, in the new year, as things go along, if you can and you want to, you can move that back to where you meet those obligations. But at the margin, with the small amount that we're talking about here, instead of having to meet it with complete fidelity, you have that factor of adjustment. And so, you tell Governor Knight that he can do that." He signed the budget and did that. So, they avoided that kind of an impasse, but it was marginal. It was not a major kind of thing; it was at the margin.
SENEN: I guess one of the things that made me think this, that the budget had to be balanced when it was passed, was in my interviews with various members, including, especially, the late-Senator Maddy, who, of course, was one of the “Big Five,” as they called them, under Deukmejian and Wilson, who helped negotiate the budget—Republican leaders and Democratic leaders in both houses and the governor—and he, talking about the ’91/’92 budget, which was $14 billion out of whack, he said that they had made a decision to increase taxes 7 billion, to cut expenditures by 7 billion. I don’t think they ended up cutting the expenditures by that much because they borrowed some to make up for that. And then, by finessing the economic projections that were made as to how much the growth was going to be the next year and how much the anticipated revenue was going to be and all that, he said they did all that, then they crossed their fingers and put them behind their backs and prayed like hell that things would develop the way they thought they should develop. And I guess, maybe, what the expectation is at this time is more a political one then; that they seem to come out with something that’s balanced, even though, technically speaking, the Constitution doesn’t require it.

POST: Well, there was a lot of game playing on balancing the budget from way back. And so, there were paper cuts that were made. Particularly, there were paper cuts made by Republicans to make themselves look good, they
thought, and we would help them, very frankly. We would show them where you could make paper cuts that were really not cuts.

SENEY: What do you mean by “paper cuts”?

POST: Well, you took from some funds or, say, what were the various devices that the staff worked out, that looked like you were saving money, but you knew perfectly well in due course you could cut certain employees, and you knew that you were going to have to meet these...you could make paper cuts, say, in the university budget based on enrollment drops. You knew they weren’t going to drop.

SENEY: So, you had to have a supplemental later on?

POST: Yes, yes, that stuff. My deputy, who was an arch-Republican, would be the one that would work with them in developing those things. He was a very knowledgeable guy, and they liked him. So, he generally was the one who dreamed up those kinds of things for them.

Going back to the budget balancing problem, we had one budget that...oh, they didn’t finalize the budget. They got into an impact in the Knight period, and the conference committee, it was called, they did their work, and they couldn’t reach a consensus, so they went to a second conference committee, and the time, June 30th, came up, and they hadn’t done it. Now, those were the days before we got used to slopping over, which in our view was illegal and which is now, by court decision, a serious problem that they’re facing.
SENLEY: At this very moment there's not a state budget as we speak, is there?

POST: That's right. They haven't determined how they're going to handle the deficit. The court came in the other day, you know, and said, "You're going to have to do this or you can only compensate employees at the federal level minimum wage, instead of the state level. So, employees presumably are going to get paid the minimum wage instead of the wages that the state has established by law." And so, they're in a quandary now to get this thing out before June 30th, and they haven't been doing that.

They've been very cavalier about it.

Now, in the Knight Administration, we felt you had to cut off at June 30th. The conference committees had not been able to resolve basic issues, including, I think, the water issue, which was a serious factor in all of that. And so, June 30th came, no budget. What do you do? I got to thinking about it, and I said, "I'm absolutely sure that some smart legislators are going to introduce a budget bill. They're going to pick it up, and they're going to introduce it, and that breaks the whole constitutional philosophy of the governor having the budget bill, having the constitutional ability to amend it at any time up to the time that it's signed and finalized. He can adjust it—and of course, the Legislature can adjust it—but the budget document itself embodied in the budget bill is developed by the governor. And if it falls, then somebody else can step in and do that."
So, I went to Ralph [N.] Kleps—or I called him on the phone—I said, “Ralph”—we were very close friends, and he was the legal advisor, of course, to the Legislature and the bill drafter—I said, “I have a question for you, Ralph.” I was very careful in what I put to him because I didn’t want him to get out of line with his authority and responsibility. I said, “I’m not asking you who’s doing this because I know you’re proscribed from telling me, but do you have any legislators who are coming in and giving you a request to do a budget bill, building on the one that’s there and then modifying it in accordance with what they want to make it balanced?” And he said, “Yes.”

And I said, “Well, you know, that creates a problem philosophically of the budget being a chief executive document and the governor having the authority to make all the adjustments up to finalization.”

And he said, “Well, I haven’t thought about that.”

I said, “Well, what you and I ought to do, because you’re the legal arm, is go to [Assemblyman] Glenn [E.] Coolidge, who’s chairman of the Assembly Ways and Means Committee and the governor’s man on the budget,” which he was generally, particularly in those times, the Assembly chair of Ways and Means, was the governor’s man, “and tell him of that problem and that the governor ought to reintroduce a budget bill in the form in which it died and not just let it go for somebody else to step in and
take over.” And he said, “You’re right,” so he and I went and got together
and went to see Coolidge and explained the thing to him and suggested
that he call the governor’s office and tell them that they should reintroduce
that bill forthwith—they were about to get on the plane to go to L.A.—and
to stop the governor and have him sign off on the introduction of the bill.
And so, they held up the plane, and they did that, and we got an executive
budget again in being. And then we went on, and in special session, or
whatever it was, they finally rectified it and got a budget.

But I felt that was a precedent that would be very, very bad if we
permitted that to happen, and it would be chaos, in the short run anyway,
with everybody and his brother introducing budget bills and losing that
whole concept of a single administration product. Ralph and I always felt
pretty good about the fact that these guys hadn’t thought of it at all in the
governor’s office. They were all about to take off, and we alerted them to
the problem. They understood it at that point, communicated it to the
governor, held it up, and put it back on course again for the good of the
cause in the long run politically.

SENNEY: Now, that was a biennial budget in those days, wasn’t it?

POST: Well, let’s see, when did we actually shift to an annual budget? We did
that...no. We had done that. I thought that Warren finally had the...he
had had about six special sessions and a biennial budget for some reason
or another. Or they were just adding items that hadn’t got taken up and
had all these special sessions. At that point, you know, they decided they ought to have an annual budget; that it was too difficult to project for two years without having supplemental budgets. That’s what had happened was we had these supplemental budgets that took care of things, and it was, in large part, because the state was changing so fast. The revenue picture was changing; the growth patterns were not totally even. In any case, they were accelerated; and so, we ought to go to an annual budget. So, they went to the annual budget. And they had the general session every year. No, first, they had just a budget session the second year, and you had a short period in which you could do the budget, but you had a general session every other year; but you had a budget session every year.

SENÉ: Now, generally, too, when you had just the budget session that year and no general session, there’d be these special sessions, two or three our four of them, tacked on.

POST: Whatever came along. Right. But most of the proliferation of special sessions had to do, really, with changes in the situation and population and economics and the like. In large measure, as I recall, the annual budget session took care of most of those, and the special sessions were much fewer.

SENÉ: What impact did Prop. 13 have on budget-making?

POST: Well, it had some major changes because it, for one thing, gave the state a role that was much greater than it had been before when you lopped off
the property tax and cut it in half and used the State surpluses to fill the
void from the loss of property taxes by allocating it out to local
government so they could do what they had to do with only half the
property taxes. You got over that impasse, and then those funds ran out;
and so, what you ended up with is the state being the apportioner of funds
for schools and so on, and it became much more a state function and much
less a local function. What the counties were required to do was to run
certain fundamental functions with a limited property tax, but finance
many of the other services that are mandated by the state on the counties,
particularly because the counties were the local administrators of many
state programs...

SENÉY: Health and welfare, especially the business part.

POST: Yes, which made sense. And also school districts, which were based on
the property tax and local government. So, they were heavily impacted,
and yet, they were burdened with these fundamental responsibilities, both
schools and the benefits that you mentioned, the programs you mentioned,
that are administered at the local level, primarily health and welfare, by
the counties but also the courts. And so, that became a problem.

SENÉY: Let me ask you about the study that you headed, or whatever is the right
word. You leave in '77. In June of '78, Prop. 13 passes. Jerry Brown
gets a hold of you almost instantaneously, I would think. How long after
the election before your phone rang with the governor on the other end?
POST: Oh, it was almost immediate. I was at the laundry. The gal said, "The governor's on the phone. He wants to talk to you."

SENLEY: The laundry?

POST: Yes. I was picking up some laundry.

SENLEY: Oh, I see. So, they called, "Where is he?" and Mrs. Post says, "He's picking up..."

POST: Helen said, "He just went to pick up some laundry at [such-and-such],"

and so, they banged through, and there was the governor. [Laughter.]

SENLEY: What'd he say?

POST: He said, "Alan, I'm setting up a commission. We've got to cut the size of government and make fundamental adjustments, and we need a commission effort to do it right, and you're the best qualified person in California to do that with your background of experience. Will you chair such a commission?"

Well, I can't remember whether I said yes then or whether I asked for a half hour to think about it. I think I said yes then: "I'll come down and meet with your guy, and we'll schedule it; but I'll do it," because I realized the magnitude of the problem. I did, and he appointed a commission that was, in large measure, political. It touched every base.

SENLEY: Did he ask you about appointments?

POST: No. No, he didn't ask me about them. When I got them, I found out who they were. We had an organization meeting in his office. We had a broad
spectrum of people, including Tom Bradley and [Caspar] Cap Weinberger
and Wilson Riles and Bill...he ran for governor later.

SENLEY: Oh, I know who you mean. Rolph.

POST: Roth. Bill Roth. I had to talk him into coming on the commission. He
was smart enough to know that it was going to be a political factor. I said,
“Bill, I need you. I need your mind and your force and your ethics,” so he
said, “Well, okay.” That’s the only thing that I did do in terms of getting
people on it. And we had an AFL-CIO CEO—who died recently.

SENLEY: Sweeney, was it? No, that’s Jack. Was it Sweeney? No. Kenny.

POST: Who?

SENLEY: Jack Kenny. Is it Kenny who was the long-time labor...

POST: Not at the state level. I’ll think of it. It was John Henning. He was very
smart. He was their economic man for years and smartest guy that ever
appeared on economic issues for them, and then he became head of it.

Anyway, we had a broad spectrum of important people on the
commission, but it was politically balanced in a way that made it very
difficult. The chairman of the Little Hoover Commission—[Nathan]
Shapell—who was kind of a firebrand and a prominent leader was a
problem because he was always going off on a tangent. It was not an
easy task.

SENLEY: Why are you smiling when you say that?
POST: Well, there was a man from Stanford who was a distinguished political scientist and a key man in the Stanford Research Institute. He was not on the commission, but he came to all our meetings and listened. And later, he told somebody that... oh, I spoke to the National Academy of Public Administration at a regional meeting out here, and he asked me to talk about it. He introduced me and said that my handling of that committee was the most adroit... [recording difficulties]... performance he had witnessed in his lifetime. That was a real compliment, I'll tell you. And the truth of the matter was that I had to balance Weinberger, who was a serious problem and Shapell... [recording difficulties].

SENEY: How do you mean Weinberger was a serious problem?

POST: Well, he was against anything. He brought the Reagan doctrine to the commission, that we weren't going to change anything. Here we had a total new configuration of finance and he didn't want to change anything.

I was loaned a man from county government. There was really no state staff for me. I had Ed Beech from the Department of Finance who had kind of a ministerial role, supposedly, as liaison between the Governor's Office and him, but he was practically useless. The Department of Finance was assigned to develop the fiscal impact data.

I sat down and wrote the agenda for the committee, as I always do when I'm chairman of a committee. I listed some seventy-two functions, as I saw it, and expressed them in terms of their generic terms that we
ought to address in some way to determine the optimal reductions that we could make in terms of the constraints that were imposed by Prop. 13. I took it to the committee, and I said, "This is a spectrum, as I see it, of the issues that we ought to be dealing with, and I have to have your approval of it." They approved it.

At that point, I was loaned an assistant, Roger Anderman, from either Monterey County or an adjoining county. I guess it was Sonoma County maybe. I don’t know. The chief administrative officer loaned me his planning officer, Anderman, who was a very well informed professional and extremely helpful. They set up an office in Finance, and we used it every day, and we, together, did all the homework that had to be done. I conceptualized it in terms of this scenario: "We have between June and January to do this. It’s going to be impossible to do it thoroughly in that period of time. What we have to recognize is that we’ll develop an outline, and we will set up working committees. I want these working committees to represent the spectrum of interests in a particular area of welfare or education or whatnot. It may be the first time ever that we get this kind of an aggregation of people in an issue to sit around a table and draft a response to the outlines that we’re going to furnish to them. Ever. We’ll have the legal…

[End Tape 13, Side B]
[Begin Tape 14, Side A]

SEN: Go ahead, sir.

POST: This is the Commission on Government Reform, as it was called, and what we were to do within the timeframe of June 1977 to January 15th, I think it was, of 1978 was to formulate recommendations for the governor, since it was the governors commission, to meet the challenge of Proposition 13. As I said, I developed something like a 72-point outline of what we wanted, and we developed a series of committees that were going to deal with these subjects. For example, Weinberger I appointed as chairman of the Subcommittee on Expenditures. We had a tax man from UCLA on Revenues.

I said, speaking to my deputy Roger Anderman who came in to help me, I don't want them to debate what we need. We've simply got to tell them, this is what we want, because otherwise, it'll be a debating society that will last six months. So, we will tell them explicitly that this is what we expect you to produce. Follow our outline. Get the data. We'll help you through [the Department of] Finance, or whatever sources, to get the data that you need. You configure it, but you address it in the terms that we give it to you. And then, we can take it to the full commission and take your recommendations, and they can act upon it. But we simply have to have you abide by our outline and our timelines...
and present the data that are germane to this outline. That was to get the kind of constraints that we needed to produce this.

The second thing was that we're not going to be able to wrap this thing up for all times and get the commission to polish it off, I'm sure, and get acceptance of it within the timeframe. So, let's assume that these committees have to have some viability beyond this assignment so that we will set in motion, at least, the consensus of these interested parties, and these interested parties can then carry forward into their normal adversarial roles as the protector of labor, or whatever, of what emanates from this so we've set up a kind of a system that has longer term implications than the six months that we have. The best we can do is to configure and bring to a certain point.

SENEX:

If I may, did the governor or anybody say at this point that you could use the six or seven billion dollar budget surplus that existed at that time, or did that come out later?

POST:

Not at all. We got the Department of Finance to develop an independent study of how you would utilize whatever revenues were there to fill the void. Our assumption was that somebody had to put some money in there in the short run to fill the hole left by the cutting in half of property taxes, and we had this surplus. And so, what we needed from Finance was a clear-cut definition of what that amount was, and then we could say, in effect, In our report, were going to recommend that you utilize this amount
to fill in, and they should also, in Finance, develop a kind of an allocation formula that will make it possible for us to administer this meaningfully, and they did that. They put their experts in there, and they were very helpful in that respect. But that was, kind of, an independent piece, and we could build that independently of the judgments and deliberations of this 15-person, I think it was, commission.

And so, the basic idea of it was: It's got to be longer term than the six months. We've got to make the community understand that they've got to do what we ask them to do. We will break up into sections that will permit us to manage it and have leadership roles by the subcommittee chairmen, like the tax and expenditure, and we will do the best we can, then, to get a consensus, and I hope we can get a real consensus of the commission. We weren't able to do that because there were some, especially Weinberger, who were determined that we weren't going to do that and that he was going to have minority opinions.

SENLEY: What did he want to do? Just leave it the way it was and leave the surplus where it was—the state surplus?

POST: I don't know about the surplus, but he didn't want to change anything the way Roger Anderman and I did. I thought that there were a number of aspects of Prop. 13 that needed addressing. Number one, the fact that you had changed the property tax rolls, accelerated pressure on the other income-producing local government sources—for example the local
portion of the sales tax—and there would according be a change, a
significant change, in the orientation of local city councils and supervisors
to get revenues from building more shopping centers as a substitute for the
loss of the property tax.

SENELY: And this begins the competition over automalls and all of that.

POST: That's right, and we had addressed earlier in the Bradley-Burns legislation
a uniform state sales tax for local government in order to not to disturb
what would be the most appropriate economic allocation of resources, in
the sense, that you didn't let taxes distort your political judgments. And
so, they had a uniform sales tax. Prop. 13 threw that out the window, in
effect, and we were trying to maintain that neutral tax impact, but we
couldn't get across to the commission, primarily because of Weinberger, a
change that would preserve that kind of a relationship.

For example, there was the problem, which was clearly
documented, that certain properties turned over in certain areas about
every seven years; particularly, you take the timber interests of the north
where there was a rapid turnover of property values. On the other hand,
you had corporate interests and long-term agricultural interests where
there was no turnover for generations.

Now, what happened under Prop. 13 was that whenever you had a
property turnover, you reassessed it at current market values. So, over a
period of time, in terms of areas of the state, there would be a dissimilar
reaction from those areas where there was low turnover and areas of the state where there was high turnover so that the citizens of one area would be paying a lot more taxes than the ones in other areas. And so, we had a formula—that was developed by a couple of very smart people—that would have neutralized that. We proposed that, in terms of making assessments, using the assessment process and equating it in a way that would correct the long term imbalance.

But Weinberger and a handful of other conservative Republicans figured that that was undoing the integrity, as it were, of Proposition 13, which had not dealt with that inequity issue at all, and they apparently didn't give a damn about it. Whereas, we were deeply concerned with some of the effects of it, and particularly Anderman—who been development officer of a county—and was fully aware of the economic effects that took place under property tax changes. And so, we wrote the report, he and I, with aid of Finance on the surplus side of it, and that's the way we delivered the report. We submitted it, and we got them to pass it but not without having a number of dissenting votes from Weinberger and one or two others who had their own ideas that he fostered. They were primarily Reaganites who wanted no change in anything. We simply felt that we were supposed to try to do something constructively, and it just didn't work out that way.
SENENY: Some people have said that some change was understandable given the six-billion-plus surplus that the state had at that point accumulated; in part because of this rapid acceleration in assessed valuation of real property without any change in the tax rate applied to it. Here, the base is just zooming up, and the rate is staying the same.

POST: Because they froze the rates, you see.

SENENY: Who froze the rates?

POST: The state did.

SENENY: The state did?

POST: Yes. That was, I guess, the Reagan proposal. And Assemblyman Bob Moretti, they had this bill that froze the state rate.

SENENY: Do you mean when it froze the rates of taxation.

POST: Yes, it froze the rates, but it left open the assessments.

SENENY: Couldn't the local governments lower the rates if they wanted?

POST: I don't think so.

SENENY: They couldn't even lower them if they chose to.

POST: I think they were stuck with the rates. They, I believe, were mandated rates, but the assessed values...

SENENY: Could go up.

POST: ...were open. Yes, that was the problem. It's kind of like the energy crisis thing: you freeze one end and leave the other open; and so, the open end goes sky high. And the property taxes, in order to meet the needs,
which were also reduced by the action of [Proposition] 13, put pressure on what was then existing law with respect to the freezing of rates and assessments. So, in order to do that, the assessments just went out of hand, and that is what brought on 13 and was then accelerated, in a sense, by 13, by cutting the flexibility on the property tax side.

SENENY: You had situations where people would get a postcard in the mail doubling—tripling in some cases—their assessment because the house next door, across the street, down the block, had sold, and now everybody has to have the same rate. You're shaking your head yes.

POST: Exactly what was happening? It was a serious problem, and the Legislature finally began to address that. The assessor in Los Angeles had a bill, a couple of times, to address that, but it was a flawed bill, and so, it died. Our office pointed out the flaws in it. But then the Legislature got into an impasse on trying to develop a bill that would address this problem. They were too modest, for one thing, and Jarvis-Gann [the authors of Proposition 13] came along and had a radical proposal that was flawed, but with the politics involved, it was sold to the people, and it was too late for the Legislature to do anything that was felt to be politically accountable. And so, their proposal, which was on the ballot, was defeated and Proposition 13...
SENLEY: Proposition 8\textsuperscript{2}, I think, was the Legislature's.

POST: Eight. That's right. I went around the state at the request of the Legislature and with Pat Brown, trying to explain this to town meetings--town hall in Los Angeles and so on--but it was too late. Too little, too late.

SENLEY: Well, the public approval of 13 just went up and up and up, the closer it got to the June election. There certainly was a reason for it: people were upset about what had happened with their assessed valuation.

But if I could go back, the question I began to ask you, and I didn't finish asking, was if Weinberger had prevailed--that is, if you had done nothing and said Oh, well, this is what the people want, to cut property taxes this way, and well leave the state surplus where it is, then let the local governments carry on the best they can--that then these cuts, these very Draconian revenue cuts, would have shown up immediately in local government budgets, school district budgets, with closed schools, reduced services, and there might have had a political backlash significant enough to modify Proposition 13. But the fact that here, for all good reasons, comes the state along and makes up the difference.

POST: I'm not sure that Weinberger opposed that.

SENLEY: Oh, didn't he? Okay.

\textsuperscript{2} June, 1978.
POST:

I don't think so. I don't think there was much of an argument about throwing in money in the short run. It was the long-term implications of it. That was the short-term remedy. Those funds were going to disappear shortly. And so, we really had to deal with the issue of state and local government, and the impact of it was that the state took over and allocated for schools and became a totally different aspect because the local governments didn't have the flexibility and the property tax levels to deal with this.

Now, in a recent commission that I chaired on the budget process for a foundation down in Los Angeles, we recommended that there be a restoration, to some degree, of the capacity of local government to impose property taxes. I have to say that I had some reservations about that because I lived through the problem of accelerating tax rates. I would have been more inclined to raise state tax rates and try to put more constraints on some of the expenditures but giving some flexibility locally within limits. I went along with it. I supported it. I was chairman. I have to take my responsibility for it. But I have to say, I had some misgivings about just going back to the old flexibility because I could see what was happening. Instead, I went before Ways and Means Committee on at least one occasion, when they dealt with the issue and asked me to appear, and made my case on redesigning the property tax so that it would be more normalized in relation to what it was originally set up to be.
Property taxes were a tax on property, and they were limited, essentially, to local health departments, local streets, certain local school costs, and things of that kind that were local in nature. It was a local property tax. But over time it had been relied on as a revenue source for a much larger area of government, of schools, and welfare. We lost local welfare, which was a fairly constrained sort of thing--the welfare people that you knew about--but then you got this broad program of entitlements and so on. And the entitlements were written up by local government, were written by the federal government and the state government, and, in large measure, the local people who said, you know, we're just the handmaidens in terms of policy to whatever the state and federal governments decide.

So, that was a very difficult situation, and so, when I went before the Assembly tax committee on the issue of property tax reform, I suggested that what they ought to do is to reconstitute the property tax to fund local interests and make it limited to that. The state, then, would have to step in and use statewide tax sources for what were statewide expenditure needs. And I thought that would be a good idea, and I expressed it at that time. Not in the initial report but later, when this became a more thought-out kind of a situation. I got some support but not enough to make any significant difference. But if you did that, then you could loosen up their property tax to fit this locally determined area of
responsibility, and it wouldn't be a bad thing. Our taxes wouldn't be like they are now, where you have this strict limit on the assessed valuations and the rates, both. My property tax in Sacramento is a fraction of what they are in Carmel. My tax here for this house, which is bigger than the house in Carmel, is also a fraction of what they are next door because, in my lifetime, that house has turned over about five times, and every time it turned over, it got reassessed. Well, I have never been reassessed from my original 1975 valuation of property, so I come out like a bandit. But if you simply took the lid off, it would be a serious problem to somebody like myself who's in a limited revenue capacity as a pensioner and the like, so we probably would have to sell the house, and a lot of people would have to do that.

SENEY: Well, I suppose you could make it so it wouldn't apply until the next owner came along.

POST: Well, there were things that you could do with that, and they talked about that.

SENEY: I think Proposition 8 had something in it like that, where you could put a lien on the property for the taxes.

POST: You could grandfather it in, that sort of thing, and there'd been talk about doing that. I was thinking more in terms of a fundamental change in the area of responsibility of the property tax, which I thought would be a good thing because the property tax has, as one virtue, of course, its stability;
but other than that, it's not a good tax to tax property for the functions which have more to do with state growth rates.

As we have discussed, I went through a very interesting period in which I gave up compensation of about $35,000 that I had--25 or 35; I can't remember which--with Los Angeles City, to go in and evaluate all of their functions to see how they could accommodate to the limited resources prospective. I was given carte blanche authority to bring in all the city's agencies and make a survey, pretty much on my own as an individual, to determine how they could accommodate. But then, Brown got a hold of me, and I said to Los Angeles, I'm sorry, I'm going to have to cut out, for nothing. For a year-and-a-half or more I worked for nothing, day in and day out, harder than I ever would have worked otherwise because I felt that it was the right thing to do.

SENEY: Sure.

POST: And I agreed with Brown that I probably had more experience and capacity to deal with the impact of 13, plus credibility in terms of my long role with the state.

SENEY: I hope you at least got a nice little plaque out of it, or something.

POST: Oh, I got plaques from all of the counties and whatnot over time. But no, I got nothing out of it except some more pro bono jobs from recommendations by people on the commission, like Rocco Siciliano, who was undersecretary of Labor under President Eisenhower and head of
Ticor, the insurance company, telling the Chairman of the Commission to
Review the Master Plan for Higher Education, who was a neophyte and
was having all kinds of trouble getting the commission organized. That if
you want to know how to run a commission, you call Alan, and he'll show
you how to do it.

SENLEY: You get to volunteer.

POST: I did get paid for the first two months that I worked on it because I said I
ought to get a little something out of this rather than having to break my
neck again for nothing. So, I did. Anyway, I went through with it and
was the CEO for two months to get them organized and educate them and
write a manual and have training courses for two months to teach them
what the issues were. That was a wonderful experience for me, and I
enjoyed it.

SENLEY: You know, not only was Prop. 13 passed, but then, in the excitement after
that, the state inheritance tax is also done away with; and then I think it
was the business inventory tax, wasn't it? Was also done away with.

POST: That's right.

SENLEY: And then you get Proposition 4 that's passed in June, 1982 that's supposed
to limit expenditures.

POST: To the growth of the economy.

SENLEY: Right. Has that ever been implemented?

POST: All of those have been implemented.
SENLEY: I don't mean the tax ones. I know those have. I'm thinking about Prop. 4. I've been told it's so complex that it's never really been applied because the legislature can finesse its way out of it.

POST: I guess that's probably true. You know, I've been away for a long time now, since 1977, and a lot of these things have happened subsequently. And while I know about them generally, I'm at arms length with all of the things that have happened since then. I've been on thirty-three different commissions, ranging from low-level radioactive waste to reorganization of counties to higher education. It's been difficult for me in a very rapidly changing period to keep abreast of everything and still do what I'm doing in the studio and going overseas and enjoying myself a little bit in my final years. But I think that's probably true.

One of the things that the state attempted to do was to limit mandated state functions on counties, and passed legislation, that said that the state was required to reimburse local governments for the cost of mandated responsibilities imposed upon them, the counties.

SENLEY: Let me turn this over.

[End Tape 14, Side A]

[Begin Tape 14, Side B]

POST: Now, that has been hard to implement. In the first instance, we found that--and I guess I was legislative analyst at the time--that there was no machinery at the local level to actually assess accurately the cost of
proposed state legislation, so that they, in turn, could see to it that data were furnished to the committees that were making the decisions--Finance and Ways and Means--based on an accurate assessment of that impact. And the state was not equipped, really, to make that kind of an assessment the way in which the local governments would. So, you had to have a credible data process at the local level as well as at the state level, and they didn't have it.

So, we pointed that out. I spoke to meetings of local government and at the University of California and to others and pointed out that we could not find that kind of an instrument at the local level that you could depend on. So, we were at a loss as to how to administer that sort of provision effectively, and they began to establish estimating processes. But that has a bearing on, I think, this same problem of the growth: how you measure growth, the aspects of state government and local government taxation, and to make this limitation that it should be no more than the growth of the state. I don't know whether they refined that to a way that's administratively effective or not. I can't answer that.

SENIEY: My understanding is they never had to put it into place for reasons of being to sort of finesse it.

You know, I know you've been out of the everyday battle since 1977, but you mentioned all the commissions and so forth that you've served on, and one of them in the mid-90s had to do with budget problems
and what has happened to the budget process. One of the things that came up there, along with 13 and doing away with the business inventory tax, doing away with the inheritance tax, was the proposition that passed--Prop. 98--in June, 1988, which, as far as I can determine, was sort of the outgrowth of arguments between Deukmejian and [State Superintendent of Public Instruction] Bill Honig about the level at which schools should be funded.

POST: I think that's right.

SENEY: That, then, set a 40 percent of the budget floor; actually, that's the base.

Again, that's so complex nobody really kind of understands; at least that's what Senator Maddy told me, that none of them really understood quite what that Prop. 98 called for, except that they all had concluded that over time, if you let it run, it would end up eating up the whole budget.

POST: Well, in our early days, 40 percent was the figure that was generally accepted as the states contribution--40 percent of the total--and we expected the state to fund 40 percent. Now, you didn't do this in the budget process; you did this in the school apportionment bills because that's where the pattern was set was in special legislation every year rather than in the budget itself. The budget simply recognized that in terms of the balance but not budgeted in that same way. That proportion of state support began to slip, and so, they pushed through that legislation.
The Constitution is fairly clear in saying that the first priority is education, and they had that as an argument. I didn't like the idea of having more constraints, but on the other hand, I had a lot of sympathy for 98 because I didn't think that it was right to let school expenditures slip back simply because the state now had this responsibility that had been pushed on it, in effect, by Prop. 13; and politically, they weren't willing to accept the implications of that at the state level. So, I said, you know, I can understand this. I didn't have to take a policy position on it, but I had some real sympathies for Prop. 98 in making whole what I thought was good public policy and which the Constitution recognized.

I consider education as the highest priority of the state. That's the one thing that is critical to every aspect of social life in California, in my book, means good education, and that's why I've been only too happy to serve on commissions that I felt were adding to the basic education of the citizenry in terms of what needed to be done. That's why I'm still on the Public Policy Institute of California's board, where I make my case--I did from the beginning--to get involved in education.

SENENY: Well, you're having a meeting tomorrow with that board, aren't you?

POST: I have a meeting tomorrow with that board. I've been going over things, and I've got a couple of things that I'm concerned about in terms of our bylaws that I think are pretty fundamental. I lay awake in the middle of
the night and tried to draft in my own mind the best possible statement for
getting that across.

It's hard before the legislative committees, and it's sometimes hard
before boards of directors or trustees to articulate succinctly enough and
effectively enough to get across what you want because there are disparate
points of view, and if you go a little bit too long to try to be explicit, why,
you get the staff administration kind of wanting to move on. It's like
when I did the study of the lottery system: the chairman would come in,
and he had these meetings of the lottery board. He would put upside down
a little sand clock, and when the sand went through, down went the gavel.
The upshot of it was that they were making some crazy decisions under
too much duress. And when we wrote the report, we criticized that. We
said, you know, you should take as much time as is necessary for a board
to discharge its fiduciary responsibilities. And the guy who was chairman
of it was the former superintendent of schools in Los Angeles, and he was
used to, apparently, that kind of a timetable and he was trying to bring
them into focus, and for that I had great sympathy. But I didn't see time
running out on deliberations where the deliberations were necessary to
resolve the issue.

And so, that's part of the problem of getting across in a forum of
that kind, and I fought that battle for years in the Legislature. We were
always last, and they were tired, and they were going to lunch, and they'd
listened to long-winded statements of authors and proponents and
opponents, and when they got to the governor, it was simple: the governor
is for or against this. And that's about all they had to say from the
Department of Finance. But my staff had given me a little yellow slip that
said, This is what you ought to say about this, and I felt it was my
obligation, in terms of integrity and accountability not only to the
Legislature and the state but to our own staff, to get that message across,
and it might be that you had ten seconds or fifteen seconds. And so, as the
clock ticked down and I watched the committee and I made mental
assessments of what I had to do, I had to configure what I was going to
say in the time that would be allotted to me that would get them to pay
attention and stop and not adjourn until they had enough to make a wise
decision. And so, I went through that thousands of times.

And I still have to deal with that issue on boards that I serve on
where there is that same kind of pressure that you leave at three o'clock,
and people are getting planes, and you've got to hear out the agenda that
the president has set out and all of that, at the same time you want to get
something across that you think needs to be said. So, it's a challenging
and interesting situation.

SENEN: The dynamics of these meetings are very important.

POST: It is. It is, because they're policy makers. We've got a fiduciary
responsibility here. A guy I worked with for years said, you know, the
boards of directors of most corporations are fairly useless. They go along with the chairman, or with the CEO, because the CEO makes decisions that gives them stock in the company, and they, in turn, let him do whatever he wants because it's a you take care of me, and I'll take of you situation, and he said to me, "I don't think that's good. I've served as an executive vice president of Bank of America and enough boards that I just don't think they serve a sufficiently useful purpose." So, I've been mindful of that comment, and I think that boards have to be very careful to accept accountability and have a system to exercise it.

But I must say, the Public Policy Board is a first-rate board, but as one of the members said to me the other day, "You're the guy who stirs things up." As the president, who used to be vice president of Rand, said to me not too long ago, "You must have been a real problem to the California Legislature." [Laughter.] I said, "No, I really wasn't a problem. They loved me because I did what I think you have to do and what we ought to be doing. I raise issues." As this one gal said, we're often just inclined to sit on our butts. But, she said, "You raise good issues, and we have debates about it, and I think that's what we ought to be doing." So, I don't want to overdo that. I don't want to be just a thorn in the side of people and lose credibility.

SENLEY: I know. That's a fine balance.
POST: So, you have to balance and very succinctly say, this is my problem, and
this is my question. Frame it maybe as a question rather than a
conclusion, but make your argument in those terms so that they get the
message and they do what I think is the most constructive thing.

We've got a couple of issues like that tomorrow, and I'm looking
forward to it, and I've been trying to structure my dialogue before that
board because you're dealing with some very powerful, busy people.

SENEY: I suspect you're listened to.

POST: I expect to try and get them across, and if I'm a thorn in the side of some
people, why, I want to be a little of that. I want them to think. I don't
want to be an unwelcome thorn. So far I think I've pretty much avoided
that. I've tried to.

SENEY: I'm sure you've succeeded. Something tells me you have.

Can you just comment for a minute or two about the 1990s budget
deficit and the current one that were facing? Are those part of just the
economic gyrations?

POST: Which ones? The first one?

SENEY: The 1990 one, in the 1990s that [Governor Pete] Wilson inherited--the
91/92, 92/93 budgets--and then the current budget cycle where its, what,
20 billion out, I think.

POST: Well, the magnitude of it, of course, has been this debacle on the energy.
That was a disaster. It's just destroyed everything. Otherwise, you know,
you go back to what Liz Hill said, not terribly long ago, The government
of the State of California is dysfunctional. We have never arrived at a
sound basis for the relationship between local government and state
government and how to balance these things out, and she had good people,
as we had good people when I was there, to articulate that. In fact, they're
the same people in some instances, and they've done a very good job on
that. Wilson had a dysfunctional problem. We still have a dysfunctional
problem, but it's been compounded magnificently by this energy thing
which has had totally unexpected political and economic consequences.

SENLEY:
Well, it took a 7-or-8-billion-dollar budget surplus and turned it into a $20
billion deficit during the current fiscal year [2002-2003].

POST:
It's a very significant problem, and what they've got to decide in these
remaining days [of the current legislative session] is how much of it they
can constructively pass on to debt--borrowing--how much they're going to
have to have new revenues for, and how much of it they can cut back.
Those are all very tough questions, and the solution will probably be
wrong on all three, but the real question may be how wrong, under the
circumstances. We're getting increasingly in a position where taxes will
be a greater problem because we're getting into what appears to be a
greater recession with the stock market, and a lot of that revenue and
consumer confidence being down and so on. Things are getting more
difficult rather than less difficult.
SENEY: Well, that's all the questions I have for you. I thank you for taking part in the project. We put this one next to your other interviews, I think we'll have not a complete picture of your talents and the time you've spent in public service, so I'm looking forward to seeing your autobiography soon.

POST: It's coming from one direction, so you can expect it to be biased in my favor. [Laughter.]

SENEY: I have no quarrel with that. Thank you, Mr. Post.

[End Tape 14, Side B]
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