INTERVIEW II

DATE:

February 29, 1976

INTERVIEWEE:

J. R. PARTEN

INTERVIEWER:

JOE B. FRANTZ

PLACE:

Madisonville, Texas

## Tape 1 of 1

F: Well, we were up to the 1960 affair. Before we go ahead, I want to ask you a couple of questions. Did you ever get involved in the Joe McCarthy hearings, and charges and so forth?

P: No, I didn't. But as a director of the Fund for the Republic, of course, I became unpopular with Joe McCarthy, because we did clash with Joe McCarthy's work.

F; Yes.

F: Did Johnson ever have any role in this at all, as far as you were concerned?

- P: No, no, the only problem that I had with government in my service as one of the original directors of the Fund for the Republic was with the Un-American Activities Committee, and I consulted with Speaker Rayburn because that committee was a House committee.
- F: Right. Let me ask you a personal question. Now you're a successful businessman and you move in a businessman's circle; have businessmen ever sort of looked on you as a, oh, I don't know, an oddball, a renegade, or treasonous, or whatever?
- P: No. Back in the days when we had the very bitter fight over federal oil control in 1933, when most of the oil people were for federal

control because the price of crude oil was ten cents a barrel and most people were irrational and almost crazy.

- F: And broke!
- P: And broke. Many of my colleagues in the oil producing business thought I was wrong in fighting federal control, but they later came around and congratulated me on it. But I have gotten along very well with all elements of the industry, the independent side and the major side. I was chosen as director of transportation PAW in World War II, which was a controversial and hot seat. No, I've had no problem in getting along with my contemporaries in the oil business.
- F: The reason I ask the question, you know some of them
  [businessmen] really look on any brand of Democrat as a kind of
  pariah and a liberal Democrat as something unspeakable.
- P: Oh, yes, there are many people that do. Of course Democrats in a way are like Republicans: there are good Democrats, there are bad Democrats and there are good Republicans and bad Republicans. But I've never taken anything personal in the field of politics or anything personal in the field of religion. Those are two fields in which people ought to have a right to choose their own courses, independent course.
- F: It's awfully hard, though, for people to do that.
- P: Personally, I've always had a great admiration for people who do independent thinking.
- F: Stick to their guns.

- P: And stick to their guns.
- F: Did you get the feeling that Johnson was lukewarm in his support for Stevenson in 1952 or 1956, or did he do about what he could?
- P: I thought he did all he could. I never had any other feeling.

I was very much worried about Johnson when Humphrey was running against Nixon. I felt that Johnson was sitting on the fence until pretty late. I have no concrete proof of this. But, knowing that [Governor] Connally was talking for and reputed to be raising money for Nixon, I felt that there was some effort being made to neutralize Johnson. I thought it was unfortunate that Johnson didn't come out sooner and make some public speeches for Humphrey in that campaign. As I recall, the first public speech he made was very late at that big meeting that was finally staged in Houston at the Astrodome. I was there.

- F: That must have been in October, pretty close to the end.
- P: I think so, pretty close to the end. Johnson made a very fine appearance at that time. I always thought it was unfortunate that there hadn't been more speeches, because he was in a position to have done a lot for Humphrey. That vote was pretty close, as you remember.
- F: We discussed, of course, the 1956 split in the Democratic Party, and you and I both know that the Democratic Party in Texas is a fearsome thing in a way. It is always trying to fall apart.

Was there anything particularly memorable about 1968 and the inbetween years as to which direction the Texas Democratic Party was going? Does this strike a response?

- P: Well, of course, Texas has become a very conservative state.
- F: Yes.
- P: And the conservative element in the Democratic Party is somewhat stronger than the liberal wing of the Democratic Party. That's never concerned me greatly because I don't think that it's necessary to have uniform thinking in any political party.

I felt that the reason that Kennedy and Johnson had so much difficulty carrying Texas after Jack Kennedy had drafted Lyndon to be his running mate, was purely attributable to the continuing conflict that was going on inside the Democratic Party. It was largely agitated and promoted by Lyndon's friend, John Connally. In that respect, I always felt that John did Lyndon a disservice, because that ticket should have swept Texas by three-quarters of a million votes and I think that they got out with a bare forty or fifty thousand.

- F: Yes, that's right. Fifty thousand. Did you see anything of Johnson while he was vice president?
- P: Oh, yes. I saw Vice President Johnson on several occasions while he was serving in that capacity. And I had some concern that perhaps Kennedy wasn't treating him fairly. I discussed that subject with Vice President Johnson and I was assured on every occasion that Kennedy had fulfilled his commitments to him fully in all respects and he had no complaints.
- F: Just a difficult position.
- P: Just a difficult position at the time.

- F: Did you foresee any of Johnson's civil rights commitments at this time?
- P: No, I did not. I was pleasantly surprised that, after Kennedy was assassinated, Johnson stepped into the breach and did a very commendable job of carrying on the policies of that administration, including the civil rights phase of the administration's policies.

  I thought Johnson did a very commendable job.
- F: Did Senator Yarborough ever indicate to you that Johnson as vice president still considered himself as sort of senior senator from Texas?
- P: Yes, he did.
- F: Well, now, did President Kennedy bypass Yarborough for appointments out of Texas?
- P: It seems that Vice President Johnson was allowed to continue to control a share of the patronage that normally goes to the senator . . .
- F: Senior senator.
- P: . . . after he became vice president and that plagued Yarborough quite considerably. It was quite evident. It always seemed, as Yarborough alleged, that that was a result of a commitment that Kennedy had made to Johnson when he agreed to serve as running mate on the ticket.
- F: Did Johnson as president ever talk with you about serving in his administration?
- P: Not directly. Through Bill Moyers, he talked to me about undertaking some foreign service.

- F: What? An ambassadorship?
- P: Yes, on one occasion, he wanted me to go to the Far East.

  but I took the position that a younger man ought to do that, that I had been in the harness quite a time. I thought that I should be excused from it.
- F: Where in the Far East?
- P: Pakistan.
- F: Did you know Ayub Khan?
- P: No. No.
- F: Johnson seems to have gotten very close to him.
- P: No. I didn't know him.
- F: Did Johnson ever seek your advice on domestic matters?
- P: Oh, I discussed oil and gas matters with him on several occasions.
- F: Now my own insight into this is that Johnson, being sensitive about coming from an oil and gas state, more or less turned over those activities to Secretary of Interior Stewart Udall. Is that a good assumption?
- P: I think that <u>is</u> a good assumption. I think he stayed out of those matters to the extent that he could, and I think wisely so.
- F: Did you have any contact with Udall?
- P: Oh, yes. I became a consultant to Udall when he first became secretary of interior for a short period of time. I assisted him in organizing the Petroleum Administration for Defense (PAD) of the Interior Department. Of course, we did that very much like it had been handled under Ickes in World War II--PAW.

- F: Yes.
- P: I had the experience of going through many months of service in the department with Ickes. And I spent something like ninety days helping Stewart Udall.
- F: Did you feel that Udall got a pretty good grasp of the complexities of the situation?
- P: He was slow about it, I thought. I was particularly unhappy that he didn't do something to stop some irregular practices that were going on in respect to procedures on imports.
- F: Was it succeeding quotas?
- P: Yes, import quotas. There were some border refineries on the Canadian border that were, I thought, cheating. Even though there was an open door policy on imports from Canada, they were still getting import tickets to bring oil from the Middle East and Latin America, which import ticket operators were selling at a market price of about a dollar and a half a barrel. I thought that was very irregular and I tried to get that stopped, but I didn't have any luck.
- F: Kind of takes you back to the old hot oil days of East Texas, doesn't it?
- P: That's right. I couldn't look with favor on that, so I was unhappy that the practice wasn't stopped. And they had a rinky-dink going on down in Brownsville, bringing in Mexican crude by tanker at the rate of about thirty thousand barrels a day, placing it in bonded storage, then by truck crossing the border and back again, thus to legalize the import and make import quality as "by overland import."

To elaborate, they would bring this oil in to Brownsville by tanker and put it in bonded storage. Then they would take the oil out of bonded storage by truck and run it across the river; turn around and come right back across the river and call that imported by overland transportation instead of ocean transportation. I called it a rinky-dink.

- F: Yes. Was there a rate deferential there?
- P: The difficulty was--
- F: What's the advantage of that?
- P: To comply with the rule that the government had made when it restricted importation of foreign oil by ocean tanker "to supplement and not supplement." The rule left open those channels with our neighbors where oil and gas moved across the border by overland transportation. Under the Eisenhower Administration, that rule by Executive order was put in. Any oil or products that were brought in by ocean tanker or by tank ship is under the rule; but that that came in by overland transportation were excepted. And they called this overland transportation.
- F: This must have had some connivance going on on both sides of the border patrol, wasn't there?
- P: That's right. There was connivance going on. I tried to get it stopped and I wasn't successful. There was a refinery down in the Caribbean that was receiving excessive benefits from the importation of foreign oil too.
- F: An American refinery?

- P: An American refinery. By tankship they'd ship all the products up to the Eastern Seaboard. The industry at large was complaining violently about those things and I thought the industry was right. I tried to get them stopped, but I wasn't successful.
- F: What was this: a political delicacy or something?
- P: There was some politics involved and I didn't like that. Another thing, I resigned when I figured that my services were no longer needed and it took me thirty days to get my resignation announced. I didn't like that.
- F: Who had to announce it? Udall?
- P: Udall.
- F: It wasn't a case of having to be cleared at the White House.
- P: Oh, no. He just delayed it, and I didn't like that.
- F: Did you work with him then again later?
- P: No. No, that terminated my services with the Udall Administration.
- F: Did Johnson as president ever talk with you about his civil rights attitudes?
- P: No, I don't recall that he did. I do recall that in connection with the conflict between the Fund for the Republic and HUAC I had a specific conversation with Johnson on the subject of civil rights. He was sympathetic and helpful to the Fund.
- F: You got to know his staff pretty well, didn't you?
- P: Oh, yes.
- F: What did you think of it?
- P: Oh, I had a very high opinion of several of his staff members. Of course, I knew Bill Moyers very well. I think a lot of Bill. And I knew Valenti favorably as well as three or four others. I thought he had a very good

staff.

- F: Didyou ever get the feeling that Moyers did in a sense speak, in effect, in lieu of the President; that he had the authority to go ahead and make statements?
- P: No, I didn't. I didn't have that feeling; I didn't develop the feeling that anybody had the authority to make statements for Johnson unless Mr. Johnson had specifically instructed them to do it. I thought Johnson was a good administrator. I thought he was extremely competent as an administrator and I thought he did a good job.
- F: Did Johnson ever complain in your presence that John Connally as governor might be undercutting some of his programs in Texas?
- P: No, no.
- F: I always felt that for two men who had been so close that Connally, while you wouldn't want a governor to be the President's boy in Texas at the same time, he made a mishmash of some of the social programs of the Great Society insofar as Texas was concerned, refused to implement them.
- P: I never heard Johnson talk about that.
- F: Did you ever talk to Johnson on Vietnam?
- P: Oh, yes. Yes. I talked to him on Vietnam the last time I was in the White House during his administration.
- F: Did you carry on a good dialogue with him?
- P: Oh, yes. We talked very freely and I told him that in my opinion the people were not going to stay with him on the war.
- F: This was when?

- P: This was in 1966. I think it was in the month of June.
- F: Did you get the feeling that he had a closed mind on that?
- P: Well, I got a feeling that he had implicit confidence in his Pentagon advisers; he just couldn't see anything else but he just had to win a victory.
- F: And he believed it was possible
- P: He believed it was possible.
- F: Did you tell him it was impossible?
- P: I told him that I didn't think he could win that war in thirty years, that there was no way to win a war over there and that I thought the sooner he got it over the better. I even went so far as to say to him that if he didn't get it stopped, why, he would probably bring about the election of Dick Nixon as president of the United States.
- F: What was his response to that?
- P: Oh, he said he wouldn't mind running against Tricky Dick.
- F: I suspect he would have enjoyed that.
- P: I was very disappointed that he didn't show any feeling whatsoever except absolute confidence that he was going to win the war. With me it was just a [foregone conclusion]. I'd already reached the conclusion there was no way.
- F: Did you get any idea of what he conceived of as victory?
- P: No. No. I got the idea definitely that he was going to continue it as a limited war. I got that.
- F: Well, now, did this close down your relationship with Johnson or did it stay open?

- P: Oh, no. It didn't close down our relationship, but I just didn't go back to the White House anymore after that.
- F: Did you ever go to dinner at the White House?
- P: Yes. Yes, on that occasion in 1966, June 1966. My wife and I and my son Randolph had dinner at the White House.
- F: Was it a special occasion?
- P: No. It was just the family.
- F: There on the second floor?
- P: Just the family. Just the Johnson family and our family. We were up East at the time visiting colleges for Randy to go to college. And we stopped down in Washington and had a chance to visit with the Johnsons. They invited us for dinner and we enjoyed it greatly.
- F: Did Johnson do most of the talking?
- P: Well, no, it was a dialogue.
- F: In a case like this, did he ever probe you on Texas politics and your views?
- P: No. No, not that I recall.
- F: Did you get the feeling that he continued to have an interest in Texas politics or was he too deep in national concerns?
- P: Well, no more than that I had a feeling that there was a very close relationship between him and Connally, and Connally was governor.

  I never sensed any friction between him and Connally.
- F: Was this a Johnson decision or what happened that Johnson more or less beat off Joe Kilgore and other people in 1964 to run against Yarborough? Now there's a lot of opposition to Yarborough building up, and then suddenly Johnson shows up on a Sunday afternoon at

Yarborough's house and tells how great Ralph Yarborough is and all the opposition melted away.

- P: I know nothing of that except what I've read in the papers and I assume that Johnson was doing the right thing by not taking sides against an incumbent senator. You know, there's a great brotherhood among senators of the United States Congress and I thought it was very logical that Johnson should have stayed with Yarborough. Now as to what went on otherwise, I wasn't--
- F: No maneuvering that you're aware of.
- P: Not that I know of. I'm sure that Kilgore wanted to be senator, all right.
- F: Yes. All this is supposition, but Kilgore had moved to Austin to get a better base than he had in the Valley to make a statewide race. He had to start his life over.

Did you have any intimations that Johnson was not going to run again?

- P: Not going to run again?
- F: Yes.
- P: None whatsoever until he made his announcement. None whatsoever until he made his announcement.
- F: Did you get the feeling that Fagan Dickson running on an anti-Johnson campaign had any role in the decision?
- P: I think probably it might have helped expedite his decision. I would assume—and I never talked to Johnson about it. There was nobody more surprised than I when Fagan Dickson came out and took

the position that he was going to run against Jake Pickle for Congress.

- F: Fagan hadn't told you he was going to do this?
- P: No. Until he did it. Until he did it.
- F: Fagan did this, you feel, on his own; it wasn't part of a general movement in which he was the spearhead.
- P: So far as I knew. I knew nothing about it until after he had made the decision and announced it. And I was surprised.
- F: Did Fagan talk with you about it afterwards?
- P: Oh, yes. After he had made the announcement, he did.
- F: Did you get the feeling that he really planned to go through with the race?
- P: Oh, yes. I told him he was a very courageous man. Because Fagan had a very deep feeling on this Vietnam War, he thought that the Vietnam War meant such a change from traditional policy of the United States that this could really lead to the end of this democracy of ours.

  [And he had] a deep feeling about it. And Fagan is a fellow who thinks independently; he arrives at his own conclusions.
- F: And he doesn't mind running uphill.
- P: And he doesn't mind running uphill. He's a brave man and I thought he was very courageous to do what he did. So far as I know, he didn't advisewith anybody. I doubt he advised with his wife before he decided and did that. I knew about it after he announced.
- F: Do you think he would have stayed in if Johnson hadn't [stepped down]?
- P: Oh, yes, he would have. He would have. He was sincere about it.

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- F: He really wasn't running against Jake Pickle. He was running against the President.
- P: That's right. "Bring Lyndon Home"--that was his platform. And it was all over the Vietnam War. He had an admiration for Johnson.
- F: Did you ever see Johnson after he came home?
- P: Yes. I saw him on the occasion when he made the speech at the
  Astrodome for Humphrey. And I saw him at the party that honored Ralph
  Yarborough given in Houston. I saw him on one occasion in Austin.
- F: Did you have a feeling that Johnson's support of Humphrey was genuine when he finally got around to it?
- P: Oh, yes, it was, finally, but he hesitated a long time.
- F: Did you go to Chicago in 1968 to the convention?
- P: In 1968. . .
- F: That's the one when they had the rioting in the street and Mayor Daley . . .
- P: No, I didn't go. I wasn't there on that occasion.
- F: There are two thoughts on that: one is that Johnson stayed in Johnson City and pulled the strings of the convention and the other one was that he lost control of it completely. I'm always looking for insights on that.
- P: Well, I don't have any opinion on that subject.
- F: Did Johnson ever talk with you about his presidency after he was out?
- P: No. No.
- F: What's your own feeling on it?

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- P: I think Johnson made a good president. It's most unfortunate that that Vietnam War had to spoil the very grand image of his administration. Because it is a fact that, although Kennedy moved in the direction of the Vietnam War, it was Johnson who sent in the fighting divisions.
- F: Yes.
- P: And he sent one after another and finally he got up to where they wanted another two hundred thousand troops and he just couldn't do it. And I've always thought it was tragic that an otherwise brilliant administration had been damaged severely by the Vietnam War, which had to break it down or shorten its life.
- F: Well, now, for the past eight years we've been having a kind of a slow, sometimes not so slow, dismantling of the Great Society programs. Do you get the feeling that some of the Johnson programs were, oh, sort of upstart and not well thought through and deserve to be dismantled or is this just the opposition party turning the clock back a little?
- P: I think it's very unfortunate that some of the programs have been stretched too far and have become really wasteful in their administration. The administration of these programs is where I would register the greatest complaint. Some of these programs have just gotten out of hand and they haven't been well administered. It's become just too easy for people to get handouts from the government. And I think it's very damaging to our national economy.
- F: You've managed to keep a batch of balls in the air at the same time

through your career and you've done a lot of managing. Do you think the White House, the government apparatus, has gotten unmanagable or do you think it's just the fact that we haven't had good managers lately?

- P: I think the Congress has been too prone to turn too much over to the discretion of the executive department. I hope to see the Congress get back to the saddle and do more of its own work and not shove so much responsibility on the executive department. I think the executive department has become entirely too powerful. It became so powerful under Nixon that perhaps Nixon had really come to the conclusion that maybe there wasn't any necessity to have another election, that he might as well just continue in office. He had a group around him which I was inclined to call the German Mafia.
- F: Yes.
- P: Which I think would have been thoroughly willing to have taken all responsibility and dismissed Congress. My greatest fear at this time, should the Congress continue to do a bad job as they've been doing, is that people might come to the conclusion, "Well, after all, this Congress is not doing anything and costing too much. Let's dismiss them and just have a benevolent dictator." I'm definitely afraid of a benevolent dictator.
- F: The dictator sure continues, but the benevolence doesn't.
- P: That's right. That is right. I've felt for many years that we were moving close to a police state right here. And I don't want to see it. I want to see the separate departments of the government discharge

P:

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fully their responsibilities. I think that's necessary for us to continue to have this democracy that we're so proud of. I think that the Congress is not nearly as responsible as it was a few years ago. Congress is doing some very wild things. I think this recent act on energy passed by the House as a substitute for the Krueger amendment is typical of that—just a wild, wild piece of legislation, couldn't be effective in any way under the sun. I hope that the Senate will knock it down.

F: You think Johnson had a grasp of the energy problem?

I think, as you indicated before, that it would be true to say that Johnson tried to leave as much of the energy problem to members of his Cabinet, and most of them were not from oil and gas producing states. He tried to do that religiously and I think it was wise that he did. Unfortunately, the representatives and congressmen from the large hydrocarbon producing states are handicapped by the fact that they are. So many people in the Congress have the feeling that they are naturally prejudiced. I have been hoping for some time that some senator from a non-oil and gas producing state would really master the facts on energy, and become an authority to tell the true story, present the true picture of energy to the people of this nation. And if that true picture was seen, based on the facts that exist today, there's no doubt in my mind what the answer would be; and that would be that these crazy regulations that are being imposed on oil and gas today would be eliminated. I'm confi-

dent that it can be proved beyond a shadow of a doubt that the interests of the consumer of this nation demand that oil and gas price regulation at the wellhead be phased out. A group of bureaucrats up there in Washington know nothing in the world about the supply of oil and gas and they're writing all the rules. And they've got a producing industry that's supposed to be trying to bring about independence of supply again; they've got the producing industry in shock, and you might say hog-tied. Domestic production goes down. Imports go up.

- F: Certainly confused.
- **P**: And the Congress is just jumping up and down. The House is shown to be far more irrational than the Senate. It's very unfortunate. in the final analysis, the country's going to pay for it because our domestic supplies of petroleum and natural gas, our reserves are declining every day. We are not adding to them. And there's no action that the Congress has taken in the last two years that's given incentive to increase those reserves. Operators can't plan anything, because they don't know what the rules will be next year. We've got a situation where one raw material in the United States is being price regulated. One raw material, that's petroleum. Nothing else is being regulated. And there's no way for the producing industry to operate, to discharge fully the responsibility of supply of oil and gas for this nation. Time will, I feel sure, bring about a doing away with these regulations. Price regulation at the wellhead will finally fall by weight of its fallacy.
- F: And then how much time have you lost?

P: It's expensive. It's expensive.

F: Right.

[End of Tape 1 of 1 and Interview II]

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