

administration were the two most significant in that period, do you mean in terms of accomplishment?

Hodges: In terms of accomplishment and doing something different. I think that we have drifted back into a little more of the same and speaking frankly, when you don't have people that have confidence and do surround themselves with people who are willing to do something, for whatever reason, that you have progress. And I think that there was distinct progress under the two of them and I don't . . . I don't want to appear critical of other people, but I don't think that there has been the same relative progress made in other administrations. I don't remember the time prior to my father at all, but I have a feeling that there wasn't a lot of change in society. That's what government should be doing, it seems to me.

W.D.V.: Do you think that since Sanford you have had essentially caretaker administrations with Moore and Scott and . . . .

Hodges: I wouldn't want to be quoted about that to Dan Moore or Bob Scott or Jim Holshouser, or Skipper Bowles or Pat Taylor. I don't think that you can really have the kind of people that Sanford or my father were.

J.B.: Insofar as your father's administration or Sanford's administration, what in your mind stands out as the major contributions and the major changes and impact that they had? And also the distinctions between the two?

Hodges: Oh, I think that my father did bring a different pace to it, some of it from being a business man and questioning a lot of things and instead of the same old way of doing things, I think that he may just have created change for the sake of change. I think that the industrial development, which I don't think is as much of an issue to talk about today, I think it was an issue then, I think the community college system of <sup>higher</sup> education started then, it was very significant. I think the race relations were handled

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fairly well. But I think as far as contribution, I would have to talk about the community colleges and industrial development and the developing of pride in the state for a place to live and work. Mostly the emphasis on work and his idea of raising the per capita income and industrialization. I think that Sanford was more of the same thing. Education, everybody talks about education, but I think that he was more progressive, somewhat more liberal, somewhat more far-seeing. I attribute that most to his ability to surround himself with people who were truly bright, truly good and therefore came out with more of an intellectual administration than he himself could deliver. But he handled it extremely well. And the North Carolina Fund is one of the things that after all is said and done, I think put North Carolina a little bit ahead of others. There was a demonstrated concern for the little man more in that administration than . . . I think that my father had the same concern but it was expressed in a different way, toward giving a person a job. They did express concern for the little man.

W.D.V.: Thinking ahead, do you see another period of change such as occurred during that ten years? Coming up? I mean, do you think that the people in this state are ready for that kind of change again?

Hodges: I think that the people in the nation are dying for some sort of change away from the traditional caretaker type of government. You know, I don't automatically see it happening. In fact, I see, as far as the candidates are concerned, a lot more of the same.

W.D.V.: I was going to ask you that. Do you see anybody on the horizon that could provide that kind of leadership and bring that sort of change?

Hodges: No.

W.D.V.: What does that suggest to you about the Democratic party? We got a description of the Democratic party in North Carolina that we felt was classic, and I'll let Jack lay it on you and see how you react to it.

J.B.: It was described to us by someone whom we felt was a very perceptive observer. It was likened to a bird with no head and many wings flapping simultaneously in different directions.

Hodges: Is that different from the Democratic party most anywhere?

J.B.: Well, I think . . . .

W.D.V.: Yeah, I think it is.

Hodges: Well, was it worse in North Carolina?

J.B.: North Carolina and Tennessee are very parallel. In that regard.

W.D.V.: In those situations where the Democrats have been in power for years and years and all of a sudden, they are out of power and they are looking at an incumbent Republican governor, you have this same kind of situation. Almost nobody rises up, or you have almost a phalanx of people who all pretty much look alike, but nobody rises out of that to provide leadership, at least, not initially. They are so used to having that office, the statehouse, that without it, things sort of fall apart.

Hodges: I am just trying to think, to analyze it. I get the feeling, of course, I don't have the in-depth perspective, but I get the feeling, it's by definition that the Democratic party doesn't really have any single-mindedness or purpose . . . but certainly in a state like this where you've had the primaries that have been fought conservative-liberal and so forth, in the primaries, it causes much thrashing about when you try to put it together.

W.D.V.: How would you describe the state of the party today?

Hodges: Very poor.

W.D.V.: Why?

Hodges: You know, my perspective, I don't know the party when it was strong. If I say back in my father's time or Sanford's time, you know, I was interested in what was going on, but didn't know the party machinery as I do now or as I have in the last four to six years. Leadership, you know, is the answer, plus I don't think that the people are as interested in parties anymore, just in general. You can't muster a lot of enthusiasm in the party per se. I think that people are more interested in a philosophy. I'm not saying that they don't care about . . . I don't think that the philosophies are defined very well by the party anymore. Because it is very complex, the issues and philosophies. Someone can think one way in some areas and differently in others.

W.D.V.: Where do you see it going? Why hasn't anybody emerged?

Hodges: Well, I don't think that they really see the party as that important. I get the . . . you know, we talk about . . . I'll take it split angled. Just that the Republicans are more disciplined and you are quite right. In my opinion, two-thirds of the people are registered as Democrats, but the Democratic party per se is not the majority party. I think the undecided and just the mass of people are the majority and they are not really that affiliated with one or the other. Party isn't really related to them. The party itself doesn't come through to them. It might have a significant meaning, I don't know. (portions inaudible) . . . I think they are interested in people, new directions, change. The party hasn't made a change, do you think? These are questions, you know, that we can only think about, I can't give you a discourse on it.

W.D.V.: You don't see a change? What would it have to take to get the Democratic party back in the statehouse? In the governor's office?

Hodges: Well, I think that it . . . excuse me, I meant the party as an

institution changing. I didn't see that changing. No, I generally feel that the Democratic party will win in '76 in North Carolina. I think that Mr. Ford and some of the changes have made it slightly different, but I don't see the quality of leadership emerging in opposition. I think that the Republicans have got an equally difficult time finding somebody popping up above the crowd. And you know, I say "party", I think that the people who identify traditionally with the Democratic party are going to take it a little more seriously next time probably, and win in '76. After all is said and done, you know, the best man is going to win. And that's an interesting little phenomenon that comes through, that usually the best candidate wins whether or not he's . . . whatever party he is in. That may not be the right thing for . . . (inaudible due to background noise) . . . analysis, but I sense that. I sense that is what the people want.

W.D.V.: But you don't see the party producing that kind of a candidate for '76? Will that change, you know, a new directions sort of person?

Hodges: Well, you know, I'm just looking . . . I read the same names that you read in North Carolina and, you know, for one reason or another, I've known them all, and I think that the Democrat will beat the Republican, unless Stevens does a really good job against Morgan, I think that's what he's running for, in '76. And it looks like that could work, because he may probably do better because of circumstances nationally, than anyone thought and he will emerge as a very strong gubernatorial candidate in '76. So, that's the problem. If you take Stevens out of it, then I think that anyone of those Democrats will beat whoever the Republicans have, because I don't think they have anyone. I'm sort of pessimistic about the quality of leadership, that's all that I'm saying. And the Democratic party per se . . . I don't know how it produces a

a candidate. I think that it will produce Jim Hunt as a candidate, clearly, unless something changes in that circumstances . . . I don't know.

W.D.V.: I guess that when I talk about the Democratic party in North Carolina, I mean the people who have been involved in the regular establishment organization over the years . . . . ( portion of tape inaudible due to excessive background noise) . . . provided by the party. I don't mean the party being as essentially the state committee and that sort of thing. I mean the people, the office holders identified with the Democratic party.

Hodges: O.K. And your question is, do I think they will come up with a c candidate?

W.D.V.: Do you see any major changes in that group that will produce the kind of candidate that you are talking about, that the state is ready for?

Hodges: I think that the state is ready for it. I mean in that sense, I think the people are ready for it. I don't know if I see the candidate. You know, a lot of people tell me that I should do that . . . (inaudible) . . . .

W.D.V.: What do you say to them?

Hodges: You know, that the Ravenel thing is proof that I should do it. And you know, some days, I genuinely believe that I have got the leadership qualities and the blend of the establishment plus the compassion and I think that I philosophically understand what the Democratic philosophy is and what it takes to avoid the polarization that can destroy our society and a lot of things. I don't see anybody else, let's put it that way, but right now, I don't feel comfortable talking about myself. I believe that if I were to start doing it now, I genuinely believe that I could beat Jim Hunt and I could prove to the people, to the "Democratic party", that they need something different and it's me.

W.D.V.: We're not trying to bug you . . . .

Hodges: I know that.

W.D.V.: We are trying to make some predictions in the book as to where politics are going. One reason that we are interviewing you is that we think you are going to be in that future. The assumption is that you are going to run for governor some day, or some statewide office, and we are not trying to pressure you . . . .

Hodges: No, I want to talk about it. I have to talk about it, but I don't . . . it's surprising as a way to get into it . . . and I don't mean to be so presumptuous as to say that there isn't anybody else. But I don't see the kind of leadership that I think, not only I, but the mass of people are looking for in the candidates as existing. Nor, do I see them even hypothetically.

J.B.: You're not saying it, but it's sort of implied and not just by what you have said, but one could say that Hunt has had almost two years to, in effect, be the titular head of the Democratic party in North Carolina as lieutenant governor under a Republican governor, and he apparently just has not excited a whole lot of people.

Hodges: No, he's turned them the other way, in a way. But the truth, you know . . . I like him, in a sense that . . . I've said it before, philosophically, I think that his heart is in the right place and so forth, but like everybody else . . . maybe I would be that way if I were there, but he doesn't have the guts to do anything. You know, everybody wants something in their way. If you are always worried about the next job, you aren't going to do the present job.

J.B.: What sort of role do you see Morgan playing in the Democratic party of North Carolina . . . let's assume that he gets elected to the Senate and Morgan has been around North Carolina politics for quite a while and active

statewide and he's a person who enjoys the political aspect of politics and he is perceptive politically, is he likely to emerge as the dominant force in the state Democratic party?

Hodges: Well, if he is certainly the titular head of it, he might take that role. Mr. Hunt . . . I hear that he is for Mr. *Morgan* or at least they are working closely together, which I think, you know, personally almost makes a farce out of the system. I'm getting cynical about it and within my short experience. I don't see the leadership period. You know, in the existing office holders or the existing candidates. Maybe my standards are different. Maybe I'm psychologically throwing . . . comparing everybody to myself and I'm saying that they are not there . . . and at the same time, I'm not willing to necessarily get into the game right now. I do think that philosophically that I can bring something to the party and genuinely want to do it. I have a tough time with the length of time that it takes to get into it. One of the things that interests me about Ravenel, you know, one of the most interesting things is not that he's a newcomer, but it's the nine months aspects of it . . . I think that to stop whatever you are doing, if it is a constructive thing that you are doing, for several years, to get into it, it's an awful sacrifice.

W.D.V.: And it's working less and less in the South. It seems to me . . . .  
( portion of tape inaudible) . . . where you start like Jim Hunt and you are fourteen and run for governor and then you do that for five years or ten years or whatever it seems that . . . .

Hodges: You know, the thing that bugs me, I don't understand a man, or anybody, can necessarily think that they are going to be psychologically, or intellectually or emotionally big enough four years from now . . . I've seen

people change and . . . .

W.D.V.: Doesn't that depend on your perception of what the job is?

Hodges: Well, alright, that's a good point, and nobody has got much respect for the job.

J.B.: Ravenel drew an interesting parallel, being an old split-T quarterback, he said he thinks that political opportunity is almost like, he compared it to being very much like a back hitting a line in football, he said that "you've got to hit it just when the hole opens. If you get there too late, the hole is closed and you go nowhere. And you've got to spot it. When it opens, you've got to hit it right away, the timing is . . .", his whole point was timing and that's why he said that he ended up running this year.

W.D.V.: You see, that's becoming more and more important in southern politics. You see, that's what one of the things is that we've found, that very phenomenon.

J.B.: Right.

W.D.V.: That it doesn't take two years or four years or ten years to work up through all the establishment organizations and to do all the right things to become the nominee. I mean, that used to be the route, but it isn't that way at all now.

J.B.: It seemed to be a perception of conditions to being right.

W.D.V.: And in '76, it seems to me, it almost looks like a critical juncture for the Democratic party in this state. If they don't win that one, they are going to have something like . . . .

Hodges: I think that . . . if they don't win in '76, the Republicans will be there for four or five terms and I think that Holshouser is obviously running his administration not trying to win any stars for anything other than

being the first of a long line of Republican governors. And everything that he's doing is devoted toward building the Republican party in North Carolina, or in government. Because he is doing nothing dramatic, or nothing good that I can see that you can say that "Jim Holshouser did this for the state of North Carolina." Now, if he is successful, and he could be successful, and I agree with him, that if he is . . . .

W.D.V.: Do you think that's a critical year?

Hodges: Oh, yeah. Clearly.

W.D.V.: Well, what do you . . . .

Hodges: But I . . . it's almost sacrilege, but I guess that I'm more intersted in . . . I'm delighted with Gerry Ford and Nelson Rockefeller. I am just delighted with Nelson Rockefeller. Maybe that's a sacrilege, but all I want is somebody that's willing to do something with state government. I think that your point earlier that people thought about the job, their perception of the job was one of the problems. If they viewed it as just something that they would like to be, and therefore all they have got to do is to be alive and be resonably healthy when they get there, then, sure, "I'll take it this time, you take it next time and I'll do all the right things so that in 1984 it's my turn." The thing that bugs me, and as I said before, I see people in business "speak out", you've heard that expression and I'm sure that it happens . . . I know that it happens in academia, I'm sure that it happens in the newspaper business and it happens in the political business too. And people just ain't as good as they were last year. They have no longer got the grasp, got the perspective, got the quickness, got the concerns. They start enjoying themselves, start enjoying life, they start feeling comfortable, happy. And when you are comfortable and happy, you don't do anything.

W.D.V.: Well, one of the things that astounds me, when we interviewed politicians in North Carolina . . . maybe this has changed since last fall, I don't know . . . but the notion that somehow 1972 was an aberration, it was an accident that is not going to occur again. In 1976, we will be right back to normal, we'll have a Democratic governor and heavy majorities in the legislature and will win back some Senate seats in the future. But I just wanted to test this thing, I don't see that.

Hodges: You don't . . . .

W.D.V.: You've got Ford and Rockefeller on that ticket and popular in this state in 1976 and you are throwing a guy like Stevens with high name recognition and the identity that he will have at that point, they got an opportunity in that year to take this state, and then leapfrog it, you know, for three or four terms . . . .

Hodges: There's no doubt about that.

W.D.V.: My point to you was that . . . maybe Jack, I don't recall anybody that we've talked to that foresaw that possibility. Of course, they couldn't see the Ford thing. But at that time, Nixon was still very popular.

Hodges: You can sure as hell (inaudible)

W.D.V.: Well, my point is, the perception is, among most so-called "old Democrats" that that was just an accident and we are going to go back to the way things were, in '76.

Hodges: Well, I don't think that, honestly. And I come up with this little quaint idea that the best man wins. You know, if they really have the best candidates, and Stevens may damn well be better than most of the names on the list. And then, you know, that's what happens. And they . . . the people are going to vote Republican and in the House of Representatives, you know,

if the Republicans have a good candidate. The number one candidate here in the House of Representatives, happens to be one of the best legislators, and that's why he runs and (inaudible). Larry Cobb, a friend of Holshouser's and all that, but he's also an honest and able man. And those things start to come out. I don't think that the party itself will produce the leadership. I think that the real question is where it is going to change.

W.D.V.: What are you going to do about it?

Hodges: I don't know. I really don't. I feel terribly indecisive when I say something like that. The present economy makes it less and less likely, that's why, because I . . . it represents . . . you know, I get . . . it represents plenty of challenge. I used to think that I had done what I was doing, I would do something else. But I think that it will be awhile before bankers are through doing what they have got to do in this economy. And I think that great changes are being thrust upon us because of a new economic order that we are going to be living with. I don't know.

J.B.: What's the most significant thing about the Ravenel thing to you?

Hodges: I guess that it's just the nine months. Somehow, I didn't believe that he could do it. Everybody had been telling me, "If you want to do it, just get to work." And then all of a sudden, he comes . . . I know him. This is a true statement, I told somebody, "Well, that's great, because he can run and all he has to do is be respectable and he can run again four years from now." He had nothing to lose. If the hole wasn't open, maybe the hole would be open four years from now, if he keeps in shape. If I did it, I've got everything to lose, you know, and I don't get a chance to run again. I think that's the problem, I don't like to lose. Nor will I go in anything where I'm . . . I don't mind working for something, but I'm not going to go into it in the

beginning with the odds against me.

W.D.V.: Yeah, but that pattern, of somebody rising from obscurity to win a primary or a run-off, is something that we are finding all over the South. Ravenel is not an exception to that. Dunn, Governor Dunn of Tennessee is the Republican example. In Arkansas, Governor Bumpers is an example. There have been . . . .

J.B.: Askew is . . . .

W.D.V.: Askew is one that . . . .

J.B.: He was sort of an obscure state senator . . . .

W.D.V.: Some of the more outstanding statewide officers have come up like just that quick, principally because of talent. We saw that with Skipper Bowles as well, he started out with eight points in September of 1971 and he won the second primary. He did that in the course of about eight months. From nowhere to winning a run-off, principally via media.

Hodges: Yeah, but he was not . . . I don't think that there's a parallel between Ravenel and Bowels.

W.D.V.: There's a parallel in the exposure and . . . .

Hodges: Yeah, and I think that oh, sure, you can do it in the time factor, because of the media and then professionalism in running a campaign. That part of it can easily be done. I don't know whether O'Hern thinks that he's the newcomer, you know, you don't have to be young to be a newcomer. And Lord, I hope there is somebody that comes out of nowhere and who has got intelligence and integrity and guts.

W.D.V.: Do you think that at some point you are going to run for a state office?

Hodges: Yes.

W.D.V.: Is it a matter of timing?

Hodges: I think, yes, it is definitely a matter of timing.

J.B.: Somebody . . . .

Hodges: Maybe I'm . . . I'm not asking for anybody to give me something on a platter, I think at some point in the future, if it's not '76 or 1980, the Democratic party, and whoever in the hell that structure might be, is going to have to recognize the two party system and because of the costs and a lot of other things, avoid the springtime event and then the fall . . . isn't that true in most strong two party states, I mean, you don't really have what you have here? At some point, North Carolina will change, now that there is really honest to God Republican opposition.

W.D.V.: Well, our experience suggests that Tennessee is now really a two party state, but my question and maybe suggestion, was that maybe this could really be second Republican state in the South, if 1976 came together right for the Republicans.

J.B.: One of the interesting things that is going on in Tennessee that is interesting and nowhere else is it true . . . .

Hodges: Florida and . . . .

W.D.V.: Tennessee.

Hodges: Well, is Texas . . . .

J.B.: I was saying, one of the things that is interesting in Tennessee, is that the Republicans, and now the Democrats, are both sort of actively going out and recruiting candidates, helping with funding . . . the legislature, on the legislative level. The party itself has got active in terms of recruiting candidates, raising cash, campaign funds for legislative candidates and going out and looking for good people. And that's one of the really interesting

phenomenons I've found.

Hodges: The party is doing that?

J.B.: Yeah.

Hodges: Is there that kind of leadership in the party?

J.B.: Well, the Republicans started it and the Democratic party, the real spirit of it is the speaker of the house and the state chairman is directly involved too. But that's all real new, this is the first time, this year. They are out with fundraising events, going out around scouring the state, you know, going into communities and seeing who would be a good candidate for the legislature in that area.

W.D.V.: Well, Jack, part of what I'm saying, is that if you build a strong Republican party organization, that generally results in a strong Democratic party organization doing the kinds of things that the party ought to do. It hasn't done it in the South. And that's bad for party organization.

J.B.: They are just beginning to do it in Tennessee, the Democrats. The Republicans have a strong organization in Tennessee, the best in the South. Or one of the best.

Hodges: Are these party organizations oriented around jobs, state offices, state people who are . . . .

W.D.V.: No.

Hodges: . . . who are in elected, in a way . . . or are they people who genuinely care? That's the real interesting question, whether . . . so much of it before has been related to what did the office do for me, you know, or what the party could do to help local government.

J.B.: I think in Tennessee, and I think that Tennessee is especially interesting, because it reached development that no other southern state has had in terms of real two party competition, even more so than North Carolina.

You've got a Democratic legislature that has a . . . fifty to forty-nine in the house and I think that it is nineteen to fourteen in the Senate . . . .

W.D.V.: Plus the Republicans control all the major statewide offices.

J.B.: Two Republican Senators and a Republican governor, much more party discipline in the legislature than anywhere else. . . and . . . .

Hodges: Do they have strong primaries within those parties to choose their candidates?

J.B.: They have primaries, but the weakness of it is that there is no run-off provision in the primary, so the Democratic nominee for governor this year got 22% of the vote.

W.D.V.: There were "twelve serious" candidates in the primaries . . . (inaudible) . . . this primary.

J.B.: Twelve?

W.D.V.: Twelve. We went to a unity meeting after the election and they all endorsed the man who got 22% of the vote, but you can imagine what that is going to take to pull that together.

Hodges: Is there another . . . .

W.D.V.: The original party organization was just about candidate factions, and it . . . .

Hodges: Well, why do you say that it's a strong system?

W.D.V.: I say that it's . . . .

J.B.: It's a competitive system.

W.D.V.: Yes, it's a competitive system. And the Republicans, by organizing and doing things that the political parties ought to do, is now forcing the Democrats to do the same thing.

Hodges: Did the Republicans have a primary that had a lot of candidates

in it?

J.B.: Three, they had three.

W.D.V.: For governor they had three.

Hodges: All good candidates?

J.B.: All were serious candidates.

W.D.V.: But there again, the young personality, I think, the new personality won it. A fellow by the name of Lamar Alexander . . . what is he, thirty-three?

J.B.: Something like that.

Hodges: Thirty-three?

J.B.: He had been Dunn and Bakar's campaign manager. Tell us a little more about your own background. You said that you were in college when your father was governor and then you went in the Navy.

Hodges: I grew up in Leaksville, now Eden, he was with Fieldcrest Mills, he ran the Mills and then we moved to New York and went into the production side, the sales side, just before the war, we moved to New York. Lived in New York during the war, went to public school in Westchester County, went to private school the two years while the family moved back down. Then I went to high school at Leaksville and went to Germany, my father went over there with the Marshall Plan for . . . (inaudible) . . . industry. And I went to a year of high school in Frankfurt and back. He retired from Marshall Field and I finished high school in Leaksville and he ran for lieutenant governor while I was in high school and won as lieutenant governor while I was in high school. Then, I went to Chapel Hill, went in the Navy and went into Harvard Business School. Didn't know what exactly I wanted to do after Harvard

Business School and having the second of my two children, our two children, moved to Chapel Hill, where our family had a house, they were in Raleigh, to teach for a year, to do further research in corporate finance at the Chapel Hill Business School. I had watched the growth of North Carolina National Bank, I had worked for Wachovia Bank at one point when there was only the one bank, followed it that year in the academic world and came here in 1962 to work for North Carolina National Bank. Continued teaching at night for a couple of years. Worked here and then moved to Chapel Hill, incidentally got to run the bank in Chapel Hill and then moved back to the North Carolina National Bank in Charlotte and subsequently into the other job. You know about some of the extra-curricular activities along the way.

J.B.: Tell us about them, because I know them only vaguely.

Hodges: Well, principally, I'm interested in the North Carolina Fund. That's something I got involved in and from the North Carolina Fund, helped start the North Carolina Manpower Development Corporation and . . . .

J.B.: What were you doing with the Fund?

Hodges: I was just the director. I guess that I . . . Terry Sanford appointed me, and I don't know why, back in those days. Maybe through my friendship with some of his associates or advisors, people that were close to him. It was towards the end of his administration that I came back here, I came in '62 and I guess that it was shortly there after. I was still in the Naval Reserve and I was trying to think of other things that I did . . . I taught at Queens College and I did the Manpower Development Corporation, got that going when I was in Chapel Hill. Came back here and, of course, . . . .

J.B.: What was your role with the Manpower Development Corporation?

Hodges: I was the Chairman of the board. I've been chairman ever since

it started.

J.B.: What was the basic concept behind that?

Hodges: The North Carolina Fund, when it said that it was going to be in business for five years to identify the poverty problems, it stuck to its goal and went out of business. It created three independent agencies that it thought could carry on its work as separate non-profit organizations in the three critical areas. One was housing, low income housing. One was Manpower Development and the other was the Foundation for Community Development . . . (inaudible) . . . which was Nathan Garrett and . . . (inaudible) . . . a black leader who was the more controversial of the areas in which it worked. Now, I can't even really describe, it was creating, trying to make more changes in society, in the black community. The Manpower Development Corporation, which was my interest in the economic side of the Fund, was formed out of the interest of OEO and the NAM, of all things, to try to find a better way of delivering manpower services of the North Carolina . . . that we might be a model to the rest of the nation, possibly. A rural development, urban setting, small enough to study what could be done in job matching and basic skill training. Things of this nature. Which, as you know, started experimenting with new processes and we institutionalized the job training and the free vocational education in the community college system, tried to take computer job matching into the Employment Security Commission, doing a lot of national awareness, sensitivity type of things. Then it formed the Manpower Council, or urged Bob Scott to form the Manpower Council, because it was anticipating manpower revenue sharing and was saying that the state should get involved in identifying manpower problems and how to spend some 45 million dollars that was coming into the state in a highly fragmented way through the various agencies fostered under OEO. So, we got Scott to create the Manpower Council and I had to be the first

chairman in order to get it going. And it was to do the planning which the Manpower Development Corporation had done for the state, the Manpower Development Corporation was going to go out, and then Holshouser sort of messed up the transition of the Manpower Council and also the delays that were taking place in Manpower legislation in Washington. So, the Manpower Council is just now getting started again. NCNB is staying in the business and the Department of Labor has asked to do a lot of other studies, because it's developed a pool of talent that is rather unique. When I came back here from Chapel Hill, I became chairman of the Democratic party in Mecklenburg County. I'm on the Board of Governors for the University, which is something that I said I may have done in the Manpower area, I may have pushed on that long enough, maybe should get involved in these other areas of principal concern, another as the principal outside interest. But there are numerous other boards and trusteeships and things of this nature. I can give you a resume, if you really want to know all those things.

J.B.: I . . . (inaudible) . . . that you were approached by some private group involved in the hunger thing.

Hodges: That's an interesting thought.

J.B.: <sup>What</sup> ~~But~~ has been your reaction to Holshouser's handling of that issue?

Hodges: I am shocked. I can't understand . . . he really would have strengthened the Republican party had he, you'd assume that he could hold on to his conservative constituency that says, "I made it the hard way. Let them make it the hard way," those sort of folks and picked up all the other people. But it escapes me why he didn't do it. I was really quite interested in doing the hunger thing, only because I felt that it was the right thing to do. I almost had to . . . I had talked myself out of it. But it would have been

construed, if I had put together a hundred county organization for '76, it would have been construed as striking out at Holshouser, a totally political thing. You know, it would have been misinterpreted at this day and time for (inaudible) . . . I happen to believe that we have a serious economic situation and that the chairman of the largest bank, if he's got some extra time on his hands, he ought to be doing something for the bank, for the stockholders and . . . (inaudible) . . . and so on and so forth. If I thought that it was the right thing to do . . . I genuinely believe that's exactly what government ought to be doing, state help. You know, I believe that the state's advocated . . . well, Washington took over the concern for the little man because the state governments, local governments, didn't have it. And that's true. And I think that now it can be far more effective and far more efficient to deliver . . . (inaudible) . . . if they will just do it. I think that Holshouser is . . . he had such an easy one to do. There are so many other things that state government should do, it seems to me that that was such an obvious one. So, I was quite tempted to do it. And it was simply the business decision that kept me from doing it. And I really have done all the things with Manpower that I can do. I've brought a lot of attention to it and people are now aware of those problems, doing some things about them.

J.B.: What are doing so far as the chairmanship of the Mecklenburg County Democratic party? Have you made any changes there?

Hodges: That did not last, you know, from the time that the party reforms came along, they had a new election in the midst of it and I did not run again. I stepped in at a time . . . we worked at it and brought about the new organization and stepped down. It was a thankless task, I must admit.

J.B.: What sort of a challenge would there be for a Democratic nominee for governor in North Carolina who wants to fit this, a progressive mold that

say, Sanford, fit? Insofar as dealing with eastern North Carolina today?

Hodges: Challenges in eastern North Carolina?

J.B.: Well, the challenge in dealing with eastern North Carolina, which is perceived as being more conservative in social issues.

Hodges: Well, I think that eastern North Carolina . . . I think that somebody not from eastern North Carolina can be involved and do far more for eastern North Carolina. I think that the greatest thing, the greatest asset that we have, the land and the people. You know, we haven't broken down the conservative . . . you've broken the guy in the big white house on the hill who would try to stop any kind of progress for his own good, I think those days have gone. But there's a lot . . . basically, the people are fundamentally conservative. I think that we can kind of work with them and bring about some change. And I would get the food processing industry in there so fast, you know . . . I wouldn't put a medical school in eastern North Carolina. I would introduce a lot of things in the health care area that can be done. I don't know exactly what programs I would do in eastern North Carolina, but I am firmly committed to . . . you know, I just think that . . . I just don't see any war between east and west. It would be very much . . .

(end of side A of tape)

Hodges: . . . realms that I think of, that a state can do, it's sort of general.

J.B.: You say that it's an asset in terms of potential development?

Hodges: Oh, yeah. And not a problem. I think that I can communicate with the people in eastern North Carolina.

W.D.V.: Are there any political leaders in this state and nationally that you identify with philosophically? Either in or out of government.

Hodges: Well, I don't . . . these . . . you mentioned, you know, the Bumpers and the Askews . . . I don't know these people personally, so I can't really say I identify with them. I like a lot of things I see and some of the more progressive, aggressive people, but I don't . . . I've always liked what I see in Nelson Rockefeller. I think just somebody who is genuinely concerned for the people and less of . . . oh, hell, I don't know, maybe he's got the biggest ego in the world, that's for himself and then for doing a good job. That's the kind of person I would relate to as a political leader. Somebody that really wants to do something for the people. And well, I'm sorry that I can't be more specific than that, because I don't know really, don't know the people that well.

J.B.: What do you think would have to happen for North Carolina to go Democratic again in a presidential election?

Hodges: I keep coming back to the same thing. I believe that if the state leadership was respected and stood up and said, "Follow me, vote for McGovern," . . . well, McGovern, that might be a little too much, but let's just say that if you got something closer to the middle but certainly not as conservative as the Republicans, I think that if the governor of the state, who was respected, said, and . . . you know, supported the national party, came out for it, I think that it would readily happen. I don't think that you have to be, certainly, I don't think that the Democratic party should try to be conservative and I think that North Carolina will vote . . . North Carolina, you know, is a conservative state, but it is more progressive than a lot of conservative states. Those are buzz words and I don't know really what I mean by that, but I think that North Carolina would accept a more liberal national candidate, you know, if somebody that the people knew told

them why, gave them some good reasons to do so. We come back to leadership. But every time, everybody wants to dodge the issue.

J.B.: The same person that gave us that . . . said that Humphrey . . . .

Hodges: I think that Humphrey could have beaten Nixon in North Carolina in '68. Well, did he?

W.D.V.: No, he . . . .

Hodges: He came in third, next to Wallace. But you know, nobody other than those guys from somewhere else were saying, "Vote for Humphrey." Is that a fair statement with you all?

J.B.: The question on North Carolina and progressivism, I mean, North Carolina has got a great tradition of being a progressive state . . . let's see, what was it, a "progressive plutocracy" that was the label? And yet, since Sanford, there have been no real governors that fitted into any sort of strong progressive liberal mold in terms of programs. They elected Helms to the Senate and the number of Republicans in Congress has increased and the same person that gave us that classical comment about, that description of the North Carolina Democratic party, his comment was that, "the further you get from North Carolina, the more progressive it looks."

Hodges: Well, that's a very good statement.

J.B.: What's happened? What's caused the change?

Hodges: I think it got it's, you know, it's image of progressivism because it's leadership just didn't have the Old South, the Huey Long, whatever type of strongman, as outspoken. I think that it didn't have the negative, the other side of it and so it developed, let's just assume that it was as lumped in as this other state, I think that the University of North Carolina at Chapel Hill and Frank Graham and a lot of things attributed to the image. And I think

that Sanford contributed to the image. I think that by not having the other, it developed . . . people wanted it to have this image. I think that it was viewed . . . well, it . . . North Carolina is relatively a state of the little man. It never had the plantations, it never had the wealth. It has large population and most of them small farms and the largest industrial employment in the South. It was, you know, the average man and anybody that was interested in the little man . . . actions directed toward him were welcome and were supported. That's . . . well, basically, those people, you know, are conservative. Well, for the same old value system that they developed . . . . (inaudible) . . . .

J.B.: Let me throw out one theory . . . .

Hodges: I don't know if that makes any . . . . I'm just really thinking out loud with . . . but these people are conservative and very much so, that the state is basically a conservative state.

J.B.: Let me try one theory and just get your reaction to it. And that is that North Carolina fifteen years ago, compared to the rest of the South, did stand out in terms of its treatment of blacks and that was really where the sort of key social issue was, the framework in race relations. North Carolina's both record and image was superior to that of any other southern state. And consequently, during the whole civil rights revolution, there was less focus on North Carolina and less reaction perhaps, and perhaps less change and that because there was less focus on what was going on in North Carolina . . . you know, they didn't have real mass civil rights demonstrations going on in eastern North Carolina and today you have a lower percentage of blacks registered to vote in eastern North Carolina than almost any place in the South.

Hodges: You said that there was less focus on eastern North Carolina and therefore . . . .

J.B.: Less, well . . . .

Hodges: Less problems and with less problems therefore it . . . .

J.B.: No, it's less focus and therefore less national attention. North Carolina was not a focal point during the whole civil rights . . . .

Hodges: Sure, but I'm just wondering which came first. I mean, that may have been because there weren't any, you know, visible riots or problems . . . .

J.B.: But the fact that it was not a focal point of change that it was, well, that there was not also as much change in reaction to the friction, as say in Alabama and Mississippi and South Carolina or elsewhere in the South. And that what has happened is that the rest of the South has changed more and so that North Carolina no longer stands out as it did fifteen years ago as being different. And on the various indices of social progress, whether it be per capital income, educational attainment or whatever, it is somewhere back in the median somewhere. You take the eleven southern states and North Carolina only ranked four or seven or nine, depending upon which social indicator you are looking at. What's your reaction to that theory though, that there has been less change in North Carolina because there wasn't as much friction here? And there wasn't as much friction here because of the image of the state?

Hodges: I don't know if that is true, I'm just trying to think which came first there, there certainly wasn't the friction. I think that what few instances there were were handled better. I mean, when we had the first sit-ins here, we had one of the first, with the Pearsall Plan, one of the first reactions that gave the least little ground. I might say that we gave an inch in North Carolina early and therefore nobody came in and took a foot away later on. We made the first . . . I don't think that it is much

different in North Carolina than in the other states as far as the racial problem. You might have some indices like voter registration, I think by not having the focus or scrutiny on North Carolina, you didn't get the federal registrars in to create that kind of change. But I think the other kinds of change that have gone along in society have happened equally here as anywhere else. I mean, you will have to tell me what other measures you have, I'm not defensive about . . . I'd like to see North Carolina rank number one in everything, but I don't quarrel too much with the theory. I mean, that North Carolina is not that different, other than just some few instances in the beginning. I think not having an urban center is one thing. Population is relatively diffused. I think that eastern North Carolina, the communication is limited, it leaves something to be desired and the population is scattered. I started to mention the University of North Carolina again, handled some things in the early days fairly well, the integration of higher education. There are fairly good black institutions, maybe that's a problem towards integrating the total school system. I can defend some of North Carolina's, you know, low ranking, like on per capita income, and you know, talk about the union problem and a lot of things . . . there are not simple answers, and I don't think that people try to relate them to one particular . . . (inaudible) . . . it just ain't so.

J.B.: I guess . . . I mean, in a broader sense, the mood of the whole South toward what I would term modernization. That's a somewhat vague term, but it encompasses moving into an industrial society, to the whole modern way of . . . a more modern society than what the South had before the whole civil rights revolution. And once you've got that . . . as race relations changed, that opened a whole bag of a new look at social problems.

Hodges: I agree with you. I'm trying to . . . .

J.B.: Well, this is the question, whereas North Carolina stood out fifteen or twenty years ago, it no longer stands out today.

W.D.V.: The trauma in this state was not as great as in the other southern states. When they went through that civil rights revolution, what happened is that they began to examine their attitudes toward a whole lot of social issues. Once you took the race issue out of it, people could rationally deal with other problems, but because it didn't stand out that much in North Carolina, that you have less growth because of that thing.

Hodges: Less growth on . . . .

W.D.V.: Less key adamant . . . (inaudible) . . .

Hodges: (Inaudible) . . . .

W.D.V.: Less change than in other southern states.

J.B.: Less growth in dealing with . . . .

W.D.V.: Once that albatross was off the other southern states, they could just really open up and move.

Hodges: Have they really moved differently? More than North Carolina? I'm not suggesting that North Carolina has done enough, no, I think that some of the ideas . . . .

J.B.: Well, I'm not . . . .

Hodges: . . . .of it's being, this is a very rural state, that is a problem. This is a far bigger state . . . .

J.B.: Well, North Carolina has taken . . . you know, has shared in all of these changes, but I think that what has not occurred is, and this is impressionistic, is that the degree of dramatic change that you will find in other states that we have been in, the change has been more dramatic, faster, more intensified, I think than here. And as a result, North Carolina is now, if you view the South as going through a progressive period, North Carolina

is sharing in it, and I think that one could, you know, argue that North Carolina is doing a great deal in many areas, but it no longer stands out as a leader particularly in any of these areas.

Hodges: Well, I just don't agree with that. I mean, I don't think that North Carolina, well, North Carolina may have lost the lead in many things in the South in the last several years, but I don't think that is a function of this civil rights, this question as much as it is that, you know, you had informative leadership about it before that it doesn't have now.

J.B.: Perhaps what I was also suggesting is that that traumatic experience elsewhere tended to generate almost a new type of leadership to emerge. You had problems, really ~~deep~~<sup>Severe</sup> ones, you know, states almost falling apart. Somebody had to really come forward and attempt to lead. And I think that this has sort of resulted in some of this new leadership in other states.

W.D.V.: Yeah, there's only about one exception, and that's George Wallace. He's dominated that state's politics for many years. And in that rate, if you looked at North Carolina and you looked at the . . . .

J.B.: Except that the federal court in Alabama did more than George Wallace did.

Hodges: That's right.

J.B.: Which is a treating fact of this . . . .

W.D.V.: If you look at the Congressional delegations of this state in the last twenty-twenty-five years . . . zilch. Both the Senate and the House. And that's amazing, because all the other southern states have produced one or two in the last ten or fifteen years, a bunch of great Senators, certainly some Congressmen, because at least of seniority have been able to provide national leadership, but this state hasn't done so.

Hodges: Well, Ervin.

W.D.V.: Well, Ervin was thrown into that role. You are talking about Watergate, the Watergate era?

Hodges: Yeah.

J.B.: Oh, I would even go beyond Watergate, I think that Watergate captures the whole. . .

Hodges: (inaudible. Everyone speaks at once. Impossible to understand any one person)

J.B.: Perhaps the whole area of the first amendment to the constitution.

W.D.V.: What you . . . (inaudible. Too many voices at once.)

Hodges: Well, you know you are talking about leadership, well, what is leadership? I agree with you completely on the quality of the candidates, of the elected officials. I mean, Pryer, I think has more intelligence than anybody that has been up there in sometime, you know.

J.B.: But he's almost the exception that proves the rule.

W.D.V.: Well, we're sort of groping for why did that happen? And . . . .

J.B.: And yet, you look at ten years ago in North Carolina, you stood out like a beacon in the South. That would be under the Sanford administration.

Hodges: Well, I think that it's as much a part of the, you know, having had Hodges and Sanford. I don't know who of the Shelby dynasty, and whatever, you know . . . what was doing good. Kerr Scott did a lot of things, I think that it was . . . .

J.B.: Well, did North Carolina in effect go through its progressive period sooner and what has come since then has sort of been a reaction to that?

Hodges: Well . . . you know, one of the things that interests me in this question is . . . that Time Magazine thing talked about leadership and it was talking about how this country had had its Monroes and Madisons and Jeffersons and Hamiltons and so on and how, you know . . . how did one age

have them all and no matter . . . what happened to us, you know? And it talked in terms of politics being the field, you know. If you were anybody, you went into government and there really wasn't . . . I guess at the time, you went into the army or the government and today's society is so complex that people go into education, banking, research, industry, whathave you. And I think there may be something to that. Because after all is said and done, there are damn few good men around. And I think that we have difused in our society, people are in other walks of life.

W.D.V.: Yeah, but the paradox to me is, if you look at this state say twenty years ago, or fifteen years ago, in terms of educational system, things like Chapel Hill, the industry, it was ahead of most of the rest of the South. Generally, those kinds of industrial conditions, urban conditions, produced leadership in government, but with the exception of Hodges, and maybe Sanford, name in that period, some outstanding national leaders that came from this state, or state leaders. And I can't find them. That's a puzzle. That's a paradox for us, trying to . . . .

Hodges: I think that back in those days, you are talking about back fifteen or twenty years ago?

W.D.V.: Let's say back from 1974, back to 1950.

Hodges: Well, Frank Graham was one of nationally . . . .

J.B.: But then he was rejected.

W.D.V.: He was defeated.

Hodges: He was defeated because he was too liberal. The state exported an awful lot of its, you know, its talent. The University of North Carolina and the educational system did have better education . . . let me think about that, because I, I feel that back then there were some leaders. I was trying to rationalize it, whether the fact that we are the most industrialized state.

I do believe that we have the finest higher education system. We've got . . . .

W.D.V.: Well, take . . . .

Hodges: I think they are in other walks of life, because there certainly are . . . .

W.D.V.: The Congressional delegation. Is there something about the way candidates for Congress are produced in this state that differs from other southern states? Because none of them have ended up in leadership roles of any significance. Yet, in the other southern states, you find that they do. Maybe there is no easy answer. Maybe this state is just atypical, but . . . it seems a paradox, that all the conditions are there for producing leadership but we don't have any, or didn't have any.

Hodges: It's a good question. That's what I was talking about when you were talking about Tennessee and other places, do these people really want to go into government? I mean, do they . . . why do they want to do it, go into government? Is it another . . . these people you are talking about, is it another mountain to climb, or that you've done something, or is it that you genuinely want to serve the people?

W.D.V.: It's both. There's no motivation to go into it unless there's somebody there that is already providing some kind of leadership along those lines. If you don't want to identify with the present incumbents, why do you get involved? Well, the new leadership then, tends to come from the new party.

Hodges: Well, that's where you find it. That's what you are going to see, because it's . . . well, I'm getting more out of it than you are.  
(laughter) Well, a lot of people used to think that North Carolina was mixed up, it didn't have any elite, it didn't have . . . (pause) . . . .

J.B.: It didn't have that aristocratic background of say, South Carolina,

Virginia and this old salt about North Carolina being . . . (inaudible) . . .

Hodges: That can't be true, that can't relate to the Congressional gambit. I don't know . . . could it be that we polarized too much as the conservative-liberal within the Democratic party? I think that anybody that polarizes, you know, doesn't really emerge as a leader. He doesn't really work toward compromise and accomplishing for all . . . I'm just thinking and throwing out things.

J.B.: If you run for statewide office, what do you think will be the effect of the fact that you are Luther Hodges, Jr.? Your father was governor and he was a popular governor, how would that affect you politically?

Hodges: Well, positively, I believe, but that would have to be done soon to capitalize on the positive aspects of it. Because that, I think that your polls or others have shown that, while he is still a very popular, well regarded person, the recognition factor is beginning to slip because of the mobility and youth of the population. But, you know, definitely positive. I think at the same time, it has forced a different standard on . . . not a different standard at that office, but forced a different standard on me, so that people analyze me more than they would otherwise, because they want to know if I'm doing it just because of my name or if I've gotten ahead just because of who I am or that. And that's also good, assuming that I'm a good product, if people would take time to determine or not if it's real. I used to worry about it, but I find . . . I've got a cousin with the same name who is a commercial failure in life, lives in North Carolina, named Luther Hodges, so I . . . if anybody ever holds that out to me, I've got a living, breathing testimony. (laughter) But it certainly would be positive.

W.D.V.: Do you agree with the assertion that the banks in North Carolina

are the most powerful political force?

Hodges: No, I . . . .

W.D.V.: Take candidate selection for governor and some of the legislative races.

Hodges: Well, I'm sensitive to that. I would agree to the extent that a business enterprise is influential, banks would be influential in North Carolina, not because they are banks, but because of the nature of North Carolina industry, they are among the largest businesses of North Carolina. It has large financial institutions, far larger than its relative size in the scope of things, more than it would justify. And North Carolina does not have much homegrown industry of any other kind of any size. It's a state of small business, relatively. And therefore, to the extent that businesses have influence and banks do, but I don't think that they do. I admit that there is a history of Wachovia Bank and Bob Hanes back in the 50's being very influential and behind state government. There are circumstances . . . you need circumstances of snow-holding, and there are very powerful holding brothers in eastern North Carolina, because of, you know, in that instance, not so much that there aren't any . . . I may be too defensive about banking, but not because they are bankers, but because they are powerful and wealthy and have a vehicle to communicate with a lot of people. I don't think they are . . . was your question that they were the most powerful source?

W.D.V.: Yeah. Well, the assertion. This is based on some research. You know, like the nature of directorates and so on, that if a bank that . . . who was it that did this paper at Chapel Hill, and you probably saw it, but it set up the power elites of the state based on the boards of directors of three or four of the largest banks, how these interlocked. And you would have

NCNB faction and the Wachovia faction and the First Union group and whatnot. The point of the paper was that if you understood that power relationship, you understood how big political decisions were made in the state.

Hodges: That's just business. That's just an interlocking fraternity of wealthy and successful businessmen. Because by the time you put those three boards together, and you could certainly add in all their advisory boards all over the state, you've got virtually every businessman of any substance whatsoever. And you certainly have the most powerful if you put the three boards, the seventy-five . . . you take a hundred men, they would be on the boards of the five largest banks, they would be the hundred most substantial, significant businessmen in the state of North Carolina. It's just that North Carolina has a unique way of bringing them about, because we've got such large financial institutions, because of the statewide banking in Charlotte and . . . .

J.B.: What percentage of that 100 people as of now would you estimate would be Republicans, on the state level?

Hodges: Oh, I would say that it would be the same old thing, you know, 20 to 30% registered Republicans, 60% thinking Republicans, 60 to 70 or 80 are more in that direction. And you know, they all say that they are Democrats in state politics and Republicans on national politics, and therefore it's just a function of . . . you know . . . .

J.B.: Well, if you hadn't necessarily . . . .

Hodges: . . . of conservatism of a certain degree, you know.

J.B.: Well, if you end up with another Republican administration on the state level, are they more or likely to become Republican in terms of North Carolina politics?

Hodges: All you've got to do is give them some candidates and they are Republican. I think . . . here I come back to what . . . the only reason

that tugs at me is that, you know, I really think that I can communicate with them and you know, convince them that there is some way that you had better not get so polarized or there is going to be a revolution. There are more have nots than there are haves, so you don't run over them. And what's good for North Carolina is good for North Carolina National Bank or what's good for North Carolina is good for R.J. Reynolds. . . at some point, you get them, as long as it doesn't hurt. I think it can be done. There is somebody that is going to have to tell them, or we are really in trouble. Because, you know, when you really do have a liberal-conservative party, they really are going to be conservative, and that ain't good. But it's the direction we are going.

J.B.: If you had to analyze the constituency of the North Carolina Democratic party, what would it be? Which coalitions make up the Democratic party in North Carolina?

Hodges: Well, you can call it that coalitions make up the official party and that's the part of the party that's in the minority, like the Republican party is in the minority. But the Democratic party itself is, has gone away from the majority of the people, because they are more activist, you know, they care, they are concerned. And they are young and bright and academic, they are relatively liberal, they are black . . . these people by definition, they care. Or somebody that is active in the Republican party, they are conservative, they want to protect the existing order and they care. And the rest of the people really just want decent government. And they don't care. And that's who you have got to appeal to on the basis that, you know, they should care, and "follow me." And then in fact, do something so that they can witness the progress.

W.D.V.: But you don't see that happening.

Hodges: No. I'm not that pessimistic, but I think that it takes a long time to change the system. I think that if we drift along that the system will change. I mean, not giving this society a chance to. . . if somebody doesn't try to bring the two together.

J.B.: What do you think of Terry Sanford as a presidential candidate?

Hodges: You sound like a lot of people, I never dreamed that it was possible and I thought that he was just waiting to see if lightening would strike, but some of what we are talking about, you can look on the national level and it looks equally frustrating. He's certainly as good as a lot of them. The man's . . . it's a possibility. I guess that I'm like a lot of folks that used to hold . . . the president couldn't be somebody that you thought of as an average guy, with good intentions, you know, and ability. This has been proven that . . . you know, you don't have to be anything to be president and it could happen to him. I would view it positively. I have no other candidates. Of wise leadership . . . you know, I guess that I would have thought that surely there is somebody a whole lot better than Terry Sanford, in all due respect to Terry Sanford, but . . . well, maybe they don't. Is the system manageable?

J.B.: That was my next question. (laughter)

Hodges: You know, I'm sitting here, and we're sitting here getting more and more pessimistic and you know, I ask myself that every once inawhile.

J.B.: Well, my question is, has society gotten too complex for government to manage it?

Hodges: Well, that's . . . (inaudible. Bass and Hodges talk at same time) . . . I believe that state government, that a different type of state leadership is critical. I do believe that it has probably gotten unmanageable. I don't think that Congress . . . I think that Congress is a totally outdated institution. It is not that representative. It is

special interests, running for two years, you know, it is unmanageable . . . and I think it needs to start concerning itself, however it is reformed, to a truly national interest and states should start, should go back to doing the things that Congress took away from them, because they weren't doing it. And that means the social issues, health care, welfare, care for the elderly. Better education, or the federal government will take that away. And that's the only hope. And you know, some states will be liberal and some states will be conservative and somebody may not want to live in them, in South Carolina or North Carolina or wherever, because things just don't run right there. We shouldn't keep that . . . let the system produce a better order somewhere else, let's see how it works. And let the national government worry about the national scene, truly national issues. That's, I'm sure, total oversimplification, but in response to is it manageable, I think that we have got to break it down that way and I think that if we do break it down that way and we then we start breaking it down every time a city gets over a 100,000 population and start caring about the federal government giving them money, then I think that there is not the leadership to take care of, you know, fifty states plus thousands of cities, counties, in any sort of effective governmental services. These are different thoughts, perhaps, than what you have been getting.

W.D.V.: Would most of the people with whom you have associated in the Democratic party, their age and younger, generally have this kind of assessment of the Democratic party of North Carolina?

Hodges: Are you asking me here?

W.D.V.: When you talk about this with them, do you get the same feeling that that's the way they see it, of sort of the drift, that nobody is really

emerging to perform that new leadership role? To take over the . . . to do exciting things, innovative things with state government?

Hodges: You know, I think that you can get some of the party people, and I certainly . . . I don't go out and talk as frankly as I am talking to you, I don't go around disillusioning somebody who is caught up in the enthusiasm of the Milton Short campaign in Charlotte, you know, after all is said and done, Milton Short ain't a good candidate, you know. But you've got lots of people who are as enthusiastic as hell and I encourage them, I say that I think that's great . . . that's their own perception, you know, and if they think that so-and-so would be a great leader . . . but it's their perception . . . I . . . I . . . you wouldn't go around . . . well, I won't get into Bowles's campaign . . .

W.D.V.: Why not?

Hodges: Well . . .

W.D.V.: Well, because he is still holding himself in there as a potential nominee for '76, and you've got Hunt . . . .

Hodges: I can get cynical, because I really do get pessimistic, if that's possible. And maybe . . . as I said earlier, I don't think, I think that Pat Taylor may have been a better governor than Skipper Bowles, I don't think that either one of them would have been, you know, what I consider, I think that we would have had another mediocre governor. I don't say that to them, you know, I hope that it's between us. The system sort of breeds mediocrity. I think that after all is said and done, that's what I've been saying.

W.D.V.: That's what puzzles us, we're right where we started. At the state level, but also at the national level, for the Congress, the Congressional delegations from this state.

Hodges: You are not disagreeing with me?

W.D.V.: No, we are puzzled by it.

Hodges: A lot of people . . . a lot of good people, I hear them saying, you know, "Why in the hell . . . I wouldn't do that for the world." I think that it's gotten to where . . . I don't know, maybe the reward system has gotten to such where just doing the right thing isn't satisfying, people don't relate to caring about the future society, they don't realize that all . . . the conservatives don't realize that the way we are going is going to absolutely destroy all that they think is good. They are not doing anything about it. But what is the motivation to make them do it, I guess, to get involved themselves. They just look askance at anybody that dares look into it, "Are you sick or something? Why would you want to do that?" Where is the motivation.? The motivation to a Kennedy and a Rockefeller you can see, you know, they felt an obligation. It's interesting. I can say that I had a little bit of that problem. Part of it is competition, you know, I want to beat my father. Really and truly, I imagine that would make somebody do it. What we really need is a way to find a way to genuinely identify leaders and motivate them. But the system does breed mediocrity. Just by virtue by what it takes to get into the game and how you have to compromise yourself to get elected.

W.D.V.: One of the things that we have found out about Florida is that the system can also breed outstanding, bright, active, innovative . . . (inaudible) . . . in the legislature of all things.

Hodges: Well, why in the hell is this state . . . you know, I don't have a good image of Florida. And it's got a lot of . . . .

W.D.V.: Well, the most astounding thing that we have met in the whole

eight or nine months that we have been traveling was Florida. What they have done in that state legislature is unbelievable.

J.B.: They are light years ahead of anybody else.

Hodges: The North Carolina legislature is deplorable, I must say.

J.B.: I mean that Florida, from the standpoint, except they are . . . .

W.D.V.: It's burning out, it's burning out now, o.k. But it produced a Governor Askew, it produced at least one United States Senator and probably talented . . . (inaudible. Volume cuts too far down.)

J.B.: The next Senator, the Senator to succeed Gurney will probably be a product of the Florida legislature . . . .

W.D.V.: Which is so atypical, yet, you know, they were able to produce that kind of leadership and the leadership generally in that legislature is as Jack says, light years ahead of what you find in Raleigh.

Hodges: Is it a part-time or full-time legislature?

J.B.: It's part-time.

W.D.V.: It's part-time.

J.B.: It's better paid than most.

Hodges: How many months?

J.B.: Well, they have year round committee meetings and they are paid twelve thousand dollars a year. They have staff.

W.D.V.: They have the best staff in the country. What is it, about three months? It's about three months . . . (totally inaudible. Volume cuts too far down.)

J.B.: It's about five days a week. But you had a lot of situations that came together sort of to serve as a catalyst, reapportionment being one and all of a sudden, a lot of things started going and a lot of like minded people got attracted, that really wanted to reform the system, and so people

that really wanted to reform the system started going into it and I think that it was sort of self-generating from that point.

Hodges: I said that . . . .

W.D.V.: Once you started having models . . . .

Hodges: It becomes self-evolutionary and once you get one, you know, people are going to . . . .

J.B.: I think that this is going to happen in South Carolina, frankly, with Ravenel. I think that you are going to start seeing a lot of other people who will go in.

W.D.V.: Yeah, but you have to have that initial catalyst. If you don't have it, it isn't going to move. And you need events too.

Hodges: That's right. And '76 is . . . if you have the same old thing, the same old thing isn't going to be able to attract many new people into government. I'm not being very helpful.

W.D.V.: Well, we are thinking it out, too.

J.B.: You have more or less confirmed the shape of it, the focus. Can you think of anything else that you wanted to ask?

Hodges: No, I feel a little frustrated, I don't know if I'm . . . .

W.D.V.: Well, that may be because you better understand the situation, if you didn't understand it, you would have all the answers.

Hodges: (Inaudible) understand the problems. I'll be interested in what you write. I hope to stay in touch with you.

(End of Tape)

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