Regional Oral History Office
The Bancroft Library

University of California
Berkeley, California

Government History Documentation Project
Ronald Reagan Gubernatorial Era

Spencer M. Williams

THE HUMAN RELATIONS AGENCY: PERSPECTIVES AND PROGRAMS CONCERNING HEALTH, WELFARE, AND CORRECTIONS, 1966-1970

An Interview Conducted by
Julie Shearer
in 1982

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SPENCER M. WILLIAMS

1980

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PREFACE

California government and politics from 1966 through 1974 are the focus of the Reagan Gubernatorial Era Series of the state Government History Documentation Project, conducted by the Regional Oral History Office of The Bancroft Library with the participation of the oral history programs at the Davis and Los Angeles campuses of the University of California, Claremont Graduate School, and California State University at Fullerton. This series of interviews carries forward studies of significant issues and processes in public administration begun by the Regional Oral History Office in 1969. In previous series, interviews with over 220 legislators, elected and appointed officials, and others active in public life during the governorships of Earl Warren, Goodwin Knight, and Edmund Brown, Sr., were completed and are now available to scholars.

The first unit in the Government History Documentation Project, the Earl Warren Series, produced interviews with Warren himself and others centered on key developments in politics and government administration at the state and county level, innovations in criminal justice, public health, and social welfare from 1925-1953. Interviews in the Knight-Brown Era continued the earlier inquiries into the nature of the governor's office and its relations with executive departments and the legislature, and explored the rapid social and economic changes in the years 1953-1966, as well as preserving Brown's own account of his extensive political career. Among the issues documented were the rise and fall of the Democratic party; establishment of the California Water Plan; election law changes, reapportionment and new political techniques; education and various social programs.

During Ronald Reagan's years as governor, important changes became evident in California government and politics. His administration marked an end to the progressive period which had provided the determining outlines of government organization and political strategy since 1910 and the beginning of a period of limits in state policy and programs, the extent of which is not yet clear. Interviews in this series deal with the efforts of the administration to increase government efficiency and economy and with organizational innovations designed to expand the management capability of the governor's office, as well as critical aspects of state health, education, welfare, conservation, and criminal justice programs. Legislative and executive department narrators provide their perspectives on these efforts and their impact on the continuing process of legislative and elective politics.

Work began on the Reagan Gubernatorial Era Series in 1979. Planning and research for this phase of the project were augmented by participation of other oral history programs with experience in public affairs. Additional advisors were selected to provide relevant background for identifying persons to be interviewed and understanding of issues to be documented. Project research files, developed by the Regional Oral History Office staff to provide a systematic background for questions, were updated to add personal, topical, and chronological data for the Reagan period to the existing base of information for 1925 through 1966, and to supplement research by participating programs as needed. Valuable, continuing assistance in preparing for interviews was provided by the Hoover Institution at Stanford University, which houses the Ronald Reagan Papers, and by the State Archives in Sacramento.

An effort was made to select a range of interviewees that would reflect the increase in government responsibilities and that would represent diverse points of view. In general, participating programs were contracted to conduct interviews on topics with which they have particular expertise, with persons presently located nearby. Each interview is identified as to the originating institution. Most interviewees have been queried on a limited number of topics with which they were personally connected; a few narrators with unusual breadth of experience have been asked to discuss a multiplicity of subjects. When possible, the interviews have traced the course of specific issues leading up to and resulting from events during the Reagan administration in order to develop a sense of the continuity and interrelationships that are a significant aspect of the government process.

Throughout Reagan's years as governor, there was considerable interest and speculation concerning his potential for the presidency; by the time interviewing for this project began in late 1980, he was indeed president. Project interviewers have attempted, where appropriate, to retrieve recollections of that contemporary concern as it operated in the governor's office. The intent of the present interviews, however, is to document the course of California government from 1967 to 1974, and Reagan's impact on it. While many interviewees frame their narratives of the Sacramento years in relation to goals and performance of Reagan's national administration, their comments often clarify aspects of the gubernatorial period that were not clear at the time. Like other historical documentation, these oral histories do not in themselves provide the complete record of the past. It is hoped that they offer firsthand experience of passions and personalities that have influenced significant events past and present.

The Reagan Gubernatorial Era Series was begun with funding from the California legislature via the office of the Secretary of State and continued through the generosity of various individual donors. Several memoirs have been funded in part by the California Women in Politics Project under a grant from the National Endowment for the Humanities, including a matching grant from the Rockefeller Foundation; by the Sierra Club Project also under a NEH grant; and by the privately funded Bay Area State and Regional Planning Project. This joint funding has enabled staff working with narrators and topics related to several projects to expand the scope and thoroughness of each individual interview involved by careful coordination of their work.

The Regional Oral History Office was established to tape record autobiographical interviews with persons significant in the history of California and the West. The Office is under the administrative direction of James D. Hart, Director of the Bancroft Library, and Willa Baum, head of the Office. Copies of all interviews in the series are available for research use in The Bancroft Library, UCLA Department of Special Collections, and the State Archives in Sacramento. Selected interviews are also available at other manuscript depositories.

July 1982
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University of California at Berkeley

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Project Director

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On behalf of future scholars, the Regional Oral History Office wishes to thank those who have responded to the Office's request for funds to continue documentation of Ronald Reagan's years as governor of California. Donors to the project are listed below.

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INTERVIEW HISTORY

In 1966, after losing a close race for state attorney general, Spencer Williams was offered several posts in the administration of newly elected Governor Ronald Reagan. Williams had worked with Caspar Weinberger on the proposed reorganization of the state government's three superagencies for resources, human relations, and business and transportation. Williams was leaning toward the box on the organizational chart that contained the Highway Patrol because it seemed closest to law enforcement. However, he was advised by a longtime friend to take the Youth and Adult Corrections Agency and the Health and Welfare Agency "because that is the toughest and that will get you more press, and you can demonstrate your ability." Williams decided to "go for broke" and, when asked whether he wanted Health and Welfare or Corrections, he said, "Put them together."

The resulting superagency, later renamed the Human Relations Agency, employed 48,000 people and operated under a budget of $3.5 billion. Indeed, the challenges, the controversy, and the press coverage were unrelenting. In the interview that follows, Williams (now a U. S. District Court judge) reflects on the stormy formative years of the agency during his tenure with the Reagan administration, from 1967 until 1970 when he resigned to run again for attorney general.

Some of the controversies were partly inherited, such as the issue of funding for the Medi-Cal program. Both the projected $160 million deficit and Williams' subsequent discovery of a $60 million surplus were roundly criticized and some of the remedies he proposed to effect economies in the program were tested in court and found wanting. Some controversies went with the territory in carrying out the governor's pledge to "tame the welfare monster" by restricting eligibility, creating work incentive programs, and adjusting federal "disregards."

Other controversies grew out of Williams' own special enthusiasms, such as the delinquency early warning system (DEW), a screening program he proposed which was based on a psychological test intended to uncover "criminal tendencies" in primary school children.

Controversy notwithstanding, Williams retains a fundamental optimism in reviewing the challenges and achievements of the agency he headed. Williams also comments on the closing of the state mental hospitals and dispersal of patients into the counties for local treatment, a move which took place during his tenure, as part of the governor's campaign promise to cut state spending. Williams also describes the use of task forces in the decision to consolidate the Departments of Mental Hygiene, Public Health, and Health Care Services into

a single Department of Health. He recalls members of the governor's staff and describes relations between the governor's office and agency heads, in particular, how geographical proximity and agency mission seemed to affect access to the governor and his top staff.

Two interviews were conducted with Judge Williams in his office in the Federal Building in San Francisco. The first was on February 12, 1982, and focused on the judge's entry into politics, the attorney general campaigns of 1966 and 1970 and reorganization and administration of the Human Relations Agency and relations with the governor's office. In interview two on February 22, Williams fleshed out a picture of key members of the Reagan administration in the first term in corrections and welfare reform. He recalled the satisfactions of his assignment and the accomplishments of the Human Relations Agency.

Over the next 12 months, the tapes were transcribed and edited lightly. Heavy court responsibilities fully occupied the foreground for the judge for the next fifteen months. When space in the judge's calendar opened up for reviewing the transcripts, they could not be found. After a thorough search by the judge's able staff proved fruitless, additional copies were sent in February 1985. The judge performed a careful editing and asked that the retyped final version be sent to him for an additional review. This was done and the approved version was returned in June 1986 ready for printing and binding.

Julie Shearer
Interviewer-Editor

June 1986
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RESUME
(Summary)

Judge Spencer Williams was nominated by President Richard M. Nixon and by and with the consent of the Senate appointed to the office of United States District Judge for the Northern District of California on July 29, 1971.

At the time of his appointment, Judge Williams was engaged in private practice in both Sacramento and San Jose.

Before entering private practice (1970), Judge Williams had served from 1967 to 1970 on Governor Ronald Reagan's cabinet as Secretary of the State of California's Human Relations Agency (now Health and Welfare Agency).

In 1966 Judge Williams was the Republican nominee for office of Attorney General, losing in a close contest to the incumbent Democrat. Prior to his entry into partisan politics, Judge Williams had served as County Counsel of Santa Clara County (1955-67) and Deputy County Counsel (1950-55).

The Human Relations Agency included nine major state departments (Mental Health, Public Health, Rehabilitation, MediCal, Social Welfare, Employment, Industrial Relations, Corrections, Youth Authority), numerous boards and commissions, employed 48,000 persons, and was allocated $3.5 billion of the State's then (1967-68) $5 billion budget.

As County Counsel Judge Williams served as Chief Counsel for the Board of Supervisors of Santa Clara County, the County's various Officers, Departments, Boards and Commissions. In addition, he was counsel for the County's 48 separate school districts and a number of its Fire Districts, Sanitation Districts, Water Conservation and Flood Control District, and many others. His staff numbered in excess of thirty persons, of whom 15 were full time practicing attorneys.

During his time as County Counsel, Judge Williams was elected President of the California District Attorneys' Association (1963-64) and President of the National Association of County Civil Attorneys (1963-64).

Judge Williams is a veteran of Naval service in the Pacific during World War II and of the Korean conflict.

He is a graduate of UCLA (1943) where he was a member of the basketball team, later graduating from Boalt School of Law from which he received his Doctor of Jurisprudence degree (1948).

Judge Williams is married to the former Kay Bramlage of Santa Barbara, whom he met while attending UCLA. They have six children.

I BACKGROUND

[Interview 1: February 12, 1982]##

Family

Shearer: Could you tell me your parents' names and where you were born.

Williams: I was born in Redding, Massachusetts on February 24, 1922, in a snowstorm. [laughs] I was born at home. My mother's name was Anabel Lee Hutchison. She had been born in Texas, and her parents died at an early age and she ended up in Massachusetts being raised by two maiden ladies who were friends or acquaintances of her father. My dad's name was Theodore Ryder Williams. He was born and raised in Malden, Massachusetts, and his family had come from Maine a couple of generations before. My mom died last year at the age of eighty-five. My dad died in 1951 at the age of fifty-eight.

Shearer: Then when you grew up, it was in Massachusetts?

Williams: Until I was four. At the age of four, my father, who was in the banking business, moved to New York and we lived on Long Island. There were six kids in the family. Some were born on Long Island, but in any event, I was the third of six. I lived on Long Island until 1939 and in '39 I had graduated from prep school in New Hampshire. My dad went from the banking business into the motion picture industry.

Shearer: Is that when he came to California?

Williams: He came to California. He actually went into the business in about '37 in the business end and that was mainly headquartered in New York. He was with Educational Films, a Fox subsidiary. He was put there

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##This symbol indicates that a tape or a segment of a tape has begun or ended. For a guide to the tapes see page 91.

Williams: by the bank. He was with, I think, Chemical Bank. They loaned a couple of million dollars to Educational Films and a condition of the loan was that he be the treasurer to make sure they paid it back. Their big star was Shirley Temple. I met Shirley later in Los Angeles and now I know her in Woodside. But she was a little kid in a film, I think, called Diaper Derby or Baby Burlesque or something. She was about three years old and they had to read her one line at a time and she would repeat it.

In any event, he became acquainted with the people in the industry and got a contract as a motion picture producer, and then we came to California in '39. In those days, the main function of a producer was to raise the money--and he could do that--and then hire a director and select the stories.

College and Military Service

Williams: So I came to California in 1939 and entered UCLA. I crossed the Mojave Desert the same night Hitler invaded Poland. I went to UCLA, and in 1943 left in March to go to midshipman school in Chicago and then became a navy officer and won the war [laughs] and went to law school.

Shearer: That's quite a telescopic summary of your military career. Did you leave short of graduation?

Williams: I went before graduation but it was March and they gave us our diplomas afterwards.

Shearer: I see, they knew that you were going--

Williams: I was called to active duty and they just said that I'd finished all except part of the last quarter or semester, and they issued me a diploma when my class graduated. So I was able to avoid the last set of finals. [laughs] That's nice!

Shearer: But for a far larger test.

Williams: Yes. [coughs] Excuse me, I have a little cold here. I was commissioned in Chicago on August 20, 1943 and was married the same day to my college sweetheart, Kay Bramlage. Then after a brief honeymoon of about five days, I went overseas on the heavy cruiser Chester in the Pacific. I got out in '45 and started law school in January of '46 here in San Francisco.

Shearer: Did you have any time to take a breath?

Williams: No breath!

Shearer: Had you planned to go to law school upon graduation? Was that on the horizon for you?

Williams: No, it wasn't. I really had no particular plans when I was at UCLA. The theory was then that you go to school to get an education and you don't let your studies interfere. I got my C average, that's all I was seeking, and played basketball for UCLA and did all the other things that the guys do in college--most of the other things! But my dad said that he had met some lawyers and that the law is a good profession. I was thinking of becoming a motion picture director, but he became disillusioned with the motion picture industry and said that it was a real cutthroat industry and that he thought the law was better.

Then I went in the navy thinking I'd try to become a navy lawyer. The navy really appeared to be my cup of tea for a permanent career. However, I served all my active duty in the Pacific. But when I got out I did go to law school. Then about two years after I graduated, I went back on active duty during the Korean War, so I was a navy lawyer for about two years and had a chance to be commissioned a regular navy officer and to stay in the navy. But I decided I'd rather be a civilian and go back to California.

Shearer: Does being a navy lawyer mean essentially being the prosecutor?

Williams: Prosecution or defense. Also they do a lot of administrative law. I was stationed in the Pentagon during the Korean War, and they have a lot of administrative law there and contract law and that sort of thing. They do a lot of legal services for the dependents of naval families in various bases. But a large part is the court martial process.

Shearer: Was that a formative experience, do you feel?

Williams: Oh, yes, very formative.

Shearer: The courts martial?

Williams: I wasn't involved in that because I was stationed in the Pentagon and I was involved in--it was just an accident. I was on my way to the School of Naval Justice in Newport, Rhode Island, from San Jose and I had what they call proceed orders, so I decided to drive. I was supposed to report to Washington. I was entitled to six or seven days. By the time I got to Washington, it was too late to make it to the School of Naval Justice. So they put me on temporary duty with Herb Schwab, a commander, who was the administrative officer of the navy JAG.

Shearer: That's the judge advocate general?

Williams: The Judge Advocate General's Office--JAG. My assignment was to help implement the new Uniform Code of Military Justice. That's the first time the law required that defendants have attorneys during the prosecutions, and that the prosecutors and the military judges be lawyers. So the problem was how were we going to find out where the lawyers were in the navy and how could we spread them around so that they could be available for court martial activities. So I worked out a plan and that went all the way through up to the JAG and he approved it. Then they put me on other types of duties. I was assistant personnel officer concerned with officer assignments. I was also the war bond officer, the blood donor officer, the officer in charge of the naval reserve program, and a few other things. So I served my Korean duty in the Pentagon.

Shearer: I am struck by your description of your crossing the Mojave desert as Hitler was invading Poland. What drew you into politics? Did that perception play any part?

Williams: No, it didn't. It was just sort of an interesting event. In those days, we didn't have air conditioners in our cars, so we would leave Las Vegas about 2:00 in the morning and drive across the desert and try to miss the heat. The radio was talking about this big invasion. The experts would come on and say, "The Polish cavalry is the greatest cavalry in the world and the German tanks are going to get mired down in the mud and the Poles are just going to kill them!" Can you imagine?

Shearer: Such a debacle it was.

Williams: Oh, yes, but that was '39 and we were all unaware of what was really going on. In '39, '40, '41, and '42, the world was blowing up and we were just out there watching. But on Pearl Harbor day (I was actually babysitting in Beverly Hills) it became a very exciting time. So I enlisted in what they called a V-7 program. That was an officer candidate program. So I signed up in March of '42 and they kept me at school until March of '43 when I was called to active duty. But that was a real experience. I mean I thought the war service was a great experience and as a judge, later during the Vietnam War, I would tell these people who were resisting the draft that it would be a great, rewarding experience. They should join and voluntarily go in. Only about one-tenth of one percent ever got injured and only about ten percent of them saw combat and it was just a great growing up experience. Some I convinced and some I didn't.

Shearer: The part of the experience that seemed most fruitful to you was the experience of being in a large, well organized--or not so well organized depending on you point of view--structure and being placed in unfamiliar surroundings and challenged to do things you had never done before?

Williams: That's a lot of it, yes, it is--being given new responsibilities and asked to do jobs and being able to do jobs and do them well. As a naval officer on this heavy cruiser, we had about a hundred officers and a thousand men, so it wasn't a huge operation. But we got into some pretty heavy combat and had to make some decisions under stress and we had to be able to inspire our men to do their jobs and keep the equipment prepared. We had experiences of seeing other parts of the world and living in close quarters with a bunch of men and being able to adjust ourselves when we were in conflict and that sort of thing. We traveled to the Aleutians and we traveled to the Philippines and Saipan and [were] actually involved in the occupation of Japan.

Shearer: So you saw active duty.

Williams: Oh, yes, I think we were engaged in seven or eight major battles. My first operation was the invasion of Tarawa. [spells name] There were various landings through to Iwo Jima and Okinawa and also we bombarded the Kurile Islands up north of Japan. We were down below the equator in Funafuti and around and about. I wrote a poem on it, called "Peace in War"--I said war is bad, but it's not all bad because life is pretty simple. You know what to wear everyday, you know what your job is, you don't worry about getting fired, and when you are on liberty or on leave, all you have to do is have fun. You know your job is waiting when you go back and you know that your cause is right and the other side is wrong and it's all decided. You just try to do your job. So there are some easy parts, some different parts of war that being in the military during the wartime--you are all inspired and you love your country and don't question it and the other side is all bad guys [laughs] and you want to beat them up and so forth! It solves a lot of problems, at least when you're young. I don't think when you're older it's the same, but when you're young it is...

Shearer: What made you decide to actually enter politics? You came back from the war, you were married--

Williams: I was married and went to war and came back and went to law school. I went the first year to Hastings and the last two years I was at Boalt Hall in Berkeley and decided to move to San Jose. I only knew two people down there--the best man at my wedding, my roommate in midshipman's school, and my wife's uncle. But an acquaintance indicated that San Jose was pretty much regarded as the hot spot of the coming area of California, and that there were lots of opportunities in a growing, aggressive area. So into my second year of law school, I went down and talked to people, talked to the district attorney, and then after I graduated, I moved to San Jose and associated with two lawyers. Even before I passed the bar, I was doing some tax work for them. I was going to be a tax specialist. Then, later, the partnership broke up, and I went to work as an attorney for the county. I first registered nonpartisan. I had been a Republican all my life, but I didn't want to go down there and be committed one way or the other.

II POLITICAL CAMPAIGNS

Williams: After awhile, I decided to be a Republican again and I registered and became involved in the party. There was no problem with that. Even though I was a government employee, there was no prohibition against that. So the assemblyman whom I knew quite well--Bruce Allen--decided to run for the senate seat. It was occupied by a Republican, but he didn't think that the Republican was doing his job. So he announced his candidacy. I knew about it in advance and we worked up a plan. So then I announced to run for his seat in the assembly. This was back in 1954. But he changed his mind and came back into the race.

Shearer: Oh, that explains that lopsided figure, that he already had his constituency set up.

Williams: Oh, yes, his people were going to support me for the assembly and him for the senate. We had a sort of arrangement because our power base was the same--the Junior Chamber of Commerce and Young Businessmen and the Young Republicans and so forth. So he came back into the race and I figured, correctly or not, that it wouldn't look like I was really an independent person if he could pull a string and pop me out of the race. So I thought I would rather stay in and lose than to look like I was being manipulated by the party officials. So I stayed in and lost, but as a direct result of that I was appointed county counsel because I am sure that having run for office I made a lot of friends in the county and was aware of political problems and political attitudes, as were my bosses--the county supervisors--who were all politicians. They were all running for office themselves. So I think the experience and exposure persuaded them that I should be the county counsel when my boss went into private practice. Then they jumped me over the assistant county counsel. So I leapfrogged the assistant county counsel to become counsel. I was about thirty-two then.

Shearer: Do you think they might also have looked at the number of votes you polled and figured that the county counsel was a job to keep you busy and out of competition with them?

Williams: No, I don't think they ever thought I would be running for county office. Anyway, that was my first political exposure. Then I got busy being county counsel and I was county counsel about twelve years

Williams: and was not active in politics at all. But I had what now they call a burnout. I was county counsel, and we had a very exciting office. the county was growing rapidly. I started with three lawyers, I think, and ultimately we had about twelve lawyers in the office. The county population grew from 145,000 to about a million. We had to acquire school sites, park sites, flood control sites, highway sites. It was a very active office. We represented all of the schools and their growing problems, and firing and hiring administrators. We represented the county hospital and the sheriff. But after awhile I had such a good staff that I didn't have to do much myself. So then I became president of the District Attorneys Association of California. Then I organized and became president of the National Association of County Civil Attorneys, we called it. Then I said, what is the next government job--law job--I can get. "I don't know, probably attorney for the state."

The Campaigns for Attorney General

Williams: The only way I could be attorney for the state was to become attorney general, and that was an elective office. So I knew Pat Brown and Tom Lynch and all those guys because we worked with them when Pat was attorney general. Then I knew Stanley Mosk because he was attorney general when I was president of the District Attorneys Association. So then the election was coming up. I took a leave of absence from my job and traveled all over the state and talked to Republican leaders up and down and tested the waters and so forth. I didn't take a leave immediately, but I spent a lot of time on it. Then I decided there was a good chance to get the nomination. So I ran. This was when Reagan was running for governor and George Christopher was his main opponent in 1966. I was a northern California candidate and there were two Republicans running against me in southern California. They were trying to make it look like a Christopher-Williams ticket. [laughs] No, no, no way!

Shearer: The southern California people were attempting to do that?

Williams: Yes, southern California tried to make it look that way. But in any event, to make a long story short, I got the nomination and in fact I carried every county in the state for the nomination and got more votes than most of the other candidates. It was a very successful campaign. One of the reasons was that one of my opponents had antagonized the Nixon people very badly.

Shearer: That was--

Williams: Judd Leatham; he's a judge now. He was chairman of the Republican Central Committee in Los Angeles, and when Nixon was running against Pat Brown for governor, he [Leatham] did something--wouldn't put out

Williams: a mailing or something that angered them very much--so they spread the word quietly that I was the one to support. I think that was a contributing factor because we had no money. I think the campaign cost $18,000 statewide! The primary.

Shearer: Now, you also opposed Deukmejian.

Williams: That was in the second race in 1970.

Shearer: You had known him, I suppose, too.

Williams: Yes, I knew Duke. I met him. When I was in Sacramento with Reagan. I had met most of the Republican legislators while I was running for office. So I knew Duke and he was an assemblyman then. I knew all of the guys and then, of course, I dealt with them as secretary of human relations because the scope of our activities was so broad that it about hit every committee in the assembly and the senate.

Shearer: This is jumping ahead, but was there any coolness between you and Mr. Deukmejian after you opposed each other in the primary?

Williams: Not at all, no. I had been with the governor for three years when I resigned to run again in 1970. So I was no longer in state government. In fact, I encouraged Duke to run. I told him, "I think you ought to run," because he had been interested in this sort of thing and I figured the more the merrier and also he might draw more southern California votes and split them up. I was the only northern California candidate. During the campaign there was no antagonism at all between the two of us and, as it turned out, I ran third, he ran fourth. My main target was Evelle Younger. Then John Harmer came into the race kind of late. But Evelle Younger was the district attorney of Los Angeles, and before the first race (1966) I asked him if he planned to run for attorney general. He said, "No, I have to serve out my term as district attorney." He was a good friend of the publisher of the Los Angeles Times, Otis Chandler.

In the primary, I think in those days the Los Angeles Times endorsed from both tickets. They endorsed me--I don't know if they endorsed Christopher or not--but in any event, in the general election of '66, the Los Angeles Times endorsed Reagan and Lynch, my Democratic opponent. I thought that was outrageous to elect a new governor but hang the old attorney general on him. But the Herald Examiner endorsed Brown and Williams, and I thought that made a lot of sense! [laughter] That was perfectly logical.

Shearer: Yes, a breath of fresh air!

Williams: Anyhow, when I ran the second time--in 1970--the reason that the Times endorsed Lynch in 1966 became apparent. They wanted to keep that spot in Democratic posession, so Evelle could run for it in 1970--thinking ahead.

Shearer: This is the '66 race.

Williams: That's right. So I lost Los Angeles County by the same vote that I lost the state race.

Shearer: And you think the Times endorsement was a powerful force.

Williams: Oh, yes, if I had had the Times endorsement, I would have won. But now I'm not unhappy about it. At that time I was. I think that things turned out better in the long run, but if the Times had endorsed me, I am sure I would have carried the whole state.

Shearer: I was going to ask you if maybe some of the statements by Mr. Reagan favoring the anti-obscenity law deflected support from your campaign?

Williams: No, I don't think so. Ron called me about the day after the final results were in. They didn't come in for about four days; I didn't know whether I'd won or lost. Ron said, "Spence, you can't expect the Democrats to vote for six Republicans in a row." The attorney general is the last listed on the ballot. Actually I believe the attorney general is the second most important statewide officer because of the responsibilities and the functions he has. But he is at the bottom of the ballot. In California, Democrats greatly outnumber the Republicans in registration, so when they crossed over to vote for Reagan, they voted for Finch--and Finch got more votes than Reagan because he wasn't as controversial. Then they voted for Jordan because he had been there forever. Then they voted for Hugh Flourney and Ivy Baker Priest and they got to Williams. You could see the voter drop-off. Ivy Baker Priest didn't know whether she won for about three days, and finally on the fourth day I found out I didn't win. So as Reagan said, "It's the voter drop-off." I think that was the main reason. I had a very low-budget campaign, about $130,000, but we had good press coverage. We ran a very well-organized campaign and, of course, the governor's big sweep, pulled a lot of us in. I just didn't quite make it.

But another thing, they were talking about doing billboards with the whole ticket like this. Have you seen this before?

Shearer: No, I haven't [examines document]

Williams: This is a handout that they had which showed the California team. They wanted to have a billboard like that, but they were convinced that a billboard with six faces wouldn't sell, so they chose a Reagan-Finch billboard. Governor Reagan said, "I don't want to leave the state on a trip and have a Democratic lieutenant governor take over." So he felt that it was important that the lieutenant governor be also Republican. So those two factors--

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*"California's New Team." Undated brochure published by Campaign Headquarters, Dr. Gaylord B. Parkinson, Chairman.

Shearer: Did he feel that by carving off just the two top slots that it would concentrate the vote-getting appeal to be sure that he had a Republican lieutenant governor?

Williams: Right, that was the main objective. So anyhow, that's the way it turned out. The polls showed that I'd get about 28 percent to 29 percent of the vote, and it's very difficult to raise money when the polls say that. Actually, I only lost by about two percent.

Shearer: I wanted to ask one more question on this campaign. The issue that seemed to take paramount attention appeared to be that of organized crime and Mafia intrusion into California. What was the main issue?

Williams: That was one of my main points. But the biggest issue I ran on was the increase in crime, and all attorney general candidates are still doing it. I mean I look at the campaigns since then and all of the attorney general candidates are the same. Of course, I hung it on Brown and Lynch because they were in control and the crime rate had gone up tremendously.

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Shearer: You said you hung it on Brown because the--

Williams: He had been attorney general and then governor for two terms and Lynch had been his sidekick right along and the crime rate actually just soared. I used to say that California has more crime than New York, Pennsylvania, and something else--Massachusetts--put together. And much more than the relative populations. I blamed it on them, that every time they had a problem, they'd ask for a study or appoint a committee, and they weren't really leaders and so forth and so on.

"Delinquency Early Warning" Line

Williams: The main program I was advocating, I called Dew Line--Delinquency Early Warning Line. I said that we should spend more money trying to prevent crime since most of the crime was committed by kids from fourteen to eighteen to nineteen. Actually by studies of a couple of professors up at Harvard, they could see criminal tendencies very early at four or five years of age. They set up a system where the schools could identify these potentials and they could be evaluated and if there were problems then they could have intervention right then and try to prevent the first criminal act. I said the major problem was that these kids were unwanted, were born not wanted and were ignored and sent to school without any training. They didn't know their names, didn't know that they had fingers. They were just terribly disadvantaged that early in life, and got their attention

Williams: and their kicks by being cutups. They just did not really conform to the system. They weren't learning in school. They were getting into trouble and that led them to juvenile hall and then a criminal career. It cost more money to keep a person in state prison and the Youth Authority than it would be to send them to Harvard. So if we could devote resources at the lower end of the continuum of the crime continuum, we might be able to turn it around. That was my program.

When I got to Sacramento, I was able to get a pilot program going on that, but I left before I ever found out how it turned out.

Shearer: What kind of intervention did you hope for?

Williams: I had hoped that we could get some--say a kid who was in high school--pay him to work with the little kids, sort of a big brother, not an adult. I would give him a little budget and he could take the kid to the ball game and buy him a pair of shoes if he needed it, and if he saw a real problem in a family, he could notify the authorities and they might be able to start working with the family. Now, this is big government intervention, but I thought that was probably the only solution. My theory was that if these high school 'big brothers' could have continued in this program while going through college, the pay would help cover his college education. Then the kids they worked with, as they grew up, if they worked out okay, might themselves become big brothers for other young kids and could earn enough through this program to also get themselves through college, so it would be a cycle situation. I still think that that's where we have to concentrate our efforts, to stop that first crime, to keep them out of the criminal justice system altogether and interested in other things. That was the program. That was my affirmative answer to their program as to what happens in crime.

Shearer: That, as I recall, generated a considerable concern that these kids would be prejudged criminal before they'd ever committed a crime and concern partly from the professional social work community who saw that as an incursion on their jurisdiction and their expertise.

Williams: Also, the schools didn't want to be involved in that. They said, "Look, we want to teach. We don't want to get involved in this sort of stuff." My feeling was that these people would be working with the welfare departments and if they saw a big problem, they would ask the advice of welfare department and they would be able to send out counselors and perhaps work with the family. But it was more of a concept than a detailed plan. But the school people just said, "We don't want to get involved in that sort of stuff. We want to teach." But you can't teach a kid history if he can't read, and that was a big problem.

Shearer: How would the high school senior advisors be chosen?

Williams: Oh, I didn't get that deep into it. You'd select kids who needed the financial assistance and [who] themselves had not been in serious trouble and who wanted to participate. Maybe it wouldn't have worked, but we at least did start a pilot program down in the East Los Angeles area.

One time I went to Cap Weinberger. He was director of Finance. I said, "Cap, I can find $20 million in the budget that I don't need and you don't know where it is. I'll give it back to you, if you'll give me $10 million--or if you give me $5 million, I think it was or something like that, to run the program on delinquency prevention." He said, "No." I said, "Come on, Cap, you don't know where it is. You need the money." He said, "How about a million?" I said, "Okay." [laughter] So I gave him back the money and I got about a million dollars to try to run this one program.

Shearer: When did that start?

Williams: That was about 1968, '69 perhaps.

Shearer: In East Los Angeles, and this went to pay about how many senior and junior--

Williams: I don't know. They were just setting it up. We set it up through the Youth Authority. In one of my speeches I'd say, "Do you know we have a seven-year old murderer in our system, a cold-blooded murderer, seven years old, and he is in the Youth Authority's confinement." That's a shock. People got kind of--In those days also the narcotics was getting mixed up and it was coming on real bad, real strong. So I would say, what do they do about narcotics? Anyhow, the program started and I never have been able to find out what happened to it.

Campaigning with Ronald Reagan

Shearer: When did you first meet and come to work with Ronald Reagan?

Williams: I first saw him in San Diego at a rally in somebody's backyard, a big estate. I remember it very well because he had on a blue blazer and some white flannel pants, and he was talking about government. I had been in government most of my professional life, and it didn't sound like he really knew what he was talking about! [chuckles]

Shearer: He was talking about the detrimental things?

Williams: Big government. And I was skeptical. He was very attractive and spoke well, but I felt that he didn't know enough of the details to be able to talk intelligently about the problems and the solutions.

Williams: He is a quick learner and before the campaign was over, he was right on the button. But those first few times, he was--Most of the people he was talking to didn't know about government either, so he could be persuasive. But that was the first time I saw him. I don't recall if I met him though.

Shearer: This is early in the '66 campaign?

Williams: Very early, yes. I think I may have met him for the first time in the Coronado Hotel at the Republican State Central Committee meeting. All of the candidates were around this big head table and all of the gubernatorial candidates spoke and then the rest of us spoke. Each had two minutes to tell all about himself and his program and his family! I had a lot of that. They just wanted to take a look at you more closely. But he was sick. He had the flu, I think. He said, "I feel as though I am talking under water." There was a picture on the front page of the Los Angeles Times the next day, a terrific picture. I'm here and then next to me is Christopher and somebody else and then Reagan is at the podium. I wrote to the Times and said, "Can I use that? I would like to get that picture and use it in my campaign materials." They said, "No, it's copyrighted, you can't have it." But it was a really neat picture and I still have it in my files.

Shearer: How did you come to his attention? Did you make any suggestions on the basis of your observations early on in the campaign to help him sharpen up his approach?

Williams: During the primaries, it was pretty much every man for himself. I just wanted to make sure that they didn't connect me with any other candidate, particularly with George Christopher because I wasn't with him. As soon as the primaries were over, then Ron called us all to Los Angeles and we sat down in Los Angeles. Holmes Tuttle was there and Henry Salvatori and the kitchen cabinet. I think maybe William French Smith was there at that time. We laid out a plan of running as this team, a team operation--everybody was on the team. Frank Jordan initially didn't participate very much because he was re-elected for years and years and years, and he wasn't worried about it. But everybody else was there.

They talked about how they would allocate funds and how we'd raise the money and try to coordinate our campaigns. So that's when we started working together closely.

Then we campaigned together. Sometimes we'd all go together, sometimes I'd be with the governor or someplace else. Our wives were coordinated also. They would fly to different parts of the state and make speeches. It was a pretty closely coordinated effort by all of us.

Williams: Then Reagan would give his law-and-order-type speeches and he didn't ask me to check them out, but he had good advice. They were good speeches.

Shearer: Who wrote those speeches?

Williams: For him? I don't know. He had an outfit over in Glendale, I think it was, doing his position papers. They were pouring a lot of stuff in his head and he was retaining it. He has a tremendous ability to grasp and retain information.

Shearer: This was not a professional campaign manager?

Williams: Oh, he had Spencer-Roberts as campaign manager.

Shearer: But what was the Glendale--

Williams: It was sort of a computer "think tank" sort of thing. But they would give him these little booklets on different issues.

Shearer: Did you make use of this Glendale firm?

Williams: I don't recall that I ever did. But by that time, we had been through a couple of professional campaign advisors and they were no good. We got a couple of professional fund raisers who just about raised their commission and that was about it. So in general, we did our own. We did have Spencer-Roberts come in as a consultant at one time, but basically I hired a friend of mine who was an executive in IBM. He took a leave of absence to be a campaign manager. We hired a staff and we did our own operation. Near the end, my brother came out from Pennsylvania. He was an editor of a magazine and he was my press man. He generated more ink than anybody else. He was just great.

Shearer: Did you say your brother?

Williams: My brother.

Shearer: Whose name is?

Williams: Bob; Robert Williams.

Shearer: Who was your manager?

Williams: Bob Simmons.

Shearer: After the results were in, you were still considered a member of the team?

Williams: Yes, right.

Shearer: That fact that you had not won attorney general didn't alter that?

Williams: Right.

Early Appointments in the Reagan Administration

Shearer: Was there a field of candidates for the job of Secretary of Health and Welfare Agency or was that something that was offered specifically to you? How did that come about?

Williams: What happened--

Shearer: And why did you take it?

Williams: Yes, why? I have a good answer to that, but I'll start with the beginning of the question. The governor rented some space in the Ambassador Hotel, one of those cottages there, a couple of them. He had people going in there and some of his kitchen cabinet people and others. There were screenings, setting up a sort of parallel government and screening to fill all of the jobs which were opening up.

Shearer: This was just in the weeks following the election.

Williams: That's right; similar to what they did in Washington. So anytime a job came up, I understand they'd say, "How would Spence Williams be in that job?" They offered me a lot of positions. They felt me out on them because they wanted me to be on the team, and the governor did. He said, "I'd like to have you come to Sacramento with me."

Shearer: What were some of the jobs that were offered?

Williams: The first one was to be extradition and clemency secretary. The secretary would be on the governor's staff and handle the questions of a person on death row, whether the governor would commute the sentence, and then also, the transferring of prisoners between states. It only paid twenty-two thousand dollars a year and I was making thirty thousand as county counsel. I had six kids to support and I said, "I can't take that cut in pay." Somebody suggested that we get the private sector to contribute the difference. I said, "No, I can't be a public official receiving money through a private sector. It doesn't fit right. However, I told them there is a very sharp young man that I thought they ought to look at. He was a Deputy District Attorney of Alameda County, and when I was president of the DA's Association, he was our lobbyist. His name is Ed Meese. He made speeches for me when I couldn't cover." They said, "Send him up." So he went up. I saw him in the Sacramento office Reagan set up for about a month before he got inaugurated and Ed was sitting out in the lobby and I came out following a talk with the governor.

Williams: He said, "Hi, Spence." I said, "Hi, Ed." He said, "Are you going to join the administration." I said, "You bet." He said, "I think I will, too." How about that?

There's another one I'll tell you. Mike Deaver was the executive director of the Santa Clara County Republican Central Committee. And I knew him there too.

Shearer: Had you recommended him?

Williams: No, I didn't. By the time I got to Sacramento, he was already there and working. He was assigned to go over all of the departments in my agency and recommend which key people should be retained and which should be let go. He did a super job of that.

Shearer: I thought he was appointments secretary.

Williams: He ended up as assistant to Ed Meese. The appointment secretary was Paul Haerle? No, it was--I don't know right now. He became secretary of the air force.

Shearer: Oh, Verne Orr?

Williams: No, he was--I mean under Ford, some guy that supported Ford when Reagan was running. He might have been because he was on the staff and they sometimes switched around, but it's the same as--in any event--

Shearer: You're right. Mike was assistant to the governor and director of administration, but that's of '71. I thought he served right from the beginning. That's what you were--

Williams: Mike might have been working there with Tom Reed, who was the governor's first appointments secretary and I think Paul Haerle was the second appointments secretary in charge of filling positions like judgeships and that sort of thing. There also was a scheduling secretary who took care of the governor's appointments and his daily calendar. But Tom Reed I think is the first appointments secretary and Paul Haerle the second.

Shearer: That's right, Tom Reed, Paul Haerle, and then Ned Hutchinson.

Williams: Ned Hutchinson, right. Now, Mike might have worked with those guys to begin with, but he ended up, after Sandy Quinn left at least, over in the executive--assistant to the governor. The job that Phil Battaglia had first and then Bill Clark and then Ed Meese.

Shearer: Now, we're at a kind of watershed point, whether to talk about the governor's office and your relations thereto or the agency as you found it and as you came to change it.

Williams: Let me just give a little more preamble. I was offered several positions. One was in transportation (or at least they talked about it) and at the same time, I was working with Cap Weinberger on a proposed reorganization of state government and we came up with a plan of having three cabinet officers. Each was going to be called the assistant governor. One was going to be human relations, one was to be resources, and the other was to be business and transportation. But in putting it together, we looked at all of these boxes and we moved them around like everybody does when you reorganize something. I thought I should perhaps take the one that had the Highway Patrol in it because that was the closest to law enforcement and that would be an interesting job. Henry Dietz, who had been a deputy attorney general or assistant attorney general for many years and county counsel of San Diego and a long time friend, said, "Hell, why don't you take that Youth and Adult Corrections [Agency] and the Human Relations that you put together, because that is the toughest and that will get you more press and you can demonstrate your ability. Why not go for broke?" I said, "I think you're right."

So I was appointed to that and I think I was the first person appointed in the administration. I may have been the second. Maybe Gordon Paul Smith was appointed the same day or the next day, but I think I was the first one appointed. (Something just slipped my mind I wanted to say about that.) Oh, one reason I left county government to go with the state government was because I had a feeling that Tom Lynch would quit as attorney general. He came up with a very angry blast at the Democrats for not supporting Pat Brown and also he had been state-wide manager for Lyndon Johnson. I figured that he might be appointed to the bench by Johnson and there would be a vacancy. So I wanted to be in Sacramento sitting right in the governor's lap when that happened! [laughter] That was a big motivating factor in going that route instead of staying on as county counsel and perhaps getting appointed to the bench. I wasn't interested in the bench then, so this was a chance to be over there and perhaps either get the appointment or stay in the public attention until the next race and run again. So I did. In the second race, I'll just skip to that, there is something I forgot to say.

Up until the very last, Evelle Younger was really angling to become director of the FBI. When Hoover was given an extension over age, Younger decided he'd go for attorney general. But he really wanted to be in the FBI, at least that is my understanding. He had been in the FBI before the war. So he had wanted--and this is a very powerful and exciting position to have--to go for it. So if he had gone into the FBI, then I think I would have had a better chance. Harmer came into the race late with a lot of money, and I think Evelle spent over a million dollars in the primary in the second race. Harmer spent about $800,000, Deukmejian about $250,000, and I spent about $125,000 and came in third.

III AGENCY ISSUES AND ADMINISTRATION

Agency Reorganization

Williams: But back to 1967: I accepted the appointment, came to Sacramento and went to work.

Shearer: Indeed, you were handed a great potential for press and challenge.

Williams: Preliminarily, they said, "Do you want Health and Welfare or do you want to go to Corrections?" I said, "Put them together!"

Shearer: And take them both! So it was on your recommendation that the Youth Authority and Department of Corrections were joined?

Williams: I think Cap was the main one. He had been with the Little Hoover Commission. I saw a great chance for it interfacing between Health and Welfare and Corrections and Rehabilitation, and it turned out that way. We could get federal money through our rehabilitation program and put it directly into the prison program. You could do the same with mental health. We could transfer people from the criminally insane faculties into special treatment programs in the mental health department. So really it was a huge operation. There were 48,000 employees. I think our first budget was three billion dollars. The total state budget was just under five billion the first year.

Shearer: What was your rationale for including the Department of Corrections and the Youth Authority under the Health and Welfare Agency? Can you give me an example of how you might use monies across the boundaries of rehabilitation and corrections?

Williams: I had one program with the Departments of Mental Health and Corrections in which we trained some of the women prisoners who are at Corona, I belive, the women's prison in southern California, and took them over to Patton Hospital not too far away and trained them to work with

Williams: retarded children. It was good for them and good for the kids.

Shearer: So that program took them out of the prison setting and gave them training which could be then applied outside?

Williams: It may have filled some need for them as individuals but also it gave them a chance to learn a trade. We also transferred some of the very dangerous criminally insane down to one of the facilities down--Let's see, they were dangerously insane but they weren't criminals, let's put it that way. We could take them from a less secure institution in one of the state mental hospital system and transfer them into Vacaville, which had much better security.

Shearer: Vacaville being--

Williams: Vacaville being a state prison with real strong security and the hospital down in San Luis Obispo (or Atascadero) that didn't have that kind of security. So we could make that kind of transfer.

Shearer: What kind of reaction did these two particular moves engender? Was there any criticism of placing "criminal women" in charge of mentally retarded children?

Williams: I didn't receive any. I didn't see any problems there. I don't remember any. There were some others. In the rehabilitation thing we could actually use state money as matching money to draw federal money into the prison system for rehabilitation and so increase the program in the state prison by the use of state matching money. That was helpful. We also had, for instance, the Department of Employment and we had the FEPC and the workmen's compensation--not workman compensation, but the programs for developing jobs for the poor people and that sort of thing in my agency. We could take some of those job training people and have them go into the prisons and set up job programs there.

One we were working on--I don't know if it ever worked out or not, we talked about [it]--was trying to train deep sea divers.

Shearer: From among the prison population?

Williams: Yes.

Shearer: Why?

Williams: There was a big need for them, it was a good paying job, and there were a lot of young, strong people in prisons who needed job training.

Shearer: So the actual job didn't particularly serve a state or prison need. It's just that it was a growing job field.

Williams: When they got out, they would have a vocation. I had the suggestion, and nobody would buy it, that we ought to train these guys to be waiters--teach them to speak with foreign accents [laughs] and make waiters out of them. That's a good paying job and there is a pretty good demand for waiters. But there were ways you could do that and coordinate the activities. Certainly, in the mental health area some of the people served by the Youth Authority and in the prisons had mental health problems and we could perhaps coordinate that. I was not sure of the extent to which it was carried out, but there was a big opportunity there. We did a lot of it.

Shearer: I gather that you considered yourself as the idea person in the agency.

Williams: No, my function was to be the departments' advocate with the cabinet and the governor and the governor's arm on the departments. We were not supposed to run the departments. Later the agency grew and grew and grew but in my time I only had a staff of about six or seven people--maybe not that many. I had an assistant who was my liaison with the Department of Corrections and the Youth Authority.

Shearer: That was Ray Procunier?

Williams: No, Ray Procunier was director of Corrections. I had Bob Smith, who had been in corrections and then we also had Allen Breed, who was director of the Youth Authority. So Bob Smith would be their coordinator with me. I couldn't always meet with them personally.

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Williams: Bob Smith was just for the Department of Corrections. We had another one for the Youth Authority. George--his last name slips my mind right now, but a very, very outstanding guy. Then we had another one who coordinated welfare--Bob Fugina and someone for mental health--I had one person on my staff for each department or combination of departments. I wasn't trying to run the departments. They ran themselves. I would make suggestions and watch their budgets and tell them how much they had to cut. Sometimes if there was a certain amount we wanted to cut out of the budget, we would take more out of one department that could spare it than out of another because it was a program that may have been more important, but I pretty much let them run their internal operations and that was the concept--that we weren't to become the department head. We had some excellent department heads.

Shearer: Who were the excellent ones?

Williams: I am terrible at remembering names today, but the director of Mental Hygiene--

Shearer: James Lowry?

Williams: James Lowry was a holdover from the Brown administration and he was absolutely terrific. He had started a program on the reduction of the populations of mental hospitals that Reagan took the heat for.

Shearer: Do you mean the channeling of the people into the communities for community services?

Williams: Right. That program was conceived and initiated originally during the Brown administration.

Shearer: That was with the Short-Doyle legislation?

Williams: That's right. Then the Lanterman-Petris was another one. That came up during the Reagan administration and Reagan never got credit for it. Lanterman was an advance thinker of Reagan's.

Family Visitation Program

Williams: Before I forget it, I want to also mention that Reagan was the one that initiated the idea of having home furloughs or having the wives come to prison--family visitations.

Shearer: Conjugal visitations?

Williams: We changed the name. He heard about it being in Louisiana as conjugal visitations and he called me into his office one time and said, "Spence, I was reading about this. Can we do this in California?" I said, "I sure think so." He said, "Nobody can accuse me of being a bleeding heart, and I think it would be a good program. It would help reduce homosexuality in the prisons and give better control over the prisons. Why don't you give me a report on it?" So I got Ray Procunier to work up a report and Ray said, "The first thing we are going to do is change it from conjugal visitations to family visitations!"--[laughter]--"because some of these guys could have their mothers come and visit them." Okay! So he went and put this program together and presented it to Reagan, who said, "That's great."

The first one was up at Tehachapi, the first actual visitation. I went up there and the press was all over the place. The inmate was a very nice looking Mexican-American guy who was in for auto theft or something like that and his wife, a very attractive lady, and a little boy about three years old came. They had a facility outside of the walls that had been a staff home. So they were there. They have a head count twice a day in prison, so he had to go stand outside his house so they'd count him. They counted one and a half because he had a little kid with him! [laughs] But not one word about Reagan in anything I ever read on that. It was "California is doing this; California is doing this." It was Reagan's idea, and I kept telling them, "This is the governor's idea." They never printed that. He never

Williams: got credit for that. He didn't care if he got credit for things. He had a sign on his desk that said, "There is no end to what you can accomplish--no limit to what you can accomplish--if you don't care who gets credit for it." But that is one of the many things he did on his own initiative that shows what a great guy he is.

Shearer: That is very interesting. I hadn't realized that was directly attributable to him.

Williams: That's right.

Reducing State Hospital Populations

Shearer: You mentioned James Lowry as being an outstanding person.

Williams: Yes, a great administrator and a fine--

Shearer: You took a lot of heat for him, didn't you?

Williams: For that program, yes.

Shearer: The program of reducing state hospital populations by putting patients into the local communities and using community service?

Williams: Right.

Shearer: Wasn't he very disturbed at the cuts of the state hospital technicians.

Williams: No, he never indicated any unhappiness. What we did was reduce the staff less quickly than we reduced the population of patients, so that the ratio of patients to staff was improving or at least it kept the same. The reason they could reduce the state patient population was that they had this new drug therapy that could keep aberrant behavior under control. I don't know what the pill was, but it permitted better control of the patients in the community. Now, sometimes the community programs haven't been as satisfactory as expected, and some people say that the reduction in state patient population went too fast. But the theory was that as long as a person wasn't dangerous to himself or others, as long as you lock him up just because he is kind of a funny person way out in the country and away from his family and all of his support, it's not as good as if you keep a person in the community, close to his friends and family, where he is going to be able to handle it better. So we encouraged every hospital to get a local psychiatric board to take on the emergency situation, handle it now, and then keep the person in the community if possible and not send them way away to a state hospital.

Williams: I never saw "One Flew Over the Cuckoo's Nest," but I wish I had, because I was in charge of all of our cuckoo nests and I know that before I ever went to state government, a friend of my wife's was put in Agnews State Hospital. She had a mental problem and it took three or four weeks to get her out, to do just the paperwork and all of the other stuff. There is a stigma that goes with that, too. So the idea was to try to keep people in the community, treat them in the community, and not send them away unless there was a really serious problem. Also, the state program provided that the state would pay ninety percent and the community ten percent no matter where they were treated. So, if the person came up to the state facility, then the state would charge the county ten percent of the cost. If they go to the community and administered locally, the state would pay ninety percent of the cost. The idea of taking a person, pulling him out of his family, and sending him off to some place that is hard to get to was not the best way of handling it. But if Jim Lowry didn't approve, he certainly never said so because he was a good soldier. He took his orders and did a great job and he testified time after time before Alan Short's committee and the others on this and did a superb job on that one.

Shearer: Why did Charlie Warren take after him and ask for his resignation or that he be fired? I read somewhere that you said, "Over my dead body!"

Williams: Did I say that?

Shearer: Yes.

Williams: Well, I would have. Warren's a politician. He wanted to run for election and he wanted to tear down the Reagan administration. That's politics. The same with Alan Short. I was on television with him a couple of times here and in Los Angeles and he'd go after us--He was just getting press. He may have sincerely felt that the state hospital patient reductions were detrimental but I don't think that was the main motivation.

Shearer: You said that the money to pay for the reductions in the state hospital population was made available through the Short-Doyle legislation. Now, is this the same Short?

Williams: Yes, the Short-Doyle legislation was in addition to that though, I believe. No, I am thinking of the Lanterman-Petris Act. I am thinking of Nick Petris, not the Alan Short. Pardon me, Nick Petris took us on. I don't know about Alan Short.

Shearer: Why did he oppose [it]?

Williams: I think Nick Petris opposed it because I believe he had a state hospital in his district. There was one over there in Modesto and that's his

Williams: district. But he also was getting a lot of press out of the thing. But he was an active Democrat and we were Republicans and it is part of the game to criticize the administration. But the Lanterman-Petris Act was the one which made it more difficult to get a person into a state hospital. It required that they have a hearing at the local community level. I think they could be locked up--detained--only five days without a further hearing of the psychiatrist who had to testify because there have been some horrible examples of people who had been committed because they were a little senile and maybe not very senile and then their estates were taken over by their relatives when they were out of the picture.

Lowry said that there is no reason why you should lock a person up because he is different, if he is not dangerous, even when they walk around with funny hats on or make funny noises. Maybe the communities feel uncomfortable, but it is not fair to deny a person his own liberties because he is a little different. I mean, odd is not a reason to lock a person up.

Shearer: How did you deal with the question of determining who is dangerous at the point of release? It seems to come up over and over again with people who have been committed for rape or violence toward another person and are sometimes released.

Williams: That is a problem more in the Adult Authority and the prison system. Most of the people in the mental hospitals are just old, senile people, old ladies and old men who weren't dangerous. There were some young people, but the high percentage was just old senile people and there was not a real concern about danger there. But if they had a history of violence, then they wouldn't be released, not as far as I know of.

Shearer: As a result of this program, did the character of the population of the state hospitals then change to become more dangerous?

Williams: Yes, I imagine so. Also, we had the programs for the retarded and we tried to change the formula for support and got tremendous opposition. If the child was emotionally disturbed, the parents paid according to their ability to pay, so it wouldn't break them if they had to pay according to their ability to pay, and it was a fairly generous formula. But in the retarded cases, the parents only paid twenty dollars a month--I think it was twenty dollars--regardless of the cost to the state, and some of the parents of the retarded were well-to-do and we tried to get the formulas the same. Of course the parents resisted it and were bitterly opposed to that idea.

Shearer: You wanted to make the retarded support formula a sliding scale rather than--

Williams: Yes, that's right. I mean you couldn't keep a kid in your own home for twenty dollars a month. But many parents of retarded children are very emotional about their children, very upset about it. I don't

Williams: know whether they feel guilty but they were really a very strong and vocal group. They really took us on. We had some great programs for the retarded in all of the hospitals. We saw big development there, too, and we'd get contracts. For instance, I think Agnews had a service contract with United Airlines to sort out the nuts and bolts after they overhauled the engines. It is tedious work. For people who are retarded--it's great. They can do it, concentrate.

Welfare Programs: AFDC and the Mentally Retarded

Shearer: Why do you think there is such a vast difference between the amount of services provided mentally retarded children and those on AFDC, [Aid to Families with Dependent Children] for example, in the degree of generosity in computing eligibility and the support formulas and so forth?

Williams: I don't know that there was a difference, but I will tell you this about the governor. Very early in the administration a group visited him, parents of retarded children. They told him that the state program was not up to par and said, "We hope that you can do something about it." He said, "I am very sympathetic to your program. I have played a part"--in some movie or play--"of a parent of a retarded child and I was able to understand some of the problems and learn about it, so I assure you that we will do a much better job in California." He substantially increased that budget every year and the results were evident.

Shearer: It's clear from the record that funding for the programs specifically for the mentally retarded was increased during his administration. Do you think that the concept of blame or blameless--mentally retardation being no respecter of person or class or ability to pay or whatever--played a part in the governor's attitude? The children on AFDC might be considered to be blameworthy--not so much the children but their parents--

Williams: Oh, I think there is a lot of difference, yes. I think that being retarded or at least emotionally disturbed are physiological factors beyond control, and some people are on welfare because they just don't get out and work. That's the mental attitude of a lot of people.

Shearer: Was that the governor's attitude?

Williams: No, no.

Shearer: He didn't feel that there was an intrinsic laziness? I am thinking back to his campaign statements on welfare recipients where there seemed to be a very strong--

Williams: It wasn't directed at the children, it was directed at the parents on welfare. I used to make speeches and maybe I wasn't too popular because of it, but you take the profile. The actual profile of the average person on welfare is about an eight-year old or a ten-year old kid. The public image of a person on welfare is a twenty-eight-year old healthy minority male who is sitting in front of his color television set, drinking beer instead of working. That's the mental image, and the demagogues will blow that up. They've blown it up and that's what people think the average welfare person is. But most people on welfare and the AFDC program are basically mothers who have been deserted with three or four little kids. There are a lot of gimmicks and games going on in welfare. In welfare there is a lot of fraud and a lot of mistakes. I think welfare can be a bad program if the government says to a guy, "If you leave, we'll support your family" -- "we will assume your responsibilities in this area." Then he can become irresponsible very easily in that area. When the government steps in and assumes people's responsibility that they should take care of themselves, they can be irresponsible because of the easy way out. I am not saying that we should abolish the program, but I have asked whether statistically they can show that welfare programs have done any good, and they can't. They can show instances where a person who has been hard up and has gone on welfare and with the help of that money has gotten training to get a job and has gotten off welfare. That's great! There are histories of that. But you can't show statistically that it has done any good.

The turnover of the welfare workers is fantastic. You get some girl that has graduated from college in music and the only job she can get is as a welfare worker and she goes to work and she works about six or eight months and talks to mothers about how to budget their time and how to raise their kids, and the mothers don't pay any attention to her and she gets frustrated and quits. There is a tremendous turnover, so like many programs, the concept is a good one, but I have never been convinced that it has done the job that it is supposed to do. It may have actually generated <u>more</u> problems.

Shearer: How would you measure accomplishments of welfare?

Williams: I guess by how quickly you could get a person off of welfare on their own feet.

Shearer: So the success of a welfare program would be evaluated by the number of people who are on it; that is, it would be considered successful as fewer and fewer people receive benefits.

Williams: I would think so, relative to the population. Of course, when welfare rolls go up, it's a big burden on the budget and everybody says it's terrible. Sometimes it stays constant, which means it's really going down relative to the increase in state population, and you try to take credit for it. They've generally looked at it, I think, as a

Williams: total picture. We haven't thought about how many we have been able to really help get off welfare. Then they talk about second- and third-generation recipients now. It has become a way of life and it doesn't do the people any good. I can give you an example and this is directly from the governor. He went to Washington one time and I went back there with him. He went and visited in some of the very blackest ghetto areas--visited with people, individuals. One guy stood up (I was not there, but the governor told the story.) The guy said, "I'm on welfare. Here is my welfare money. That's bad money. That's not worth anything. But in this pocket, this is the money I earn and this is good money." So he earned it himself and it meant something to him and he was proud of that. The welfare money was just something to take and throw away. That's why I have always advocated that the person who is going to get medical benefits should pay the first five dollars or something or if they are going to get free legal services they should pay their first five dollars because then they have to evaluate , on their economic scale, if it's worth five dollars. If it's free, if there is no entry fee, you can use and abuse medical and legal services. I think that what that man said to Reagan in Washington sort of typifies that. Persons who receive welfare often resent it.

Shearer: That would seem to point to the efficacy of the flat grant--in which a welfare recipient simply is given a flat amount of money which that person is to apportion for his medical expenses, food, clothing, rent, and so forth, as he sees fit.

Williams: Right, or if they can't manage, give it to them in kind. If they can't manage, then pay the landlords and give them groceries and do those things because some people don't manage and they spend all their money on one thing. But the negative income tax concept, which has been talked about and never really tried as far as I know, is interesting. It is interesting because Milton Friedman, the economist, says, "Welfare is not for recipients; welfare is for the welfare administrators." If you take the number of people on welfare and divide the money spent on welfare it comes out to about in those days $17,000 per recipient. They didn't get $17,000. The $17,000 was the salary of the administration and what dribbled down to the bottom was a very small amount. In the negative income tax, they figure a level, which is a livable level of income for everybody. Those who make more than that pay income tax; those who make less than that are given enough money to bring them up to that level. Write them out a check and say, "This brings you up to the acceptable level." So you don't have any administrators. All you do is [have] people write checks and check qualifications. You can monitor it to see if they aren't cheating by making more of the same, but other than that, you don't have to have case workers and all that stuff. But anyhow, we are really digressing!

Shearer: We were talking about monitoring success in the welfare system. I guess you're saying that it's difficult to measure success simply in terms of numbers of welfare recipients in the program. People should look at the bigger picture--look at the amount of unemployment, which happens to be the case at the time which would influence the number of people out of work and therefore receiving benefits.

Williams: That's true. I don't think anybody really resents helping someone who is really in need, but they all think about the cheaters and the people who really don't try hard and abuse the food stamp program and those things which irritate a lot of people and properly so. They may think that it's a bigger problem than actually exists, but it's there and everybody tries to deal with it and the politicians like to talk about it and put blame on it. I started a program with President Reagan. It took me almost three years to get it done through the resistance--I thought it was resistance of the bureaucrats--and that was to match the welfare tapes with the tapes filed by employers with the Board of Equalization. Every quarter, the employers are supposed to tell how much they have paid all of their workers, and the welfare tapes--the welfare recipients--are supposed to tell how much they've made to adjust what their grant will be. I said, "If you can match those tapes by Social Security numbers, you'll see what the employers are reporting and what the recipients are reporting." They said, "We can't do it because one is on IBM tape and the other is on RCA." I said, "Come on, you can make them compatible. Give me a report back."

In six months I called to see how it was coming. Well, finally after three years, they finally got the program going. If they found a discrepancy, we would refer it to a local district attorney who could investigate and see if it was an error or whether it was fraud. But it was a good way of monitoring potential welfare fraud.

Shearer: Who were the people who were trying to supply you with the information to make the tapes compatible?

Williams: The counties are supposed to turn information on welfare recipients' earnings over to the state and I think it goes on tapes. The employers were supposed to report employees earnings to the Board of Equalization for the purposes of state tax. The information was there. It was just a matter of trying to get a program worked up that could match it. Of course, sometimes some people have two or three Social Security numbers and it is hard to stop that now. But the two departments saw a lot more difficulties in trying to get it going. It's going and now I think it is nationwide. Bob Carleson, who became director of Welfare at about the time I was leaving, took it back with him in the Nixon administration. Also, it deters people who know about it. It's just like when people find out that IRS is checking their income tax on computers, a lot of people stopped over-claiming deductions and so forth. But 'matching' was another thing that was started in the Reagan administration that now is a national program.

Shearer: Did you see over the period of your association with Mr. Reagan any mellowing of his posture that he adopted in the campaign in which at one point he said he felt that collective action--that is, government action--against bigotry was reprehensible and that personal action was laudable, that the poor should bootstrap it, and that the welfare rolls were full of lazy people, and charity essentially should take the form of tithing rather than any government role. Did he modify his views?

Williams: I left in 1970, so I was there only three years. Actually, they formed the government in January of 1967. No, I don't think he had modified--I don't remember him saying that. That's pretty harsh. He's not a harsh person, but he was receptive to programs, as I mentioned in the field of the retarded and mental health areas.

He had a Welfare director, John Montgomery, who was young and vigorous and did a difficult job. I think in those early days, they were disappointed that welfare didn't go away, that you didn't just gather up the rolls and solve the problem. I think there was a certain amount of frustration that we still had a substantial welfare program after three years. I think that though sometimes when it was reduced--we did a big job in trying to reduce the number of regulations and that sort of thing--but I still think there was a frustration that they hadn't been able to do a better job in eliminating it. Seeing Reagan on this safety net question, I think he has really recognized that the truly needy should be helped. Whether big government should do it or not, I think he has felt maybe not.

But the question was how many are there who are really needy and how many are not needy. It's a quantity question. He did, for the first few years, visit with different minority groups and welfare groups. I know in southern California and other places he talked to them about trying to give a guy a hand up rather than a handout. I think he was willing to spend in that area and he did spend. He had quite a few programs trying to get people trained. He looked into the question of the able bodied on welfare. His idea was to have them work as a condition to receiving welfare.

Shearer: Was this the WIN program?

Williams: Yes, and even if it's raking leaves, at least you're out there working and it's good for the person and it's good for the economy. Some people would say, "It costs more to administer the program than the benefits." Maybe the benefits in dollars and cents didn't equate, but I think the psychological benefits are there. They do that in Los Angeles. I know Los Angeles County had a program like that.

Shearer: How would you put together programs that require a considerable amount of administration and participation, such as the WIN program and the negative income tax which eliminates all of the bureaucracy? How do you get the best of both programs.

Williams: In the work programs, I guess what we tried to do was to actually have it administered at the county level where the state would do the funding but have it administered through the counties.

Shearer: In the existing--

Williams: --Structure. Then, of course, we came up with all of these parallel programs, the OEO program. These training programs were funded federally and they appointed a lot of poor people to run the program. I don't know--

Shearer: This is the service center concept?

Williams: No, the service centers were under state direction and administration. A lot of programs came along--I can't put it in the proper time frame--where they would fund these poverty grants and they'd have a lot of people appointed not connected with the government as such and they would fund these private programs.

Shearer: New Careers was one group and the Community Action programs.

Williams: I always felt that was crazy if people aren't trained.

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Colleagues Remembered

Shearer: You have mentioned a couple of names of people whom you felt were excellent in your administration--the director of Social Welfare, John Montgomery, and James Lowry. Can you think of others?

Williams: Oh, yes, Ray Procunier was top flight and so was Allen Breed.

Shearer: Mr. Breed headed the Youth Authority?

Williams: Yes, and then we had Gil Sheffield who came over to the department of--first it was called Department of Employment and then we changed it to Human Resources Development and now it's called something else. He came over from the telephone company and he did an outstanding job. A great administrator and a very empathetic, understanding guy. Oh, we had Dr. Breslow [who] was inherited from the Brown administration.

Shearer: Is that Lester Breslow?

Williams: Yes, Breslow. He is now, I think, at UCLA. The medical society was opposed to him.

Shearer: Why was that?

Williams: Oh, he was maybe arrogant, maybe he was trying to interfere too much in the private practice of medicine. I'm not sure. But they really were antagonistic, and I thought he was doing an excellent job as the director of public health. When his term expired, I tried to have him extended to continue on because he had, I thought, a good record. He was controlling his budget and meeting all the objective performance standards and doing a solid job--I thought--but anyhow, they didn't want him to continue, so we had to replace him. But we had a fine doctor who was an ex-army person, or maybe he was from federal public health service, and he replaced Breslow. He was a very adequate person, but I did think Breslow was excellent. For awhile I had air pollution and veterans affairs.

Shearer: Yes, I noticed that. Was that a result of the Weinberger-Williams consolidation?

Williams: Yes, we tried to put all of the people problems in one area. People have more problems than anybody and most of the programs deal with people in one way or another, so that's why we had industrial relations and their job training programs, and the apprenticeship programs. That was one we could work through the prisons--the apprenticeship programs. But they all have heavy union control there. We had Al Beeson. He was in charge of the Department of Industrial Relations for awhile and Al Tieburg was in apprenticeship. Cap Weinberger's brother was in Industrial Relations--Employment first and then Industrial Relations.

Shearer: Peter Weinberger was in the Department of Employment.

Williams: Employment, but then he came over to Industrial Relations to replace Al Beeson. [pause] Al Beeson was the first director of the Industrial Relations, and he was moved out. He offended the administration.

Shearer: How did he do that?

Williams: He was dealing a lot with labor and they thought he was too pro-labor. His job brought him in contact with labor and he was trying to get labor to be more Republican oriented. But I think the final blow was when he approved head table where the governor was supposed to be sitting at the same table with Harry Bridges, an alleged Communist. So they thought that was an absolutely stupid thing to do.

Shearer: At what setting was this, at what occasion?

Williams: The governor was going to speak to a bunch of labor leaders in Los Angeles.

Shearer: I wish I could have been at that table, a fly on the table!

Williams: So he went into private consulting. I was able to persuade them to delay it so he could resign and not be fired.

Shearer: But that was sort of a final faux pas?

Williams: Yes, that's what brought it to a head. I had myself met with Harry Bridges when I was running for attorney general a second time, because he was involved with Evelle Younger. The story was written up in The New Yorker Magazine that Evelle Younger went into the FBI and was doing an investigation on Harry Bridges. He had a wire tap. He had a room next door with a wire tap on Harry Bridges. But apparently Evelle Younger was then single and young and chased around and he had girls in his room. Harry Bridges had a wire tap on Evelle Younger and blew the investigation, so Evelle Younger transferred to Montana and went into the air force after that! Harry Bridges was happy to do what he could to make sure that Evelle Younger did not become attorney general.

Shearer: I'd like to come back for a moment to John Montgomery who was welfare director. I have a note here I think from a memo from you in your papers indicating that there was a kind of abrasive encounter between John Montgomery and the governor at a meeting of the Republican State Central Committee in Anaheim in '67.

Williams: When?

Shearer: Probably the date of the memo was 1967. Whether that was the meeting date I'm not sure. But I gather that his program and policy became increasingly divergent from that of the governor.

Williams: Yes, I think it was part of this idea that there was great frustration that we hadn't made welfare go away or at least cause a substantial reduction--John was from a wealthy family in Ventura County and had been a county supervisor and had been chairman of the National Association of Counties's Committee on Social Welfare. I didn't know how young he was when I asked that he be appointed. He was about thirty-three, I think, or thirty-four. The welfare newspaper, the trade union, had headlines that said, "Actor"--oh, John had also been head of the Cattlemen's Association--so the headline said, "Actor appoints cowboy to play director." [laughs] That was how they welcomed John Montgomery! But he was a county supervisor and he worked well with the counties and the county directors. Of course, the county directors were all suspect because they were administering programs and they were asking for more money for their people, for their recipients and so forth. So being in that position he was suspect. I think I was suspect because welfare was part of my agency's responsibility and I hadn't made it disappear. But I think when John went back to the HEW and joined the Nixon administration, they weren't happy that he was tough enough. He was bound by state and federal regulations on a lot of the stuff he was doing, but I am sure there

Williams: was that--What did my memo say about the abrasive confrontation?

Shearer: Nothing much. I just have a very brief note that there was a sort of a stiff encounter at this committee meeting and it isn't gone into at all.

Williams: I have a very vague recollection of that. Probably John's ears got red and he said, "Well, governor, I would really like to do that, but we can't do it because the feds won't let us," or something like that. It might have been something like that where the governor was advocating some more aggressive activities than could be done at the time.

Shearer: What about all of his successors--there was Robert Martin and Lucian Vandegrift.

Williams: Lucian Vandegrift became my assistant and I resisted his appointment initially.

Shearer: Why was that?

Williams: I knew him as the district attorney of Butte County and he was what I'd call a "sheet shaker." He would send the investigators out to the houses of the welfare recipients who claimed their husbands had deserted them to see if the husbands were back visiting. They would go in and search the house and scare the kids and see if the husband was making nocturnal visitations. Most district attorneys and myself thought that was a pretty bad way to try and enforce the program. You upset the family and the kids. We didn't approve of the nocturnal visitations, but we thought going out at night and shaking sheets was--Van was a pretty rigid sort of guy and I had someone else I thought would be a better assistant to come in.

Shearer: Who was that?

Williams: His name has slipped my mind--Soap Dowell.

Shearer: How do you spell that?

Williams: Soap Dowell, D-o-w-e-l-l.

Shearer: But the first name sounds like S-o-a-p?

Williams: S-o-a-p; we call him Soap. His name is Emery.

Shearer: That sounds more plausible somehow!

Williams: It was Emery but I think it became Soap. But he was second in command of the Hospital Association and he had been a former newspaper man for, I think, the Examiner or Chronicle. We had a lot of problems and a lot of cost involved in the hospital business and I thought he would be excellent there and he knew the welfare bit, too. But he was my choice for assistant.

Shearer: How was it that your assistant was appointed over your objections?

Williams: My first one wasn't. That was Jim--I am terrible at names.

Shearer: James Hall?

Williams: No, no, Hall was one of my successors. This Jim was a county counsel up here in Vacaville...Jim Shumway..Anyhow, he left to run for office. He ran for Congress, when there was a vacancy. Lucian met the governor on one of these horseback rides down in Santa Barbara and said, "I can solve your welfare. It's no problem in my county; we just chase them off"--or words to that effect.

Shearer: He was from Ventura County?

Williams: No, he was from Butte County, but this was called the Rancheros ride. They go up in the mountains of Santa Barbara and ride for three or four days. So anyhow, they wanted him to be tough on welfare.

I wanted Soap. They said, "No, we don't want Soap. We want Lucian." I said, "I have two vacancies. There is one that hasn't been filled and I could have both of them filled, one I could have the inside guy and one the outside guy." They said, "We want Lucian to be the one who is running that part of the program, Welfare." I almost quit. Anyhow, so Lucian came down and at about that time I think John Montgomery left to go to Washington. I remember having lunch with Mike Deaver and Lucian and I said, "Lucian, why don't you be acting director of welfare until we find a replacement for John?" He said, "What? I wouldn't take that with a ten-foot pole! I'd get killed over there. No way I could touch that job." I said, "Okay, we'll get somebody else." When I left Lucian succeeded me. He served about a year or less and then he was appointed to the superior court bench. He now sits in Butte County. Somebody told me that when he'd been on the job three or four months as head of the agency he got so tight from stress that he couldn't even turn his neck.

Shearer: It was much bigger than he imagined?

Williams: It is much bigger than most people imagine. He didn't make it disappear either, the welfare. But those were early days and when I went on board, there were only two of us in the initial group who had any prior experience in government at all.

Shearer: Only two in that huge agency or on the governor's team?

Williams: The governor's immediate team on his staff; the other was Vern Sturgeon who had been a senator and then was the governor's liaison with the senate. But Cap Weinberger came on later. He had been an assemblyman. I had been with county government, not state government. One of the first orders was to limit travel outside of the state without permission from the governor's office because they thought

Williams: people were junketing around and things like that--spending taxpayers' money unnecessarily. So this would be governor's order number one. My assistant said, "The governors have been issuing orders for many, many years. You go in the library and there is a whole book of all of these published orders! This is just another order of another governor [laughs] So it may be number 33-1, but it's not number one!

Shearer: If you and one other person, Vern Sturgeon, were the only ones with government experience, what was it that counted to the governor in choosing members of his team?

Williams: I think he chose people that were recommended to him by people in whom he had confidence or people he knew himself personally. Phil Battaglia, who was the first executive--we called them executive secretary--to the governor. He had been active in the campaign and I think his father was a large contractor and contributor in southern California. But the governor got to know him in the campaign and I think had confidence in him. Mike Deaver--Ed Meese came in and had not had prior experience but on recommendations.

Shearer: Your recommendation?

Williams: I didn't recommend Mike, but I did with Ed. I would have recommended Mike but I didn't know actually what his connection was. He may have been involved in the campaign. Gordon Luce came in as secretary of the Business and Transportation Agency. He had been a strong Republican, active in southern California in San Diego. Ike Livermore came in as a person who had been in lumbering and related businesses. After we had three cabinet members, agribusiness got very upset (and they are a very powerful and important business in California). They wanted their own secretary of Agriculture. We didn't use the title "assistant governor" because Bob Finch thought that people would confuse it with lieutenant governor. He thought maybe that would cause confusion or maybe reduce the importance of his title. So we talked about it and we decided we would use the form of secretary. It was sort of like the cabinet members in Washington. Then we had a secretary of Agriculture appointed. It was Earl Coke. I don't think the governor knew him in advance, but he had been big with the Bank of America agriculture-agribusiness loans and that sort of thing. So he knew the agriculture industry pretty well.

Shearer: His name was forwarded by influential members of the agribusiness community?

Williams: I think so. I think that's where it came from. The department heads--in those days, early on, each of the secretaries would do a lot of recruiting. I inherited a director of the Department of Corrections and a director of the Youth Authority--

Shearer: Allen Breed?

Williams: No, he was not [here] when I came aboard. It was somebody from southern California.

Shearer: I have Heman G. Stark.

Williams: Heman Stark. He retired, and then we appointed Allen Breed. Then Walter Dunbar, who was director of Corrections. He retired or left and went to New York, I believe. Then the governor appointed Ray Procunier. Then Richard McGee, the former administrator of the Youth and Adult Corrections Agency--there were two agencies--he retired after about a year or so. Everybody quit together. But most of us were active in the recruiting of agency heads.

Shearer: Or the agency secretaries?

Williams: The secretaries.

Relations with the Governor's Office

Shearer: What about the people close to Reagan and whose voices counted very early on? Now, you have mentioned Phil Battaglia as being someone you trusted. Somewhere in one of the other interviews I read [about] not an altogether flattering, but interesting, picture of this group. The writer described a group of "faceless young men" surrounding the governor, who at one time or another were very influential and who did not surface as formal advisors but who nevertheless exerted considerable influence. Do you agree with that?

Williams: They surfaced as far as I was concerned; I mean I knew them. They were there. There was one--Rus Walton--who was quite conservative. He came up through one of the Republican voluntary groups. He came on board in sort of an advisory capacity in program development. It's no different from any large state or the federal government where the president or the candidate is involved for two or three years or so with a group of young men who are his advance men or his campaign workers or advisors. The professional campaign organizers leave when the campaign is over, and here is the guy who has been elected. Who does he turn to? He turns to basically the young people who were on the campaign. If he won, they were going to go with him. If he lost, they were twenty-seven or thirty, an age group where they could have a great adventure and then go back to whatever professions they had.

Then the campaign workers would go out and select those department heads or secretaries. That's how the president built the cabinet. Those people have been brought from the various industries because of their experience and commitment and so forth, but still the ones close to the president or the governor are those who were in the campaign.

Shearer: Who came through the crucible of that effort--

Williams: That's right. They became staff. There was another interesting concept. It came up then in 1968 and it was mentioned when Reagan went to Washington in 1980...but not developed. There may be reasons for this, but Cap and I suggested that the cabinet members, two or three of us, have our offices right there in the Capitol building and in the governor's office essentially, to be the governor's staff person as well as the agency head, so he would come directly to us for staff work questions and advice and development of programs. I happened to be initially just across the hall, so I was closest physically and the other guys were across the street, and that makes a difference. Eventually, my space had to go to the Department of Finance and I went across the street, too, but back to the beginning... when we suggested having the agency heads right there in the governor's suite, the governor's immediate staff said, "This is a very cost conscious administration and we don't want to spend the $75,000 or so necessary to remodel the governor's office to make this occur." So they just put some staff people in there. Pretty soon the staff grew and ultimately about a year later, it grew so much they had to remodel the office at a cost of $150,000.

Back in Washington, this year they said they were going to put the cabinet members right there in the White House so the president could have direct access to the cabinet and he wouldn't have the staff person intercede between the president and the cabinet officer. I asked Ed Meese--I saw him last March, back there--I said, "Hey, are you going to do that?" He said, "No, it can't work out. We've got too many people. We don't have enough space and so forth." So it's not going to happen there either.

It may be that if an agency head divided his time between the White House and his agency, he would lose control of the agency. That may be. What happens, though, is the president's people fear that if agency heads are sitting over in their agencies or departments, they will be captured by the ideas and programs and philosophies of the agency and, therefore, are kind of stolen away from them ideologically. Therefore, they should run their agencies, but be subject to White House staff's monitoring of their philosphical integrity. Maybe it is an insoluble problem, but I think there is real merit to eliminating the inbetween staff because of the conflict it did--and does--create.

Now, the governor was very aware of the situation. Each cabinet secretary had a red telephone in our office. When we lifted the phone, it automatically rang in the governor's inner office, and we could get to him without going through anybody. We didn't use it very often, but it was there and it was a symbol at least that he wanted us to feel free to contact him directly. But if we wanted to contact him on other things and have him make an appointment, sometimes it was difficult. It is different perhaps in Washington. We had regular

Williams: cabinet meetings twice a week. So we could talk to him and we'd present our mini-memos and we'd discuss them and everybody would contribute. So we had a lot of direct contact with him. But sometimes a governor's staff person who is a staff member in your field, gets some idea of a program or something, and springs it and you would say, "Let's look at it."

Shearer: At the meeting?

Williams: Sometimes. We'd say, "Let's analyze it." If you said, straight out, "It's ridiculous," you sound negative. But I used to say to my staff people, "Look at it, and if it's ridiculous, say it's ridiculous." They said, "Well, we don't want to say it doesn't have some merit to it. We could do the program with these changes." I'd say, "If it's a lousy program, don't do it!" But that sort of problem would eliminate itself if the cabinet members were "in house." I remember the first cabinet member I think, under Nixon, a fellow from Alaska. He couldn't get to see the president because the staff guy wouldn't let him in.

Shearer: Whose voice particularly counted among these staff people?

Williams: Oh, the executive secretary.

Shearer: That would be--

Williams: Battaglia, then Clark, and then Meese.

Shearer: Did these people prove to be bottlenecks?

Williams: Not to me; I never had a problem. But I could see that it could develop.

Shearer: Why do you think they didn't confer with you before the meetings, that they sort of sprang these suggestions--

Williams: Oh, I didn't see many sprung at the meeting, actually at the cabinet meetings. Over time the cabinet meetings grew. Initially, there were about four or five of us there and then it grew bigger and then the appointments secretary would come to be there and other people, and they would all chip in on all of the discussions. Paul Haerle was there. He was a very conservative guy. He always would--he was not involved in the administration except the appointments of judges and some other positions. He would jump into the discussions on welfare and would ask John Montgomery some pretty far-out questions. Anyhow, everybody participated. The staff person who comes between the cabinet member and the president or between the governor and agency head can cause a problem. Anybody else on the staff who is not directly in line can do that, too.

Shearer: Who tended to be always there outside the circle of the cabinet members who was on the governor's staff?

Williams: The director of Finance was there, of course. The lieutenant governor would come in occasionally and Ivy Baker Priest. I don't think Frank Jordan ever did. But mostly it was the cabinet members, sometimes with their assistants and staff members, and then if we brought somebody in to make a presentation, they'd be there.

Shearer: Who among the staff members were consistently there and whose voice counted?

Williams: Well, let's see. They had a fellow named--a special consultant on education.

Shearer: Server? He was an assistant to Alex Sherriffs.

Williams: Sherriffs--I think he came in frequently. I don't think Meese was there much until after he succeeded Bill Clark . Ed was clemency secretary working directly for the governor. The cabinet was not involved in his operation, and vice versa.

Shearer: Maybe I could just mention a few of these names. I have listed those who seemed to be there early on. It would be Battaglia, then Clark, and then later Ed Meese. Among the administrative officers would be James Crumpacker.

Williams: James Crumpacker, yes, he was assistant to Haerle.

Shearer: Was he one of the ones who was really listened to?

Williams: He had a lot to say, yes. He was a very conservative person and I think he had an effect, not as much as Haerle did. I don't know what happened after Haerle left, whether Crumpacker stayed or not, but he was there and he would contribute ideas and concepts and criticisms.

Shearer: Did Haerle give you a lot of heat as agency secretary because of the fact Welfare was under your--

Williams: Not directly. No, I don't think he actually gave me any direct heat, but I'd call him the Cro-Magnon man [laughter] and he'd call me a bleeding heart or something.

Shearer: This was in these intimate cabinet meetings?

Williams: He always smiled when he said that! I saw him just a couple of weeks ago.

Shearer: What about Vern Sturgeon?

Williams: Vern was a quiet, sweet guy. Vern Sturgeon or Verne Orr? Vern Sturgeon?

Shearer: Yes.

Williams: Yes, he would be there and also the fellow who handled the assembly, George Steffes. He would be there frequently. He would talk about legislative problems and so forth.

Shearer: Did you encounter difficulties with legislative programs from the standpoint of your agency.

Williams: No.

Shearer: To get the legislation that you wanted?

Williams: Getting it through, yes. We had great difficulties with the legislature because the first two years we had a Democrat senate and assembly.

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Shearer: Concerning the governor's staff members who exerted considerable influence in the cabinet meetings, you were just saying that the legislative assistants, Vern Sturgeon for the senate and George Steffes for the assembly, were both present.

Williams: They didn't interfere, as I recall, with program concepts. They were talking strictly about legislative chances and possibilities--who would support and who wouldn't support. I don't recall them being involved in the substance of the various programs.

Shearer: Somewhere I read in one of the other interviews that the governor's approach to legislation suffered from his unwillingness to get, or ignorance of the necessity of getting, an author of the bill who was attractive and influential and could swing the appropriate support. Particularly in regard to welfare legislation, it often was kind of a last minute affair with the governor saying, "Oh, I want to get this through. Call somebody and it's going to be introduced next week or two days from now," which made it difficult to get authors with broader appeal. Does this jibe with your recollection?

Williams: I don't recall that. We had our own person who would also try to get the bills lobbied through, who would go and talk with people on the hill, but I don't recall myself participating in the selection of authors. I think that the selection of authors probably was left up to Steffes and Sturgeon.

Shearer: And then they would have contacted, for example, the department head to get somebody?

Williams: He would probably assist in the drafting of the bill. He would probably go to the guy at Social Welfare who would draft the bill and then they would select the authors. I don't myself recall getting involved in that process directly.

Shearer: You say you met as a cabinet about twice a week and this was the occasion on which the mini-memos were presented.

Williams: Yes, that's right--mini-memos sometimes with a lot of attachments!

Shearer: Who would plow through all of those attachments? That would be staff?

Williams: Yes, right. This is my calendar. I would meet with my directors also about once a month and see what we could coordinate and what everybody was doing and discuss particular problems and so forth. Oh, the name that I couldn't remember, I just thought of--George Roberts was on my staff. He was my liaison with the Youth Authority, an outstanding person.

Shearer: He was recruited and selected by you?

Williams: Yes, he was a member of my staff. He came up through the ranks of the Corrections and Youth Authority system.

Shearer: Looking at the governor's staff members again--

Williams: There was another staff member named Win Adams. I just looked at this September 5 entry. I met with Haerle, Clark, Deaver, and Adams, and then Cap Weinberger and Jim Dwight, and then after that with Ed Meese.

Shearer: Any indication of the subject of your meetings--

Williams: No, it was September.

Shearer: About '67?

Williams: That was in '68. This time it was September. We had cabinet staff and cabinet meetings on Wednesday, apparently, and then cabinet staff would also meet on another day of the week, and they'd talk over things but it wouldn't be actually an offical staff meeting.

Shearer: What does that mean, "cabinet staff"? Cabinet-hypen-staff?

Williams: I think it means the staff...our assistants would meet and go over the agenda. We also met informally before the actual cabinet meeting. For instance [reading] on September 9: a cabinet meeting from ten to eleven-thirty and then the following week another cabinet meeting was scheduled but apparently scratched.

Shearer: That's interesting. I was surprised to hear that you met twice a week as a cabinet and only once a month with your directors. Is that because you were able to rely on these assistants to be liaison with the departments in the interim?

Williams: I met with my department heads more often but not as a group. I found that having the director of Employment there listening to the stuff on mental health problems didn't really contribute an awful lot. Then we started meeting in smaller groups, those affecting the Health and Mental Health areas and those affecting Corrections and Youth Authority and rehabilitation. That was more productive, but we still would try to meet once a month as a whole group to talk about interfacing and cooperating in certain areas and keeping them informed and whatnot. But the cabinet (where the decisions were made) met once or twice a week on a regular basis.

Shearer: I want to be sure that you didn't say this as the tape was fading out, but I recall earlier you mentioned that you considered yourself the governor's arm in the agency.

Williams: On the departments.

Shearer: On the departments, but the agency's advocate--

Williams: Spokesman.

Shearer: In the cabinet.

Williams: Right.

Shearer: How did that translate into practice?

Williams: Well here are two--let's look at the alternatives. The alternatives would be for the agency itself to run the departments... and that requires a much larger staff when you are making decisions--administrative decisions, personnel decisions--affecting all departments. I didn't think that was appropriate, but it is a two-way street. In other words, I can present ideas and programs. Everybody generally knew where the governor wanted to go. He never said, "I want this or that or this or that accomplished." I wrote to Ed Meese at this time and suggested he do that, but he assumed that we knew from his political speeches and so on where he wanted to go--to reduce the size of government and eliminate or reduce welfare and so forth. Then Ed would say, "We've got to cut the budget," and we'd know where our marching orders were. So I could go to the departments and [say], "We want to accomplish these things, and how do we do it?" Then [I would] take the results developed in the departments and go back and get them approved. A new federal program might be floated, and our departments heads would say, "Now, we can use this to develop certain areas to get a program started and we recommend we do it this way."

Williams: So we would develop it in the agency and then I'd bring it up in a mini-memo and recommend it to the cabinet--to the governor--and so it would be discussed in cabinet. Or somebody in cabinet meeting would want to know what was happening in motor vehicle pollution control. I would go back and find information and bring it back. Or they might criticize an idea or a bad program. Some of the governor's kitchen cabinet may have heard something about--oh, an example not in my area--about motor vehicle registration or something. They would send a memo down, and that agency would find out about it and suggest investigating a change in program which may be recommended from outside.

Sometimes the doctors would go and talk to the governor and suggest changes in the Medi-Cal program--how it is administered or what should be done or what should be undone. So then the governor's office would ask me about that and I'd go down to the department and work up a report and find out what it was, whether it was good or bad, and go back. So I was in between. I think it worked well.

Shearer: So the governor never issued a written program for his cabinet to then apply in their administration of the departments?

Williams: No. Early on they brought in a bunch of businessmen who went in to the departments and made recommendations of how the departments could be made more efficient and less expensive and how programs could be eliminated or improved. That was good. Then we all had big discussions and approved some and disapproved some.

Shearer: How were the businessmen chosen?

Williams: Volunteers and then they were selected--I guess, by the governor or maybe his staff. They came in and then we all had those implementation schedules and then every month we'd report how many people were laid off and how many dollars we saved and so forth. So to that extent there was a program, but that was an immediate program to reduce the size and the expense of government and eliminate fat and waste.

Shearer: "Squeeze, cut, and trim."

Williams: Yes, that's right. It was not so much a long range approach--I suggested to Ed Meese <u>this</u> time (1980) that he have the president tell all of the newly appointed cabinet members in a general sense, where he wanted to go, and have them report back in ninety days on how they could accomplish it, specifying what required administrative change and what required legislative change. Then have them prepare detailed programs for approval by the governor and cabinet. Thereafter, they would be required to make periodic report on their progress similar to the businessmen's reports we had in Sacramento but with more program content in addition to the savings.

Shearer: So the businessmen's report, this was a task force report?

Williams: A task force; they had printed reports.

Shearer: I see, and the businessmen's reports then did essentially what you just described, it gave a more programmatic indication of what actions should be taken by the agencies and determined whether it required legislative or administrative action?

Williams: I'm not sure the businessmen's reports in Sacramento (1967) differentiated between administrative or legislative changes. I don't think they did. But at least they came back with recommendations as to how the programs would be improved. Then these were discussed and accepted or resisted by the various agencies and department heads with the reasons given for certain ones being selected and certain ones rejected.

Implementing "Squeeze, Cut, and Trim"

Shearer: I'd like to get into the agency organization, but first, in terms of the mission to squeeze, cut, and trim, I'd like to know how you went about accomplishing that in your particular area? Was there any difference between the governor's perceived mission and what you felt you could accomplish and that the agency should accomplish in that respect?

Williams: I think we had a goal of a ten percent reduction, wasn't it?

Shearer: Yes.

Williams: He gave us flexibility. For instance, we actually increased in the mental retardation area and then we tried to find other areas where we could cut more than ten percent by altering programs, or by developing ways to bring in more federal money and thereby reduce the state budget. We also saved by placing a freeze on hiring in the departments where we thought they were over staffed. But I worked with the departments. I said, "Now, how can you accomplish this?" So they would come back with their suggestions of how they would meet the goals and sometimes we had to say, "Look, you're not meeting the goals and somebody's got to give more, here or there."

Shearer: Was this a very conscious effort to do program budgeting? Is that why you went to the directors and said, "You set the priorities on what you think can be done given the overall--"

Williams: I said, "This is our goal and how are you going to do it?" I didn't know their programs in detail. I didn't know the names of all the programs and I didn't know which ones were easier to cut than others.

Williams: They knew and they were honest about it and they were trying to accomplish the purpose. They were good soldiers, which brings to mind another thing I used to say. Initially when people came in to the Reagan administration who were not familiar with government, they thought people that worked for the Brown administration were on the other side--they were the enemy. There was a small enclave in the governor's office who thought everybody outside was the enemy. There was an article in Fortune Magazine about this 'siege mentality' a couple of years ago. There was a beautiful picture of the attitude toward the outside, the enemy. The ones inside were wearing armor, like Vikings. The article was about administration's attitude toward the press then. But I said, "Look, there are enemies out there, but ninety percent of the people who work for state government are good, loyal people. It's not like you are taking over the German army. It's more like a change of command from Patton's army to Bradley's army. I mean they are all Americans, all soldiers, and want to fight the war just like the general tells them. If they get a new general, they will march in the direction that the general wants them to."

So there were a lot of really hard-working, conscientious people who were trying to achieve this goal in the agency. I said to them, "How can you cut the program?" And they would come in with a way to cut the program, and they produced. They respected the trust we put in them and they performed--mostly. We had a couple of saboteurs but not many.

Shearer: In the agency?

Williams: Yes, in Welfare. There was this fellow named Cal Locher who was in the agency many, many years. They suspected him like crazy, but he would come in there and show us how to reduce some programs and cut and save money and did a great job.

Shearer: So he was not a saboteur?

Williams: No, he was not.

Shearer: Who was?

Williams: Over there?

Shearer: Yes.

Williams: I never found one under Welfare.

Shearer: In any other big departments?

Williams: There was a gal who was on the Commission of Aging. She was very much a politician and worked, I think, on Brown's campaign and had been throwing smoke around. I can't remember her name. Some people would

Williams: just resist, I think, change. There was a fellow who was trying to operate the first Medi-Cal program. I can't remember his name. He was a psychiatrist--a Ph.D., I mean, not an M.D. But we brought in Carel Mulder. Now Carel Mulder was a real pro. He did a great job. These people believed in their programs and they tried to reach the budget cuts without destroying the programs, and they were good soldiers.

Shearer: There is an account of Medi-Cal. It seems that the Medi-Cal program handed you a real hornet's nest the minute you walked in. You announced, I believe, that an eighty million dollar deficit would develop for the year 1966-67 and, as a result, you were going to recommend cuts in physical therapy, non-emergency surgery, and out-patient psychiatric care. Private hospitalization would be limited to eight days and so forth. You got a lot of flack from the California Medical Association, the County Supervisors Association, and then the California Rural Legal Assistance took that up as well.

Williams: I have a cartoon outside on this.

Shearer: Oh, you do. I didn't see it as I went in.

Williams: On the wall is the cartoon. It's an original. The controversy went to the Supreme Court.

Shearer: That was where it ruled that you had to prioritize the cuts.

Williams: I think they said we didn't follow proper administrative procedures to effect a change of program. We hadn't gone through the proper steps. I'm not sure. But we didn't win that one. There is a cartoon up there, "Reagan's shaking his finger at the Supreme Court."

Shearer: The article also mentions that subsequently the eighty million dollar deficit was eliminated. How did you manage that?

Williams: The cuts we did later tightened up administratively--

Shearer: But on the Medi-Cal program or by cutting other parts of the agency--

Williams: No, on the Medi-Cal itself. That was just a runaway program. We always were trying to tighten up. It had been adopted by the Brown administration just before the 1966 campaign. Brown thought it would help his chances for re-election. It was rushed through the legislature and was not adequately structured. It was just sort of out there and the money was being spent like crazy. The same with the service centers. But then we had some problems trying to grab hold of it and try to anticipate what the deficit would be. We actually finally got it under control pretty well. I kept advocating that the patient pay the first dollar but couldn't get it through because apparently federal regulations wouldn't allow it.

Williams: There were cases of patient abuse. There were also instances of provider abuse.

Shearer: Overcharging?

Williams: Overcharging and charging for services that weren't rendered.

Shearer: How did you get a handle on that?

Williams: We had to hire a bunch of investigators. The nursing homes were--some were overcharging, some were not providing adequate services and so forth. Most were pretty conscientious. The hospital expenses were going up and it was hard to control them. They weren't cheating; everything was getting more expensive. We tried to reduce hospital stays and things like that. I can't remember all of the details now, but it was a big, big, big problem. I used to meet with the California Medical Association doctors once a week and we worked with them, but they did resist anybody telling them what to charge. They didn't want us to tell them what they should charge. They wanted to charge Medi-Cal at the same rates they charged their private patients. They didn't want anybody checking their treatment, and we did that, too. We had to supervise their peer review committees to see what they were doing, for example, in the overtreatment of patients, or in giving shots for vitamins when they should be giving pills. We just almost had to start from scratch--the total structure.

Shearer: For the investigative part?

Williams: Once we got the standard guidelines established, then we had to check and see that they were following them. We finally hired Blue Shield to audit the reports and things like that.

Shearer: Did you get to a computerized billing and so forth to streamline--

Williams: Actually, Blue Shield became the fiscal intermediary, they called it, and they processed the bills. They would review them there for the overpracticing or double billing and that sort of thing. So that was contracted out and for a small percentage of the total billing. After I left, they changed to another company.

Shearer: Did that effect the savings as well, this contracting out to Blue Shield?

Williams: Yes, they were able to tighten up because they have better control over it. At the first meeting, I remember, on this program they were talking about the Blues. I said later to one of my assistants, "Who is this guy, Blues?" He said, "No, they are talking about the blues--Blue Shield and Blue Cross." [laughter] That's how little I knew about it!

Shearer: One thing that I read that was proposed to help keep Medi-Cal costs down was the idea of the small prepaid health plans, sort of mini-Kaisers and this I gather didn't find a very receptive--

Williams: There were lots. I don't remember that one. The one that I wanted and we couldn't get through was to have the patient pay something themselves, so they would have to put it on their scale of values...whether it was worth a dollar to go see a doctor. Then we had instances (they may not be typical) where the person would go in and sit in the doctor's office and wait to see a doctor and visit with all the patients, then go and see the doctor, and then go home. But the real reason she came was because she was a lonely old lady and wanted to talk to somebody. So she would visit. I was told--not documented--I was told there were cases where she would go and see the doctor immediately and then she would come up and sit with the patients out there so she could still visit with people. That's sad and pathetic, but you don't want to be charged a doctor's fee for that kind of a social--

Shearer: Not thirty dollars an hour.

Williams: Yes, and if the person had to pay a dollar, he might not have come. He might say, "I'll go some place else for my socializing."

Shearer: How would the dollar be paid, so that the state would get--

Williams: Cash, to the doctor.

Shearer: So it would be like a surcharge? Or would it be taken off the doctor's recharge to the state?

Williams: The doctor would say, "the bill is thirty dollars and I'm charging twenty-nine and I got a dollar in cash from the patient." That's one way of doing it.

Shearer: The doctors opposed that?

Williams: No, they didn't oppose that. The federal regulations prohibited it.

Shearer: Was that one of the regulations that caused Mr. Reagan so much frustration? On several occasions he said he felt that the major problem with welfare was that the programs that could otherwise be cut or eliminated or run more efficiently were mandated by federal regulations.

Williams: Absolutely. The federal regulation specified the staffing requirements of the welfare department.

Shearer: That means ratio of worker to--

Williams: To recipient. They had another bunch of regulations that were to control the state. If we didn't obey, we'd lose federal funding and so we had to do it. We'd try to get them changed. I went back to see the secretary of HEW on one occasion and just couldn't do it. It was a Democratic administration then under Lyndon Johnson and they had no problems. I guess those were the butter and bullets days, and they were printing money, and we just couldn't get the running room we needed to make some of the changes. So we weren't able to achieve them all; we achieved some, but not all.

I was not there the fourth year of Governor Reagan's first administration and the four years of his second term, so I wasn't privy to the continuing education of the governor, but he is a very flexible and reasonable person. So I guess he learned a lot from the second term, too.

Shearer: Can you comment on Robert Martin, the welfare director.

Williams: As I recall, he was there just--

Shearer: He replaced John Montgomery, he joined the Nixon administration. He proposed that California become the demonstration state for bloc grants to be paid to quasi-public corporations formed by welfare recipients. The state would be the investor and auditor.

Williams: That rings a bell. There was another one. He succeeded Montgomery. He probably was there only about six or eight months that I was there--probably.

Shearer: Why was his tenure so short?

Williams: His?

Shearer: Yes.

Williams: I don't recall. Who succeeded him? Carleson?

Shearer: That's right. He came back in 1971.

Williams: I think Cal Locher was acting director for awhile after Montgomery left. Then Martin came in. Carleson was there in the agency or in the department I think for awhile because, as I recall he did pick up on this matching tapes from the Board of Equalization and recipients' income-reporting and implemented that finally. Just before I left to run for attorney general again, I had a meeting for the press and went down to the Department of Employment and I showed them the big tapes and how we were going to match them, and somebody wrote me a letter saying it was just like Orwell's 1984 with the government running our lives, and how terrible this was to start checking up with tapes. But we got some pretty good press on it. I can't remember Martin right now.

Shearer: Martin was described by one respondent as having great difficulty in his appearances before the legislature, that he really wasn't as well prepared as his predecessors or his successor in the administration of Welfare or the subject of welfare and that his performance really didn't measure up.

Williams: That's why the tenure was so short, I guess!

Shearer: What about Robert Carleson? Did you know about him from public works?

Williams: I knew him. I remember meeting him, but I didn't know him too well. But he certainly established a reputation as a good administrator and then we went back with Cap Weinberger, I guess, when Cap went to HEW and was well regarded.

Use of Task Forces

Shearer: I would like to ask about the task force approach. You used a task force several times in the reorganization of several departments into the Department of Health.

Williams: I resisted that, but after two task forces came back and said, "It's a good idea," why, I said, "Okay, I can't resist it any longer." Now I guess they're taking it apart what we put together. My concept (and I think it was a good one and we used it effectively) was to get some of the second- or third-level bright young administrators from the various departments and put them together as a task force to go in and look at an operation and see how they could improve it, using in-house people. I wanted to have a whole group of names, not just from my agency but from all the agencies on this eligibility list to be assigned to these task forces. Take some guys from Corrections and a guy from Parks and Recreation and some other places and put them together to check an operation and make recommendations. They would bring ideas from their own agencies. They could make a good analysis because they'd know the system. In this way they could also establish reputations for doing good work. It would pinpoint them, for a promotion, ultimately. It would not be expensive and it could be very productive, and we'd get some very good reports.

Shearer: Looking at a brief chronology of the reorganization plan, apparently in 1967 a legislative analyst proposed that the departments of Mental Hygiene, Public Health, and Health Care Services be consolidated. Then I guess that was the kickoff. Why did you resist it?

Williams: Three reasons--two reasons at least. One reason is that during reorganization, people start spending more time thinking and worrying about where they're going to end up than doing their job, and so you

Williams: have a big dropoff in productivity of individuals. Secondly, if you have a Department of Mental Hygiene and a Department of Public Health and a Department of Health Care Services, you can probably attract to California the most qualified people in that field to come and be a department head. But if you have one department, you can get one highly qualified person for that job, but other top people won't come out to take a number two position. So we would be unable--I think, what my view was--unable to continue to get the best possible people to run these very expensive and sophisticated and complicated programs. So I thought it would make no sense. As long as you had good coordination between the departments, which you can have through the agencies, you didn't need to consolidate them. You're just moving boxes around on paper and not making really any substantial savings. I read a year ago--that they are trying to pull it apart now and make separate departments.

When I was working with Cap initially, I went back and looked at some of the history of state reorganization. It's like the ebb and flow of a tide really. Reorganize--and then it depends on what is common to the grouping. Once they had a Department of Institutions and they had Corrections and mental hospitals and anybody who had an institution--they had the TB hospitals--all in one department because the common factor was each had to have a building. Then they got to thinking about programs and then reorganized on a program basis. So it keeps ebbing and flowing. That consolidated Health Department, I guess, became too unwieldy and they've now pulled it apart. That's why it was important in my agency--The original concept for the agency was, don't try to run it as a big department. Every department had its own program, its own director, its own decision-making process, and we just coordinated them and we were their spokesmen before the governor and the governor's arm on them to make sure they stayed in line and did the job.

Shearer: There is a saying in connection with computers that "garbage in, garbage out."

Williams: That's right.

Shearer: I am noticing in the account of the genesis of the task force recommendations that those task forces which were composed largely of departmental representatives tended to recommend retaining the departments' independence and merely strengthening coordination. It wasn't until the third task force or the second, which you split into two parts and allowed the departmental representatives to be a study group and a relatively independent group of consultants to submit a separate report that you got a solid recommentation from the independent consultants saying, "Merge."

Williams: Yes, some guy from southern California or USC.

Shearer: Alex Croner of USC?

Williams: USC, yes.

Shearer: You said you resisted it at first. Was your appointment of the first task force influenced partly by your desire to keep things as they were?

Williams: No, I think my first task force recommended consolidation.

Shearer: According to the Cal Journal,* the task force reported there was a problem, but they said the way to deal with it was through strengthening coordination in certain overlapping functions among the agencies, but not merging into one big department.

Williams: I resisted it for the reasons I stated, and I guess there was enough doubt about it that we took another task force to do it. But he came up with some interesting concepts about changing support divisions to fit the changing needs of the programs or whatever it was and it sounded pretty exciting. So I said okay. I was gone before they actually did it.

Shearer: That was then left for implementation by Earl Brian?

Williams: Yes.

Recollections of Earl Brian and Robert Finch

Shearer: I haven't asked you about Earl Brian. He is very interesting. In spite of his extreme youth and relative lack of experience in state government he was elevated so soon to such a responsible position as director of Health Care Services.

Williams: Then ultimately he became director of the agency and then he ran for the U.S. senate.

Shearer: How did that come about?

Williams: Okay, this is quite a story. Earl Brian was a friend of, I think, Jim Crumpacker. He was from South Carolina or North Carolina. He was first appointed as secretary to the Welfare Commission. He would report back to Crumpacker what went on at the Welfare Commission with his own interpretations and his own orientations which were very conservative. So the welfare commissioners, who were getting feedback from the governor's office about this and that, realized that they were kind of undercut by Brian. They were going to fire him. They wanted me to fire him. John said, "The commissioners won't stand for this anymore. This guy is a M.D., but he's just 'ratting on them' all the time."

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*April 1973, pages 123-127.

Shearer: This is John Montgomery?

Williams: He told me that. So I said, "Wait a minute, I just heard that he is going to go on active duty in the Vietnam War and rather than have a confrontation, just wait and he's going to disappear." So we waited and he went away. Then after he did some service in the Vietnam War he comes back and so they put him in as director of the Medi-Cal program.

Shearer: Yes, which was then called, I think, Health Care Services.

Williams: Yes, I think about that time Carel Mulder retired. Mulder had many years of service, starting with the state in '32. So they put Earl Brian in there. He was a doctor, so that automatically made him qualified, plus he was very conservative philosophically and he had the experience to some extent in welfare as secretary of the Welfare Commission. But he came back and started running that program.

Shearer: So his appointment was by the governor with your endorsement or without?

Williams: I don't recall if I was still there then. When did it happen? He was a very bright guy and a very nice--I saw him back at the inauguration and we had a nice visit.

Shearer: Would you have recommended him for this appointment?

Williams: I would have resisted him then. I probably figured it was a foregone conclusion probably and secondly, we could see what he could do. But he was a very bright guy and he might have had a good program. Maybe he did a good job. I'm not sure. I heard later, after I left, that the filing forms were getting very, very complicated for getting payments under the Medi-Cal program, and I wondered whether that was a gimmicky way of delaying payments so they could keep the budget down. It took, say, two months to run the claims through and then you enlarge it to four months, why, you are going to get a two-month reduction in the budget in expenditures at least. I don't know if that happened or not.

Shearer: He was very interested in the computerized billing of services and the quarterly computation of benefits, which he argued would streamline--

Williams: And speed up then--

Shearer: Speed up conceivably and yet there were also, I recall, some tightening of eligibility requirements and that had to be computed which might have had the net effect of actually slowing it down.

Williams: Anytime you deal with the government and they make the forms complicated, just what they are doing is they're just saving the money. They're not giving the money as soon as they might. But I don't know

Williams: if it's used as a device or not. In any event, he may have come on near the end of my term there because in about the summer of '69, I was planning to run for attorney general a second time. I stayed on until I resigned in early January of '70, and I actually didn't do any campaigning until then, but I was going around the state and doing a lot of speaking on agency matters and making my contacts.

Shearer: I have 1970 listed, but that might have been late in the year.

Williams: I left in early '70.

Shearer: Okay, then you wouldn't have necessarily had to act on his appointment.

Williams: No, it would have been Vandegrift then because I had been there almost three years to the day. I went on the bench in '71.

Shearer: Your successor was James Hall.

Williams: After Vandegrift.

Shearer: That's right, he popped to the top then when you left. So James Hall came then in '71.

Williams: Yes, he had been, I think, head of banks. He had been with the administration in another position.

Shearer: I also understood that he had some run-ins with John Montgomery when he was still in office.

Williams: In the state or with the feds?

Shearer: No, there was a public meeting. I think it was a meeting at the governor's convention at which--

Williams: In Palm Springs?

Shearer: I don't recall the place, in which he addressed the governors and at that point I think spoke critically of Montgomery who was present.

Williams: I think that he might have--he was commissioner of the Banks of California. He lived in Piedmont, Jim Hall did. I left and I don't know if he was still in that position, but Vandegrift took my place. By the time I left, Montgomery had already gone back and was with HEW in Washington. So it might have been that he, when he was secretary of the agency, gave a speech in which he criticized Montgomery and his program in Washington and the federal government, or he might have criticized his prior performance in the state, but I wouldn't think that would be typical. He might say that even with a Republican administration back in Washington making it difficult

Williams: for us, John is the bad guy. That might have happened, but he wouldn't have any reason as a commissioner of banks or whatever they call it to take on the Welfare Department.

Shearer: Apparently, there was a certain amount of frustration and irritation with the people who left the administration, such as Montgomery and in this case someone who left the assembly--Veneman--to go to Washington and then surface in HEW there as being almost traitors to California's cause because they were then in the position of being the disbursers of funds and regulators of program performance.

Williams: It could be. I was considered for the number two spot in HEW, and Bob Finch said that no, the president wanted somebody from private industry. I said, "I know the programs, I know the people. I think I could do a good inside job for you, run the department while you keep the White House and the Hill happy, and we'd have a good operation going." But it didn't work out and so Veneman went back, and Veneman is just like Bob Finch. He is a politician, but he was never an administrator. So that's one of the reasons they ran into difficulty. Bob had never administered anything on a big scale. He had difficulty making a decision. Jack Veneman was doing the lobbying on the Hill and was very good at it, but he was not an administrator. There was an article in Life Magazine, I think, called "The Rescue of Robert Finch." It was the president who pulled him out possibly because he had great difficulty in making a decision and then forgetting about it. He would chew it over and chew it over and chew it over again and you can't do that with all of the decisions you have to make at HEW. So he left HEW, became a counselor to the president and did a very good job, but trying to make those decisions is a big job. I always figured it's better to make the wrong decision than no decision because you'd get movement and you can correct it and change direction and modify it if you make the wrong decision. If you sit there and do nothing, then pressure builds up and things get out of control. That happened to Bob. Decisions were made without him and people who had to go forward and do things just did them and so he was kind of losing control. An awfully nice guy--in fact, I saw him just about three weeks ago--but that was like putting a quarterback in a tackle position. A guy with terrific talents in the wrong position.

Shearer: Yes, that's really terrible to be in a position that is over your head or just in the wrong setting.

Williams: Yes, he would have been a great senator--great in that area. But to be an administrator and making decisions every half hour was something he had never had to face. I had done it all my life and I think I could have done it there. But here again, I came out great! Here I am in San Francisco and chatting with you and, good heavens, I have a lifetime appointment. ##

IV THE GOVERNOR'S APPOINTMENTS AND ALLIES

[Interview 2: February 22, 1982]##

Recollections of the Governor's Staff Members

Shearer: I'd like to ask you about Mike Deaver.

Williams: Mike Deaver was with Reagan in Sacramento. He came up from Santa Clara County where he was executive director of the Republican Central Committee. He is now with Reagan, one of the top three on his staff. He is supposed to be responsible for the body--keeping Reagan healthy and happy--scheduling and that sort of thing. He has been with Reagan since Reagan left state government, and Deaver was running a public relations firm and helped Reagan with his radio programs. He used to give Reagan analyses of the news and so he was with them and is very close to both Ron and Nancy.

Shearer: I heard him described in one interview as being Mrs. Reagan's favorite among the staff people around the governor.

Williams: I think that's true, I think that's true. He is a very nice guy and he was very helpful to her to keep the governor from wearing himself out. He was very close to them. He is one and Ed Meese, of course, is on the staff, close to the president, and Bill Clark.

Bill Clark is the predecessor in the old position that Ed Meese took as the executive director of the governor's office--a chief of staff, I guess.

Shearer: Do the three of them comprise the troika?

Williams: Not for now. No, the troika now is Deaver and Meese and Baker, the fellow from the Bush campaign. Now it has gone to four with the addition of Bill Clark. So it's three Californians and one Texan.

Shearer: It is predominantly home towns, the home state--

Williams: That does happen with most presidents. [Secretary confers with judge who then phones Mr. Deaver to discuss a barbecue planned by President and Mrs. Reagan at their California ranch.]

More on Agency Reorganization

Shearer: I think when we wound up last time, I was asking you about the reorganization. We had talked a little bit about the chronology and the task forces that you appointed or rather the two task forces, the second of which was split into two sections.

Williams: The first task force recommended the reorganization of the Health Department. I didn't think it was a good idea for the several reasons I mentioned last time. So we formed another task force and they recommended the consolidation. I decided maybe we should go outside and get a new third opinion and they recommended consolidation. So I said, "Okay, let's go with it." It was just getting started when I left.

Shearer: At the time that the hearings were held by the Little Hoover Commission, some of the opponents of consolidation feared that it would become, in a quotation from the California Journal, an "unmanageable colossus."* There was some opposition, too, from social workers who feared that the Department of Social Welfare would be dismembered and its functions scattered as a result of that.

Williams: Again, they were concerned about where they were going to end up and they probably spoke on behalf of their programs and maybe their motivation would be on behalf of their own position and their future. There is some interesting thoughts in the reorganization proposed by the doctor at USC, such as restructuring units to support a particular program and then be able to have them converted to support another program. That became important. It was a more flexible arrangement and it sounded interesting. I don't know whether it worked or not, but it was an interesting concept which was not strictly the pyramid concept that most state governments and federal government departments are organized under where you have a head and a couple of assistants and you have this pyramid. They had a much more flexible arrangement for rendering service to the different programs. One unit could render similar services to the various programs and it was an interesting concept.

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*April 1973, page 124.

Shearer: This was this Dr. Alex Croner from USC?

Williams: Yes, that's the one.

Shearer: Is the structure that he recommended the one with divisions? One would be health treatment systems, health financing systems, health protection systems--

Williams: That's it, yes.

Shearer: So he tried to pull it all under five divisions. How did this work in practice? Why was this changed again?

Williams: At that time?

Shearer: You said it later was--

Williams: I have read the paper that the Brown administration was trying to separate them back into individual departments because it was a colossus and wasn't working. This was from just what I read in the paper. I have no independent knowledge of that.

More on Earl Brian

Shearer: You also talked a little bit about or mentioned Dr. Earl Brian who had such a very early entry and a very rapid rise in state government. What was your first encounter with him?

Williams: He first came on board early in the administration as the secretary for the Welfare Commission composed of people appointed by the governor--they are not paid. They give their time and they sort of oversee the department and make recommendations and so forth. He was the secretary of that board, an M.D., and he had some guy on the governor's staff who was a good friend of his, I think maybe Jim Crumpacker. In any event, he antagonized the board because he was reporting unofficially to the governor's staff what was going on at the discussions and so forth rather than going through the director to the governor's office and the regular chain of command. He was kind of talking and putting information on them that they thought was unfavorable. They wanted to have him fired, but I found out that he was about to be called to active duty to serve in Vietnam and so we just waited a month or so and he left. Then he finished his service and came back.

Shearer: Why do you think he bypassed the appropriate channels?

Williams: There are some people in government operations and maybe in industry, too, that want to have a direct line from the various departments to them rather than going through the department heads. Now, maybe they think that the department heads will improve the report or make it look better than it really is or modify it to make it sound satisfactory. I don't know, but they wanted direct input. I personally think it is a bad system because it undercuts the department head. It's sort of like going behind his back and there is no one there to modify the report of the person who is coming in. He may have one viewpoint and it gets in and it's not the viewpoint that is ultimately developed by the department and that ultimately becomes department policy. So I think it's destructive.

Shearer: From what you said just now, my impression is that he did his reporting directly to the governor with the encouragement of the governor.

Williams: Not the governor, no. I think this was encouraged by the young men around the governor on the staff. I have never had any knowledge whether the governor was informed or where this sort of--I won't call it underground--but this direct contact originated. I knew it was in that department and I think it was in several other departments.

Shearer: What other departments?

Williams: I don't know of any, but I wouldn't think it was going on in just one area, this approach. There were some who thought that when they put Bill Clark into the State Department recently that he was there to sort of give direct reports on what Haig was doing--maybe not, but certainly that was the case with Brian. When he came back from Vietnam, he had been appreciated by the administration--he became head of Health Care Services. It was about the time that Carel Mulder, who was over in that department, retired.

Shearer: He was described when he took over the department of Health Care Services in 1973 as an aggressive, energetic administrator who was really going to put this reorganization plan into practice. Do you think his performance then bore out this reputation.

Williams: I guess he came into Health Care Services and then he went to the head of the Department of Health and then to secretary, and then he ran for the United State Senate. I left in 1970 and so a lot of what happened after that I just got from newspapers. I was busy from '70 to '71 in private practice and then in '71 I came on the bench and was fully occupied with this and didn't have much public contact. As a matter of fact, when I went back to Sacramento in the first year of the Brown administration and Obledo invited all of the secretaries back to talk about their problems, Earl Brian didn't make it. But I did see him at the inauguration in 1981 in Washington and he came down. I guess he is in New York now doing some consulting work. So I have sort of lost contact with that.

Robert Carleson and Welfare Reform

Shearer: Robert Carleson from Public Works was the head of the Welfare Reform Task Force, and I think you said that you had some connection with or knowledge or acquaintance with him.

Williams: I recall him, yes, and I recall he became director after I left and that he followed up and did a good job with a program of cross-checking Franchise Tax Board reports of employers and welfare reports on what the welfare recipients were earning to see if there was any discrepancy that would indicate a possible fraud. So he really did a good job in putting that program into effect. It took me almost three years to get it developed because of bureaucratic resistance or just delay, but finally he got it and he did a good job with it.

But my task force concept was to get, as I said before, bright young people not from my own agency necessarily, but from other agencies--from Public Works, from Resources, from GSA, as well as my own agency, and to get the top bright guys and have them in sort of a pool, maybe have them especially assigned to task force responsibilities, and then send them into the department and make a report, send them into an agency to look at some problem. In this way they would cross fertilize ideas from one agency to another, and then it would give them visibility so they could be tapped for important assignments and promotions. So it served two purposes: a) it was in house so it wasn't like hiring an outside consultant; it was less expensive; b) those guys were really bright, tremendously able, so it gave them a chance to demonstrate their abilities. So it should help everyone and I thought it was successful.

Shearer: The naming of the task force was not announced publicly--at the beginning--the first published reports indicate that it was in practice in August of 1970. I guess that would have been after your departure.

Williams: Yes.

Shearer: Do you happen to know if the task force was made known to the department personnel as early as it was named?

Williams: I don't know. I would think it would be. It would be kind of unusual not to, but they might have wanted to launch something in secret or something, to make an impact, but Vandegrift was essentially running the agency from about October of '69. I was phasing out. I was getting ready to run for attorney general again and so I was doing a lot of traveling in the state and speaking and that sort of thing, so that the inception could have started then, the seeds could have started then. But I wasn't aboard, as I recall, when it happened.

Shearer: What can you tell me about Mr. Carlson as an administrator?

Williams: He seemed to be very good. I recall him as a quiet looking dark-haired guy. He had dark eyes. He seemed to be self-confident, but not pushy or loud; just a cool, good administrator.

Shearer: He managed to bring with him some people who apparently were very inspired and worked day and night for months and months and months to get this task force report finished.

Williams: Yes, one of my staff persons Robert Fugina [spells name], I don't know if he is on your list or not, but he was on my staff for working with welfare and I mentioned in the last session Cal Locher, who was in Welfare and was acting director for awhile. I think Bob Fugina went over to the Welfare Department about the time I left or just before or just after and worked in the Welfare Department. I wouldn't be surprised if he wasn't very active in helping Carleson. He was a very excellent state employee and a top-flight administrator.

Shearer: So it doesn't seem unusual to you that the welfare task force would have consisted of members of such diverse departmental fields as agriculture and conservation?

Williams: No, that was my concept I mentioned before, that you bring in professionals who can be impartial and objective--no preconceptions about programs.

Shearer: Did you have a sense that Carleson might be appointed as director?

Williams: No, I don't; I didn't.

Shearer: Richard Malcolm was brought up by Robert Carleson to be overall head deputy, but Malcolm was based in Los Angeles. I found that curious, since most of what was going on seemed to be in Sacramento, that is, the real governing of the department. How could he have been overall head if he were based in Los Angeles?

Williams: The only explanation would be that Los Angeles, of course, would probably have consumed over half of the budget because of the number of people in southern California and the number of recipients and the number of programs that were concentrated on that huge population, so he might have felt that as the administrator of the programs, he had better be closer to where the bulk of the program was being run. They did have a huge building down in Los Angeles, for instance, for the welfare workers, recipients, and the supervisors and all that sort of thing--not recipients but the program administrators. That could have been the theory, but I have never talked to anybody about it. That would be just my surmise.

Welfare Reform Task Force

Shearer: I wanted to mention the names of the other members of this task force and ask for your comments. Jerry Fielder, head of Agriculture; John Mayfield, deputy director of Conservation--

Williams: No.

Shearer: Ned Hutchinson?

Williams: Yes, Ned was in the governor's office. He was the appointments secretary and a very hard-working, intelligent, aggressive guy. I imagine it was a great experience for him to be on this, too.

Shearer: He was described in another interview as being very much the driving force behind economy moves. I guess he promoted the use of fleet cars to cut costs. Does that jibe with your recollection?

Williams: Oh, yes, he was interested in cost saving and program--getting the fat out of the programs. He was very conservative and very intelligent and a very, very nice guy. He died very suddenly when he was a young man on the tennis court about two or three years after I think Reagan left office. He had stayed in Sacramento and was working there in some capacity, I think in private industry. But he was a hard-working guy, a real driver. I think his background had been in real estate in San Mateo County. He came in with a lot of strong ideas about welfare and welfare reform like a lot of people did and, as I say, I think that task force probably would have been a great experience for him to get into the inner workings and see how we've done and then make an assessment of what could be improved.

Shearer: That's interesting. You mention that he came in with a lot of ideas on welfare reform. Do you mean he came into government service or he came into the Reagan administration?

Williams: I think he came into the Reagan administration with a lot of ideas of how welfare was taking over the state and that we had to change it. We did a lot to make it more efficient but generally speaking the less you know about a problem the easier the solutions seem to be. When you get closer to it and you see some of the intricacies of the problems and that sort of thing, then solutions become more difficult. But the basic purposes are still there and the basic desire is still there and sometimes the methods of achieving them have to become a little more sophisticated as you see the details that you have to work with. But he came in with very strong beliefs and he really worked hard at it.

Shearer: Do you think his beliefs were modified, judging from what came out of the task force?

Williams: I think so. I don't know what came out of the--

Shearer: The welfare reform--

Williams: Oh, I guess they had a department of payment service and they changed the departments around and they had one for benefits--

Shearer: There was something called equitable apportionment grants to achieve an overall reduction.

Williams: Oh, that's right and they would give more to the people who were really needy and then less to the people who could help themselves. There were some ridiculous results in the payment programs that would encourage people to quit their jobs and make more money on welfare than off welfare. All of those were negative incentives to work; they were always trying to get rid of the regulations.

Shearer: Are you referring to the "disregards" that were made possible by federal regulations--the first thirty dollars of a recipient's income was to be disregarded and then one-third was to be disregarded in the computing of the welfare benefits and then reasonable costs of working was to be disregarded, special needs up to a certain point were to be disregarded. Is that what you were referring to?

Williams: I was thinking not about the way they worked out the actual payment formulas which was very, very expensive to have case workers doing all of that computation. I was thinking of the situations where a person who is working and had to pay the cost of going to work themselves and had to pay for their clothes and they had to pay for babysitters and could take more home if they just quit and went on welfare. So there would be an incentive not to work. That, of course, was absolutely contrary to all of the concepts that we have on welfare and Reagan's concept was to give them a hand up and not a handout. But they found that going to the handout put more money in their pockets. So those were some of the things we tried to attack. I am sure the task force worked on that, too.

Shearer: In one sense there seems to be a contradiction between the opposition to the disregards, which allowed an employed person to have his little edge by going to work and still get benefits, and wanting to get him off welfare and give him sort of encouragement [to take] a step up through his own efforts.

Williams: You could phase them into the work force so that they could make more by working and having a welfare supplement and then as they moved up the job ladder, you could phase them out of welfare altogether if they decided to move up the job ladder. But it would be good to get them on the job even if they have to be supported initially rather than to go strictly off of welfare in one big jump.

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Williams: But there would be some criticism of keeping persons on welfare while they were working for private industry because it looks like the government was subsidizing substandard wages by keeping a person's welfare benefits going while they were with private industry. So there is that criticism that could come from the program where they allow the supplementation of the worker. But it is better to get them phased off, I think, of welfare rather than to try to jump off in one big jump.

Shearer: Yes, it might, I guess be interpreted by the industry as an incentive for them to keep employees at the lowest rung since at that point they can keep getting welfare benefits.

Williams: Sure, that's right, and they're not paying full value for the job that's being done because the government's helping to pay the wages so to speak.

Shearer: During the negotiations over the Welfare Reform Act, there were certain active members of the negotiating team. I'd like to just mention their names and see if you can tell me something about them. Leo McCarthy, William Bagley--

Williams: They are both legislators, Leo McCarthy a Democrat and Bill Bagley a Republican.

Shearer: Bagley was on the Assembly Committee on Welfare and was chairman, in fact, in 1971. One of the staff members to that committee was named Jack Rosen. He was apparently very active.

Williams: Yes, I think I recall Jack Rosen.

Shearer: John Burton?

Williams: John Burton is an assemblyman from San Francisco now a congressman.

Shearer: Then there was Bob Moretti, the speaker, Governor Reagan, Ed Meese, Robert Carleson, and Ronald Zumbrun. As it developed apparently a certain amount of upset that developed, abrasions between the governor and William Bagley.

Williams: I could imagine! [laughs]

Shearer: Was that a situation of long standing that was just exacerbated or how did you think that developed?

Williams: Of course this particular committee, I think, came up after I left state government, but Bill Bagley was outspoken. He became a fairly liberal Republican and I am sure that Ed Meese and the governor felt that he was not willing to squeeze hard enough on some of the programs or willing to try hard enough to change things, that his

Williams: sentiments were perhaps more on the other side--help everybody keep the programs going and so forth. This is just speculation. I wasn't there but I could see that the personality of Bill Bagley and his general attitudes and that of the governor and Meese come into conflict.

Shearer: I gather that when Veneman was in the assembly--John Veneman--that he and William Bagley occupied more or less the same band on the political spectrum, they both being moderate to liberal Republicans.

Williams: Yes, I think they did, very close, very similar. Of course, Jack left and went back to HEW with Bob Finch. But he was interested in welfare and I would say he was perhaps a little more conservative than Bagley. I think Bagley would have been more liberal than Veneman, but they overlapped a great deal.

Shearer: Was there a certain amount of bad feeling between the governor and John Veneman? I seem to remember somewhere reading of Veneman being described as Jesse Unruh's operative or "under the thumb" of Jesse Unruh.

Williams: Jesse, of course, was in the assembly as speaker of the assembly when Veneman was there, so they had known each other a long time. I imagine they had a good rapport though they knew where each other stood. I wouldn't say that the governor had bad feelings. I think he probably was disappointed that some of the Republicans, who had been there a long time before he became governor weren't more down the line with his programs and it's easy to see why he would be if he couldn't get the votes to get the programs changed to the extent that he could change them in the state legislature. But he was new at it then. I think he is much more sophisticated now in Washington, recognizing that the Senators and congressmen have their constituencies to deal with and they have their problems and he can't get them all a hundred percent of the time.

Shearer: Do you think that was a factor in his early failure to get his legislative programs through, that he just kind of expected the Republicans to hew the party line?

Williams: It could have been. At one time he had both the senate and the assembly with a majority of Republican leadership and he failed to get one of his tax reform bills through because he couldn't persuade an ultraconservative, a very unyielding Republican senator to go along with him and he lost by one vote. But he has always had respect for that senator. His name was Clark Bradley from Santa Clara County, but Clark did not think the program was appropriate and no matter now hard the governor tried to persuade him he just wouldn't do it. It was a big disappointment and later he lost the--the Democrats took over the majority of the senate, so he didn't have the opportunity he had then. That's a story in itself, the Clark Bradley holdout.

Shearer: Can you be more specific about that?

Williams: It was just that he didn't believe that the program was appropriate, whether it wasn't structured right or whether it didn't go far enough or went too far I can't remember, but he held out. He was the one--his vote would have allowed I think an earlier ballot on control of the taxing powers and reduction of costs and taxes and stuff.

Shearer: Were you in a position to recommend or give suggestions on legislative programs--that is, on legislative strategy--and choose authors of bills or attempt to do that?

Williams: We didn't get into that too much as far as the authors were concerned. We would recommend programs. We would have them drafted by our--departmental lobbyist, a legislative liaison officer, and they would come up with various programs and we would come up with various programs and we would kick them around the agency and then have them drafted and then take them over to the Capitol. If they were bought by the cabinet and the governor then they would go to Steffes and Sturgeon--the two guys who represented the governor's office in the senate and in the assembly to select authors and have them processed. In our departmental thing it was Nick Petris Act* on reorganization of the mental health program. Then the Department of Mental Health guy, who was a lobbyist, sort of shepherded the bill. But I think he probably consulted with the guys on the governor's staff as to who would be selected as author, but I wasn't involved in that much--more on the program.

Shearer: How did Clair Burgener fit into this?

Williams: Clair Burgener from San Diego was very fine, understanding and supportive of the governor I think right down the line according to my recollection. He was very interested in mental health programs and he was very helpful to the administration.

Shearer: His bill originally was proposed to carry the Welfare Reform Act but was passed to Anthony Beilenson to--

Williams: A Democrat.

Shearer: Yes, to have his bill be the structure under which this negotiation would take place. Why do you think the Burgener bill was not retained?

Williams: I can only surmise here and that is that the assembly was Democrat and Beilenson was a leader in the assembly. In any event, the proposal would probably have had more acceptance with the majority

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*Lanterman-Petris-Short Act.

Williams: of votes from the Democratic party to have a Democrat as the only author. That might be it. There may be something else, but that would be one possibility.

Nixon and the Family Assistance Plan

Shearer: Now I'm shifting to President Nixon's family assistance program. That was something that John Veneman was involved in and Robert Finch certainly. Did you have a position on that or an opinion at that time, when it was being developed?

Williams: I am trying to recall. We did go down to the southern White House one time, Reagan and I and some of the members of staff--I think Lucian Vandegrift was with us--and talked about the program. I remember going back to Washington once and I think we talked about the program, too. They were talking about negative tax in those days originally also. Moynihan, I think, was on the White House staff, now a Senator from New York, and he was talking about negative income tax as a substitute for welfare programs. But I can't remember the details of the family assistance package that they were taking about, so I can't really recall whether we took a strong position.

Shearer: What I was driving for in my question was--

Williams: Is the needle going? [referring to tape recorder]

Shearer: We have to speak in order to make it work. I wonder why there seemed to be such resistance and disturbance on the part of the governor over the idea of a family assistance program and, on the other side, why there seemed to be such a tremendous amount of attention directed to California and the welfare reform package. I am wondering whether there wasn't some apprehension on the part of the president (President Nixon) at the possibility of success in taming this welfare monster, which would enhance Governor Reagan's chances for the presidency. Some people have said that he was being groomed for the presidency since 1968. Do you think that was a factor in the welfare reform package?

Williams: I didn't. It might be. Reagan went down to Miami. I was down there with him and he was making a run--a very, very late run--at the nomination. But after Nixon got elected, Reagan was very supportive of him, I believe, and I couldn't think he would be taking Nixon on at the end of his first term as president. He was going to run for re-election. So at that time Reagan had become acquainted with Agnew, and they were pretty close and they talked about welfare problems in their mutual states. One time Agnew

Williams: came out to California. That was after the election and we had a briefing set up so that he would understand how we did it in California. I didn't read anything that way, that Nixon would be resisting Reagan because he might be a threat in the future, and when we went to see Nixon down in San Clemente--

Shearer: Excuse me, this was when?

Williams: This was in about '69 and I think it was summer. Nixon was very friendly and very receptive. He and the governor had a nice meeting. They talked about various federal programs and how they would affect California. I didn't perceive any political overtones. But there may be people closer to the scene than I was that could read other things into it.

Shearer: There was a point during the welfare negotiations at which William Bagley was discovered on the telephone, according to the reports I've read, to John Veneman in HEW. I think it was discovered actually by the governor and he was very, very upset, as though there was a secret Washington connection. I wondered why that would be so upsetting.

Williams: I wouldn't know unless he thought that the family assistance program wasn't strong enough or would cost California too much and Bagley was supporting a different viewpoint.

Lieutenant Governors Finch and Reinecke

Shearer: Could you give me your views and recollections on the two lieutenant governors, Robert Finch and Ed Reinecke?

Williams: I knew Bob Finch much better than I knew Ed Reinecke. Bob I met during the campaign. He was running for lieutenant governor and he had some opposition, so we attended many of the same Republican functions on the campaign trail in the primaries. In the general election we campaigned together and got pretty well acquainted. As a matter of fact, I went to talk to Bob Finch before I started to run for attorney general and I was trying to size up my potential opposition. He told me, no, he wasn't going to run for attorney general and he, as a matter of fact, recommended several staff people who could help me in my campaign. So Carol Hillhouse was one and in any event--

Shearer: Carol, that's a woman?

Williams: Yes, and she knew a lot of people on his staff and it helped us to get a person who was going to be around. So then after we both won in our primary elections, we campaigned together throughout the

Williams: state. Then when we moved to Sacramento, why, he moved to the same street just two doors down. So we were neighbors, and our kids got to know each other and we got to know Bob and Carol very well. As a matter of fact, I saw him on New Year's Eve this year in Pasadena. So I got to know Bob very well. He was a very nice guy, a very sincere guy. He knew politics and he knew the workings of politics. He knew the pressures and the tendencies and the movements and that sort of thing and he was very much alert to that approach to things.

Shearer: What caused him to shift to the federal level?

Williams: I have a theory, but it's only a theory. Do you want my theory?

Shearer: Oh, yes!

Williams: Okay. He wanted to be a United States Senator and I believe that he thought that George Murphy would not run for reelection and so his strategy, as far as I could see, was to go back to Washington and be head of HEW, which would provide a lot of ink, a lot of press, and then leave and come back with that big press and run for senator. Then he could say he had the Washington experience and all that sort of thing. Being with the governor probably was not as exciting as being in Washington with the president. He thought a lot about it. He just chewed and chewed on whether to go or not. I mean every week there would be a story, "Is Bob Finch going to go or not go," and so forth. So he did go and at one time they thought that I was going to go back and run the shop and he could do his stuff but it didn't work out.

So then what happened was that George Murphy decided to run for reelection. He had had an operation for throat cancer and he couldn't speak very well, but there was a poll that came out in January or February that said he could beat any of his opponents and so he decided to run. Bob, being the good Republican he is, decided not to take him on and take it away from him. So then Bob stayed at HEW and had serious difficulties running that huge mass of programs because he had always agonized over his decisions. He couldn't make quick decisions and move on to the next decision, and things just built up. Decisions weren't being made and the department was having all sorts of problems, so the president took him over to the White House and put Elliott Richardson in as HEW secretary.

But Bob would have made a great senator. He is not a hot administrator because he really wants to think all the problems through until all of the evidence is in--100 percent is in. He wants to think about it a long time, and you can't do it in that kind of a vast operating agency.

Williams: Ed Reinecke I met when I was first going to run for attorney general and went back to Washington, and met all of the Republican congressmen. He applied for the job of lieutenant governor, as I did when it opened.

Shearer: This is the first time around?

Williams: After Bob Finch left, then the governor was going to appoint someone to be lieutenant governor. I applied for the job, having achieved recognition statewide, having run the statewide campaign. Ed Reinecke hired a PR guy to run his campaign to become lieutenant governor and he got a lot of young people to write letters in saying, "We think Ed Reinecke would be great for lieutenant governor." He appealed to the young people and he was a nice looking young guy. So anyhow, he became lieutenant governor. We were always friends. I left about a year after he had been lieutenant governor and then he got into trouble with Watergate sort of stuff and he had a problem there. He is a very nice guy, an engineer. I gave a speech for him. One time he was going to come and speak at a fund raiser for me, so we're good friends. Being lieutenant governor is not a very challenging job and both Bob Finch and Ed Reinecke hoped to go on to better things.

Shearer: I notice that the governor seemed to recognize that in shifting to the lieutenant governor more responsibilities for management services and government relations, environment, and Congress.

Williams: That's right, he made Bob chairman of something in the job training field (a bunch of citizens were trying to develop job training programs for the underpriviledged) and gave him responsibilities, invited him to come to the cabinet and sit with the cabinet, which he did occasionally but not on a regular basis. It's sort of like being vice-president--the executive gives him something to do and sort of gives him an established reputation. Of course the vice-president would also be a help because they are talented people. Then the people around the president, around the governor, don't want to have the lieutenant governor or the vice-president become too popular because they may view him as a threat.

Shearer: A threat to the staff or a threat to the main man?

Williams: To the president, yes. For instance, I have been reading just the other day about George Bush's problems because people--the conservatives--don't think he is conservative enough and they think he is not really with Reagan and Reagan has given him responsibilities. It's a difficult position to be in, the number-two guy, with all of the horse power that you have. That's why I think Ford didn't ask Reagan to be his vice-president because he couldn't stand that much horse power in the number two spot, and that's why he didn't get re-elected.

Thoughts on Caspar Weinberger

Shearer: What about Cap Weinberger?

Williams: A super, super guy.

Shearer: You and he worked on reorganizing--

Williams: We worked together on a first plan to reorganize state government, just moving boxes around basically, and we set up the cabinet with three secretaries. We were going to call them assistant governors but that didn't go with Bob Finch, so we changed the title to secretary. I had known Cap briefly when he was in the assembly and then I knew him when he was on the Little Hoover Commission. When I ran for attorney general the first time, he was my campaign chairman with Pete McCloskey of San Mateo County. He set up meetings for me in San Francisco to meet with top Republicans--a tremendous supporter and a tremendous guy. The southern Republicans were suspicious of this liberal San Francisco Republican. He had done a great job in the assembly. He ran for attorney general and didn't make it after the assembly. So that's why he didn't come into the administration at first, the Reagan administration. So they brought his brother, Pete, aboard and then after Gordon Smith left as director of Finance, Cap came aboard on his own and did a great job. Then he left to go back with the Nixon administration and did a fine job there and now he is doing a terrific job for the president right now, Reagan--a bright, bright, nice guy. Everytime I called him, I could get a call back within an hour no matter how busy he was. When I was trying to become a judge he was a great supporter and he and Ed Meese were the ones who really kept the pressure on so it could happen.

Shearer: One of the people I have not interviewed, but whose interviews I edited, Roger Kent, describes Cap Weinberger as being an honorable man.

Williams: Absolutely.

Shearer: Do you feel that he is as liberal? This is twenty years ago when he and Roger were going at each other as party representatives, but would you still describe him as a liberal Republican?

Williams: I have always said you can't put one tag on a person for all of their attitudes on all different types of issues. You have to go on an issue-by-issue basis--liberal on this and conservative on this. I think he is a terrific public servant. He would have been a great appointment to the Supreme Court of California. He will be or would be a great appointment to the Supreme Court of the United States if he wanted it. I think he is a bright, bright guy and I wouldn't say he was a liberal or a bleeding heart type. He wants to

Williams: get problems solved, he doesn't want to spend a lot of money needlessly. There may be differences of opinion as to how things are accomplished, but I wouldn't categorize him as a liberal. He was very big in reforming the Alcoholic Beverage Control (ABC), I guess, when he was an assemblyman and getting what's-his-name, the lobbyist--

Shearer: Artie Samish?

Williams: Artie Samish of the liquor lobby. A tremendous job there. So I couldn't categorize him as a liberal. I just think of him as a very dedicated, smart, hard working person and a tremendous director of Finance. I mean he was tough! He was tough on dollars there.

Accomplishments of the Human Relations Agency

Shearer: I would like to ask you about some of the accomplishments in your administration of the Human Relations Agency, which you mentioned in the campaign material that you gave me last week.

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Williams: Okay, do you want me to start at the top or are you going to ask questions?

Shearer: That's fine. I just wanted to mention unless you are going to state it, that the time that the accomplishments that we are talking about were cited, and this is as they appear in The Republican,* November 1969, the agency was employing 48,000 people and had a total budget of $3.5 billion.

Williams: Yes, that was of about a $5 billion state budget.

Shearer: Is that more than it was in 1966 when you took over?

Williams: Yes, I know the governor was very unhappy when we went over five billion, and I think that was the second year. Now, I guess, it's fifty billion or more. So it was well over half the state budget.

Shearer: Was the budget of the agency in November of '69 more than what it had been in '66 or '67 when you took over?

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*Campaign publication.

Williams: I am not positive. There are certain inflation factors in there and of course the agency had changed a little bit. I think it had unloaded two activities, air pollution control and veterans affairs, and so the actual budget wouldn't necessarily reflect either increase or decrease in efficiency.

Shearer: I see. I mention it because I notice that in the first part of The Republican article is says that the 48,000 people employed in November of '69 are fewer than there were at the beginning of your administration.

Williams: We had a freeze on employment and we were trying to reduce everybody throughout the state government. So that did effect some reductions in staffing and, as I say, we did transfer some departments, some units, to other agencies and it made our agency look good because there were fewer people, but that doesn't necessarily mean less state government!

Shearer: And yet you included under the Human Relations Agency additional units. The Department of Corrections and the Youth Authority weren't there before.

Williams: Yes. When the agency was created there were two separate agencies. First of all, there was Health and Welfare Agency and then there was Youth and Adult Corrections Agency. Then for the first year or so, they were administered separately. Then they were put together in the Human Relations Agency and then we also had, as I say, Employment, Industrial Relations, and a few others. So it is hard to compare numbers. You have to compare programs to see whether or not we were increasing personnel or reducing personnel. But we did have a program going to freeze--to not rehire if you could help it--as part of Reagan's "cut, sqeeze and trim" program. We made reports monthly on the businessmen's task force recommendations and we would have to report, and we did show substantial reductions in cost and personnel.

Shearer: The businessmen's task force continued throughout the administration?

Williams: I think that at about the time I left, they had pretty well wound down the implementation of the recommendations, which were approved. They made many recommendations and then they took them to the cabinet level, and some were approved and some were not approved. Then they got a program of implementation of those which were approved and they had to make regular reports on that for a year or so, and they were directed at "cut, squeeze, and trim."

Shearer: All right, if you would like to begin, I think I started with narcotics. It doesn't have a heading. It's just before corrections.

Williams: We had some programs on narcotic treatment and tried to work through the public agencies to alert the people to the dangers of narcotics, particularly among the youth, and I went around the state on several occasions and sat on panels and discussed it. There was one very touching scene down in Fresno, I think it was, where a very cute little girl sat behind a screen and said she had been a narcotic addict. She finally shook it, got rid of it. She told of all of the horrors of being a narcotic addict. So we said, "Why did you quit?" She said, "I decided I would rather have pretty babies than pretty dreams." So we were making an effort to point up the tremendous problems of narcotic addiction among young people and try to have programs and education to attack it. But I can't say that it was necessarily 100 percent successful, but we did work hard at it.

Shearer: I guess it's one of the most frustrating and discouraging problems to deal with.

Williams: Yes.

Shearer: In I think it's the first column where it's mentioned that only 18 percent of the narcotics offenders who were released after kicking the habit stayed clean for three years.

Williams: Yes, there is a special prison, a special facility down in southern California for that, and narcotic offenders would be put there for special treatment. Then sometimes they would be released sooner than if they were sent to a regular prison. It's operated under the narcotics control agency with one of my boards and commissions. I can't think of it right now. There was a doctor in charge of it and I was on the board with him.

Shearer: Is 18 percent--

Williams: High.

Shearer: That's high?

Williams: Yes, oh yes.

Shearer: It's staggering. Then more than 80 percent returned to prison.

Williams: Yes, and they couldn't get in the program if the crime was with a certain degree of violence, then they couldn't come in the program.

Shearer: I see, this was not simply narcotics abuse. These were people who--

Williams: Some had committeed crimes.

Shearer: And were also users.

Williams: Yes, right. The Narcotic Rehabilitation Agency it was called.

Shearer: The UC study cited here says that of 2,500 addicts released, only ten percent returned with new felony crimes. Did this mean non-narcotic crimes?

Williams: They were new felonies. They may be narcotic or non-narcotic, it makes no difference. They just did not get involved in--only ten percent got involved in a new felony in the state system.

Shearer: I guess I would assume that it would mean non-narcotic if 80 percent returned because they were on drugs.

Williams: Yes, but some of them came back because they had to have a standard inspection and to have urinalysis and so forth. They went back on drugs, even though it was not crime related, they would come back to the rehabilitation program. They couldn't break the drug habit. This was indicated in this report, that they didn't go back to--didn't get in a felony for a that period of time.

Shearer: I think the language here said that the number of young people involved in narcotics use was accelerating all of the time.

Williams: In the schools, right.

Shearer: The percentage of adults and juveniles arrested for hard narcotics use declined over the years of your administration. Why do you think this was the case?

Williams: I wouldn't know. These are statistics reported in this report. It could be that the offense of drug use was not obtaining the attention of the law enforcement as much as other types of crimes. So there may have been less attention paid to it. There may have been less public concern about it at the time. I don't know, but the arrest rate depends frequently on what the local police authorities are pushing and if they are really after it, what comes to their attention, and what they think requires the attention of most of the resources. It's hard to explain why, but it was a statistic that sounded good to the person who put this piece together.

Shearer: I see, but you as the administrator know that there are several explanations.

Williams: Oh, sure, there are all sorts of factors involved.

Shearer: Could it be that maybe more young people are smoking marijuana instead?

Williams: Maybe.

Shearer: Rather than opting for the harder drugs?

Williams: There is a progression anyhow.

Shearer: The next heading is corrections. Maybe you would like to elaborate on that?

Williams: We had a program on parole. We had, we thought, a lower rate of recidivism because we had an intensified program where we would classify the degree of seriousness of the offense. So the parole officers would not have equal numerical case loads. They were weighted case loads. But one case load might involve thirty people who were say check writers and another case load might involve four people who were ex-murderers. This was where the officers would give more attention to the hard, difficult cases. Parole officers also cooperated with the training programs and would make sure the people on parole got job training and then perhaps a job. They sometimes would pick them up and make sure they got to the job and made the transition. So it was a very active and aggressive program on parole supervision.

We also tried, and I think we were successful in increasing the amount of money that the prisoner got when he left prison so he would have a little more independence. I don't know if that is mentioned here but I recall that we had that very much in mind. We also had an enlarged work furlough type of program as a transition to getting out. A person could get a job while still in prison and go work in the community and then go back to prison at night. Then they would earn enough money to pay the state for their room and board for staying at, say, San Quentin. Then they would have a transition. Rather than going straight from prison to free life, they would make a transition through this work furlough. We had a lot of businesses and groups that would help to place these people in jobs. I remember one experience where a prisoner was working in a gas station and he stole money and split, and the other workers in the program gathered up money and paid off the employer so that he wouldn't dump the program. But it was a way of transition.

Then the family visitation program, which we mentioned in the last meeting, also was helpful to keep the people in prison more aware of what free life was like and be more accustomed to free life situations so they wouldn't become that far removed from the realities of life on the outside.

Shearer: Is that work-furlough program the two-year old program referred to in The Republican to bridge the gap between confinement and community?

Williams: Yes, I believe so.

Shearer: You certainly don't need to feel confined to discuss merely what is mentioned here.

Williams: I am trying to recall it because this has been a long time ago. I know in the area of rehabilitation when I went in, ours was one of the worst records in the nation on rehabilitation. We became the second or third nationally rated in our rehabilitation of handicapped, getting them jobs and that sort of thing. It was a really dramatic increase. We had innovative ways of getting more federal money into the program and we were able to staff up, get more people involved in it and reach out to more people who needed help, so that it was a good program, actually as well as statistically.

Shearer: What does it actually mean, the terms disabled? Who were the people who were to be rehabilitated, for example? What kind of disabilities were involved?

Williams: We had people in wheelchairs or who had other physical disabilities. We could help them get the prosthetic devices and get special training. The rehabilitation workers would work with them in therapy and so forth to get them adjusted to being out in the community and they would work with the employers to encourage them to employ the handicapped. That sort of thing was very helpful. We had rehabilitation programs in the homes for the mentally retarded. We'd get contracts, for example, from United Airlines to take nuts and bolts from the overhauled engines down to the homes for the mentally retarded and help these people work and then develop a job skill and then could actually get out in the community and start holding jobs. So that was part of the rehabilitation work--we also designed and built special ramps for buildings and special johns for people in wheelchairs. We found out it took only about one percent of the cost of a new building to make it usable by the handicapped. So we encouraged it and then I think we required it in public buildings.

Shearer: In public buildings?

Williams: Yes, buildings which had access to the public, not just government buildings. So it made life more accessible. A person in a wheelchair has to decide when he is going to a restuarant whether he can get in the door or not. So we were trying to encourage making those things available, accessible.

Shearer: How did you go about encouraging or requiring these things?

Williams: The department handled that. They worked with the various counties and cities about encouraging first and then requiring it when they issued building permits and encouraging modification of construction. For example, a lot of the streets we see have had the curb broken down so that people can move across in wheelchairs and that was, I think, a result of that program of public education and persuasion.

Williams: We have more handicapped people now than we used to because formerly a lot of people who were injured in war or accidents died. Now more survive with the improvements in medicine we have and we'll continue to have an increased number of our population who are handicapped in one way or another. It's important that we recognize that. Then it was important to have these buildings developed so that handicapped could have access to them.

Shearer: It was productive in the sense that this writer uses in this piece, it does mean employed?

Williams: Yes, jobs.

Shearer: Employed and more or less living an independent life.

Williams: Right.

Shearer: Why do you think your approach succeeded and got 10,000 more rehabilitated than was done in the last year of the previous administration?

Williams: Ten thousand more than the last full fiscal year of the previous administration. It could have been several factors. I know the subsequent administration concentrated very heavily on the severely handicapped on which you can spend a lot of resources and get little results in numbers. You can spend less on the less severely handicapped and get more results. So it might be that the prior administration had been concentrating on the severely handicapped. Another reason was that we were able to bring in more federal money by matching devices and we were working in the prisons and in mental hospitals and hospitals for the retarded and the prior administration did not. [interruption by secretary]

Shearer: You got federal matching grants.

Williams: Yes.

Shearer: How was that accomplished?

Williams: We could see that we could take some of the corrections money and use that to match and then we would draw in a lot of money and use it in corrections and use it for rehabilitation there for the physically handicapped and emotionally handicapped who were in prison. We could do the same, taking some money from the hospitals for the retarded budget there and use that to match. What was the other thing?

Shearer: This was how you were able to dovetail--

Williams: Yes, attract more federal money.

Shearer: Why do you think the previous administration did not go into--you said not into prisons?

Williams: I don't know. Maybe it was just a new idea that someone had.

Shearer: What about the WIN program for employing welfare recipients?

Williams: My recollection is of a program in the Department of Employment to develop work training programs for the welfare recipients in connection with industry and to get people jobs and off welfare. It was, I think, conceived here and used as an experimental program. It was really directed at getting the able-bodied off of welfare and on the job. We used to get reports of how many were moved off of welfare. I don't think that they kept statistics on how many came back on welfare. That's always an important thing to do because a person can go off to work on a seasonal basis and claim credit and then come back on welfare a little while later. But it was really a constant effort to say, "If you want to get any welfare you've got to work for it."

Shearer: There was a report done by the Assembly Committee on Welfare staff, which reported in the California Journal. It was cited in the issue of January 1972, but the report was done earlier. It describes the program as a federal-state employment program in which the federal government contributed eighty percent and the state paid twenty percent. Then there is a slightly different breakdown of the state's percentages and local communities. It was the aim, according to the Department of Health, Education, and Welfare, to get a half million people off welfare in 1972. But the reports from the comptroller general to Congress in 1971 said that the program was failing in its job of preparing people for work and finding new jobs. There were several other studies done, one by the California Taypayers Association, another by the legislative analyst, and the Wright Institute, which seemed to concur in that assessment. They all cited as difficulties the lack of adequate and reliable data or information management for the program and being unable to assess its true accomplishments. But the main point that the program's critics cited on the other hand was that it was very difficult to get people into jobs if there aren't any jobs to be had. You can train and train and train, but if unemployment is on the rise, the program won't succeed.

Williams: That's right. I mentioned that tax incentives could be used to have people doing the lawn mowing with hand lawn mowers rather than mechanized lawn mowers just to keep more people working, and then industry would get their break by getting a two-dollar tax write-off for every dollar they spend. But there is always trouble getting people training and getting their hopes up and then there's no job for them. Even leaf raking would be okay, but ultimately the leaf raking wasn't sufficiently exciting but certainly it was working rather than not working.

Shearer: One of the criticisms of the program had to do with the estimates of the number of people placed in jobs and the estimated savings to the welfare program.

Williams: By the state or by the federal program?

Shearer: The Department of Human Resources report said that WIN placed 6,000 in April of '71, so that WIN placed 6,287 in jobs, with a $40 million savings in the first year. Then later I guess the same sources said in October that it was hard to assess the savings and projected that $4.9 to $13 million might be more like what they would expect.

Williams: It's like trying to project the budget these days--the deficit, I mean!

Shearer: I guess projecting possible deficits and then possible savings has always been a little bit iffy.

Williams: Yes, it depends on how they keep their records. When a person gets off welfare, they might list him as being off of welfare for good. But if he comes back, and their projections have not anticipated a certain percentage return to welfare their figures can give a false impression. April seemed like a pretty good month to get jobs in agriculture and other areas, so there might have been a normal removal from welfare to jobs that the program was trying to claim credit for. So that could have been part of the problem, too.

Shearer: That's right, you have to pick up the seasonal--

Williams: The seasonal change. Then also the program planners may have anticipated that once the trainees get the job, they're off welfare forever. However, they may be fired in six weeks and go back on again. But actually the main thing is it was a real effort by the administration to solve a current problem by getting jobs and getting job training and getting people on their own for their sake as well as for the tax savings.

Shearer: Oh, here is another instance of that. I was going to ask you about the Medi-Cal deficit. It was reported as among the accomplishments, as the reversal of $160 million deficit into a $60 million surplus.

Williams: A projected deficit, right. We had to almost close Medi-Cal down at one time and we had to really reduce benefits and limit it to emergency type benefits for awhile because we were about to run out of money.

Shearer: I remember this occurred in the very beginning when Governor Reagan first took office.

Williams: Yes, right.

Shearer: And at that point that it was reported as an $80 million possible deficit and then by the end of the year, the money was found.

Williams: It was saved.

Shearer: Or saved, recovered in some fashion. I am wondering if the $160 million cited here is referring to the same incident.

Williams: It probably is. This was printed in November of '69, so this is probably talking about '68. We had to really tighten up on the administration and for awhile we denied it except for emergency surgery and hospitalization and tried to reduce the number of days in the hospital because people were staying a week and they didn't need to stay a week. We held the line on nursing home costs, which were pretty severe, and then we set up an audit program to audit the nursing homes. We tried to improve the claims procedures and to eliminate and reduce double billing and we hired a bunch of fraud investigators to go out and start checking fraud and we started this program. We inherited it and we came into office when the program had been adopted by the legislature only a few months before in the Brown administration, and they never had set up any kind of guidelines. So the program was going and nobody was monitoring it. So any kind of regulation was bound to have some benefits, and we did get real tough. Then we reinstituted or re-installed--re-authorized--certain procedures as we got control of things. We had a program of full medical assistance. But we had to grab it and squeeze it awfully fast. Otherwise it would just break us.

Then we met with the doctors on how we could handle their billing and we had peer review groups to study whether there was over medication, over servicing patients. I tried to get someone to work on a level of payment, but they didn't want to have us telling them what to charge, so they'd bill what they wanted to and then they'd get paid less. We had to hire fiscal intermediaries to start doing that program. We encouraged the doctors to set up peer review committees and it was a tremendous, tremendous problem.

Shearer: This was in '67 right after you came on board.

Williams: Yes, I came aboard in '67, but both '67 and '68 were very difficult.

Shearer: Was there this one big deficit that you inherited for $80 million that was reported earlier and then another one of $160 million a year later?

Williams: It was difficult to project what we would require and so our first budget was basically a worked over Brown budget. We came up with a budget and after a few months of expenditures we decided we'd run out of money in about six or eight months. So we had to really grab the program and squeeze it, and we had these meetings. The first

Williams: meeting I attended, I mentioned in the last session, they were talking about the Blues and I thought they were talking about some Frenchman! They meant the Blue Cross, the Blue Shield, how we get them involved. It was just a program that had been adopted with no controls on it and we had to impose the controls, which we did, and it's still a very expensive program. We still have problems with it.

Shearer: But how could there have been such a fluctuation of an $80 million deficit and then a $60 million surplus and then a $160 million deficit?

Williams: Yes, it could have been that wild because at the beginning of the year you have to estimate what the use of the program is going to be, and that's the second year of the program so it's a never-never land of trying to make an estimate. It has to be kind of soft, and then you look at your expenditures and if you have absolutely no controls on the program, costs go crazy. So when you put controls on it, you reduce it dramatically and then it's hard in that crazy year to project the next year. So we had a lot of difficulties with the legislature on eliminating certain programs and whatnot, but it will survive!

Shearer: Are there any other accomplishments that you would like to discuss?

Williams: I think the mental health program was misunderstood. There is a program that Dr. Lowry had developed initially under the Brown administration, the concept of having treatment in the community rather than just at the mental hospitals.

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Shearer: Maybe you better start with "this new treatment."

Williams: The new treatment was medication that could better control the emotions of the people who were in mental hospitals. Most of them were not dangerous; they were just senile. So the idea was to have them transferred to hospitals in the community closer to their families and their support people--friends--The state would pay ninety percent of the cost, whether they were in the state hospitals or in the communities. But the state hospital was generally very remote from population centers and so it was difficult for people to go visit their relatives in the hospitals. Bringing them home or keeping them at home would be the best thing, as long as they weren't dangerous to themselves or others.

So we started this program of reducing the state hospital population. It went down dramatically from a level of 30,000 down to ten or eleven thousand in about four years. That's just a rough estimate. It was dramatic. We very carefully held staff reductions so they did not go down as fast, so we kept the same ratio or even improved ratio of staff to patient. But the public didn't understand

Williams: that or wouldn't understand that, and so there was tremendous controversy over this program. But we stuck by it and I think that people now approve the concept of encouraging community hospitals to have psychiatric wings so they can handle a person in a period of crisis and then keep them in the community rather than send them off to a strange environment when he least needs that kind of disruption. So there were some problems with the program even today that some of the local facilities, the local nursing homes, or the local homes for these people were not properly staffed or that some of the patients who walked around the streets looked kind of funny and that upset the citizenry because they were eccentric. But Dr. Lowry said that there's no sense in locking someone up because he's eccentric. In a free society, you ought to be able to be eccentric if you want to and not be locked up for it.

But generally the concept is good, it's only the implementation that is not so good. But Reagan took a lot of heat for the program although the people who understood it really applauded it. We still had one of the best mental health programs of any state in the nation.

Shearer: Did the new drug treatments, were they useful because they allowed the population that was most dangerous or least treatable by other methods to remain in state hospitals or did it allow sort of the general run of people who might have crisis or might otherwise need incarceration be treated with drugs in a local setting, drugs in lieu of locked doors.

Williams: Drugs in lieu of locked doors. Yes, they didn't have locked doors up at Napa because when they had this treatment going, the people were sensible, normal; they could take care of themselves. But some people would stop taking the medication and then they would start having problems again. There weren't many situations, as I recall, of dangerous people getting in these programs. It was just the overly eccentric. Most of them are old and sort of senile and they could be taken care of in the community where it was better for them. So hospital populations did go down and the staff shifted to local communities or went elsewhere. But we were very careful to keep our staff ratio within the prescribed limits.

Shearer: I see more here.

Williams: Human Resources Development, was a combination of the Department of Employment and most of the EEOC-type* of training programs. We had the service centers. Brown first was going to put in a bunch of

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*Equal Employment Opportunity Commission.

Williams: service centers. We kind of inherited them and didn't open some of those originally planned. There was a big ruckus over that. We did open some that were underway. The idea was to have a concentration of the services available to the poor people right in the community in which they lived.

Shearer: These are the service centers or the economic opportunity centers?

Williams: They were called service centers. In the service centers, there were supposed to be welfare workers and EEOC specialists, job training specialists, and people who could work up the eligibility for Medi-Cal. All this so that a person could go to one place in the community and always have services available. I thought that it was kind of an oversell. We were out there trying to get clients! But people needed to go to one place where all these services were available. In Santa Monica there was one that we were not going to open. So concerned citizens came in--this was the first couple of weeks of the administration--and said, "If this isn't opened, Santa Monica is going to be burned." I said, "What?" I could feel the heat start up my neck and the hair standing on end. They said, "We can't control it; that's the sentiment down there. If this doesn't go, then it's going to be burned." I said, "The state is not going to open it, but I'll work with the city and we can probably station some people in it"-- the place had already been rented but had not been occupied--"and maybe we could work on something so that there would be services there, but the state is not going to knuckle under to any threats." They said, "This is no threat, this is just a report." I said, "As far as I am concerned, the community is threatening me and I won't take it."

But I went down and talked to Mayor Yorty, and the city picked up the lease and we put some people there. So it worked out and we avoided that problem. But, God, I thought, I'd hate to be on the job two weeks and have Santa Monica burned because of something we did or didn't do. Some centers weren't opened at all and some opened later, on a more carefully studied basis.

The human resources development program was a combination of the employment and the training so they could work together, and then we had the EEOC programs with them, too.

Shearer: Who were the representatives who reported that "the city would be burned"?

Williams: The publisher of the Santa Monica paper and a leading black minister. They weren't threatening me. They were concerned; they weren't threatening. But I could see that the community attitude was a threat, and I felt that if we started surrendering to threats of violence or intimations of violence, we would never be able to run an administration at all. The records of what happened really can speak better

Williams: than I can from this distant memory. I can just say that we worked hard, we tried to have innovative things, we tried to improve services and reduce costs and we got some programs--for instance, hemodialysis, moving quite rapidly. It started as an experimental program. We never said we were going to have a big program in hemodialysis, but then we had to start making decisions. Were we going to give it to this person and keep him alive and deny it to someone else? There was a lot of public pressure to expand it, but we weren't ready to because it hadn't been proven. We were experimenting with it to find out how the program best functioned before we enlarged it. We took a lot of heat for not going fast in that area, but we ultimately did get a great program going.

I think I mentioned before the programs for the mentally retarded. Every year the program was increased tremendously because of the governor's personal feeling of the importance of the program. Everybody was trying to improve government operations and reduce costs, which is a very challenging assignment.

Shearer: One thing mentioned here under mental hygiene category is that "hired nurses would be in effect by the end of the year." What actually does that mean? Does that mean they will be on the books or in practice or what?

Williams: You read it here?

Shearer: Yes, I think it's under mental hygiene. Here it is. [shows source]

Williams: Oh, they would be the national group that goes out and looks at hospitals and probably staffing standards and maybe specialist standards. But we had been operating under the 1952 standards and then the 1968 standards came into effect. We set up a program to achieve the 1968 standards within a certain period of time, and we achieved them, I think. There are recommended standards you had to meet in order to be certified.

Shearer: These are to deal with construction and staffing?

Williams: Staffing, mostly staffing--the types of personnel you have on board. Maybe it's a new specialty that has been developed in pathology and you have to have those people on board. Then there is the hospital inspection on a regular basis to see if the hospitals are meeting their standards. These new standards would be more expensive. But with the reduction in population, I think we were achieving less expense at this point.

Shearer: Also under that heading was some mention of the mentally retarded. It said that the waiting list for the mentally retarded--that can't be correct--was reduced by sixty percent. It must be for treatments.

Williams: Waiting lists for hospitalization has been cut by sixty percent.

Shearer: How was that achieved?

Williams: [reading]"Overcrowding in the hospitals for the retarded has been reduced. Over nine hundred employees have been added to the treatment staff while hospital population has been cut by one thousand patients, bringing the ratio of treatment staff to patients to the best level in history."

Shearer: What level would that be?

Williams: I know that as space was made available in the hospitals for mentally ill, we were able to convert some of those programs for the mentally ill to programs for the retarded. Some of the former inpatients were then seen on an outpatient basis.

There was a program down in Patton Hospital in southern California I think it was where some patients were believed to be beyond any hope of rehabilitation. But staff worked very hard with them and obtained some contracts for doing unskilled work...such as sorting nuts and bolts by size...and raised enough money so that the entire ward took an overnight trip to San Diego and stayed at a motel and swam in the pool, went to Marine World, and had a good time. Sonoma State Hospital I visited with my wife. There was one ward they called the Lux ward. It was for women who were so lacking in mental capacity that it couldn't be measured. They would go out in the sun and would take their clothes off and throw them over the fence and just lie there sunning themselves. One time I said "like lions," and somebody thought I was insulting the people by referring to them as animals, but I didn't intend an insult. The staff worked with these people and they got some of them out of the ward so they could hold jobs and be on their own. I don't know how they did it, but they did it.

Shearer: Was this accomplished because the staffing ratio was improved significantly?

Williams: I think staffing ratios, I think new techniques that had been developed, new emphasis. There were psych techs, they called them, who worked with the retarded and who were particularly dedicated people. They would work with a person say for six months to teach him to tie his shoes. When the person learns to tie his own shoes, the psych tech thinks it's the greatest reward. It's just that they are special kind of people and they work very hard, and I think all of these techniques plus staffing and medication did make dramatic improvements.

Shearer: You mentioned several times seeing these facilities first hand. Was that true of your predecessor?

Williams: I don't think my predecessor had as many facilities to look at as I did because I had all of the hospitals and all of the prisons. I think that most administrators wanted to go out on the scene a) to see what's going on, b) to show an interest, and c) to be seen by the people you are working for so they know that you're interested. You also get a feel for it so when you're testifying before the assembly on some matter you can say, "I've been there and I've seen what's going on."

V THOUGHTS ON CORRECTIONS

Shearer: Did you find any of your ideas change after seeing the things that you saw in the prisons and in the hospitals?

Williams: I didn't know much about it when I started. I was a lawyer in county government and I had been inside a county jail, but I never had been inside a state prison. I had never been in a mental hospital before. Basically it was just learning a lot of things and getting first-hand impressions of the real thing and I had no impressions to conflict with them. But I did come to the conclusion there--and it's followed me onto the bench--that a prison is the worst place in the world to put a human being. It's an unnatural setting. It causes a lot of damage to the individual. So I sentence people. I sentence them to prison frequently but not for long periods of time. I think a little prison at the time is sometimes a lot better than probation to shake a person up and let him smell the bars so to speak. But if you keep him in there too long, he gets used to it and he doesn't see what he saw when he first came in. The shock is gone. In San Quentin you go down in the "hole" there and it's just absolutely unbelievable. But sometimes people work into that situation so slowly that it doesn't look shocking to them.

Shearer: I wonder what effect it has on the guards and the administrative personnel?

Williams: They get used to it also, I think. So I came to the conclusion that prison can be very, very damaging. There are some people that should never be let out and there are some people there that don't belong there, and it is hard to tell which are which. But we had a very aggressive and progressive program in corrections and we were able to work hard to keep the people on probation or parole to stay out. Then we had this parole program and we really worked at it. We did for awhile reduce our rate of recidivism statistically and I believe that it was true.

Shearer: I noticed you said that one of the things that you tried to do was make the parole officers' case load--case requirements--flexible to allow more attention to be directed to those who are more likely to come back. I read elsewhere that the highest rate of recidivism is among bad check passers, which is one of the least violent crimes.

Williams: I don't think they even go to state prison anymore. They used to send a lot of them there, but there is so much more violent crime now and they haven't increased the capacity of our prisons to hold people and so I don't think we did get many check passers up there. We get more violent people and so the problem is more difficult now than it was then because the population has grown and the rate of crime has gone up.

It's true that the murderer is the one that has the lowest rate of recidivism. Usually it's a one-shot deal, a crime of passion, jealousy, rage, and yet if he should commit the second murder, boy, the public is incensed that he ever got out. Also it's difficult--You let a bad check passer out and he goes and commits murder and the papers say, "Ex-felon released and commits the murder his first day out!" And with no prior history of violence. There is just no way they can get into the human mind and determine whether they are dangerous or not.

Shearer: Getting back to the juvenile delinquency "early warning" program, if at the point of putting someone in prison or releasing from prison, it's impossible to get into a person's mind, how did you think to get into the mind of an eleven-year old, let's say, or a fourteen-year old to predict "criminal behavior"?

Williams: Five-year olds!

Shearer: Then how could you tell?

Williams: You can tell by his conduct, the conduct in a school. If they were cut-ups and were causing a lot of problems or something, some emotional problem, and they weren't criminals yet. So I said, "Reach them before they commit their first crime." These studies by Dr. and Mrs. Glick at Harvard convinced me that they could anticipate to a high degree the criminal attitude, the tendency, in little kids. My theory was to reach them before they commit the first crime, try to turn them around with special treatment and attention. I hate to use "treatment" because it sounds like they are ill. Maybe they are that, but when you have a criminal, I'd rather call it a penal program. I used to raise hell with the director of Corrections and Youth Authority. I'd say, "Use another word because treatment gives them a feeling that they are sick and that's in and of itself an excuse." As far as the little kids are concerned, if you could reach them and get them on a positive program, then they might not

Williams: commit that first crime. Frequently I have heard--I haven't experienced it myself--that parents would resent the child making progress, resent the child learning to read if they couldn't read, and belittle him. So if you see those kinds of complications you've got to work with them, so the kid isn't discouraged from achievement in the normal sense of the word, in the education sense. As I said earlier, if the kid reaches the sixth or seventh grade and can't read, he can't study English, he can't study history, he can't study anything. So what does he do? He gets his kicks out of cutting up and it leads to criminal activity, and then he starts with the county and then goes to the Youth Authority, he goes to the state Corrections, and maybe on up to the federal system. So it's a lot cheaper if you can just reach them earlier and turn them around. But you have to double up at least some fiscal years. You have to take care of the regular system and you have to pour a lot more money into the front end of the continuum in order to get the program going.

It has never been fully tested, so maybe it's just a good theory. Like many other programs; it was good in theory, but it didn't work.

Shearer: It sounds like some others have proposed similar programs, not with quite the same goals of prevention of delinquency or identifying criminal tendencies, but with the notion that it is important to provide enrichment in early years, enrichment of environment, enrichment of nurturing and positive feelings and so forth, like the Head Start program. Is that what you envisoned?

Williams: Partly. The Head Start program was very important, very much a part of that thing. Then you have the other side of it. People say, "Why should the government be telling me how to raise my child?" or "why should the government intervene in my personal, private right to raise my child the way I want to?" Then there's worry--about "Big Brother" and that sort of problem. But I think that the effort has to be made.

I think a lot of people raise their children just the way they were raised. That's all they know; if they were beaten up when they were kids, then they beat their kids. There should be some way to reach the young girls of ten before they start getting pregnant--this is about when you have to start these days--and teach them what a child needs. I think they have to show what the child needs and to break the repetitious way of one generation passing its bad habits of child raising on the next one. That's important. It's sort of like sex education in schools. It is very controversial and it has raised a lot of opposition, but when it's done right, it's awfully important. Because a person is old enough to have a child doesn't mean she is smart enough to raise a child, and life is so much more complex than it used to be a hundred years ago. You have to be a real pro to raise a child these days.

Shearer: Is there any place where you feel this is being done right--where kids are being given the best chance to grow up as wholesome, productive, citizens?

Williams: I guess in Iowa on a farm! I don't know of any program. There may be programs around. The fact I don't know about them doesn't mean they don't exist, but I'm not aware of any programs concentrating on this. But it is important and the program I started on delinquency prevention was--I never did get the final results of it, and maybe there weren't any they could show--but to me that's the only way that you can attack the crime rate, but I don't know. Anything else?

Shearer: Not for me. Is there anything else that you would like to wind up with.

Williams: I could say that I found the governor, and now the president, to be a very, very smart guy and a very empathetic person. He had his goals and wanted to achieve them, but he always would make exceptions to solve a social problem. He was painted as being an actor, but that wasn't it. The people who worked around him then found out, and people realize now as president, he is a very, very bright and very tough guy as far as going after his programs, and very sympathetic to the needs of others. He has had tough times in his life as a boy and with his father. He had never forgotten that. He is very, very disciplined about his own life, his own health.

Shearer: Does he ever talk about his hard times with his own father?

Williams: A couple of times he has mentioned it, yes.

Shearer: It has stayed with him?

Williams: Yes, his father was an alcoholic and it was tough. But I know his brother, too, and he's very much the same way.

Shearer: The same as the president?

Williams: Yes, the same as the president. It was really a very exciting experience for me in Sacramento at that time--exhilarating and hard work, a lot of hours and problems, internal problems and external problems, but I wouldn't have missed it for the world. I wouldn't want to live the rest of my life that way. I like this seclusion of the judiciary very much in a much different way, but that was certainly exciting and I think we did achieve a great deal. I think also that the education Reagan had as governor enabled him to achieve the successes he has so far as president.

Shearer: Thank you very much. I certainly appreciate your help.

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Connelly, Margarete, UC Berkeley.
Deaver, Michael, UC Berkeley.
Dumke, Glenn S., UC Berkeley.
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Participating Institutions

Oral History Office, Department of Special Collections, University of California, Davis, California, 95616.

Oral History Program, California State University, Library 243, Fullerton,

California, 92634

Oral History Program, Claremont Graduate School, Claremont, California, 91711.

Oral History Program, Powell Library Building, University of California, Los Angeles, California, 90024.

Regional Oral History Office, 486 The Bancroft Library, University of California, Berkeley, California, 94720.

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