

# Michigan Political History Society NEWS

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## MEET THE PRESS! MPHS EXAMINES THE CAPITAL PRESS CORPS IN THE 70S AND 80S

By TOM MORRISEY

The Michigan Political History Society sponsored the second installment in its “The History of the Capital Press Corps” series on November 9, 2009 at the Michigan Chamber of Commerce. This panel focused on capital journalism in the 1970s and 80s, an era that moderator Roberta Stanley, a MPHS board member and former Gongwer reporter, called “a heyday in the prominence of the press corps.”

The panel featured journalists Bob Berg, UPI’s Lansing bureau chief and press secretary for Gov. William Milliken; Charlie Cain, Detroit News Lansing bureau chief; Walt Sorg, reporter for WJIM (now WLNS) and WILX television and press secretary for House Speaker Bobby Crim; Larry Lee, recently retired Gongwer News Service Vice President; and Joanna Firestone, state and federal political editor for the Detroit News.

Berg said that more open and friendly relationships between reporters and politicians existed at the time.

“You spent a lot of time after hours, as well. There was collegiality. There was a sense that there were people you could learn a lot from. You learned whom you should listen to and whom you shouldn’t listen to and who knew what was going on,” he said.

That collegiality extended across party lines and involved relationships based on trust – enough trust that Cain was able to socialize with the subjects of his stories.

“You’d be at a big table, and there’d be Republicans and Democrats and reporters and lobbyists, and I always had a rule – people would be afraid, but I’d always say, ‘I don’t quote out of bars, though I might run to the john and write a quick note.’”

According to Cain, members of the two parties were able to put aside their professional differences and maintain friendly relationships off the floor.

“They would fight like hell on the floor, then afterwards they’d go out and share a beer and talk about what they were going to do on the upcoming weekend, oh, and how’s your kid in school. That’s lost and I think public policy has paid a price for that,” he said.

The panel strongly criticized term limits as the cause of the change in the political dynamic in Michigan.

“I had great relationships with many of the people I covered because they were there



Front row: Panelists Larry Lee, Joanna Firestone, Charlie Cain, Walt Sorg, and Bob Berg. Back Row: MPHS President Dave Murley, History of the Capital Press Corps Moderator Roberta Stanley

for so long, and I was there for quite a while. Now, I have a hard time when I see a story about a legislator, knowing who the hell they are or where they’re from, because they’re here today and gone tomorrow,” said Sorg.

Lee agreed about the effects of the term limits, which were imposed through a constitutional amendment in 1992.

“Term limits, from a selfish perspective, are just terrible, because you miss those relationships. You had time to develop them, know who the characters were, break through their issues and know where they were coming from and how they were trying to change things,” he said.

Cain simply said that term limits are “the dumbest thing that Michigan voters ever foisted upon us.”

According to one panelist, there was also a shift in the nature of the press corps that helped damage the formerly collegial relationship.

“That sea change kind of started after Watergate. After Woodward and Bernstein, suddenly, people were saying ‘Hey, this was kind of cool, maybe I want to be a hotshot political reporter,’” said Firestone.

“So, you saw a lot of younger people

agitating and lobbying to get jobs in the state capital. It probably took 15 years, the change. It wasn’t as friendly, a little more adversarial, and you saw some people who saw some pretty big futures for themselves and really changed the nature of that press corps,” she said.

Another key difference the panelists discussed about the era was the sheer size of the pool of reporters covering state politics.

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Walt Sorg fields a question from the audience

“It was a highly competitive environment with all those bureaus. We would wake up in terror about what Hugh [McDiarmid, political columnist for the Detroit Free Press] was writing about,” Lee said. Firestone attributed some of the extra attention to what she called “the rise of the broadcasters,” such as Tom Green, Bob Pisor, Jim Harrington and Lou Gordon.

“[They were] excellent, excellent reporters and broadcasters. They probably would have been sniffed at by a lot of the print folks, but they were the guys to beat,” she said, noting that the print journalists were shaken when Pisor broke the story that Martha Griffiths had been chosen as then-candidate for Gov. James Blanchard’s running mate.

“Those guys were tough. They were really good competitors and I think that none of us are well served by the fact that virtually everybody has pulled out from the TV stations in Detroit – if it doesn’t bleed, it doesn’t lead,” said Firestone.

It was at the end of this era that more walls started to be thrown up between journalists and the subjects of their stories, according to the panelists. Cain recalled his surprise the first time he was diverted from directly quoting a politician.

“That was so foreign to me, the first time someone tried to put that idea into my head, that I had to quote a spokesperson for that person – that just wasn’t real, it didn’t feel right. The access and the way you conducted yourself around the capital was different in the 70s and 80s,” said Cain.

The panelists also mourned the loss of the pressroom in the capital building and its notorious “quote board,” which was mined for laughs by Johnny Carson at least twice. Berg cited Eddie Augenstein, who managed the room up through the 1970s, as a valuable source.

“He’d love to pull you off to the side of the room and whisper something to you,” he said.

Sorg said of the decision to close the pressroom, “The proximity was a threat.”

The discussion wasn’t completely dominated by criticism of how political journalism has degraded over the decades. The panelists also took time to share some of their wildest experiences from that era.

Sorg told what was perhaps the most unbelievable story, about how Tom Green “stole” the state budget before it was publicly released.

“I’m not sure the statute of limitations has expired on that one,” Sorg said. “He had a car that looked like an unmarked police car. He acted the part without saying he was. Just to verify he was legit, he had the person who was in charge of the printing office call the Governor’s office to get verification, and somehow I answered the phone.”

Cain recalled a time that the longtime “Godfather of the U.P.,” Rep. Dominic Jacobetti, pulled a prank on him at a fundraiser – rigging a raffle so that Cain won an enormous door prize and expressing mock outrage when Cain refused it out of ethical considerations.

Berg shared with the audience Gov. Milliken’s reaction to being called a word offense to both the governor and his mother by Detroit Mayor Coleman Young. According to Berg, the governor simply

deadpanned, “He shouldn’t have said that.”

“The next morning, the mayor called him up and explained that’s a word that can have different meanings based on how it’s said – it can be a term of endearment,” Berg said.

Also mentioned were a heated time during the marijuana legalization debate of 1979, when Rep. Rosetta Ferguson clubbed Rep. Perry Bullard over the head with a glass ashtray after he called her argument against legalization “ignorant,” and an incident where a streaker entered the house floor and was only caught because he waited around to be interviewed.

Finally, Lee shared an encounter on the floor between two legislators who were both World War II veterans – although from opposite sides of the conflict.

John McCauley, who Lee called “a great senator and great drinker, not necessarily in that order,” angrily accused onetime Luftwaffe pilot Richard Friske of having his arm, which he lost in the war.

“One night, McCauley’s feeling no pain in one of those late-night sessions. He comes into the house chamber, goes over to Friske, and says, ‘Friske, you s.o.b.’ He tears his prosthetic arm out of his sleeve, bangs it on the desk, and asks him, ‘What the hell did you guys do with my arm?’” Lee said.

Not every incident on the floor was so amusing – panelists also recalled the time that the Sergeant-at-Arms wrestled an intruder to the ground and suffered a fatal heart attack.

“Everything we did 40 years ago, working with these folks and with many of these people in the audience, really now all I’m doing is spitting back memories in the morning,” Sorg said.

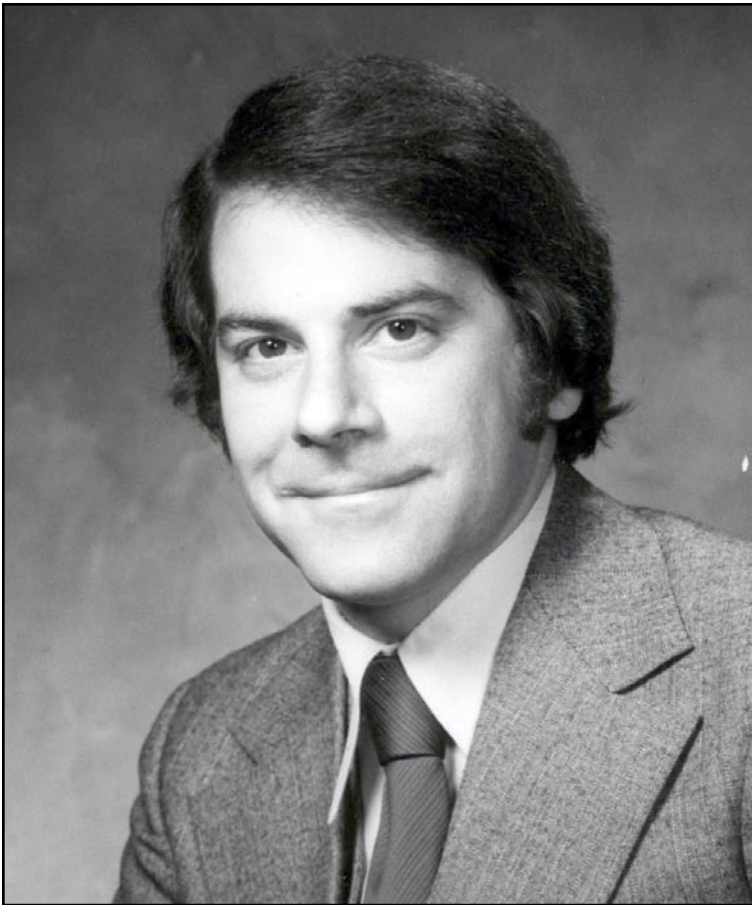
Summing up all of his colleagues’ feelings about the era, Sorg said, “They were some amazing times. The journalism was beyond belief. Some of the characters we covered were beyond belief. It seems like now, the issues we covered at the time they seemed so serious – the state was going broke about every ten years, one way or another, but we’ve learned how to do that better now.”



Frank Kelley shares his thoughts with some of the panelists

# Catching up with . . .

# PAUL ROSENBAUM



State Representative Paul Rosenbaum  
(Photo courtesy of the State of Michigan Archives)

**BY TOM MORRISEY**

Former legislator Paul Rosenbaum has seen many changes in his life since he left elective politics in the late 1970s. After serving three terms in the Michigan House representing Battle Creek, Rosenbaum has experienced a move to Portland, Ore., stints in private legal practice and the chemical industry, and now running a heavily data-driven company, one with such an interesting business model that it merited a profile in *Forbes*. The change is nothing new for Rosenbaum, whose life seems centered around finding unexpected benefits in every new direction he has traveled in. As a young lawyer, Rosenbaum came to Michigan from his native New York City in 1969, then working for a subsidiary of the Peoples Home Life Insurance Company, without any designs on elected office.

"I was 28 years old and they offered me the job as general counsel of the holding companies in Battle Creek," Rosenbaum said.

Rosenbaum expected to return to New York in a couple years, but fell in love with the affordable housing market and what he saw as a better environment in which to raise his young son.

It wasn't long before frustration with some local laws pushed Rosenbaum towards politics.

At the time, local property taxes were calculated based on a home's purchase price. When Rosenbaum complained about the

practice, which he saw as biased towards longtime homeowners over newcomers to Battle Creek, he was told that he couldn't do anything about it.

"'Couldn't do anything about it' wasn't in my vocabulary," says Rosenbaum.

He then founded the Battle Creek Township Taxpayers' Association and got his first taste of political campaigning.

"I walked through the whole township and I got families to join it at \$5 a family," said Rosenbaum.

Two weeks after winter tax bills arrived, Rosenbaum scheduled his first meeting in a junior high school gymnasium that could fit about 200 people. About 7,000 people showed up, he said.

"The traffic jam was incredible," said Rosenbaum, who had to cancel and reschedule the meeting for the much larger W.K. Kellogg Auditorium. Nine thousand people arrived for the second meeting.

"I realized for the first time that 9,000 people were coming to hear me talk," said Rosenbaum.

The Taxpayer's Association quickly accomplished its goals. "We ended up reappraising every property in the township," said Rosenbaum, who parlayed his accomplishment into a run as a Democrat in a heavily Republican House district.

"No one gave me a snowball's chance in you-know-where," Rosenbaum said, but he narrowly won in 1972, beating six-term incumbent Gus Grote by fewer than 200 votes. During the campaign, property taxes continued to be a major issue for Rosenbaum, along with education and prison funding and reuse of the former Fort Custer, which is today used for recreation and as an industrial park.

Rosenbaum spoke highly of his three terms in the legislature, saying its working environment has changed for the worse.

"One of the things we had in the legislature in those days, which isn't present anywhere in the country now, is cordiality," he said.

"We fought, but were also close friends. After the close of session, we'd go out together," he said.

That spirit of camaraderie extended even to Rosenbaum's relationship with then-Governor William Milliken.

"He was a tough cookie. I liked the Governor very much. I only had one run-in with him, over the Michigan Single Business Tax," which Rosenbaum described as the "single worst act" of his time in the legislature.

Rosenbaum's suggestion for restoring that old bipartisan spirit? Eliminating term limits.

"If you wanted to be around there for 10 or 15 years and do a good job, you had other people who were also going to be around," he said.

Treating the legislature as a full time job, rather than just a springboard to something else, would force elected officials to work together out of sheer necessity, he said.

Rosenbaum's time in the House wasn't without controversy. In 1978, he sponsored the 650-Lifer laws, modeled on New York State's Rockefeller drug laws, which place a mandatory life sentence on those convicted of possessing more than 650 grams, or roughly a pound and a half, of controlled substances.

"What I didn't realize – and I learned a lesson from it – was that it was so onerous the local prosecutors had no ability to use

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it,” Rosenbaum said.

Without the ability to strike plea bargains, most prosecutors had to choose between choosing not to pursue charges or passing the prosecution along to the federal government, he said.

“We did the best that we could. I spent literally thousands of hours on that bill. You can never fully understand the ramifications when you’re dealing with 10 million people,” he said. Rosenbaum said that he remained flexible on the issue of drug laws in Michigan, and that as a private citizen he voted to legalize marijuana ten years after his involvement with the 650-Lifer laws.

In 1978, Rosenbaum wanted to try something new and decided that he would leave the House, one way or another. He says that the desire to provide a better life for his family and move on to new things pushed him into a run for the United States Senate. In a six-candidate primary, he was defeated by the eventual general election winner, Sen. Carl Levin.

Rosenbaum said he had known that his candidacy was a long shot, but as he was going to leave the legislature either way, the run for the United States Senate was at least a fitting swan song for his career in elected politics.

Rosenbaum opened his own law firm right across the street from the Capitol in Lansing, but soon started searching around for new opportunities.

“After practicing law for about 10 or 12 years, I started getting restless,” he said. He spent several years in the specialty chemicals industry, founding SWR Corporation, which sells chemicals used to separate oil and water in a variety of applications.

In 2000, Rosenbaum took control of his current company, Rentrak, after “the nastiest proxy fight that you’ve ever seen in your life,” as he described it.

“It was a company that delivered 10,000 VHS and DVDs to Mom and Pop video stores,” Rosenbaum said.

As he delved deeper into the company, Rosenbaum realized that its true value was the information technology infrastructure it had developed as an afterthought. Rentrak’s systems were automatically tracking rentals at every video store they served at the checkout aisle – data that Rosenbaum quickly realized the company could profit from.

“I saw the potential was enormous,” he said.

Adding the ability to track movie theater ticket and video-on-demand purchases and live cable television watching dramatically increased the scope of Rentrak’s operation and made them an industry resource, as the detailed viewership figures are especially important in determining the value of advertising space sold within different programs.

“Every single studio in the country uses us. Every single studio executive is on their Blackberries starting 7 o’clock Friday” looking at Rentrak’s live figures, he said.

Rosenbaum said that his political experience in Michigan was important in his later business success.

“Bill Ryan, the former Speaker of the House, taught me a lot – here’s a guy with a high school diploma, and the best negotiator I ever saw.” Rosenbaum credited watching Ryan in action with developing his own negotiating abilities.

Since his takeover of Rentrak, the company’s share price has increased eightfold. Rosenbaum believes his success with Rentrak has a lesson for his former home state and shared some free advice for future Michigan entrepreneurs.

“It’s high-tech industry, especially in the data area. To look at data and aggregate it across platforms and across industries is what everyone’s going to be looking for,” Rosenbaum said, suggesting potential opportunities such as better systems for tracking patient medical records.



Paul Rosenbaum today

“Whoever owns the data owns the world,” he said.

Through a career that has seen stints in the law, politics and business management, Rosenbaum has never fully divorced himself from previous lives: he even remains involved politically, serving as a commissioner of the Port of Portland. Each transition presented him with unexpected opportunities that he quickly adapted to and took advantage of -- a life lesson that is perhaps especially relevant in today’s economic climate.