

**PPTN: Thornburgh's first year in office interview,  
Harrisburg, December 19, 1979 (22:10)**

>> Interviewer: And, governor, one of your most time-consuming concerns this past year was dealing with the consequences of the accident at Three Mile Island. This whole issue ties in with the whole nationwide, or worldwide, energy crisis. Now that you've had a few months to think about the issue and the consequences, is there nuclear power in Pennsylvania's future?

>> Thornburgh: I don't think we'll get a verdict on the future of nuclear power for a long time. As I told the General Assembly when I addressed them with my legislative program in October, I think we have an opportunity in Pennsylvania to be a leader in dealing with the energy problems of the 1980s. And the way we can best do that, I think, is to undertake a series of energy initiatives that make the outcome of the debate over the future of nuclear power irrelevant. We can do that, I think, by developing alternate energy sources, and we have one of the most promising of those sources in Pennsylvania in our vast coal reserves, in promoting research and development in synthetic fuels, in tapping the biggest potential source of new energy. That is, an effective conservation program. If we can do that, if we can carry out those initiatives in the 1980s, then the outcome of the debate over the future of nuclear power will in fact be irrelevant, as far as Pennsylvania is concerned. If the verdict on the future of nuclear power is favorable, we'll have an added bonus. If it's unfavorable, we won't be caught in a shortfall position, because we will have sensibly planned for the future. We have a number of legislative initiatives. The lieutenant governor and the energy council are working on a comprehensive energy plan that's designed to meet these needs. We in state government have undertaken coal-conversion projects, a reduction in our use of energy, and an aggressive program to push conservation among energy consumers in Pennsylvania. So I think the responsibility we have is clear. Now it's up to all of us in government and in the private sector to execute.

>> Interviewer: By saying you want the end of the debate to be irrelevant, does that mean that you are inclined to prefer not to use nuclear energy in the future?

>> Thornburgh: No, I don't think we can afford to discount any potential source of energy, given the crunch that we're placed in today by the policies of the OPEC nations. It's not a comfortable position to be looking abroad for any vital resource, particularly energy, which is now the focal point of so much of our national

debate. But I think it'd be foolhardy to stick our head in the sands, ignore the fact that Three Mile Island occurred, ignore the fact that there is an enormous concern on the part of Americans and particularly Pennsylvanians about the safety of nuclear energy and the integrity of the industry in the broadest sense of the word. I think the president's commission on Three Mile Island, the president himself, all responsible observers would agree that right now we are in a situation where we have a de facto moratorium on the future development of nuclear energy. Whether that will resolve itself favorably or unfavorably toward the potential use of nuclear energy in the future I don't think anybody can say at this juncture.

>> Interviewer: Do you have any deadline in mind for a verdict on nuclear energy?

>> Thornburgh: No, I don't think I know enough, really, to say that, and I would beware of someone who has a quick and easy answer on that. It's an involved technological problem, but an even more involved psychological problem. The impact, the emotional impact, of the Three Mile Island incident on our civilization is quite clear. It was clear during my recent visit to the Soviet Union, where there was a great deal of curiosity expressed by those who are involved in their nuclear program. And they've committed themselves to a course that looks to nuclear energy for supplying ultimately 30% of their electrical energy. And yet there's a bit of misgiving beginning to creep into those commitments in view of the aftermath of Three Mile Island.

>> Interviewer: Another problem for Pennsylvania is the apparent decline of the more mature industries in the Northeast. Steelmaking is a particular concern right now. The state is doing what it can to help with the immediate needs of the workers displaced by the closings. What about longer-term solutions? What can and should the state do to make the steel industry viable again?

>> Thornburgh: Well, I think in large part, as steel executives have indicated, it's federal policies that are hamstringing the full utilization of our steelmaking capacity. I've asked for a meeting with President Carter to discuss those policies in three areas that I think are important. Obviously, the ability of the steel industry to develop capital for use and expansion and modernization through tax policies and depreciation policies that make sense is one. Secondly, the continuing concern about the unfair competition that comes from imported steel -- unfair in the sense that our private industry is forced to compete with state-

subsidized or state-favored industry from abroad. And thirdly, I've asked the president previously and would reiterate this request that our environmental regulations at the federal level be reviewed on an item-by-item basis to determine whether, in view of the state of the economy and the state of our energy shortfall, there shouldn't be some adjustment in policies that were made in the late '60s and early '70s, at a time when we didn't have concern about energy and when our economy was sound, as to whether those policies fit today's needs.

>> Interviewer: You mean environmental policy?

>> Thornburgh: Environmental policies in particular, but I think what we've tried to do in the Department of Environmental Resources in Pennsylvania is to try to work out reasonable solutions to problems that, if they were not dealt with reasonably, could well drain needed resources out of the steel industry, which are needed to modernize it.

>> Interviewer: Do you think the environmental policies of the late '60s were too stringent?

>> Thornburgh: I don't think that's the question. I think that what you have to realize, and what I've urged on the president and on other federal officials is that these policies were framed at a time and in a context when we had no concern about energy future. Not until the oil embargo of '74-'75 did we begin to have a concern about the future of this country, as far as energy is concerned. And they were framed at a time when we had very little concern about prosperity and the ability of our industries to grow and expand. Now we're dealing with a situation where our economy is spinning out of control -- double-digit inflation, the energy impact of the developments abroad, the fact that many of our industries are being priced out of the market because of an unsound economic condition here at home. And I think it's incumbent on the Environmental Protection Agency and the federal government to re-evaluate those policies in the light of present-day needs and conditions. I think the best way to put it is that clearly if environmental integrity were our only concern, if we were striving for 100% environmental purity, we would probably shut down every industrial enterprise and every source of potential pollution in the country. No one suggests that. No one ever has suggested that. But the point is that somewhere between 0% and 100% comes a break point, which is impacted by other needs -- our economic needs, our energy needs, our needs to keep people employed. If in fact we are facing a recession, as most economists agree, I think it's time not to abandon our environmental

initiatives but to re-examine them in the light of present-day needs. And that I think is an important imperative.

>> Interviewer: You mentioned favoring American steel. Auditor General Benedict is renewing his criticism of your decision to give the Southeast Pennsylvania Transit Authority permission to buy \$67 million in trolley and subway cars from a Japanese firm. He says the purchase should have been made in the United States.

>> Thornburgh: Well, the auditor general simply doesn't know what he's talking about. There are two points that he conveniently glosses over. First of all, the major portion of those purchases were financed by the federal government, which prohibits us to specify that American steel be used. And I wrote to Secretary Neil Goldschmidt of the Department of Transportation last week, before the auditor general ever raised this point, and requested that that policy be reviewed and revised at the earliest possible moment. But until it is, we are simply hamstrung with regard to the use of federal funds to purchase rolling stock for transit authorities in Pennsylvania. Secondly, the law does not apply to this contract. The attorney general has expressed his opinion in that regard, and Auditor General Benedict is well aware of that because he was at the meeting last summer when the attorney general's opinion was rendered to that effect. It's one thing to talk about helping the steel industry in Pennsylvania. We're undertaking affirmative steps to accomplish this goal, and I would hope that if we are successful in meeting the needs of the steel industry through getting a change in federal policy that we can continue our efforts to promote the use of Pennsylvania steel, the backbone of our economy.

>> Interviewer: These new steel and zinc layoffs will mean more than \$3 million in new unemployment compensation payments from a fund that's already more than a billion dollars in debt. To put the fund back in the black, labor's going to have to accept a cut in benefits or employers are gonna have to pay more in taxes or both. Some legislators have been calling on you to take the lead on working on a compromise between the two. What are you planning to do about the U.C. Fund debt?

>> Thornburgh: Nothing has occupied more of my time since my return from the Soviet Union than dealing with the question of solvency of the Unemployment Compensation Fund. When Governor Shapp took office in 1970, that fund had a net surplus of \$840 million. When he left office last year, and I became governor, it had a deficit of \$1.2 billion. The policies that were carried out during the 1970s, which saw this change occur, were simply

inexcusable. We are now left with a situation where the fund is bankrupt, where businessmen were notified this week that they are going to have to pay more in the way of taxes at a time when we're trying to attract industry to Pennsylvania and create more jobs for Pennsylvanian working men and women and put an end to unemployment that affects so many pockets of our economy. I have spent the last two weeks in a series of meetings with leaders of the business community, organized labor, our legislative leadership, and the congressional delegation in Washington to try to get some idea as to what the shape of the best package is that we can put together to solve this problem. It's not an easy one to solve. It's going to require some compromise and some give-and-take on the part of all involved in that 3-legged stool that supports our economy -- that is business, labor, and government. But I am bound to see that this problem is dealt with and is solved, and is no longer swept under the rug and that we reach an agreement that I hope will contain elements that will rid us of this deterrent to further economic development in Pennsylvania. What the specifics are, I'm not wise enough to tell you at this moment, and I would think that you would beware of anyone who says they have an easy answer to this complicated problem of unemployment compensation. But the important thing is that the dialogue that must be carried out among leaders of business, labor, and government is now under way, and I would hope will produce a fruitful result.

>> Interviewer: In other words, you don't have a specific compromise in mind.

>> Thornburgh: No, I don't, and I think it's important that we look as carefully as possible at all of the ramifications of this, not only for the next fiscal year but for the entire decade of the '80s, when we're talking about an effort to stabilize an out-of-control indebtedness so that we can use that stabilization as a talking point to attract new industry or promote expansion of industry in Pennsylvania.

>> Interviewer: You said you want to reduce the number of people on welfare by putting able-bodied recipients to work. But unemployment is running at about 7.5%. Do you really think that with the unemployment rate running that high, the state can find jobs for welfare recipients?

>> Thornburgh: We have to. We cannot afford, in this state, to permanently subsidize able-bodied people who are unwilling to enter the job market. Our Unemployment Compensation Fund, as we've already discussed, provides ample interim relief for those who are

temporarily unemployed. My concern about the welfare situation is that we are not providing anywhere near an adequate measure of support for those who are truly in need. Those people who are unable to work -- the elderly, the young, the disabled, those with dependent families -- are receiving less than three-quarters of what the bare minimum they ought to be receiving is by commonly accepted standards. There's no way in the world that in this post-Proposition 13 climate that additional revenues are going to be available to provide a decent measure of support for those truly in need. And after much careful thought and deliberation, we've decided to follow the example of other states and remove those who are able-bodied, who do not have families to support, who are in the prime of life, who can be employed, from the welfare rolls and divert the savings that are realized to those truly in need and to providing essential job-training programs, which can create the skills within those who are on general assistance to enable them to re-enter the job market. The jobs are there. You pick up the want-ad columns of any metropolitan newspaper, and the jobs are there. The missing link between those who are able-bodied and able to work and the jobs themselves are the elements of initiative and the elements of training. I think the initiative will come when they are ceased to be subsidized and the training we're working to provide through a variety of mechanisms.

>> Interviewer: And that 7.5% unemployment is that gap?

>> Thornburgh: No, I don't think that is the whole gap. There's always a float of unemployed persons who are between jobs. I don't think you ever have a 0% unemployment rate in any economy. But I think it's a false comparison to make between the unemployment rolls and the welfare roll. Unemployment compensation is used to tide people over during periods of temporary displacement, and one of the things that our Department of Labor and Industry is finding among those steelworkers who have lost their jobs in western Pennsylvania is an intense interest in retraining, the ability to move in to a new job. That doesn't exist among those who are permanently subsidized on the welfare roll. We simply have to adjust our thinking about where the welfare dollar goes in view of its scarcity and in view of the fact that we are doing a very poor job of providing for those who are truly in desperate need.

>> Interviewer: This year you've had some trouble meeting the constitutional deadline for gubernatorial nominations. Consequently, the Senate has refused to approve some of the nominations. After more than a year in office, some of the slots still haven't been filled. Why is it taking so long?

>> Thornburgh: Well, there are a couple factors involved. First of all, I am the first governor in the history of Pennsylvania to ever have to comply with this constitutional deadline, which I think was inappropriate. We had to fill nearly a thousand jobs within 90 days after taking office. And the kind of scrutiny that I think those jobs deserve is simply not possible within that time period. I've asked the General Assembly to consider staggering the time of expiration so that they don't all fall in at once. Secondly, days 72 through 85 of that 90-day period were taken up with the Three Mile Island incident during which I gave no thought whatsoever to the filling of job vacancies. And they aren't vacancies. That's the important thing I think people have to realize. The fact that these appointments haven't been made doesn't create an empty seat at the table in some board or commission. What it does is -- are we not doing this?

>> Interviewer: Just ran out of tape.

>> Thornburgh: I want to make that point.

>> Interviewer: Let's start with "and they're not vacancies."

>> Thornburgh: Is it going?

>> Interviewer: Mm-hmm.

>> Thornburgh: These are not vacancies. These are not empty seats at the table of some board or commission. What they are is the fact that holdovers from the Shapp administration continue in positions that I've not yet exercised my constitutional prerogative to submit names to the Senate. And it does very little good for me to submit names to the Senate. The Senate has made clear that they will not confirm appointees of mine unless I make some deal with them. They seek to usurp the appointing function, in short. I'm not going to engage in that kind of activity. I'm perfectly willing to accept suggestions from senators, from any Pennsylvanian of competent people to serve in these jobs. But the idea that I have to make some backroom deal with the Democrats in the Senate in order to gain the appointment of good people to these positions is inadmissible to me. So to a certain extent the responsibility for delay is partly mine. It's partly the political process. But it's partly plain and simple partisan politics in its death throes in this commonwealth.

>> Interviewer: But some Republicans have also been critical of your appointments. In fact Senate Minority Leader Henry Hager says, "You've leaned over backwards to keep Republicans out of

office." Republicans have helped create your administration, and they want to be part of it. Do you plan to patch up relations with your own party next year?

>> Thornburgh: I would like to think that the building of the Republican Party that this administration has undertaken through performance, which produced an increase of 20% in the number of courthouses that the Republican Party controls across the state as a result of last November's election, is far preferable to the old politics of building a party organization, supposedly, through a job here, a favor there, a stretch of highway in the home community of some supposed political leader. I think the people of Pennsylvania are sick and tired of the old politics, of the politics of backroom deals and of patronage and of simple kowtowing to supposed political leaders. The people of Pennsylvania elected me governor to put an end to those practices, and I intend to put an end to them. I think that good government is the best politics, and I think the results of the November elections, which gave our party enormous advances across the state, flies in the face of those who would object that my relationship with certain supposed political leaders has deteriorated. I think we can build a party and a state at the same time and build it on the basis of performance in office.

>> Interviewer: We're out of time. Thank you very much, governor.