INTERVIEW I

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INTERVIEWEE: RICHARD MOREHEAD

INTERVIEWER: Christie L. Bourgeois

PLACE: Mr. Morehead's office, Barker Texas History Center, Austin, Texas

Tape 1 of 2, Side 1

B: Mr. Morehead, I'd like to begin this morning by asking you to go over your own background and career briefly and just tell me about that.

M: Well, I got into the newspaper business out in Plainview High School when I was editor of the high school paper, and we printed it down at the local newspaper. I was working on a dairy at the time, and I thought newspaper work was pretty soft compared to getting up at 1:30 every morning to milk, so I went from there. I came to The University of Texas, went to journalism school, and went to the University of Missouri briefly and ran out of money. Then we--I came down here, and I worked for the *Dallas News* as a kind of part-time employee in Austin and worked for *United Press* on the same basis. I graduated in 1935. *United Press* made me a correspondent. Then I went to *Dallas News* in 1942 and worked for them in Austin until 1978. At the end of 1978--I was the bureau chief here for the last fourteen years, and then I kept writing a column for the *Dallas News*, and still do occasionally. I've written for the *Wall Street Journal* for about forty years off and on, and for a number of magazines. I also have a kind of distinction from most newspaper people. I

was on the Texas Judicial Council for thirty-one years, longer than any other person. Well, it was an unpaid job. I think that's the reason there wasn't any more demand for it, but I enjoyed the work, and I think that even today we're seeing some fruits of this court-reform thing the Council started.

B: What kind of work did you do on that Council over the years?

M: It was to help to improve the administration of justice in the civil courts. They're now trying to do it in the criminal courts. I'm not sure we had much success. We came up with some great ideas, some of which are still kicking around, such as the non-partisan selection of judges. And then there were a lot of procedural matters, which wouldn't be of any general interest, but that's what we did, and it's composed of judges, primarily, and lawyers, and there were two laymen--the law prescribes two laymen, and one of whom must be a journalist, and I was the journalist. Every governor from Coke Stevenson through Dolph Briscoe, I think, appointed me to it after you have served a period of years.

B: Well, tell me what you remember about the Texas legislature in those early years when you were--well, for a while, had that part-time job working your way through school. I guess Mrs. [Miriam] Ferguson was still governor when you began.

M: She--the first recollection I have of state politics--I had done some political writing on the *Plainview Herald* in the summer. I did all kinds of writing out there. I was their reporter, unpaid one summer and seventeen dollars a month the second summer. But I came down here, and January of 1933 was my first experience here in the capital. Actually, I wasn't working for a newspaper at that time. I was a committee clerk in the legislature, the only job I could get, and I saw Mrs. Ferguson's inauguration. It was for her last term. And the legislature then was--it was more of an unpaid body of people than it is now. They met, as I

recall, sixty days a year and got five dollars a day, and they were not--they didn't get paid anything after sixty days, and it has a tendency to shorten the sessions after sixty days. I think they were allowed the money for one--I believe two round trips for each session on the railroad. That's all the expense money they could draw. The senators shared offices. The whole state government was either in the state capitol--that was the court, the treasury department, the comptroller's department, the executive department. The only exception to that was the highway building--the new highway department--which, by the way, was started in the back of the state House of Representatives. Their first staff was in a back hall there at the House of Representatives in about 1919, I believe.

Then they had another building that they called an education building later. It was across the street from the Old Land Office Building, which was where O. Henry worked, over in the southeast corner of the state capitol grounds. And the state department of agriculture, and later, I believe, the land office was located over there.

But the legislators then, they didn't expect to stay around here all the time. And a lot of them were men that sort of had it made, men of some substance. A fair number were young lawyers trying to get started.

B: Yes.

M: I remember that one--I was idealistic when I first came down here, and still am to a pretty large extent, because I think we have a good system. I was complaining one time to Gordon Schere, [William Shirer?] who was the head of the *United Press*, one of the greatest men--greatest newspaper reporters I ever knew--I was complaining about what a bunch of dummies they were in the House of Representatives, who had just voted opposite from the way I would have for something in there. But I didn't try to editorialize in the story, I was

just telling him. He said, "Well, Dick," said, "We've got a representative form of government. If you don't think those people are representative of--if you don't think these are representatives of the people, you just go out and look at the people." And that stuck with me. I--they probably are a good cross-section of the general public.

But strangely enough, the same problems keep recurring. You can look in the House journals or the legislative journals of the early l9--of the l930s and the 1980s, and the problems haven't changed much.

B: Can you give an example?

M: Excuse me?

B: Can you give an example of one that is [inaudible] today?

M: All of them. You can look in the beginning--there wasn't enough money for public education. The highways needed more money. Welfare needed more money, particularly the old folks. They didn't have any social security system. They didn't have any state welfare system. What they did have was what they called an eleemosynary system, which was for people who literally could not take care of themselves--some old people that were sick. They had state hospitals for them. And then for people who had mental problems, and then, of course, we had penitentiaries. The penitentiaries then, by the way, were a lot different than they are now. They were just like the state. It was mainly a rural state. The penitentiaries were oriented for rural--for agricultural work, and they made the prisoners get up every day and go out and chop cotton or pick cotton or tend to the vegetables or milk cows or feed the hogs. Then later, for some reason--partly because, I guess, they got more urban prisoners than they had rural prisoners--I think they changed their system dramatically, and one of the results is it cost them many, many times more to keep a

prisoner than it used to because they fed themselves, and frequently, they gave things to other state institutions that they grew over there or produced.

B: You mentioned the pension--that social security and the lack of it in those days--I think the pension system was a big issue from 1935--I guess after Social Security was passed, or maybe even earlier on through the l930s. Was that something that was very popular with most of the Texas constituencies?

M: Well, there was a lot more zeal for keeping the cost of government down than there is now. The cost of government was just negligible compared to what it is now at all levels, and a lot of people, such as school board members and city councilmen, they worked for nothing. And they got the best people in the community to serve on those boards. Somehow or other, they seemed to be able to transact their business with a lot less commotion and fewer special interest groups and so that had to sit up and listen all night to them--but these were mainly business people. There was always a big clamor for keeping the cost of government down.

B: So it was controversial to have a pension system for old folks?

M: Well, yes, because the only thing they'd had up until the 1930s--and it was something that was in the state constitution--something about "poor farms." And I think some county--"county poor farm." Incidentally, anyone who was in the county poor farm wasn't allowed to vote. Somebody in jail wasn't allowed to vote, which--I think that's all been changed. But the poor farms raised their own food frequently, and we didn't seem to--and as much money as has been poured into the welfare system--I think [we] don't really seem to get any better. In total, we seem to have about--more homeless people than we did then. Of course, we've got a lot more people. And more helpless people than they used to have. Of course,

the families had a lot more to do with that, because it used to be the family would look after somebody because they didn't expect the state to do it.

When [Franklin] Roosevelt came in, in 1933, he brought in the New Deal, which was--he had some extensive welfare and other proposals such as changing up the tenor of the--the philosophy of the--United States Supreme Court to make it more pliable to the way he wanted to change the government. His vice president, John Garner of Texas, really wasn't in favor of those things. He thought that the young people that President Roosevelt brought in with him to be his assistants and his advisers--they called themselves the New Dealers--and John Garner said, "They weren't Democrats. They were just New Dealers or socialists, whatever you wanted to call them." So the vice president and the president didn't see eye-to-eye. They were at odds philosophically.

Along with this came some good things and some that proved to be not so good. One of them, of course, was the Federal Deposit Insurance Corporation, which is keeping banks solvent today, or keeping them afloat. I don't know whether they're solvent. Not all of them are solvent. But they're keeping most of them in business, and that, incidentally, was said to have been Garner's idea, which he got from President [Herbert] Hoover. And they had to sell Roosevelt on this idea, although Roosevelt later took credit for it. I think it--on balance, it's proved to be a very good thing for the country.

And then this system of what they called Social Security. It was intended to be almost a compulsory savings program. They'd take a portion of each covered person--that was most of the work force, non-agricultural--and they'd put up a small percentage of their money into--rather the government would take it every month, and your employer would match it, and then when you got to be sixty-five, you were supposed to be able to draw it

out, and that would be your nest egg for old age. Well, the states didn't have that. Most people in Texas--there were so many--this wasn't an industrial state, so a great many people in Texas did not pay social security. There was, of course, then as now, an awful lot of old people that were not financially able to look after themselves. So the state came up with a--[it] became a political issue--some people called it "pension." It was actually called then the Old Age Assistance. A pension is something that you work for. You know, that's something you set aside out of your own money, or your employer sets it aside. This was just a grant from the government. And it was so small then, it seemed ridiculous. I remember they used to fight over whether or not they were going to pay them thirty dollars a month or less. And that was what [W. Lee "Pappy"] O'Daniels got elected on, [inaudible] to a very large extent, was doing something about that. Let's pause again.

B: Before we move on, I wanted to ask you a question about the Fergusons. It was common knowledge that because Governor Jim Ferguson couldn't run again, that's why Mrs. Ferguson ran for governor and became governor. But was she completely a figurehead? As far as you know, did she ever take part in actual administrative tasks, or was she really just the figurehead while he was the power behind the throne?

W: Well, first let me say something about Jim Ferguson, James Ferguson. He was a very capable man, by the way. You might question his honesty, his fiscal honesty, but when he was on the verge of impeachment--and he really wasn't actually impeached. He resigned the day before they were going to impeach him. So there was kind of a question there whether he could run again or not. The legislature said he was ineligible to ever run for public office again. He ran for president, on--I think it was on the American party ticket, about 1924. He didn't get anywhere, but he did run again. And Mrs. Ferguson ran twice

after that for--he'd been elected twice before this impeachment thing came up. Mrs. Ferguson ran twice. She got elected once, and then she lost an election, I believe to Dan Moody. Then she ran again and beat Ross Sterling, I believe, which was one of Moody's bunch. That was in--that was l933, l935, which was really their last time in office. They ran for some other offices, but never did get it.

So far as her own position as governor, her husband had a powerful influence over her, and I might add that the reverse holds true of a lot of other public officials. There are a lot of wives that have a great deal of influence over their husbands even if they haven't been elected. You can see that all of the time, and there have been very few powerful governors or presidents that didn't have a pretty powerful wife. You get both of them in the deal. But Mrs. Ferguson really had a mind of her own. I like to quote something that I agree with. Her daughter wrote a book. Her name was Knoll, I believe [Nalle[1]]. They live in Austin. Her daughter wrote a book in which she described what her mother was really like. This lady's name was Ouida Knoll, O-U-I-D-A, and she says--this is out of a book that I wrote, by the way, several years ago, called *Fifty Years in Texas Politics*. This is Mrs. Knoll: "It was not my mother's nature to deceive anyone. She has never literally bothered herself to make a good impression or to please the right people. Here was a tub that stood on its own bottom, and Texans could sense this when she spoke. The lady wore no man's collar, not even Jim's." I think that's largely true. She didn't do anything to cross the man, and he'd had a lot more experience in politics than she had, and he was around there all the time. I was here then.

B: Yes. So you think it--but you think it was a partnership rather than just--

[1] Her name was Ouida Ferguson Nalle. It is unclear whether Morehead thought it was Knoll or

M: Well, yes, but she--she'd never have been elected. She'd never have run without him. She really was a rather matronly type. A very lovely lady, by the way, and she had--they had a fine family. Of course, he had this scandal on his hands that kind of stayed with him the rest of his life, but he still had a tremendous following as long as he lived.

B: Do you remember any other issues in the 1930s in the Texas legislature in particular that were very big?

M: I remember one that's still an issue. You talk about issues never going away, or a problem never going away. In 1933 there was a clamor, partly because the state was having trouble raising money just like they are now, to legalize parimutuel betting on horse races. And there were a lot of horse raisers and big ranchers that were trying to get this done, and there was some clamor even among business people who thought it would help business around the cities to put up a race track. Well, it was controversial, and a lot of the church people were against it. Then at the tail end of the legislature, there was an amendment put on the--I believe it was on the appropriations bill. They called it an "improvement-of-the-breed" amendment to the Agriculture Department that legalized parimutuel betting. It may have been by local option. I'm not sure about that. But anyway, it passed, and it was signed by the governor, who was Mrs. Ferguson. And the Fergusons, by the way, were pretty liberal on--one big issue that was being resolved temporarily when they first came in was the issue of prohibition of alcoholic beverages. During the 1920s, they were illegal. It became illegal the previous decade, and then they--the repeal came in the 1930s, but the Fergusons were usually on the side of the wets and on the side of--and then they were also in favor of legalized gambling on horses.

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the original transcriptionist typed it that way.

But that passed, and tracks were established at--the big track between Arlington and Fort Worth--between Dallas and Fort Worth--and one at San Antonio, and one at Houston. And they were pretty successful, but they--it caused a lot of hardship, and there were stories of people losing their salaries out at the racetrack, and the people that were against them in the first place never gave up. And in 1937, after four years--I believe Jimmy Allred was governor then--they got the issue back in the legislature, and the parimutuel betting provision was repealed, and that's the last time Texas has had legal parimutuel betting. There's all kinds of racetracks around here, mainly small local tracks, and I'm sure there's all kind of betting on them. Some of them that I could name, like county fair tracks, never did--they've always used handbook betting, but it--they're policed by the local authorities, and nobody seems to complain about them.

But it's back now. Well, another very important thing [that] happened during the 1930s was the discovery of the East Texas oil field. Texas had been a very important oil state ever since the Spindletop field came in in 1901, I believe, and the price of oil was, say, like a dollar--I don't remember exactly--a dollar a barrel. But it was considered to be an adequate price. But the East Texas field was the biggest field ever discovered up to that time--it's still one of the biggest and most productive fields in the world, certainly in the Western Hemisphere--well, they were just running oil out on the ground and selling it for a nickel or ten cents a barrel, and there was chaos over in East Texas. They were killing each other almost to see who got to produce the oil and to sell the oil, and at that point, Governor [Ross] Sterling--this must have been 1932--Governor Sterling appointed Ernest Thompson, who was then a National Guard officer, I believe, to go over there and establish order in the oil fields in East Texas, which he did. And on the heels of that, the legislature got to work

on the problem and gave to the--the Railroad Commission already had some authority over oil and natural gas, which was unimportant at that time, relatively unimportant. The Railroad Commission had some authority, but it really didn't amount to much. But they gave the Railroad Commission in 1930 proration authority, and the principal behind proration was that over-production is wasteful, and this was a conservation measure, so they gave the Railroad Commission the authority to--and this is Ernest Thompson's dream by the way--to regulate, that is, to prevent the production of more oil than could be sold. And the federal government also passed a law called the Connally Act--they called it for Senator [Tom] Connally of Texas--did I say legislature? Congress passed this law--what they called a Hot Oil Act that made it a felony to transport stolen oil or illegally produced oil through a state line, and it had some importance. Well, from then on, the Railroad Commission was probably the most powerful regulatory body because of the amount of--the effect that it had on the economy, certainly in the United States. And that prevailed until after World War II, long after World War II, when the Middle Eastern countries started producing so much oil that Texas became relatively unimportant. It's still the most productive state in the union in 1987, but we can't out-produce Saudi Arabia and countries like that. But that was an important development in the 1930s, and--

B: And I would guess that there really wasn't anyone standing against some sort of regulation of oil at that point in time?

M: Oh, yes, there's always somebody to--particularly, kind of--big ones against the little ones was the argument on that thing. An independent oil producer always thought that the large companies got advantages because they controlled the marketing facilities, and the little companies had to sell their oil to somebody, and they usually had to sell it to a big company,

and these so-called integrated companies had production, refining, marketing facilities, and pipelines all. The little ones said that the big companies favored their own production and their own facilities, and that's probably true. But, over a period of time, I think that that was made fairly equitable. [For] one thing, in the last--I think that Texas oil hit an all-time production high in 1957, and it produced--if it hadn't been for Texas oil, we may have lost World War II. That was always one of the things that good old Colonel Thompson--who later became a general, he was chairman of the Railroad Commission at the time. He said that "the Allies floated to victory on the sea of Texas oil," and that was close to being true. Our side was never short on fuel. The other side--our enemies were short all the time. It made a big difference. In 1957 we reached a peak, and then it's been--I think it's 3.7 million barrels a day, and that's been declining ever since gradually, and everybody's been able--since that period, with minor exceptions, has been able--to produce all the oil that the engineers said they could produce without ruining the reservoirs.

B: During 1934, I guess, James Allred was elected governor.

M: That's right.

B: Could you characterize him? You knew him fairly well, didn't you?

M: Yes. He was a good friend of mine. He wasn't much older than I was, too. I believe he was the youngest governor we ever had. He was a jolly fellow. He and I didn't agree always on political things. He was the most liberal governor we've had since I've been in Austin, and he was closely tied in with Franklin Roosevelt and with the New Deal, and then later with Lyndon Johnson. And he was appointed--he ran for office several times after he was governor. I don't know if he served in the United States Senate or not. I believe he ran against O'Daniel and got beat. Then he was appointed, I think it was twice, federal judge.

He was the federal district judge once, and he was appellate judge. I was--he was one of my favorite governors as far as just friends are concerned.

A few months before he died, nobody even knew he was sick. I don't have the data handy. He called [and] invited a bunch of people down to the Driskill Hotel there in Austin, about a hundred of us in the Crystal Ballroom down there, which is a famous place in politics, the Driskill--political headquarters for years for a lot of these--a lot of campaigning politicians. And we had lunch, and he had round tables set up, and after lunch, he made a little speech, and then he went around to everybody in that room and said something personal about them, what they had meant to him, and that was the last time I ever saw him.

B: Do you think he sensed that he wasn't--

M: Oh, yes, he knew it, something the matter with him. I think he died of cancer.

B: Yes. I see. Was Lyndon Johnson at that gathering?

M: I don't think so. At that time, Lyndon was probably either senate majority leader or vice president or something. This was just a friend's day. It wasn't a political meeting really. He had--all Jimmy Allred's friends weren't necessarily his supporters.

B: Yes.

M: That's one thing people don't always understand about politics. You can like a guy but not like his policies.

B: Yes. Seems to happen a lot in politics. Was James Allred a good campaigner?

M: Great.

B: A good speaker? Good [inaudible]--

M: Yes, he--well, he was dapper, a good-looking man. He was a very dapper guy. The first time I ever saw him I was working in the summer for the paper out in Plainview. He was

running against a fellow named Tom Hunter. I think it was the run-off for the Democratic primary. Tom Hunter in Wichita Falls. He was an oilman. And I don't even remember what the issue was, but Allred--when I wrote a story for the Plainview paper that--I asked Hunter some kind of a question that Allred just beat him over the head with his answer for the rest of the campaign. He credited me with being responsible for his election, which I think is an extreme statement. (Laughter)

I remember one thing about Jimmy Allred, which is typical of some politicians. The campaign was all done by automobile in those days. They didn't have airplanes in the early 1930s. I think Lyndon Johnson was the first fellow to use aircraft very much. He used helicopters in one of his campaigns, to go from one stop to another. But most of the speaking was done on--at bandstands in county courthouses. That was the big public forum. And he stopped at the Hale County Courthouse, and they had a pretty good crowd of people. There's always a bunch of people hanging around the courthouse, and a politician rally was a big deal. We didn't have a--radio was fairly new, and there was no television, and when a politician came to town, like he was running for governor, that was live entertainment. It wasn't unusual to have watermelons or barbecue or something to go along with it.

Jimmy Allred, though--I remember he came breezing into Plainview one time, and somebody there asked him an embarrassing question from the audience. You know, they'd get a chance to ask questions briefly, and Allred said, "I've got the answer to this right here in my briefcase, and you can read it after this--after I'm through with this speech." He held up a whole handful of papers, put them back in his briefcase, went out and got in his car, and drove off to Amarillo, and that ended that interview between those two fellows! But

there's a real art to stump speaking. They told a story on Dan Moody. This was when prohibition was an issue and in some of the Bohemian communities up in Williamson County where he came from, they liked beer even during prohibition, and they--and Dan spoke up there one evening, and somebody got up in the audience at the tail end of his speech, says, "How do you feel about pro-hi-bition, Dan?" And he says, "Just like you do, brother." And that guy sat down, perfectly satisfied.

(Laughter)

B: That's good. You said James Allred was probably the most liberal governor we've had in Texas [inaudible]--

M: He wouldn't be considered liberal by today's standards, however.

B: Right. Well, was he successful with his program? Was he able to get a lot of it through?

M: Not very. I don't remember what his program really was, but he--that horse-race thing was really the most controversial thing in his administration, but there's always an issue of taxes and appropriation and an increase in teacher's pay. I'm not just saying those things. They're eternal problems for the legislature. And he tried to get on the same side in a way with O'Daniel.

O'Daniel was a flash-in-the-pan in a way. I was working in Fort Worth for *United Press* when he was selling flour up there with the Hillbilly Band, and they were a very popular program; it was a good program, good entertainment. He was a good entertainer. He wasn't a very good singer, but he was a good songwriter. He wrote two or three good songs. And the instruments--[he] had a really good Western band. And he had a Bible on the table, flag on the wall, home-and-mother type approach to everything that he was using on his program.

One time--they always profess to being deeply religious men, which I really--I don't think he even belonged to a church. He certainly didn't go to church while he lived in Fort Worth, but everybody, most of his listeners, thought he was really almost an evangelist. And I listened to him a good deal because he was an entertaining speaker. One time--I think it really was just for kicks--he said that he was thinking about running for governor, over his radio program. Since then, there's been a whole book written about O'Daniel by a man named Tex McKay [Seth Shepherd McKay] out at Texas Tech. And he said that if he could get fifty thousand signatures--or maybe he just asked for enough signatures--he would file for the Democratic nomination. What I think, he was just doing it sort of for a stunt. Durn if he didn't--fifty thousand people wrote in and asked him to run, which was a landslide. Well, then he--I guess he had to run, and he kept on. He kind of kidded along on it. He would use that theme for a while on his program, but he did file. Incidentally, he had made--he hadn't paid his poll tax. He couldn't vote, but he could run.

B: It didn't hurt him, though?

M: Oh, no. In fact, he hadn't been in Texas very long. He came from Kansas, I believe. But he was a very popular guy, and everywhere he went, he drew huge crowds. Just back to this entertainment angle. Politics is about fifty percent entertainment, and that's one reason entertainers do so well in politics. Look at our president. And there've been a good many show people that have done all right in politics.

B: Yes.

M: But O'Daniel--I think he had twelve opponents, including some prominent people. Three or four of them had either run before or had a statewide reputation: Ernest Thompson, Attorney General Bill McCraw, and I don't think they even took the guy seriously for quite a

while. I didn't. And the day he announced, I went out to his shop, his home--I was working for the wire service up in Fort Worth--and I never got the impression that he was doing any more than just trying to make a little time. But then he got on the road, and he had such huge crowds--well, he just had a juggernaut going, and he won the Democratic primary over all these other guys without even a run-off.

B: Were you surprised all the way up until the election? Did you realize that he had a groundswell of support [inaudible]?

M: Well, at the end I knew he had a lot of votes. But I was astonished he won without a run-off. Heck, I made a small bet with my brother he wasn't going to win without a run-off. My brother lived in West Texas.

B: After he--O'Daniel became governor--you know, he ran on the mother-and-apple-pie theme and all of that, but he also promised an old-age pension, and that apparently was--

M: And he had some success with that. That brought on a big argument about how he was going to pay for it. I don't remember what--how much the state government was spending total in those days, but federal aid was almost non-existent. There was always money the state had, and the state raised itself and mostly on property taxes, and they were beginning to tax oil and some business things, and the same thing was true locally. Local government was pretty largely confined to spending what they raised locally, you know, using--that also was usually all property tax. But in--the money for the old age--the state government was beginning to require more taxes, and they got in an argument about--he called it a "transactions tax." It would be 2 percent on business transactions. Well, actually, it was a kind of a sales tax. I don't know whether it was a multiplying sales tax where you'd put 2 percent every time you sold it, like you sold a car three times, you'd collect on it every time

you sold it, but--and that wasn't very popular in the legislature. When they went for a constitutional amendment--I think it was called Senate Joint Resolution l2--and it had passed the senate. The public would have had to vote on it, and I believe that fifty-seven members of the House voted against it. They called themselves "The Immortal Fifty-Seven" or something. But they needed seven more votes, which they never did get. I mean, the proponents got ninety-three, and the opponents got fifty-seven, so it never was submitted. And it really wasn't too bad a bill by today's standards.

B: I think "The Immortal"--I think it was fifty-six. [Inaudible].

M: Was it fifty-six? Okay. I [inaudible]. You're fresher on that than I am.

B: Didn't--they wanted rather than having a tax like that, a transaction tax, they wanted greater taxes on natural resources.

M: That's correct, I'm sure. But the state of Texas, I believe all during the 1930s, was running at a deficit, and they were having to pay premiums to cash their warrants, or get immediate payment on [inaudible]--I was a committee clerk in the legislature in 1933, half-time while I was going to the university. I was getting fifteen dollars a week, which was a pretty good salary, by the way, for a student, and every time I cashed my warrant, they'd discount it five percent. They had money changers that would come up with their little black bags to the capitol, and they all--a lot of them loaned money also during the week and had to charge exorbitant interest. But they'd take five percent off if I was going to get my money then. If I wanted to wait eighteen months, I would get face value at the bank, but I couldn't wait eighteen months. I would have starved to death, and I--oh, that's not literally because things weren't really that terrible for me. But that deficit hung over them the entire time, and when we went into World War II, Texas had a thirty-million-dollar state general fund deficit,

which was considered to be just insurmountable almost. And Coke Stevens was governor. He was a very conservative guy, and during the war years, the state was restricted. They couldn't make any capital expenditures except for military highways and a few things like that, but when they came out, they had a thirty-million-dollar surplus, approximately, and that was considered to be quite an accomplishment to do that in about four years.

But, in the meantime--this is one of the things that O'Daniel did that--and I gave him credit in my book, but I don't think he ever got very general credit--one of the best things that ever happened to the state of Texas came up during his administration. That was this pay-as-you-go amendment to the constitution. I don't have the number before me, but it was a constitutional amendment that said that the state legislature could not appropriate any funds unless the comptroller certified that the money was in sight to pay the bill when it came in, which means currently. And they're arguing about that down at the state house right now about exactly what that means, and they've circumvented it in a lot of ways. But when that went into effect--it passed the House of Representatives and the Senate by a two-thirds majority, and I believe it was in 1944--sometime during the Stevenson Administration, the public adopted it.

B: And it's still--

M: And then it went into the constitution, and it's still in the constitution. The only way you can constitutionally make a deficit appropriation in Texas is by a four-fifths vote of both houses of the legislature, and that's in that--it never has been tried, and I don't think they ever thought they had a big enough emergency to get a four-fifths vote to make an emergency appropriation. That's a hot check, what it amounts to. And what's in there now, and they're trying to--they've circumvented it with bonds a fair number of times. Most of

the institutions of higher education have done it, and there've been some other specific authorizations in the constitution for bond issues, particularly for higher education.

Tape 1 of 2, Side 2

B: After he was unexpectedly or surprisingly elected--came out of nowhere, apparently, politically--there were some charges from his opponents that he was supported after that, and quickly the quote-unquote "special interests" latched on to him, and that was the base of his support after 1938 through his next campaign for governor and then his [U.S.] Senate campaign. Would you comment on that? Do you know who was backing O'Daniel? Were there some--?

M: He was a business-oriented guy. He was a businessman. He wasn't a--you know, he wasn't a hayseed or a farmer or anything. He was a flour salesman, and he was--and he got in the insurance business, and he fell very naturally into thinking the same way that the business lobby felt. I don't think there's anything sinister about it. But I--he never forgot the people that elected him. Mainly the people that he was working to improve their lot were the old-age pensioners; it was the Old Age Assistance group, and I think he got more people on. They got their monthly stipend raised, which was really--collectively a good deal of money for the state at that time, but individually--it seemed like a pittance almost for the individual. But, no, he never did alienate business. He didn't alienate business even when he was running, except the business people mostly had signed up with people like Ernest Thompson and McCraw and those other people. But they didn't have any problem with O'Daniel, really [inaudible]. They were the ones who were behind the sales tax, the transaction tax, to a pretty large extent.

B: Did oil--did the oil interests in particular support O'Daniels, do you recall?

M: I can't tell you specifically, but I'm sure that they did. God, I'd almost be positive they did. One thing, oil--almost the entire time that I was around the capitol, which ranged from the days of the discovery of the East Texas oil field up to OPEC [Organization of Petroleum Exporting Countries], the legislature always looked upon the oil industry as fair game when they needed more money. And they--the people of Texas don't really appreciate this, and the oil industry--they never put the oil industry out of business or any of that, but the oil and gas industries have, over the years--have been during that period main, if not major, supporters of the government at all levels. It's not just the state levels; a lot of school districts--about the only people they tax are oil companies. Well, you know, they've got so much money off the value of the oil property that they don't have to tax anybody else. And the oil industry--they don't kick about it as long as it's reasonable--they consider that it's tolerable.

B: When did you first meet Lyndon Johnson or were first aware of him?

M: Well I was--I can't tell you the day I first met him. I knew of him, and I'm sure I saw him before he ever got into politics except the National Youth Administration.

B: Did you know him during that time or know [inaudible]--?

M: No, I knew who he was. Everybody in Austin knew everybody else in the early 1930s, and he had an office here. Lady Bird, his wife, and I were in the university together, but I really don't remember much about her. She was--I think she was a graduate. She was one year ahead of me in school, but she got two degrees, I believe, and we actually graduated together in 1935.

B: But you don't recall much--you weren't really good friends--

M: Not really, but I didn't have any social program particularly. I was working my way through the university, and I was supporting myself totally by writing, and I was taking a full course at the university, and I didn't really have much play time. And I don't know what she was doing at the time. I guess she was just going to school. She was a good student and very well-liked. She was a quiet person, but Lyndon--I remember the 1937 election, when Congressman [James] Buchanan died, and Lyndon--I think--I don't know whether Roosevelt encouraged him to run, or I don't--he wouldn't take much encouragement. But then Lyndon did announce, and he ran a good race and got elected. I don't remember who he ran against, but he--and he had a good campaign on this rural electrification thing, and he fulfilled his promise because he was in a rural district, and he knocked himself out trying to get the REA [Rural Electric Administration] established.

B: What was your first impression of him, or what was his reputation during the National Youth Administration years around town? Do you recall?

M: Well, I can't say I knew a thing about his reputation at that time. I really didn't. A few years later when he was running for Congress, he was closely allied with President Roosevelt. President Roosevelt put his arm around him, and there's a picture, a rather famous picture, I think, of Lyndon and Governor Allred and the president with those two people. President Roosevelt used to come to Texas frequently. He loved to fish, and he liked to go tarpon fishing off of--at Port Aransas primarily, but he also had a son living in Fort Worth, and he'd go by to see Elliott and his family. But he was in Texas quite a good deal, but--

B: Did you cover that--those--?

M: I did in Fort Worth, but not particularly. I don't recall he stopped in Austin much, and if he did, I'd have been so low on the totem pole down here among the writing people that I

probably couldn't have got Secret--they wouldn't have asked me to do it. They would have hired a ranking reporter who'd been assigned there. When I was in Fort Worth, I was the only person the *United Press* had up there, so I got Secret Service credentials, and I saw the president several times in Fort Worth.

B: What do you remember about President Roosevelt in those days?

M: Oh, he was just--he was like--he picked a very amiable guy. I never did meet him, talk to him. I saw him a bunch, but they didn't have anything like the amount of security around him then that presidents have today. You know, everybody had on a little Secret Service button that's within a hundred yards of him.

B: You know, there was a sort of a--I don't know if it was spoken or unspoken--conspiracy among the newspaper reporters during those days not to talk about or write about President Roosevelt's paralysis or to photograph him below the waist.

M: Or any other personal item. In recent years, we've had this Gary Hart incident and some others. Reporters were different then in those days. Kind of like Alistair Cooke, this British journalist that came over here and made quite a reputation reporting on the United States for people back in Great Britain and in the United States. He said he didn't come to the United States as a missionary. He came as a reporter. And that was the way reporters used to be. They didn't feel like anybody asked them to run the government, for example. They asked them to report what was going on, and let the guys that got elected run it. The reporters weren't elected to do anything. Still not. But some of them don't seem to know that. But reporters--it wasn't that they weren't diligent about ferreting out graft, or anything that a public official was doing that he ought not to, but just because it was his--they didn't just pry into his personal life, or even if they knew something in his personal life that had nothing to

do with his job or nothing visibly had to do with his job, they just didn't do that anymore than they'd ask to see what kind of soap he had in his bathtub.

B: So this probably didn't have to be discussed among reporters. It just was understood that--

M: Well, not until the last term of Roosevelt, and it was his fourth term and people who were around him then--they knew he was a dying man. Reporters knew that. I used to question how long the old boy was going to last, and there was a lot of reporters that felt he really had no business running for a fourth term because we were in a war, and he really was--I don't know how it affected his judgment or anything. I wasn't that close to the thing, but he looked awful, and I think he made some bad decisions in the last term, too.

B: Did you see him in person during that last term? Did he come down--

M: I think I saw him once when he came down here, but he was mainly involved then with people like Winston Churchill. He wasn't making political trips. He last ran in 1944, I guess it was, wasn't it?

B: Yes.

M: Well, I guess it was--but then, from the first few years of the war, he was tied up in Washington almost exclusively. He wasn't making campaign trips. He didn't make campaign trips during the war. You know, he'd--you just didn't rock the boat.

B: And he didn't come down to see his son Elliott during that time?

M: I'm not sure Elliott was still here. He didn't stay a long, long time like the--

B: Did you know Elliott Roosevelt?

M: Yes, well.

B: Tell me about him.

M: Oh, he was just a guy. He married a nice-looking Fort Worth lady, and they bought a radio station in Fort Worth, and he ran the radio station, and while I was working at the *United Press* we had what we called a radio wire. We used to have radio news and take it off of a Teletype printer and read it on the air, and he was one of our customers. I think he tried--he put together the Texas State Network of radio stations and ran that awhile. It's been in other hands for years. I wouldn't guarantee you that he started it, but he had something to do with it. I used to go out there sort of on business trips because the front office would always ask me to go out there and ask if he didn't want to buy something that they thought he ought to be buying. I really wasn't in the business type of thing, but I had to do--I did whatever they asked me to go do. There's nothing--I don't recall--I just showed it to him, and he had to deal with somebody else on buying it.

B: In that 1940 campaign when [John Nance] Garner was running, until Roosevelt was nominated that first half of 1940, apparently Elliott Roosevelt was in favor of Garner until it became apparent that his father was going to run again.

M: He probably was.

B: Was he just a more conservative guy than his father?

M: I don't know that he had any political coloration. He wasn't too politically oriented, I don't think. He was just a good old boy, and I don't know whatever happened to him, to tell you the truth. I don't know where he is now, where his children are.

B: I think he's in the Northwest. I'm not positive.

B: Well, I think there were four sons and a daughter in that family. One of them in Boston, one in California; one was down here.

B: You knew Governor Coke Stevenson--

M: Yes.

B: --well, didn't you?

M: Yes. Very well.

B: I think you said in your book that he had a very good relationship, a particularly good relationship, with the press.

M: He did.

B: Why was that? Why did he win the press over?

M: Well, the government was small and personal. O'Daniel, who was his predecessor, he was afraid of the press because he wasn't--he really was ill at ease around the press, and he didn't want to talk to anybody or anything that could talk back. That's why he liked microphones, and he was good on the microphone. But in a press conference, he wasn't good at all. But Coke Stevenson--he was just a small town lawyer, who knew--you know, he'd known all of us. He'd been in the government for, well, since 1933--maybe 1931--as a state representative, and then on up through lieutenant governor and the governorship, and he knew all the--all the press guys were his friends, and he hadn't done anything that would offend any of the press. I mean, they liked his style, actually. And then, when he got to be governor, he didn't surround himself with a bunch of lobbyists and so on. Nearly every day, he'd have all the press corps--[inaudible] somewhere between eight and twelve people--into his office. There are probably two hundred of them up there now. You couldn't possibly have a daily press conference, and the attitude of the press has changed, too. They'd--but I won't go into that. We'd just--sometimes he'd have an announcement to make, you know, "I appointed somebody to a judgeship," or something--usually you'd go just into his inner office and have coffee if you wanted to, and this happened usually several times a week,

and, quite often, he'd ask us what we thought of things. Well, that's kind of flattering. I think he thought the press had some insight into how the public felt that he didn't have. And he may be right, I don't know, because press--you know, we represented people from other parts of the state, and, well, he had traveled over a good deal of the state, and he had a pretty good touch for most kind of--for ordinary people. But--and there were one or two members of the press who were hostile to him, and they'd come in and ask a hostile question, but not--it wasn't the same kind of hostility that I think I sense now, kind of a pack journalism. They'd just ask him a question that he didn't give them the kind of answer they wanted.

B: So it was his accessibility, more than anything else--?

M: Yes.

B: --in contrast to O'Daniel? Did O'Daniel--

M: O'Daniel--he never had a press conference as far as I know. He had this broadcast from the mansion every Sunday morning, and I used to have to go over there and--he'd write the script out on the back of a piece of stationery and "X" it out with dollar marks, you know, the part he was canceling. And sometime we'd have a chance to ask him a question over there. We were invited to come in and listen to him broadcast, and a lot of other people--O'Daniel was a big one for wanting to invite--"Everybody come over, and bring your horse feed and stay all day" kind of a thing. And good Lord, when Molly got married--that was his daughter--that was a spectacle. They were throwing cake out to the crowd right on the capitol yard. They must have had thousands of people to that thing.

B: He liked that sort of a--[inaudible]?

M: Well, I think it got out of hand. I don't think he personally was throwing. Molly was a nice person. She married a good--a nice guy, Jack Wrather, I believe it was, who became a Hollywood producer. He was from an oil family from up in East Texas.

B: How did you personally, as a member of the press, feel about O'Daniel? Did you find him difficult as most--[inaudible]?

M: I thought he was a bad governor. Not philosophically. He just didn't know anything about the government. He was the most ignorant governor we've ever had so far as knowing anything about what government is like.

I remember, to give you an example, after he'd been in office a couple of weeks, on one of his broadcasts he said, "I've been governor only three weeks, and I've already discovered that our government is divided into three parts: the legislative, the executive, and the judicial!" (Laughter) Well, that was appalling! And then shortly after that, he had a--well, that's a true story. Shortly after that, he pardoned--he granted a reprieve to some criminal that was under a death penalty down there, and there was some kind of a heinous case--I don't remember--but, anyway, it caused a great public backlash, particularly among newspaper people. They thought--they didn't think the guy had all the right [inaudible] to be there, but [inaudible] was going to give clemency to a bad criminal. So he explained that in one of his releases or on his broadcast. He said he'd done it--he did that so this fellow could suffer longer! Well, that went over like a lead balloon, too. (Laughter) And--he finally just let him go to the electric chair, but--that was a--

B: It's sort of surprising then, if he was every week saying such things, that he lasted as long as he did, because he did last--

M: Well, the public loved him! But the public don't know much about the government. You'd be surprised how many people out there right now couldn't tell you what the three branches of government are. And then they--a lot of them probably feel competent to be governor. You know, I was [inaudible] reading the other day a newspaper columnist was saying that they had a school test [for] the high school students in Texas a few years ago, and more than half of them couldn't name the country bordering Texas on the south!

B: Tell me what you remember about the Coke Stevenson-Lyndon Johnson 1948 senate race. I guess you were working for the *Dallas Morning News*.

M: 1948? Well, there was another election in there. Lyndon ran in 1941.

B: Right. Well, Okay, let's talk about that.

M: Well, in 1941, when one of them--I guess it was Morris Sheppard--died--

B: Yes.

M: --and a vacancy opened in the United States Senate, and O'Daniel had just been re-elected governor, and he decided he would run for the Senate, and Lyndon Johnson--oh, he'd already announced that--I don't remember all the others in there. I think former attorney general Gerald Mann was in it, but there were two or three pretty well-known people, and it got down to a race between O'Daniel and Lyndon, and O'Daniel won by, well, a few thousand votes, a small number of votes. But, at the time, there was not any question raised that I knew about the integrity of the ballots in that thing. And then, later in 1948 when there was another vacancy in the Senate, and Lyndon ran. Coke Stevenson had been out of the governorship for two years--and Stevenson was the favorite, and Lyndon ran, and it's a matter of great dispute, even to this day, as to whether or not the Democratic primary, the run-off, was stolen or--well, I don't think there's any question the thing was stolen.

Lyndon--so far as I know, he has never denied it, and I don't think anybody in his camp ever said anything except the other side tried to steal it, too, and they also put a--made this claim that in 1941 that the election had been stolen from them, and that they weren't going to let it--if anybody stole the next one, it was going to be them, you know.

B: I think that the charge was not formally--there were no formal charges [inaudible]--

M: No, there wasn't any. Well, it was just hearsay stuff, and I don't--frankly, as far as the 1941 thing, if there is anything to it, I never heard it until several years later. Never even brought up. The 1948 one, now, was very carefully investigated by the *Dallas Morning News* among others. In fact, there have been whole books written about it, and I think that what happened is pretty well documented and is--I also point out in this book that Judge [Robert W.] Calvert, who later became Chief Justice of the Supreme Court, who was then the chairman of the State Democratic Executive Committee--they had to declare somebody the winner in that race, and I don't want to get into all the background. Personally, I think the votes were cast about two or three days--down in Jim Wells County, Box Thirteen--about two or three days after the election; it was a margin of claimed victory for Lyndon Johnson. But when it came to the committee, the committee was practically evenly divided on the thing. Lyndon was--he was a great man at working political angles, and Judge Calvert was the--he wasn't judge at the time, but he was connected with the Lyndon Johnson people. He was on that side politically. He wasn't connected to that campaign, by the way, as far as I know. When they came around to voting at that committee session, the judge, seeing that they did not have a majority--I mean the chairman, seeing that they did not have a majority--declared Lyndon the winner. They rounded up some guy that they said had been out on the town and brought him in there, and somebody told him to vote "aye," or

something, and he voted "aye," so Calvert didn't have to vote on the thing. But he did say that he, in effect--and I've got the quote in *Fifty Years in Texas Politics*, which is out of a book that Calvert wrote, I believe--that he didn't think there was any question the election was stolen, but he thought, according to a legal precedent in some other case, that there was not anything that the committee could do about it. In other words, it was a kind of an after-the-fact, and the United States Congress took the same attitude, that was, "We never go behind what happened--we know what the party declared down in Texas."

B: In other words, it was their job to certify the [inaudible]--

M: The party declared him the winner, whether he was the winner or not, and that's how he got to be United States senator.

B: I think there were two charges "after the fact" in that 1941 election: one, that the liquor interests wanted O'Daniel out of the state because he was a dry, or he was anti--

M: I hadn't heard that.

B: So you--as far as you know, there--you didn't--

M: No, I--he was--since he--incidentally, after he got elected governor, he became a very faithful church member, went to a different church nearly every Sunday. But he did go with a good deal of fanfare, by the way, and, you know, they'd notify the pastor that the governor's going to come over, and they'd save him a place.

B: Okay.

M: But I don't know that he ever did anything to try to--anything negative toward the liquor interests. By that time, we did not have liquor by the drink, I don't believe. We had legal package sales, and they had legal beer sales. I don't remember. Liquor by the drink, I think, came later.

B: I think, yes, that it did. Well then, after Johnson was awarded the election by the State Democratic Executive Committee, the *Dallas Morning News* supported Johnson's Republican opponent, Jack Porter. Do you recall that?

M: Yes.

B: Why did they go to the Republicans? Was it because they were--?

M: Oh, they thought they were voting for the more honest man. And I don't think they really liked Lyndon Johnson just on philosophy. I don't think the *Dallas News* ever supported Lyndon Johnson for anything. At one election, in 1964 I believe, every paper in Texas except us, except the *Dallas Morning News*--and you know, they were trying to make it kind of a state-pride thing--all the papers were going to support the incumbent president. By that time Lyndon was president; he was running for an elective term. And we had a publisher then named Ted Dealey, who--he didn't like Kennedy or Johnson, and on our paper, I understand--I wasn't on the policy level, never did get to that level, as a matter of fact--but I understand it that the only reservation that the *Dallas Morning News* ownership has on their editorial policy is that in presidential elections the owners can decide which side they'd rather be, which candidate they'd rather see the paper support. I don't know how common that is. I'm not even sure that's accurate, but that's what I've heard, and Ted Dealey didn't--he didn't like Kennedy, it was a known fact, and he didn't like Johnson. And somebody asked him one time why he didn't want to support our Texas guy who was already president, and he said. "Well, we've been against the guy on"--he used a little stronger language than that--"on principle ever since he's been running, and we're still against him."

B: Then the *Dallas Morning News* was against him because he was too liberal for--

M: I don't know. They just liked the other guy better. Well, Porter had been a Democrat. In fact, I think that's the first time he had run for--I think until that year he had been a Democrat. He was Coke Stevenson's supporter.

There is some background to that, by the way. It started back during the 1930s. There was a dissident--you call them "dissident" or just "old-fashioned"--bunch of Democrats, conservative Southern Democrats, who had had a lot of clout in politics in Texas ever since the constitution of 1876, and this state had been a conservative, Democratic state. We didn't--the Republicans didn't amount to a thing. And they voted--Texas voted for Hoover in 1928, the Republican presidential candidate, but that was on two points. One of them was whether or not to legalize alcoholic beverages, and Hoover was against it, and Al Smith, the Democrat, was for it. And Al Smith was a Catholic, and this was a Protestant state. Those two things had caused Texas Democrats to vote for Republicans for the first time. But there was a very large number of Texas Democrats, old-time active Democrats, who never did like the New Deal, and they called themselves various names, and they'd support--they'd get up--they voted for candidates as a whole--I don't recall all of them, but they called themselves the Texas Regulars one time, and these were in presidential races. They'd get up a slate of presidential electors to oppose the Republicans--they couldn't bring themselves to vote Republican, but they also couldn't stand the Democratic candidate, so they just voted for nobody, is about what it amounted to. It wasn't totally nobody, but I think--well, Strom Thurmond ran two or three times--it was for president--during that period. He's still in the United States Senate. He had been governor of South Carolina. But it took a long time to get this transition from dyed-in-the-wool Southern conservative Democrat to a point where they could stand to call themselves a

Republican or to vote for a Republican. It was about that time that Lyndon had a good deal to do with Texas becoming a two-party state.

B: How so?

M: Well, these conservative Democrats finally said, "We're going to have to vote for the Republican if we're going to get anywhere," and there was a--I think the first Republican of this century was elected to the legislature from Dallas in the 1950s, a member of the House, and I think he just served one term; I think he ran once.

But the real change came after Lyndon Johnson became the vice president. The background on that is that in preparation for running for the presidency without having to give up his Senate majority seat, the Johnson people came down and had the legislature, which was all Democrats, pass this bill moving up the filing date to February--it used to be later in the year--and the election was moved up to April and May, I believe. It used to be July and August, the last Saturday, the fourth Saturday in July and August for the Democratic primary. Then Lyndon--they also had put into the law--this was in 1960, I guess, or 1959, I guess. Lyndon had put into the law that a candidate could run for president or vice- president and run for another office at the same time. They may have specified to run for Congress or congressional office at the same time. So in 1960, he ran for president and--well, he was supposed to run for president, but he finally wound up as a nominee for vice president with John Kennedy, and he was nominated at the same time to be re-elected to the United States Senate from Texas. Well, he won both of them. But from then on--but his successor in 1961--he couldn't serve in both places, so he resigned from the Senate to become vice- president, and I don't think he ever took his oath for the [third] term as senator, and John Tower got elected. And Texas has been on its way to being a two-party

state ever since. It has been a long pull, but you can no longer claim that being the Democratic nominee is "tantamount to election"--used to be the favorite saying, you know. You didn't even bother to vote in the general election because the Republicans didn't have anybody.

B: Did Lyndon Johnson himself come down to lobby for that law to [inaudible]--?

M: Not that I know of, but you could see tracks.

B: Did the Johnson people have much trouble with that, or was it--?

M: No, I don't think so. Like the Texas Democrats didn't see anything wrong with it. I don't know if anybody opposed it. There may have been somebody griped about it, but it didn't do any good. There have been some complaints since, but they've still got it on the books, I think. Some of the complains have been about this early filing deal. We have got the longest election season of any state in the union, I think, from the first week in February to the first week--the second week in November.

B: Runs up the cost.

M: Well, people get tired. I think it's one reason people don't vote any more. It seems like they're voting the whole time, so they just quit voting.

B: How about Governor [Beauford] Jester's administration? Do you remember--did you know Jester very well?

M: I rode with him on his campaign. He called it "The People's Path."

B: What kind of a governor was he? What kind of a campaigner? What kind of man?

M: Well, he was a crackerjack campaigner. He was a very personable guy. He loved people, and his wife--well, she didn't care much for politics. She spent most of the--she came from

a well-to-do family up in--around Texarkana, and I don't think she spent a lot of time down in Austin. She'd come down for inaugurations and so on.

When he was first on the Railroad Commission, I got to know him well there, and then he was on the--and then he ran for governor in 1948.

B: 1946, I believe.

M: 1946, yes. You're right. 1946, and the big issue in that thing--it wasn't an issue with him; that's how he got elected--was Homer Rainey had been kicked out as president of The University of Texas, and that got back to this old fight between the conservative and the liberal Democrats of the Democratic party. The conservatives--Coke Stevenson had been responsible for a lot of the conservative appointments to the board of regents of the University, and they didn't like Rainey. And they had a big uproar here at the university when they finally kicked the guy out, and so Rainey, to vindicate himself, was persuaded to run for governor. I don't know how much persuasion it took. But he had a pretty well-financed, very vigorous campaign, and there was a really conservative--well, it was kind of a three-way switch. They had one candidate, who'd been attorney general, or maybe presently the attorney general. He was running against Rainey because of all the books in the library, some of the books that he thought were subversive in the university library, and he just pointed old Dr. Rainey to be just a general kind of guy with bad vibes, and Rainey was, of course--he was saying these other people were just narrow-minded, and, in the meantime, Beauford Jester was taking the high road. He was staying out of this argument. He had been on the board of regents at The University of Texas and was well-regarded at The University of Texas. As far as I know, he liked Rainey and this other fellow, too. But

he stayed out of this, and I believe there to be a run-off between Rainey and Jester. I'm not positive of that, but, anyway, Rainey--Jester won the election.

And by [1947]--by the time he took office, the war was over, and Texas had this batch of money in the treasury that they couldn't spend during the war, the legislature couldn't spend, and they needed everything. They needed more money for schools and prisons and hospitals and special schools. They never have found a word I consider satisfactory to describe all the people the government needs to look after that can't look after themselves. "Eleemosynary" used to be the word, but that didn't fly very well, and so they used "special schools" for kids that, you know, couldn't make it in regular school, and some of them weren't kids. Some of them were seventy-five years old.

Jester was sort of a playboy, but he had a fine mind, and he knew a lot of very capable people, who seemed to be willing to serve the government. At the time, we had a prison system, which was considered to be the worst in the United States. Everything was wrong with it, and brutality and everything--at least they were accused of it; I can't verify that. So he appointed a new prison board, a first-class prison board, headed by a man named W. C. Windruff [?] from Tyler, and eight other outstanding people that weren't looking for any personal gain or power or anything else but were just interested in straightening the prisons up, and they hired a man named O. B. Ellis, who was considered to be the best prison administrator in the United States, got him from Memphis, Tennessee, I believe, and they set about straightening up the prisons, and by the time Mr. Windruff went off the board and Ellis went out, Texas was considered to have the best prison system in the United States.

Then they did the same thing, not maybe to the same degree, on state hospitals for mental people, and I know they put in a lot of medical hospitals where the old people were. A lot of old people were--well, they had some kind of mental deficiency. They couldn't look after themselves, and they had nobody else to look out for them, so they put them in the mental institutions, and when they got a--but their medical care wasn't too good. You know, they just had a place to live, and then they put a--but they got some first-class hospitals, and these people started living about fifteen years longer than they were expected to, which upset their calculations somewhat on how much it was going to cost to operate the system. That's true.

Then the public schools were--they'd been in controversy for all these years. It was the rural schools against the city schools. The city mainly--the rural areas had dominated the legislature up until at least after World War II, and they had something they called Rural Aid, a big pot of money that was administered by the state superintendent of public instruction, who was the head of the State Education Agency. He was an elected official, a powerful political figure. He had all the country superintendents and principals in the state as part of his political organization. Well, the schools were in such a sad state by then--at least allegedly; schools always seem to be in a sad state, I don't know why this is--that they appointed some people that had no interest other than--had no motive other than pure motive to want to improve the school system. And the legislature wanted to set up a whole different system, allocation of money based on attendance, average daily attendance. And they had a lot of other things they wanted to do, such as minimum standards and what--how many days they had to go to school, [*et cetera*].

The legislature first got through a resolution [that] was offered by Claude Gilmer, state representative from Rocksprings, and Jim Taylor, who was a senator from somewhere up near Dallas, and it was just to create a study committee. Taylor didn't put his name on it though because the teachers didn't like either one of these people. I mean the teachers--I would like to differentiate between the State Teachers Association and the teachers themselves because I don't think the teachers half the time are really aware of what's going on. They know what their association tells them is going on here, and they're really pretty naive politically, the teachers are. I'm sorry to say it. So are church people. My wife was a teacher, and we both go to church. I'm not saying it in a derogatory sense. But the Teachers Association--they even had teachers sending things--we got one from our kid over at school telling them to have your representatives vote against this Gilmer-Aikin bill. They thought there was going to be a substitute for a pay raise.

Well, as it turned out, the thing finally got through because a senator named A. M. Aikin--that's A-I-K-I-N--who was very well-liked by the teachers, put his name on it, and Taylor took his name off. And they created a committee, and I covered the entire study of the committee. It took them months, and they came out with a whole new system called [the] Gilmer-Aikin program, and had J. W. Edgar as the first administrator. He had been superintendent of schools here in Austin. And the first chairman of the board was Robert B. Anderson, who later--he's kind of had some misfortunes lately, but he served the state very well in that capacity. He was administrative--he was manager of the W. T. Waggoner's ranch estate up in Vernon at that time, and he spent a lot of time and money, and the company's money, on trying to see that that thing got off to a good start. And they had--I think he had nine members originally on that Gilmer-Aikin board. There may have been

more, but they were appointed. All of them were appointed, I believe. The first board was, and I think that after that there was an elected board and an appointed superintendent. I think there was one appointee maybe from each congressional district. But the new system was considered to be a state-of-the-art system of public education because it seemed to help everybody. It cost the state a lot of money, and the teachers were assured of minimum salaries and seniority increases and salaries based on the number of degrees you had and the amount of experience that you had and sometimes what kind of job that you had, and it seemed to work all right until maybe fairly recently. There's been a lot of commotion in the last ten years over it, which I'm really not up on.

But that is what the Beauford Jester administration really engineered. And I think he had--but he may have just--mainly by appointing people to get the job done in every case, and he himself kind of went on his blithe way, and when he went out of office--

Tape 2 of 2, Side 1

M: When he went out of office, he was elected for a second time, and he had just finished a long session of the legislature in 19--what, 49? He first took office in 1947. He was reelected in 1948 and had a long session of the legislature in 1949 over money. By that time, we were out of money again. We'd spent it all, and--

(Interruption)

Well, by the time the 1949 session was ended, the comptroller--they'd appropriated so much money the comptroller could not certify a two-year appropriation bill, so Jester vetoed the second year of it, or maybe just part of it, and they had enough money to pay for the first year.

Right after the session, Governor Jester died. He was on board a train going down to Houston, on a night train, and Allan Shivers became governor. He'd been lieutenant-governor. In fact, Allan Shivers had been in the government since the 1930s. He became governor, and he was a very able governor. He served longer than any governor Texas ever had before or since, even though he just had a two-year term, I believe. He served a year-and-a-half of Jester's term, and then I think he served three terms of his own, elected terms. And what Shivers did, and I think it may be contrary to something I've read recently, but how he--what I read in our own paper, by the way, by somebody not connected with the paper--he said that he called them in, and they called the lobby in and dictated the tax bill to them, and then one of them included the gas-gathering tax. Texas had had what they called an omnibus tax program. It was kind of a tax on everything except sales. There had cigarette, and there was tobacco tax and an alcohol tax and the oil and gas severance tax and franchise taxes on utilities and on oil companies or corporations, and they'd raised a great deal of money. So Shivers called a special session of the legislature first thing, and what he did--and he knew the legislative ropes as well as anybody before or since; he did--he called in the business lobby.

B: This was in 1949?

M: 1949.

B: 1949. Well, the session may have been in 1950. I believe it was.

B: Okay.

M: And he called the lobby in [inaudible] and said, "We're going to have to raise X amount of money." It was a fair amount. He said, "We can either fight this out"--this is second-hand information because there wasn't any press present. He just invited all these oil and gas

people and business people and others who were usually called on to pay the tab for the state government, their organizations. "We're going to have to have X amount of money, and we can either--if we can raise the omnibus tax a certain percentage, we can get enough money. Everybody will pay some." Well, I understand that somebody representing one of the oil and gas organizations kicked about it. He thought their share was too great. Shivers said, "All right. We'll just put it all on you." (Laughter) Well, the guy got reasonable. I think he knew--he felt Shivers had enough clout in the legislature that he could have done it if he had wanted to, and that's how that came out. But he did raise the money, and it was pretty easy the way he did it. They had all agreed to it before the legislature met. And there wasn't any--you know, these guys would ordinarily have lobbied against it. They just consented to this much--they said they wouldn't fight this amount of a tax increase. There've been increases some ever since, I think.

B: Did Shivers have anything to do with that Gilmer-Aikin bill--

M: Aikin?

B: Aikin, excuse me--the Gilmer-Aikin bill as lieutenant-governor? Who--[inaudible]

M: Well, he was. I'm sure he was.

B: What was the politics behind that?

M: Well, I don't--the politics mainly had to do with the rural versus the urban areas.

B: And so that's the way it goes.

M: And it really is a kind of--I can't explain this lucidly, I'm afraid, but we had a State Superintendent of Public Instruction named L. A. Woods, who was probably the most powerful political man in Texas at that time, because he headed all this organization of school superintendents and principals, and they were everywhere, and there were thousands

of them. And they'd come down here and pack the legislative galleries, and they were pretty--and he didn't want to do anything except keep spending more money. You know, the same old pattern. They'd re-divide it up after you'd give it to them. But some of the legislators really wanted to do something better and bigger, and so did Shivers, and I don't remember Shivers had any personal part. I think he was for the program. He didn't--I think he and Governor Jester got along fine. Shivers is a--he knows how the government operates. You know, it doesn't operate by confrontation generally either. It operates by negotiation, and as somebody says, "Politics is the art of compromise," and he understood that.

B: The Big Inch Pipeline was constructed, I guess, during the war to get oil shipped more quickly.

M: Well, during World War II the German submarines were very active off all of our coasts, including the coast of the Gulf of Mexico, where the oil tankers usually operated, and they were playing havoc with our petroleum shipments as well as other shipments. Well, in order to get some overland transportation, they created an agency, which I think--Bill Murray, who was the Railroad Commissioner at that time, went with the federal government on it--called the Petroleum Administration for War, PAW. Their purpose was to see that oil got produced and delivered in the United States, and the federal government, for one of the few times since oil was discovered, sort of took a hands-off attitude and let the oil and gas industry run its--the way they knew how to run it. So [inaudible] built not one, but several big pipelines. I think they all went to the East Coast. I don't believe there was any to the West Coast until later, and the Big Inch--it was called because of the diameter. I don't remember how large it was--I don't remember how many pipelines, but

Big Inch was one of them, that carried oil to the eastern part of the United States where it could be delivered or used or whatever. I don't know where it went from there, but I guess it got to the navy and the air force somehow.

At the end of the war, they didn't have any great need for that many oil pipelines anymore, and I'm not sure who owned those pipelines. I guess the federal government did. I know this. They drafted people from the oil industry who knew how to get things done, you know, like dig pipeline ditches and put a pipeline together and transport oil and produce oil, and they just left those guys alone, and they got it done in about half the time they were expected to, and it was quite a feat. But there wasn't much use for the pipeline later, so they decided that they would take this pipeline and others--I don't remember how many of them--and convert them into natural gas lines. By then, natural gas had become a big deal, replacing coal. We were kind of running out of our ears with natural gas in the southwest and had very little market for it down here. And the chemical industries started using a fair amount of it, but the people up in the Northeast had been burning coal for everything. Utilities were generating electricity to heat homes and the whole bit. Well, when they discovered they could get natural gas, they said that the ladies up there in the Kentucky coal fields were throwing away their coal stoves and getting natural gas stoves because they liked the fuel so much better, and it was cheaper. And they converted the Big Inch, and--I'm not sure who wound up owning it. You may know that. But Texas-Eastern had a pipeline, and Continental--the Trans-Continental Pipeline. One of the big ones was the Chicago Corporation, which later became Tennessee Gas Company. I think they may have wound up with the Big Inch.

There was some opposition down in Texas to the sale of natural gas, because they were buying it for practically nothing, but then the people who owned a lot of gas, they figured if they were going to get anything out of it in their lifetime, they might as well sell it to the first customer, and some of those contracts were five cents a thousand cubic feet, and a lot of them--well, most of them were less than fifty cents a thousand cubic feet, and the price, by the way, is still depressed compared to the heat value of oil and gas. Six thousand cubic feet of natural gas is supposed to equal one barrel of oil in thermal content, and a barrel of oil now sells for about twenty dollars, and six thousand cubic feet of natural gas at a good price would be about twelve dollars. That's on the current market. They still haven't caught up, but the--

And then there were some people of I guess you'd call it vision, like Professor [E. P.] Schoch, S-C-H-O-C-H, from The University of Texas. He was a chemical engineer, a rather famous fellow that knew all of the wonderful properties of natural gas--that you could use them for the chemical industry to make synthetic--all kinds or plastics and so on. And he testified against letting them convert those pipelines or build additional pipelines from Texas on the grounds that they would drain Texas of its most valuable resource at an unconscionably cheap price. He said, "What you are doing"--I remember his telling this to the legislature at a committee hearing one time--"is like shooting a buffalo for its hide!" Well, the answer to that, or at least the answer I remember one spokesman from one of these applicant gas companies was saying, "You might have enough down there to make nine hundred million hammers, but hell, who wants that many hammers made out of natural gas?" But he said, "There is enough for everything," is what he was trying to say, and I

think it turned out that they had a shortage for a little while due to delivery circumstances. But, the United States still has a huge surplus in natural gas, the Southwest has.

B: One more question about that pipeline during the war. Was there opposition from the big oil producers? Because you mentioned before that they had control of the marketing facilities, I guess the shipping, and I was just wondering if perhaps the independent oil men might be in favor of that pipeline so they could be more independent of the big producers, and the big producers--

M: Well, I don't recall that there was any controversy about that. I'll tell you one reason why. Earlier on in oil and gas regulation, the only thing they really regulated much was oil. They used to let gas, which was produced with oil, just blow it up in the air and set it on fire so as to get rid of it because it was too expensive to pump back in the ground. There was a huge amount they burned. In some parts of the world, they still do that. But the Railroad Commission was under some pressure from the independent oil people; they've always been pretty vocal. They had a lot of money, and they weren't unrepresented. There were lots of them, and they made a lot of--a lot of them had a lot of money, and they had a pretty strong trade association. They lobbied for, and got, a ratable take act. That means when you had a pipeline into an oil field, and there were ten oil wells out there, and you've got--the pipeline owner owns five of them, and other people own the other five, the other five--they could sell just as much gas [and] as much oil to the pipeline as the owner could sell. And that didn't--and it was supposed to have been worked out on a scientific basis, and while there was some complaint that the pipeline owner wasn't always playing fair with the little guys, the other guys, I think it worked pretty well, and it had that--I don't think that is particularly true of natural gas. They are arguing about that right now.

That natural gas--one thing, you can get oil to market without a pipeline. You know, if you've got an isolated well somewhere, you can put it in a truck or store it in a tank until you can get a pipeline built. But on natural gas, you can't do anything but leave it in the ground until you get a pipeline, a gathering line.

End of Interview I

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