

**Title: Interview with Art Runestrand**

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RUNESTRAND: Arthur James Runestrand. I left the teaching profession in 1965. I went there starting actually in September 1965. I was asked to come as a training director. My first job was to deal with a program that they had at the mill call Work Simplification. I was sent away after a short period time to learn about how to simplify the world of work. It was good training; it was at Lake Placid. I had great teachers, one of them being Dr. Lillian Gilbraith. I don't know whether that makes sense to you who are seeing this, but Dr. Lillian Gilbraith ... [inaudible] ...scientific engineers and scientific management for the period of the '20s. And now those of you who watch television will probably recognize *Cheaper by the Dozen*; she was the mother of *Cheaper by the Dozen*. Back in the '50s they made a movie on *Cheaper by the Dozen* and she was really shocked at what Hollywood thought she was and how her husband was. She would even be more shocked with the revival that is now going on. She would shake her head and laugh.

But this training I received allowed me an introduction into the plant. I was expected to then work with teams of hourly employees, and they would be approached by a supervisor from that plant, and they would come to meetings that I would schedule, and I would teach the individual employees the techniques of examining their own job. Looking at it from the standpoint of, is there a better way? And her husband espoused this concept that there is only one way – the best way. According to her in her writings about her husband, that is probably what killed him because he found that people did not always want to follow his teaching. Consequently she then resolved that because her PhD degree from Purdue University was in the field of psychology of human behavior. She espoused the idea that people do not like to be changed.

ALBRIGHT: When you first started, how did you get a job? Did you have some connections, or did you just go and apply?

RUNESTRAND: Do you want me to finish that one thing about Lillian Gilbraith? I'll just finish this concept. Lillian Gilbraith, as a teacher and as a human behaviorist, said that people do not resist change. That was the point that many people were saying: people resist being changed. She said that is not true. They resist being changed. They don't resist change; they resist being changed, such as when change is imposed upon them without a voice in saying, "How do I do this? Is there a better way?" So she encouraged all of those who worked with her to go back to employees and say, "Take a look at your job," rather than to have some engineer come in and say, "This is the better way to do it, or this is the best way to do it, this is the only way to do it." Find a way to do it that is a better way, that is more efficient, and will improve the operation. And that is what I was expected to now teach when I came back to the mill. So I worked with

these hourly employees, and that was my first job as a teacher. The reason why I was contacted was – I was then the acting principal of a junior high school, and I was scheduled to take over that role. I was approached by Norval Magnusson, and I was encouraged – because I had a Bachelor of Arts (BA) degree in economics and business before I had gone into the field of education, and they knew that I had the business background and education background, and they needed somebody to do some training in the mill. So I came on as the in-house teacher. So that's how I got into the mill.

ALBRIGHT: What were some specific things that you did or changed in working with teams?

RUNESTRAND: Well, I didn't change a thing. What happened was the individual employee, the hourly employee, of course was suspicious. They were suspicious of management as they would be: okay, what kind of game is this going to be now? I would espouse the idea – and I would say this: “In your improvement, if you actually found that by asking the right questions you could say, ‘We don't need to do this job’...” Lillian Gilbraith said there are – this is exactly how she expressed it – she said, “There are too damned many managers today in the world trying to improve that which does not need to be done at all because they have failed to ask the right questions in a sequence of questions.” When you think about that and say, “Okay, what is the right question? What is it that is being done? Does it really need to be done?” Only after you can prove that it has to be done should you now go to the next question, which is, “Where is it being done? Is it being in the right location?” Meaning, territorial – territory meaning that it could be any place in the United States, could be in any place in Whatcom County, could be any place in Bellingham, could be any place in the mill – is it in the right place for the function that it is performing? If you could then justify and say, “Yes, it has to be done, and it has to be done there.” Then the next question: “When is it being done?” And that includes yearly, monthly, hourly. You look at time. Is it being done at the right time. And then the next question is: “Who? What kind of people are doing the job? Are they the best people for that kind of a job? What training is needed for that kind of a job?” The last question – if you could justify all of those questions – then the next one is, “How is it being done? Is there a way to do it better?” And so the effort was to try to teach people exactly how to look at that job. They were suspicious because they said that if we eliminated our job, we would be out of work. My response would be, if you come to the point where you could justify eliminating your job, any manager who fired you or eliminated you would be stupid. They would put you into a higher-paying position and ask you to do the same thing. Find your way out of that one. Anyway, that was a successful program. The hourly employees I think, and I can honestly say, they believed in me because many of the people of the plant had been former students of mine, or they had been classmates of mine, or they had been the parents of students of mine because we grew up in the same neighborhood, we grew up in the same town. I think I went into the mill with some people knowing that I was credible. I hope that my honor and my integrity was such that they believed me, and I believe they did. So it worked fine.

I was afforded opportunities to do different things along the way. I became an assistant to the personnel manager that came into the mill. I became the assistant to the industrial

relations manager and training director for a number of years, and in so doing I found out what the new equal employment opportunity laws were going to be. I found out that OSHA was going come into being and the spin-off of federal regulations dealing with employees' health, safety, and fair treatment was going to be a major part of my life, ongoing, in the mill. So we began dealing with federal government issues and rules having to do with that, changing a lot of factors in the mill. That was a significant part of that time period.

ALBRIGHT: What year did you start working at the mill?

RUNESTRAND: I started in 1965.

ALBRIGHT: So that was after Georgia-Pacific had...?

RUNESTRAND: Oh, yes. Georgia-Pacific acquired through merger with Bellingham operations of what you would call the Puget Sound Pulp and Paper Company at that time. That occurred, I believe, in 1962. Georgia-Pacific had been operating three years under corporate direction from, at that time, Portland where the corporate office existed. That was where that was. Did that answer your last question? I wasn't sure exactly what you were asking.

ALBRIGHT: Yeah, I was just trying to place in my own head when we were talking about.

RUNESTRAND: Okay, the time frame. I was hired in 1962, entered the mill – I thought I mentioned this – September 1, 1965, as the training director, and worked primarily as the Work Simplification director. From there I became, in 1967-68, the assistant industrial relations manager and training director for the operation. That was where I really got involved in dealing with federal guidelines on safety, health, fair treatment through fair labor laws, etc. I continued on in that particular role for twelve years.

ALBRIGHT: When you first started at the mill, what was the work environment like? Was there a pretty good relationship between workers and management?

RUNESTRAND: Yes. There was a good relationship. It was like a family relationship. The Pacific Coast paper mills hired extensively local folks. And so did the Puget Sound Pulp and Timber Company, the predecessor of Puget Pulp and Paper Company. They hired local folks, and so most of these individuals were known collectively as who they were. They lived in the community, they understood the problems of the community, they went to the same churches, they belonged to lodges together. Some of the hourly folks played poker on their own little nights with supervisors. So there was a good relationship. There had not been any major – there had been a few, naturally – times when management was accused of doing things that were improper under the labor contract, and so there had been some tensions from time to time, but nothing that was horrible. No major blow-ups between the hourly and the management. It began with a difference in the management structure, I think, of both the union and now with the

structure of the corporation. The Bellingham operations became part of a large corporation, and that large corporation was part of a large number of pulp and paper operations around the country. So it was now not just a small, local thing going on; it was tied to a corporate body. The union was growing in strength: the Association of Western Pulp and Paper Workers of America, AWPPW. They were feeling, I would say, very strong, and they had every right to be. They were now looking at the field of the corporate bodies that were now – the companies' corporate bodies were in contact with each other. They realized that they had an opportunity to now, when they bargained their labor agreement – they found ways, clever ways, smart ways – they're a smart bunch of folks! They said, "Well, let's see. We'll bargain down at this particular mill, and let's see if we can get this particular provision at that location. If we can get that into that location, then we'll try that at the next location." And when they became involved in the negotiations, they would whipsaw. They would use 'what we got over there' as a reason why 'we should have it here.' So gradually they just improved and improved and continued to use that tactic, and management did not want to take a strike. Every management I think throughout the pulp and paper industry – they didn't want to go on strike. Management said no, it's not worth it. We will lose our place in the marketplace if we take a strike. So they condescended before they ever got to a strike position. That particular mentality went on for many, many years. So many, many benefits came to the union employees – health benefits, retirement benefits – came by virtue of very excellent negotiations style within the union. And I believe that the management did not – in my opinion, I don't believe that they were strong enough in their own right to stand firm early on.

That ended in the 1980s – no, I should say in the mid 1970s. There was the acquisition by the corporation of a very dynamic personality, T. Marshall Hahn, who became president of the pulping operations and became ultimately the CEO for Georgia-Pacific Corporation. He said at some point along the way during the negotiations of 1978...I happened to be one of the management representatives at the bargaining table. There were three of us: a representative from the corporation, the mill manager Dan Dahlgren, and myself. When we sat at the bargaining table, we knew we were faced with struggles, and there were some hard pressures, but negotiations were going up and down the west coast at that time, and though I was a neophyte in this whole game – I was pretty much the gofer – you know, if they needed something I pretty much got it for them. But [in] making decisions, I was just listening and observing and recording. But it came to the point where the corporate office said, "We're not going to back down on these issues." And other companies' executives agreed: "We cannot continue to do this. The union is whipsawing us to death." So they put their feet in cement, and the union had its feet in cement, and July 11, 1978, the union went on strike after about three or four months of negotiating. That strike, I think the union felt that it wouldn't last very long. They thought they would be back at least by Labor Day. Labor Day came and went. We were still not going very far. During that time the mill began to run – portions of the mill – using salaried employees and supervisors to do the job. We were operating at about maybe a third of production standards, but we were still producing. The union did their job of being outside and letting people know that went by what was happening. They were on the media letting the world know that the company was a bunch of bad guys.

Every once in a while, when you play the role – as some of us have to play roles – even though individuals were the best of friends, you have to recognize that it can be a game, and the game of negotiations was ‘play tough.’ And so I would find a very dear friend of mine who was a leader in the union would make an announcement in the news media that we were not playing fair, that we were playing dirty – well, it’s part of the game. And you have to learn to wear that, so we learned to wear it. It was tough.

ALBRIGHT: During that time were you talking to them, or ...?

RUNESTRAND: Heaven, yes, we would go back to the table. There would be conversations. There were times when it was a bit frightening because some people, once stirred up within the union to keep things going, to keep... Now, we’re dealing with November, Thanksgiving. The strike is still in effect. Christmas, the strike is still in effect. New Year’s, the strike is still in effect. It was not resolved until February 1977. February 11: just about an even seven months of being on strike. The union employees, now, following the dictates that came down through the combined AWPPW up and down the west coast, there were beginning to be feelings of that effect. So there were frustrations by some of those people. Some of them just outright found other employment, and went elsewhere. Some people were under strains that were very sad to see. It disrupted family life. For some people, they decided they were going to start a whole new career, and they did. They just thought, “I’m never going back to that plant again.” Some of the individuals became, I would say... “Let’s show violence.” And there were some death threats. There was an individual who wanted to shoot from a distance into the mill. There were people who wanted to sabotage, sneak into the plant and sabotage. And you can understand that. Management understood this; this was born out of frustration. And it was not always, in those cases, spurred on by the union; it was just individuals who felt, “I can help this go on by doing something.” That frustration really was difficult. During that time for some of us who were in the management roles, [it was the] first time we had ever faced the issue of going before local courts, of being cited for one thing or another, or having to go before a federal courts of being claimed to have violated some federal laws. But we learned as we moved through those particular steps.

When it was all over, there were people in the corporation that contacted me, a neophyte in the whole business of this aspect of human relations or human resources negotiations, hardball negotiations. I was asked to come and give talks in different mills about what we went through because many of them were thinking of doing exactly the same thing. I was certainly not one who knew what the top people in the corporation were feeling or thinking, but this is what we had to do as a result of it. So I would go to various locations and merely comment: “This is what we did.” It was part of an interesting development in my career.

ALBRIGHT: You said that there were some threats of sabotage and that kind of thing during the strike. Did any of that stuff actually happen? Did anyone try and do anything?

RUNESTRAND: Some of the things that were done, we found – here at my home, I found my driveway strewn with tacks or flathead nails. My garage was painted with graffiti. My wife received a death threat on me. A warning came through a wife, said that they were planning to shoot Art. The mill vice president contacted me during actually a...we were having an outside barbecue inside the mill for our folks, and he came out and said, “I want you to go home right now.” He said, “Your wife’s kind of nervous.” He said, “This is what’s happened. I know, and you should know too, I don’t believe anything like that will happen.” We found after the fact that there was a character who had a high-powered rifle, and he was contemplating doing something of that nature. That’s part of the game. It does occur.

ALBRIGHT: It was an hourly employee I assume that was...?

RUNESTRAND: It was an hourly employee, yes. His union officials – union officials actually at a union hall – took the gun away from him, or at least removed that from his hands at that time. That’s what I was told after the fact. One person tried to sneak in with the idea of sabotage, and he was caught by our security force, and he was intoxicated. It was one of those things that occurred. Again, I say it’s...people when they’re driven by frustrations by both their union obligation and their company’s policies, what to they do? They feel they’ve got to do something. I felt for the union leadership. They had a rough row to hoe to try to keep their union troops in control. And in fact, when some violence did break out on the picket lines, we had to actually eventually move through the courts to get subpoenas and put financial pressures on the leadership and the union if it continued along that line. Those things had to be resolved. This is not unusual. In fact I think we had it very easy because of the nice kind of folks that were here and been together for a long time. But I can’t excuse a lot of supervisors and salaried folks when they’re having to cross the picket line every day, and they’re getting razzed, from time to time – it becomes like at a baseball game [when] one team razzes the other team – from time to time I think the management would tolerate certain kinds of retaliatory remarks some place along the line. That happens.

ALBRIGHT: In the strike, what were some of the specific things the union wanted that management just would not give them?

RUNESTRAND: Well, certainly there was an increase in health benefits, an increase in the set-asides for retirement, retirement benefits – they wanted more money put into the pot. They wanted certain specific – they were economic issues. Wage hourly rates to be increased. Those were the economic issues. So health benefits, retirement benefits, and the wage issues became the major sticking points. Some of the small issues that were on the table that were trying to resolve local, little in-house issues – those were not major. But it was the big issue of paying the bucks. So that’s where that was.

ALBRIGHT: What were the actual negotiations like? Did it get heated sometimes?

RUNESTRAND: It was interesting. I know that probably, if it is taught at the labor classes at an economics division of a university – some people have a view as to how that

negotiation, after a period of possibly a year of all involvements, went to a trial in town, and after four hours of trial, there was a determination that the woman had been unfairly treated, and she won the case. That was later appealed, and I don't really know the status of it. But it was a fascinating point in history. As far as I was concerned – I had not been deposed before, but I was now deposed as the former person who had created all the problems. That was something that occurred. However, I went back in 1993 and taught management classes and management safety and health. I was there for three months teaching in '93.

ALBRIGHT: Looking back over your work period, what were some of the best moments? Some good stories that happened?

RUNESTRAND: Let's go back to the fact that I was a teacher. I like to see change in human behavior. Probably the most exciting and thrilling things I can look back on was when I entered the mill...Again, here was a guy that a large number of the people at the mill knew who I was. I was a teacher. "What the heck are you doing here, Art?" They didn't always say it that way, but that's what they meant: "What are you doing here?" Well, in the process, some of those fellows were former classmates of mine from Bellingham High School. Because of the war issues in the '40s and because of our age, anyone age 18 and older would be drafted. Well, as we were going through, many of my friends knew they were going to be drafted, and they wanted to select their service that they could go into, so they would join in advance. Having done so, they left, not having graduated from high school. So they did not have a high school diploma. As such they went into the military and got out. When they got out, the women who had been employed at Puget Sound Pulp and Timber Company had been their replacements during the war – they now went back to being with their husbands, raising a family, assuming a different kind of a role: homemaker. The places in the mill were now opened, and many of these same people who were now my former classmates went down and applied. They were now working in the mill. Many of them had worked their way up by seniority in various kinds of departments. If you understand anything about how seniority works in a particular operation, there is a time and a grade that they work into a place. So now they are up at the top of a ladder, and they are now finding changes happening, more and more technical changes. Some of those individuals felt ill equipped to handle some of those because of limitations in their education. I communicated with them and asked them questions about this. They said, "Yeah, we'd like to be able to get our high school diploma and be able to be qualified because we could say that. We could then go to the next level." I said, "All right, let's see what we can do." I contacted – because I had left the Bellingham school district as a teacher and as a school administrator – I had good relationships in the system. So I went to the principal of Bellingham High School, who was then Bob Fraser. I said, "Bob, how about this? If you could tell me what these guys have to do so that you could end up giving them – and that they could graduate with a class, what would we have to do at the mill?" So we set up what would be required of these individuals, anyone that would be willing to do so. Well, I began to talk around, and I found out that there were thirty-five or forty people who were willing to come in at night and take classes from me or others that I would hire from the system to come in and teach. So for a period of time, we had classes down at the mill that were designed

specifically to help these people accomplish what the high school principal said they needed to do to get their high school diploma. Of that group all of them came to that point finally of graduating. Only a few chose to actually get into a cap and gown and march through the graduation ceremony and did so with his daughter. One of them – I will even speak his name. His name was \_\_\_\_\_ [name omitted from online transcript]. Now when I look back on those people, that was a life-changing event that occurred for them. Subsequent to that I received a telephone call from the state superintendent of public education office. He said, “Mr. Runestrand, I understand that you have been doing this with Mr. Fraser.” “Yes, sir, we have, da-de-da-de-da-de.” “You are illegal. That is not legal.” I said, “Well, I beg your pardon. I have gone through the Washington Administrative Codes (WACs), and that stated...,” and I cited the code which said that that could be accomplished. I didn’t break any law. They said, “That law went out about six or seven years ago, so now it is no longer possible. We’ve informed Mr. Fraser he cannot do that any more.” They said, “You can start some classes in general educational development and have them receive a GED.” Well, I was a little bit annoyed with the state public office (*laughs*), but they were doing their job. But at least we got that group through, and they got recognition through the Bellingham Herald. There was a picture taken of those folks and the graduations and all of that. That was a high point for me because numbers of those individuals then were able to make a move into management. One of them ultimately became the superintendent of the chlorine plant and then became a recognized authority in the field of chlorine accidents and became part of a team wherever those kinds of things occurred. It wouldn’t have happened had not those opportunities been opened to them. We did subsequently start in the classroom that I maintained – we had at one point in time over a thousand people from the mill take some kind of a class during the course of a given year. Various kinds of classes. One individual could only read at about the third grade level. We took him up, and he was at about an eighth grade level finally, but it was a long, slow process. Those things were fascinating to me, to see changes that were positive changes in peoples’ careers. There was one man who was at the bottom rung of the ladder. People did not think he was very intelligent, and I cannot tell you his name, but people used to kind of joke about him. He had some peculiar behavior mannerisms. He came and he wanted to learn. I can remember him going through these classes, and I remember him working hard. He got his – finally, I got the communication that he had passed his GED tests. With that information, I went out into the mill, and he happened to be cleaning out the bottom of a sulfur chamber. Covered with yellow crud, and he had on work gloves and hat and goggles and face mask. I went out and found him; I crawled into this mess, and I said, “Could I see you?” I got him outside, and he said, “What’s this about?” I said, “I just want to report to you that you passed. You received your General Education Development certificate, and I will present it to you at a meeting. Now, we’re in a mill. This guy started to cry and laugh, and he grabbed me by the shoulders, and he danced, twisting me around right outside that building. I can never forget that; it was a moment of life change for that man. He had respect, and he had a dignity that was different. Word was communicated within the plant, and people gave him a lot of appreciation and respect. Those were moments that I treasure personally because, if I never did anything right at the mill any place, I know there are a few people that benefited from my being there. So I count one. I’d say those are the most significant things.



ALBRIGHT: [inaudible]

RUNESTRAND: I think that, somehow or other, those things helped. Work simplification – the individuals who were in those classes made significant changes in how things were done in the plant in that couple of years. One of the sad parts about it, I wasn't so bright about human behavior. One of the things that occurred because I put on these classes and I then – once they had completed the classes, the individual teams from a given department would come, and they would make a presentation to the management. They would sit as the audience, and [the team] would make their pitch. Those men, when they came as team workers, they came dressed in suits. They came dressed to sell an idea. And they sold their ideas. When those ideas were sold, and changes that they had found were the better way to – this was a better way to do it – it really cost the mill some money to institute some of these changes. One place was to cut a huge hole to take [broke?] wasted product down to the second floor. Instead of having to now transport it, come and gather it and take it down to an elevator, down and transport it across that bottom [broke?], now they had an opening in the floor, but no one believed that they could do that until it was found engineeringly safe to do so. When they had a tear in the paperboard mill, in that operation, they could now take that stuff and run it right straight through the floor; it saved a whale of a lot of money each year. Those savings were announced. Management made the changes. When it was talked about at meetings, who got the credit for a lot of that stuff happening? I did. People would talk about because Art put these classes on. What happened was the poor supervisor of that department oft times was given the shaft because, "We've been telling you this for years, and you never paid attention to it, but there we got that class from Art and ..." You know, that kind of stuff. Well, I never thought that that would have an adverse effect. I didn't know it even happened. But later I was told, when I tried to restart another class the third or fourth year, and I found, "Well, geez, I'm sorry, I really can't make the arrangements; we're so tied up now." I found that the supervisors had to set everything up in getting replacement workers, assume the costs for down time, etc. And then who was getting some golden halo stuff? I was. So consequently it dried up because of my own stupidity of not understanding what was happening. But it's true, and sometimes I go back and say that program was excellent. It is a great idea, great program, except that the person who does do it has to understand the supervisor who makes it occur had better be given good strokes and not the person like myself being given credit where credit did not need to come at all. I was merely a tool of the company. Anyway, as I told you earlier, I could talk for a long time about various and sundry things. I don't know how far you want to go, but I'm available to you.

ALBRIGHT: Okay. I just have one more question here. What were your thoughts about closing the plant. I guess that you had been out of there for ten years by the time it closed, but did it...?

RUNESTRAND: I thought that the plant would operate for a number of years longer. I figured that there was another ten to fifteen years, but I think what happened was the power struggle – the power, the electrical power system – there was now becoming a

tremendous cost at our mill. And that tremendous cost for supplying the power to run the mill became an issue. No matter what we did, there were people in this community that did not want to have the mill to function. And so there were some people from various and sundry sources, from the academe to the politicians in city offices, who would like to see it shut down. So I think what happened, there was a number of policies and problems that were gradually coming about. I think the city lost a lot of money. I think the community lost a good contributor of jobs and finances to support this community's growth. Yes, I would agree this: that plant was probably in the wrong place, but it was not as bad as many people wanted to characterize it. So I would be a defender of a good share of what it did – the problems they needed to correct, and they corrected them. But to see this loss to the city and to the homes and families that were depending upon the income from that place, you cannot drop off...When I first took over, we had 1230 people down there. During the time I was there, we had to gradually reduce down to 860. Now there are about 300. I think the city feels the effects of it. So I feel sadness that way. I think that the present operations will gradually, slowly go away. And when that slowly goes away, and new things happen on the waterfront, we'll have a different waterfront. And we'll have a beautiful waterfront. If everybody is involved, as I read by the Herald, I think it will be a nice place to use that land. It's a great piece of property. So for the long term look, it's probably for the better. Bloedel-Donovan doesn't exist; Morrison Mox Mill – they had to give up their time so that Puget Sound Pulp and Timber could exist. And Pacific Coast Paper Mills: it became merged with Puget Sound Pulp and Timber, and it became merged with G-P. And now G-P does not exist. It was sold out to another company. So it's time. It had its day.

ALBRIGHT: That would be a good note to end on. Is there anything else you want to say?

RUNESTRAND: Well, it was a pleasure meeting you, and I hope some of this made sense. It's where I lived. I hope I characterized it fairly and honestly. At least I think I did.

ALBRIGHT: Thank you.