

The one great rule
of composition is to
speak the truth.

—Thoreau

The Texas Observer

An Independent-Liberal Weekly Newspaper

We will serve no
group or party but
will hew hard to the
truth as we find it
and the right as we
see it.

Vol. 40

TEXAS, OCTOBER 18 1957

10c per copy

No. 22

Price Feeds Solons on Honey Lobby Conflict Over Reports

AUSTIN
Gov. Price Daniel's speech to the opening of the special session of the legislature this week apparently was written with the saying about flies being easier trapped with honey than with vinegar firmly in mind. Daniel wants from the special session:

1. Lobby registration.
2. Registration of legislators who represent others before state commissions and agencies.
3. A state law enforcement commission.
4. A statewide water planning and research body.

All of these things he submitted with an "emergency" tag attached, at the opening of the legislature—last January 17. That he didn't get them, he said in his Monday speech, was not the fault of the legislature: "It is no reflection upon you that these

'Rights and Responsibilities' Coupled as Session Convenes

subjects were not disposed of during the regular session. There simply was not enough time to finish all of the work then under consideration. On numerous occasions I have complimented the work ... of the regular session, and here again let me say ... you enacted some of the most important legislation in the history of our state."

Although he had been advised, he said, to blame the legislature for failure to enact the four measures for which he has called the special session, he refused to do so: "My reply ... was that this would be unfair to members ... who had worked seriously and tirelessly ... and who could not be expected to finish every important item within the time al-

lotted." He said legislators "would be surprised at the identity and the number of those who volunteered advice" to blame the legislature for failing him. He did not name these "advisors."

Daniel sought cooperation by offering it: "I have chosen the course of cooperative action which will enable us to demonstrate an effective and responsible state government." And he plucked at the strings of the states' rights harp: "Most of you know of my conviction that the best way to protect the rights of our state and its people is for us to properly exercise the responsibilities which accompany those rights." He said he sought "a change from federal to state services to ... protect state and local

rights through the proper exercise of state and local responsibilities." He said he had "every faith that you will meet the challenge which faces all of us who are entrusted with the government of Texas."

Of each of his proposals, the governor said:

Lobby Registration—"Our failure (to pass a lobby registration act) in Texas would only prolong the demagogic attacks and the unfavorable publicity, both state and national, which has damaged the good name of Texas and has shaken the confidence of our people. That is why I consider this a matter which requires attention before the next regular session convenes." He asked for passage of a bill drafted by the Legislative Council, embodying a council suggestion that any question of such a bill's constitutionality be removed in advance by limiting its coverage to "direct communications" for the purpose of promoting or opposing legislation.

(Almost at once, such a bill was dropped in the House hopper. Signed by Reps. Zbranek, Cory, Smith of Hays, Ellis, Kennard, Strickland, Martin and Parish, it bore the title: "An act for the registration of persons who undertake by direct communication to

(Continued on Page 5)

Year-Round Filing vs. Session Only Is Issue

AUSTIN
A major issue of lobby regulation this session, the Observer is advised, will be whether the lobbyists will be required to report all of their expenditures, or only those they make during actual legislative sessions.

Some legislators feel the reporting on expenses only during legislative sessions would constitute adequate control. Gov. Daniel favors requiring the lobbyists to report spending all year round.

Rep. Dick Cory, Victoria, might handle one of the important bills on the House side. Rep. Zeke Zbranek, Daisetta, may introduce a bill again. His passed the House last time but bogged down in the Senate.

The Senate side may try to pass out a lobby bill swiftly, possibly this first week. Senators Searcy, Bracewell, Houston, Henry Gonzalez, San Antonio, and Dorsey Hardeman, San Angelo, were expected to have bills, and Senator Charles Herring, Austin, might sponsor one, too.

BACKDROP ON A LOBBY

AUSTIN
The legislature is meeting in special session to consider, among a few other things, whether the lawmakers Texans do not elect—the members of the so-called Third House—should be subject to public scrutiny.

Bob Bray

The records show that in the past 30 months, 29 Texas legislators, officials, and employees have been caught in questionable dealings ranging from fee-taking to outright

bribery and involving payments totaling a quarter million dollars.

Ten were fired or resigned under pressure. Several have been defeated in re-election tries and others chose not to run. One, ex-Land Commissioner Bascom Giles, went to prison for six years for offering to accept bribes totaling \$74,600 and acting as an accomplice in the theft of \$6,800 in state funds.

Fifteen legislators, mostly senators, were found to be taking "retainers" or "legal fees" from people pushing for or against special legislation. All of the fees disclosed totaled around \$150,000.

Two former members and chairmen of the State Insurance Commission, J. Byron Saunders and Garland (Chink) Smith, were indicted for perjury in connection with ICT testimony, in which Saunders said why he received \$7,900 from ICT companies and Smith discussed the \$18,200 his son-in-law, Max Rychlik, received from ICT. Ben Jack Cage of ICT is under bribery and embezzlement indictments.

In addition, the record reflects dozens of vacation trips, gifts, dinners, parties, and favors for public officials paid for by the people and firms under or within their authority. The evidence of these practices came to light principally in the veterans' land scandals, the failure of two insurance giants—U.S. Trust & Guaranty Co. and ICT Insurance Co.—and the naturopath bribery case.

Many questions still remain unanswered. For example, 14 checks were drawn from the naturopaths' famous "slush fund" used for "education of legislators" on Feb. 1, 1955. That was the day after the House Public Health Committee passed out the naturopath bill.

The checks were drawn to cash. A grand jury in Austin will renew the naturopath investigation shortly.

These more-or-less accidentally disclosed cases force the obvious question on the public mind:

How many more such cases have occurred but have not been

brought to light?

There are about 150 lobbyists in Austin. Generally speaking, they fall into two groups, those who live in Austin and are retained

(Continued on Page 8)

Daniel to Oppose Mobs

AUSTIN
It appears probable now, barring modification of the federal court order so decreeing, that Dallas will try out a gradual integration program at mid-term.

The Dallas school board president has expressed the view that school boards should take the lead in integration, whether they like it or not. The Dallas Morning News has endorsed a plan for gradual desegregation.

Now Gov. Price Daniel has decided he will not use Rangers or state police to keep Negroes out of the white schools and will not use the National Guard in controversies with the federal government.

Furthermore, Daniel will not assign state police units to local school controversies unless he is asked by local authorities, then only if he thinks it's necessary, and then only to "preserve peace and order, prevent mob rule," he told his press conference last week. "I will do all within my power to prevent a repetition of the Little Rock tragedy in this state," he said.

While news of another Eisenhower-Daniel spat dominated the conference, Daniel's decision to use state police authority only to preserve peace and prevent "mob rule" has much more practical meaning for local school authorities.

Daniel, on Sept. 24, had wired President Eisenhower he was "shocked" and that the troops and bayonets at Little Rock were "reminiscent of the tactics of reconstruction days which even President Lincoln opposed." He

asked, "Does this mean you will occupy with troops every nonintegrated school in the South?"

Eisenhower's reply, dated Oct. 3, but not received in Austin until the seventh, and then forwarded to Daniel at Liberty, reads as follows:

"I am sorry to see that your September twenty-fourth telegram wholly misses the point in respect to the mission of Federal soldiers in Little Rock. They are not there to enforce desegregation; they are there to support our Federal Court System; to uphold the law which the State has blocked and which the local community has been unable to uphold lacking State support.

"No one is more determined than I am to get Federal troops out of Little Rock at the earliest date consistent with respect for the law. To remove them before then, however, would be to acquiesce in anarchy and, ultimately, the dissolution of the Federal Union."

Daniel said he appreciated the letter and was pleased Eisenhower wants to get troops out early, but "this does not alter my opinion that it was a great mistake and a tragic precedent for the President to resort to armed force ..." About "missing the point," Daniel said, Eisenhower "has missed the main point which I protested—the bayonet point of federal soldiers aimed at unarmed civilians. Surely, every resort had not been made to other means of carrying out the court order in question."

"As Governor of Texas," Daniel added in a prepared statement, "I shall do all within my power to prevent a repetition of the Little Rock tragedy in this state. I will

do my best to maintain peace and order and good relations among the races. This must and will be done without soldiers, either state or federal, patrolling the grounds and halls of our public schools."

As for the second session on integration East Texans are asking, Daniel said, "I'm going to talk with 'em about it." "I'm certainly not to the point of speculating when it might be held, or whether."

Daniel said there was "no precedent" for using soldiers to enforce court orders without a request from the governor of the state. Of Eisenhower he said, "he feels like he has acted in accordance with the law. He does appear to, say he doesn't intend to use troops to enforce desegregation." He said the law was not followed when Eisenhower federalized the Arkansas National Guard.

Would Daniel use the state police force to enforce a federal court order? "No ... That certainly is not within my jurisdiction to do that." Would he use it to prevent the enforcement of such an order? "No, I would not. The only thing I would use any Rangers or state police for, is to preserve peace and order, prevent mob rule, help the local officials if they called on me—even then only if they needed assistance."

"In Texas," he said, "it would be a mistake to bring out the National Guard in a similar situation in our state. I am opposed to the use of troops to maintain peace and order unless there's no other possible way for it to be accomplished." "I would not want," he said, "to call out the National Guard in a controversy involving the Federal Government."

Eisenhower Suffers Slight Depreciation

CUERO

The Cuero Record, which in 1952 and 1956 urged the election of Eisenhower and Nixon, now equates Eisenhower with Nikita Khrushchev.

In 1956, just prior to the November general election, Record publisher Jack Howerton, in a front page editorial titled, "Eisenhower Best Bet for Liberty Loving Texans," wrote:

"We stated we were supporting the Republican candidate because the labor-liberal dominated national Democratic Party had named two candidates, neither of whom we could conscientiously support and still hold to our belief in rights of states to govern themselves ..."

Last Wednesday, Howerton, in another front page editorial, wrote: "We can distinguish little difference between Eisenhower sending armed Federal troops into Arkansas to protect the peace and to force integration of Central High School and Soviet Party leader Khrushchev sending armed troops into Hungary and to force acceptance of the puppet Kadar government."

Texas Lobbyists - A Two Year Review . . .

THE TEXAS LOBBYISTS

An Address by Ronnie Dugger, editor, The Texas Observer, before the Annual Membership Meeting, Texas Electric Cooperatives, San Antonio, August 30, 1957:

Mr. Carter, Sen. Rogers, Rep. Jamison, and other distinguished guests:

My subject is the Texas Lobbyists, with whom you have now had first-hand experience.

I do not know how you feel about men and their societies; that is what makes it hard to talk to so many people at one time. Perhaps you agree with Montaigne that "we are not as wretched as we are worthless." Perhaps, agreeing "Thou has made him a little lower than the angels," you would not expect too much of man's works and would tolerate some injustices in preference to change. Perhaps you would think with Aurelius that "it is not evil for things to undergo change."

Still it is true that we are all here committed to the idea of democracy — of government by, and only by, the consent of the governed. Since, to govern wisely, the governed must be well informed, we will all condemn not only the use of financial power to impede the majority will, but the use of secrecy to keep the public ignorant. There is no politics about this but the politics of the people's right to decide, no partisanship but the partisanship of the people's right to know. These things we have not had in Texas and it is time we met in public places and told each other so.

The Russians used to say that politics is like a rotten egg; if broken open, it stinks. In the last two years we have broken open our politics in Texas, and sure enough.

"Time," it is said, "is like a river made up of events that happen, and a violent stream; for as soon as a thing has appeared it is carried away, and another comes in its place; and this will be carried away too." But we in Texas are not resigned to the politics we have found. We are a Puritan culture, and try though we have to scrub off the adherences of righteousness, we cannot. We are angry that our politics stinks; it is a personal affront to each of us. In a democracy each failing of the public realm reproaches each citizen, for had he, and his associates in the venture of self-rule, done what they ought, the failing would not have occurred. That many little reforms have been effected while the biggest one goes begging italicizes our impatience.

As I know it, the theory of democracy is that the people elect their representative, and the representative uses his reason to decide how best to represent his people. He does not vote for a lobbyist who has befriended him, or obligated him, or intimidated him, or bribed him.

We do not elect our representatives to decide whether to regulate

natural gas prices as they take a trip to the Kentucky horse races paid for by a pipeline company, yet twelve Texas representatives did this in 1955. We do not elect our senators to defend U. S. Trust & Guaranty Company from state regulation after they have received an unearned \$10,000 "legal fee" from the company, as Senator Carlos Ashley of Llano admits he did. We do not elect our representatives to meet in hotel rooms with shaky naturopaths and agree to take \$5,000 to drop a piece of legislation, as Rep. James Cox admitted he did last February. We do not elect our representatives to have breakfast with the railroad lobbyists, or the gas lobbyists, or the independent oil lobbyists, as they do every morning of a session. We do not elect our representatives to eat and drink and play poker in the beer lobby's hotel suite and then vote against increasing the beer tax, as many did in 1955. We do not elect our representatives so they can become the chairman of the Senate Insurance Committee and simultaneously receive legal fees from several insurance firms verging on bankruptcy, as Senator Bill Moore of Bryan did.

"The chief concern of a wise and good man is his own reason." We thought we were electing men to use their reason in our interests. In too many cases we have been electing them to use their positions in their own interests.

In 1947, Robert Calvert, then the chairman of the Texas Democratic state executive committee, and now a member of the Texas Supreme Court, rose in a public meeting to say, "It may not be a wholesome thing to say, but the oil industry today is in complete control of state politics and state government"

Nothing in the intervening decade has weakened the power of oil lobbyists in the counsels of our government.

If I were in a state where such a man as Calvert felt impelled to say the same thing about labor unions controlling my government, I would respond to that as I do to this: with incredulous alarm.

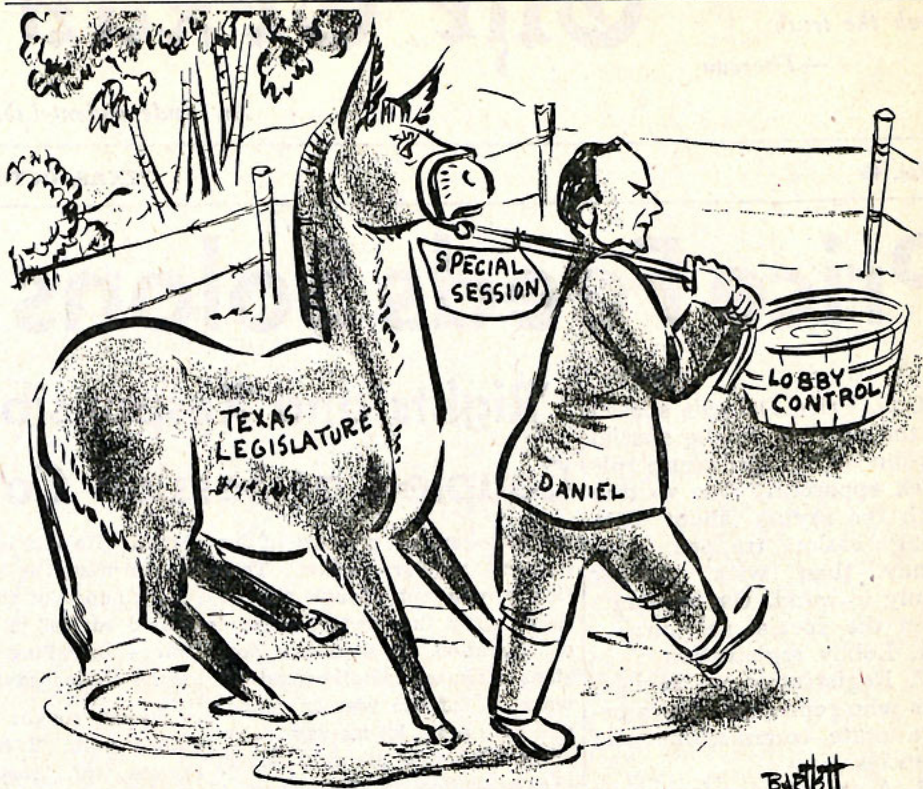
How can such situations of control come about in a free society?

Surely Calvert meant to oversimplify. Interests are too manifold for any one of them to be sovereign in such a state as Texas. But the point is that in areas affecting a given interest the given interest tends to prevail in the legislature. The most essential relationship in a living democracy—a causal connection between the people's well-informed wishes and the votes of the lawmakers—has been corroded.

The reason is secrecy. All Governor Price Daniel and Zeke Zbranek and Maury Maverick and Charles Herring and Henry Gonzalez and Charles Hughes propose to lift the secrecy that protects the Texas lobbyists from public opinion—whatever that may turn out to be.

The Process

Now I ask you to bear with me while I try in a few minutes merely to suggest what happens in Austin



Bartlett Appears Exclusively in the Texas Observer

when the legislature comes to town.

I will tell you only what I am myself told by elected legislators or by lobbyists.

Lobbying starts at home — the political candidate's home. The special interest corps fans out in the summertime and drops a contribution here, a contribution there. Many candidates refuse to be committed; many are committed.

When a man is elected, he becomes eligible for business boosts or law retainers. More than half of all Texas legislators are lawyers. A poll of the 1955 legislature showed the legislators themselves believed one out of ten representatives, and two out of three senators, were on retainer fees from private interests.

He is subject to the political, economic, and social pressures the lobbyists manipulate. If he does not go along, money may be spent to brand him (as it will be spent against Sen. Rogers and Rep. Jamison because they stood with the REA Co-ops) in his home district. He may find the springs of his livelihood drying up, especially if he's a lawyer. And he and his family may find themselves ostracized from the swank social events of the legislative session. Whether he can take these pressures depends on what kind of a man he is.

There are many who are easily bribed or intimidated. "Every man has his price, or his weakness," one lobbyist told me. The lobbyists check each man's background. They drop by members' desks, chat, associate. How about lunch?—and thus begins the gratuity cycle. Each member freeloads to his own limit—free food, free passes, free beer, free whiskey, free junkets, free hotel room and, for those who want them, free women.

Said one young member: "You find yourself thinking, 'But damn! He's been so nice to me'." Said another member: "They get so close to us, buy us so many meals and things, act so nice to your wife, and it gets so you know the lobbyists more than you do the other members."

In 1955, the Texas Medical Assn. had a daily buffet luncheon in the Commodore Perry. Any time of the day or night, legislators could adjourn to the Poor Boys' Austin Club for food, beer, liquor, cards, or conversation, courtesy of the Texas Brewer's Institute. ("Sometimes so many members file through here they ain't no food left for the lobbyists," said the host, Homer Leonard.) Lone Star Gas actually maintains two breakfast tables, as they're called—tables where the members get free breakfasts every morning of the week. Naul Sandall, the Missouri-Pacific lobbyist who confessed he tipped off Rep. Cox, who was

sleeping in his rooms, that the Speaker had the tape-recorded bribe talk with Dr. Howard Harmon, also maintains a breakfast table, as does TIPRO. In the 1955 session the senators had two regular favorites—catfish with Homer Leonard every Tuesday and a sumptuous feed with Tom Dyer, Phillips Oil lobbyist, Wednesdays in Dyer's Commodore Perry suite. (A reporter recently pressed Dyer about this, and he said: "You know, that article made it sound like they are banquets; they're really more like garden parties." It should be some comfort for the voters to know their senators are regular guests, not at an oil company's banquets, but at an oil company's garden parties.) Night after night various lobbies do give the members banquets—labor unions, Texas Manufacturers, even the Coca Cola Company.

The members can ask Homer Leonard for as much whiskey as they want, and Homer just sends them to Charlie's. I know members who have taken whole cases of scotch without thinking anything of it. The unions are also willing to supply members with potable alcohol, and do.

Several members tell me about third house members picking up hotel bills. One representative said he overheard a senator say in a hotel lobby: "Where's a lobbyist?" He wanted one to pick up his hotel check.

A member of the House told me that an insurance lobbyist he was opposing once suggested he take a walk during a committee hearing. No, he thought not. "Listen," the lobbyist told him, "I got a blond down at my hotel room who's dyin' to see you this afternoon." The member resisted the temptation, he said.

Another member told me of this episode. He and three other legislators were having dinner; a lobbyist joined them and picked up the \$20 tab. Then the lobbyist suggested they might go out to the edge of town to a local bagnio called Hattie's. They went, and he paid.

The junkets are almost unbelievably bold. Every year there is an annual duck hunt in the Port Arthur marshes from the Texas Company's yacht, "Ava." A quorum from the Senate attended last December. No state official there paid a dime of the cost. This summer about half the House members were guests of area merchants at Caddo Lake in East Texas. In 1949 and 1951 the senators took expense paid trips to Galveston and did not fare badly at the roulette tables at the Balinese Room. In 1949 and again in 1951 Herman Brown of Brown and Root had some of the

(Continued on next page)

The Texas Observer

10

OCTOBER 18, 1957

Published by Texas Observer Co., Ltd.

Ronnie Dugger
Editor and General Manager
Lyman Jones, Associate Editor
Sarah Payne, Office Manager
Dean Johnston, Circulation-Advertising

Published once a week from Austin, Texas. Delivered postage prepaid \$4 per annum. Advertising rates available on request. Extra copies 10c each. Quantity orders available.

Entered as second-class matter April 26, 1937, at the Post Office at Austin, Texas, under the act of March 3, 1879.

We will serve no group or party but will hew hard to the truth as we find it and the right as we see it. We are dedicated to the whole truth, to human values above all interests, to the rights of man as the foundation of democracy; we will take orders from none but our own conscience, and never will we overlook or misrepresent the truth to serve the interests of the powerful or cater to the ignoble in the human spirit.

Editorial and business office: 504 West 24th St., Austin, Texas. Phone GRenwood 7-0746.

Houston Office: 2501 Crawford. Mrs. R. D. Randolph, Dean Johnston.

Independence of Government At Stake

(Continued from preceding page)
senators at his dude ranch when Brown was fighting the gas gathering tax.

During a Corpus Christi jaunt, several years ago, said a representative, the single men were given "anything under the sun." When members went to Port Isabel (the sponsors, one side in a commercial fishing controversy), there was a side trip to Matamoros Boys Town. On another junket to El Paso, a member said, there was "a free trip to Juarez with all the whoring paid for."

There are also many trips for legislators with serious public purposes. The legislators learn and come back and write better laws as a direct result of the trip.

But by far the most riotous junket of recent record was the 1955 trip to the races.

The bill in question would have let the state set minimum prices on natural gas. It looked like price-fixing. The lobbyists for Tennessee Gas Transmission Company, opposed because it would affect their income, decided to fly a dozen of the bill's house opponents to Kentucky for a weekend at the track.

As the plane took off the proponents decided to vote on the bill the next day in the absence of their foes. The sportsmen landed at Lexington, Ky., and flew right back in time to defeat the spoilsports in the House the next morning. That afternoon, the uprising quelled, the dozen flew back to the races. There was not a word about this in the state press, even though everybody in the legislature knew about it.

Another cozy little custom of the lobby is to support lavishly "Speaker's Day" in the House and "President Pro Tempore Day" in the Senate. In 1955 Speaker Jim Lindsey was given a silver service, a set of china, crystal glassware, fishing equipment, a sleeping bag, and many smaller gifts. But in 1957 Speaker Carr limited the event to legislators and House employees. It had, he said, been too commercial. That was a step ahead. In the 1955 session President Pro Tem Sen. Crawford Martin got a silver service. Sen. Neville Colson of Navasota got a new Chevrolet, complete with every extra. (Letters went out to lobbyists asking them for \$50 each.) Of course, when questioned closely, the beneficiaries are inclined to give all the credit to well-wishing constituents back home.

'Dangerous'

I remember stopping Ed Clark, one of Austin's big-time lobbyists, in the Senate chamber one afternoon after a committee hearing. He held forth on the responsibilities of lobbyists to God and man: they "should have the same desire to be a Christian gentleman and true to their trust," he said. What about lobbyists who don't? "Well," he said ... "There's got to be both a giver and a receiver. When a man goes sour up here, why I know it, usually before the man that compromised him. It's a dangerous thing for a young man to come up here."

I don't suppose anything anyone could say would more conclusively state the need for lobby regulation. About the loan shark fight of the 1955 session, one leader in the lobby told me, "It's a damned scandal." Money was flashing in the Capitol.

A representative told me of another bill: "It was understood that it came with a check of \$500 annexed to it." Another said he was offered cash for his vote in committee: the sum, five thousand dollars. Another said he got a letter with \$150 in it and had to return it. One

said he had been offered tips on the oil business—good tips. Two representatives told me they had been offered what the lobbyists called "expense money." A senator told me outside the Senate chamber he had been offered money by ten lobbyists when it became known he had suffered a sudden and severe financial setback.

That 1955 session, before the US Trust case broke, I was told by several senators, and published, that one of them had been offered a \$3,000 "fee" in return for no work and had rejected it, and that the lobbyist (whose name was A. B. Shoemaker, the company president, which we could not publish until later) said he had one senator on the payroll for five thousand, another for three thousand, and on through some others. Later, we learned he had nine of the 31 senators on his payroll.

A highly respected conservative representative told me that he was handling a controversial bill and that 18 members of the House had come up to him and propositioned him that they'd support it for anything from fifty dollars to two thousand five hundred dollars. "One of 'em wanted a boat," he said.

One legislator said the first advice he got when he arrived in Austin was from a House employee, now a representative: "If you ever sell a vote," he said, "vote that way. If anything will ruin you up here, it's in not keeping your word."

1957 Tighter

Now with the failure of US Trust & Guaranty, the revelation that such senators as Carlos Ashley of Llano, Bill Moore of Bryan, Gus Strauss of Hallettsville, and others, had been receiving very large retainer fees for legal services while in the Senate, with the subsequent collapse of ICT Insurance Company and all the legislators that involved, and with the outright bribery indictment against James Cox after the tape recorded conversation with the naturopath lobbyist, things have tightened up this year.

There are still suites, free meals, junkets, gratuities; but on the whole the lobbyists are creeping around like cats in a dog pound.

That means nothing. If lobby regulation fails to pass, the heat will pass, too, and all will be as before.

You do not forgive the lobby its multiplied offenses against the common good because it washes its hands and straightens its tie after it has been indicted.

But do not misunderstand. If the lobbyists were cautious this year, they were not precisely reformed.

Consider, for instance, a matter that strikes every one of you in your tenderest underside — your idealism about rural electric co-ops.

I share that idealism with you. I believe that intelligent men and women can and should cooperate to meet their mutual needs.

Tension had developed between the co-ops and the profit utilities over co-op service to areas that had been rural but had been incorporated into cities.

All the co-ops asked was the right to compete on an equal basis, with no exclusive rights for utilities in these areas.

The profit companies wanted exclusive rights in city limits as they expand to include co-op territory. To boot, they wanted exclusive rights in rural areas they had served first, and they wanted to prohibit the co-ops from taking their customers from them, even in rural areas.

In other words, the profit companies wanted special advantages and admitted it.

Out of this situation developed the first legislative fight between the co-ops and the profit companies in 15 years.

All that time the utilities had

kept their lobbyists up here. Call the roll. Joe James, for West Texas Utilities. Jack Harris, extremely well paid lobbyist of 25 or 30 years' standing for Texas Electric Service, Texas Power and Light, Houston Power and Light, and Dallas Power and Light. Everett Looney and Ed Clark of Looney, Clark, and Moorhead, Central Power and Light, Southwestern Gas and Electric, West Texas Utilities, Oklahoma Gas and Electric. These were the boys.

They had been here a long time. They had entertained and/or cultivated in their clients' gardens. They never had to report to the people what they paid for.

It is reported that a meeting of power company presidents and attorneys was held in Dallas one Friday and decided REA would get the Saul bill and nothing more. On Tuesday, in Ben Ramsey's Senate, that's exactly what they got.

What was spent? Who was entertained? I don't know. You don't know. Nobody knows but the lobbyists, and they don't have to tell anybody anything.

The 'Black Bean'

Last session there was a concerted effort to get the lobbyists regulated and out in the open; but they fought it, and they prevailed.

As the San Antonio Express said, Senator Dorsey Hardeman of San Angelo drew the "black bean." He was the hatchet man. He did the dirty work.

The House passed an excellent bill—one that conformed with the Legislative Council's ideas, one that the Governor was happy with.

But Ben Ramsey, the autocratic ruler of the Senate and one of the closest and most powerful friends the Texas lobbyists have, gave the bill to a stacked committee. The committee turned over all its authority to Hardeman.

Hardeman refused to agree to the House bill. He argued in public that it ought to require everybody who talked to legislators to register—it ought not to exempt anybody. In other words, if a school girl wrote a post card to her senator, she'd have to register.

The Hardeman bill was utterly absurd. It would have restricted the right of citizens to petition their government. Hardeman knew that, but he hoped the people wouldn't.

The last day, time running out, the harried House committee went over to the Senate, literally begging for a bill. Hardeman didn't even show up at a scheduled emergency meeting.

He said this:

"I am for it (lobby regulation) if they limit it to what they spend it for, with a complete itemized breakdown. You take a lobbyist reports \$4,000, he goes up before a grand jury, and they ask him, who'd you spend that on? He says, Hardeman ..." (and here he named two other senators) "... and then he says, 'I can't remember the others.' Then where are you? ... Suppose," asked Senator Hardeman, "Suppose they want to blackmail you?"

The idea of lobby regulation is very simple. It is based on the theory that the people's knowing what happens between lobbyists and legislators is itself a way of regulating what happens.

This is the point about lobby regulation—not that lobbyists are to be prohibited, disgraced, or held up to contempt, not even that their activities are to be curbed. Under every bill that has been proposed, it will be all right for the lobbyists to go on flying legislators to the Kentucky horse races for the weekend, or paying their hotel bills, or feeding them steaks, or throwing lavish parties for them, or taking them on bus jaunts to the border brothels. That will be all right. The only thing, they will have to tell the Sec-

retary of State about it, and he will make the information available to reporters and the public. If the people think whatever's going on is all right, they can re-elect their representatives. If they don't, they won't. A most reasonable and sweet-tempered reform, this, on the whole; but what pandemonium has broken loose about it! Even Governor Daniel, a mild-mannered man who is not given to attacking business groups, has threatened to name one business firm which has been especially busy stirring up opposition to the special session and lobby control.

What, do you imagine, are they afraid of? Can it be they don't think they would be fully appreciated by the people if they knew what they were doing?

Conclusion

Oh, a lobby control bill won't cure the problems of state government—won't really control the controllers, won't really draw the anti-social venoms of organized financial power. The people fighting for the right to cooperate to get electric power will have to go on absorbing contumely and misunderstanding and misrepresentation. The people trying to get the government to help at least the helpless will still be accused in the press of socialism and worse. "Man that is born of woman is of few days, and full of trouble."

But at least those who care to know, will be able to know; those who care for the truth, can have it; those who love reason can apply it to the truth. We will be able to know how much money, how many parties, how much extravagance our legislators have consented to before announcing their verdicts on matters that affect us all. We will know, we will be able to know, who is spending how much on whom for what. And that will be something. Perhaps it will be a great deal. It will at least be something.

We need not feel helpless before massed power. We are only individuals but the government is ours. "The legitimate object of government," said Lincoln, "is to do for a community of people whatever they need to have done, but cannot do at all, or cannot do so well for themselves, in their separate and individual capacities." Acting together, through our government, we can shape its policies. But we must first be informed of what really happens in the Club Petit, the Austin Club, the Headliners Club, the Deck Club in Austin; what really happens at Homer Leonard's lake house, in Andrew Howsley's 16th Austin Hotel suite, on the Texas Company yacht "Ava." Knowing, we can reason; reasoning, we can act; acting, we can rule. But we cannot rule in the last place if we do not know in the first place. Let any lobbyist, or any lobbyist's mouthpiece, tell you differently, and reckon him as a shill or a mountebank.

For what is here involved, wherever the fight is being fought, is no simple question of records and news stories. What is here involved is the meaning and substance of our way of life. Will we be ruled in fact by the paid agents of pelf and power—of business and labor, industry and agriculture—or will we be ruled by men we choose by our own million voices, as individuals of free conscience? Will we be able to understand and meaningfully guide our own government, or will it slip from us into the control of forces too large and too automatic for individuality or for conscience? What is here involved is a fight, not of vengeance, but of honor; not of the advantages of politics, but of the integrity of democratic government; not of pressure groups, but of the people in their own mighty name.

NOTE

(The editorial columns usually found on this page are on page 6 this week.—Ed.)

BRIBE TRIAL ISSUE IS COX'S INTENT

AUSTIN — James Cox and wife cried in the courtroom last week. Friends from Conroe came in and said the former representative was a man of good character. Other Conroe people said he had told them that he had been offered a bribe by a nature doctor and intended to trap him. A lobbyist in whose hotel rooms Cox sometimes slept said Cox wasn't definite but "intimated" he meant to trap Harmon. Speaker Waggoner Carr said that the day he was arrested, Cox told the Speaker he had meant to take the money but was backing out "largely" because the lobbyist told him he was walking into a trap, and that Cox threatened suicide when Carr told him his arrest was imminent. No one doubted that District Attorney Les Procter seriously shook up Cox and his lawyers when two other lobbyists testified that Cox told them in 1955 he would have to have \$1,000 to bring up a bill he had sponsored on behalf of their association.

Mrs. Cox, who was seated at Cox's side throughout the trial, testified Cox came home from Austin Thursday, Feb. 21, the day after his bribe talk with Dr. Howard Harmon, and told her he had been offered a bribe and was going to try to expose the people who tried to bribe him. He had also, she said, discussed with her, sometime before the hotel meeting, the idea of trying to expose persons who offer bribes to legislators.

Asked why he resigned from the legislature after he was

charged with consenting to take the bribe, Mrs. Cox cried; she said he had quit because he felt it would be best for his family to face the charge squarely.

He was, she said, afraid the publicity would affect adversely the pending adoption of their second child. The little girl's adoption is not yet final. The Coxes also have an adopted son.

As Mrs. Cox left the stand, Cox, too, cried and wiped his eyes with his handkerchief.

The defense did not put former Rep. Cox on the stand.

Closing arguments and the charge to the jury were scheduled Monday and Tuesday.

'Cost: \$1,000'

Jack C. Shelton, who, in 1955, was lobbying for the Texas Retail Grocers' Assn., said Cox sponsored H. B. 714 that session. It passed the House and Senate and was back in the House for concurrence in amendments; Shelton said there was delay at this point. He asked Cox about moving to bring it up for a final vote, he said.

"He said the bill had cost him quite a bit of effort and work, and he just didn't believe he would bring the bill up unless he was paid \$1,000," Shelton said. Shelton said his answer was "no" and that Cox then asked him to pass the word along to officials of the grocers' association, which was in favor of the bill. He said he called Miss Jerry Johnson of Waco, secretary-manager of the association at Waco.

Miss Johnson came to Austin. She said that when she asked Cox if he would bring the bill up he said "no." She said he then said, "I told you it would cost you a thousand dollars and it might cost you more." Miss Johnson told the jury:

"I told him I would see him in hell first; and I'm not a cursing person."

Cox's attorney John Cofer drew from Shelton that Cox had made the statement about the \$1,000 to him in a conversational voice with other House members close enough to hear it.

Earlier Cofer had sought to bar this line of testimony on grounds that before the last session of the legislature it was not illegal for a Texas lawmaker to solicit a bribe—only for him to consent to accept it. In the absence of the jury he told Judge Mace Thurman, Jr., that the state, by Shelton's testimony, had established only that Cox had made an "unethical remark, if it was seriously made." Thurman ruled the jury could hear the testimony, but only for purposes of judging Cox's intent in the tape-recorded talk about a \$5,000 bribe with Dr. Howard Harmon, the naturopath.

(H. B. 714 was designed to prohibit grocers from limiting the number of sale items per customer. It passed under the sponsorship of another representative, but it was declared unconstitutional. The fight over the plan was renewed last session, proponents calling it a safeguard for independent grocers, opponents calling it a plan to make below-cost item sales impossible.)

'Pacing, Crying'

Apart from Harmon and possibly the retail grocers' people, the state's chief witness was Speaker Waggoner Carr. Cox went to Carr on Feb. 26, six days after the bribe talk and the day he was arrested. Carr's testimony about what Cox said at that point has been one of the telling aspects of the case against Cox.

Carr said he talked to Cox twice Feb. 26. He said Cox came to him and said he and Harmon had agreed to a payoff but that Cox had become scared and was "backing out." Carr said Cox said Missouri Pacific lobbyist Naul Sandall had told him "he was walking into a trap." Carr said he asked "Is that the reason you're backing out now?" He said Cox replied, "Largely so." The Speaker said Cox told him he had heard rumors of a bribe deal on the House floor.

Carr said Cox told him Rep. George Ford of Bogota told Cox to take the money and that Rep. Ed Sheridan of San Antonio told him "the naturopaths don't have much money and he should take what he could get."

The same day, Carr said, Cox came back to his office and was told the tape recording had been given to the district attorney and that his arrest was imminent. He said Cox threatened to commit suicide. "All this time he was pacing the floor and crying and carrying on." Cox did not mention "anything like" trying to trap Harmon, Carr said.

An 'Intimation'

Sandall's testimony was important because Cox was with him the night of the bribe offer. Sandall said that night (Feb. 20) Cox told him he had been offered \$5,000 "to handle some naturopath legislation." Sandall said he told Cox, "James, that's pretty high, isn't it? I've been coming here a long time and never experienced anything like that." Sandall said further: "He wasn't definite but intimated he was trying to trap the man. I definitely got that impression. I told him if he was trying to trap anyone he better get the evidence before he (Harmon) got out of town."

Later Sandall said he overheard talk on Feb. 24 that Carr had a tape recording of a bribery deal involving a House member and told Cox, who did not appear disturbed, he said. He said he told Cox the next morning to go see Carr. The next day—Feb. 26—he said he so advised Cox again, and this time Cox said he would.

(Sandall said he has been a Mo-Pac lobbyist since 1929, has an unlimited expense account in Austin, has a table reserved every day in the Driskill coffee shop and serves breakfast free to any legislator who wants to eat with him, and frequently entertains at lunch and dinner. He said he wishes he'd never started the breakfast, that it's an "imposition" to have to get up every morning at 7 a.m., but when Procter asked why he didn't stop it, he said, "I'd hate to let the members down.")

(Sandall said his lobbying approach is "an appeal to reason." He said his expenses run \$700 to \$800 a month during a session, including his room, personal expenses, and meals for legislators. Procter introduced evidence that Sandall's hotel suits cost \$16 a day. He also introduced into evidence a copy of a hotel record of charges to Sandall showing a \$1,109.20 bill from Jan. 6 to Feb. 1 and \$1,497.90 for February, 1955. These showed one night's room rent and some service charges for Cox. Sandall said he didn't know how the room got on his bill. He said Cox only stayed in his rooms when he could not find a room.)

'Set a Trap'

Several "blue-ribbon" Conroe witnesses averred that Cox told them several days before his arrest he was laying a trap.

The president of the Conroe school board, Frank Elmore, said Cox told him of the bribe offer Feb. 23. "Frank, I've been offered a bribe," he said Cox said in a cafe. "I'm going to set a trap for him," he said Cox told him.

T. B. Gentry, former mayor of Conroe, said he talked to Cox the same day in the same cafe and that Cox said he'd been offered a bribe and told him "he was going to take the money and turn it over to the Speaker of the House." (Gentry said he "jumped all over him," asking him why he got involved "in something like that.")

Procter drew from Elmore and Gentry they had contributed \$50

each to Cox's defense fund.

Ed Watson, editor, the Conroe Courier, said two or three days after the bribe talk Cox told him, "Watson, some nature doctors are trying to bribe me." He said Cox told him he was going to report it to "House authorities." Watson has asked for contributions to Cox's defense fund in his newspaper column.

Bill Bradford, former business manager for the paper, said Cox told him Feb. 23 "he had been offered a bribe by a nature doctor and he was going to accept it and turn it in to the authorities."

H. W. Roan, Conroe businessman, said that two weeks before the bribe talk Cox asked him about getting a tape recorder. "He said he needed one real quick, but he didn't say what for," Roan said. (Roan said on cross-examination that his sister was employed by Cox and that he had given \$25 to the Cox defense fund.)

Wendell Hogue, manager of a Conroe gift and record shop, said he tried to sell Cox a table model tape recorder a week before the charge was filed. "He said he would have uses for it in Austin," Hogue said. "He said he had lots of talking to do."

A Near Fight

Lawyers Procter and Cofer almost came to blows Saturday.

The journal of the Texas House of Representatives for 1955 shows that Cox called up H. B. 714 for final action and voted for it. This was in conflict with testimony from Shelton and Miss Jones that Rep. Reuben Talasek of Temple had called the bill up for final action.

The jury was removed when Procter rose angrily to protest introduction of the journal. He said to Cofer, "You know that isn't right and you know I know it." Cofer said it was the official journal. "You know Cox didn't call that bill up." Cofer said he knew no such thing. "It contains matters that counsel knows is not true," said Procter to Thurman.

Cofer, at this, exclaimed, "I say that is a lie," and advanced toward the district attorney. "You are younger than I am," Cofer said, "but I'll challenge you." The court clerk grabbed Cofer by the shoulder; Procter turned away and leaned against the jury box. Cofer shouted at him, "You're trying to take charge of this courtroom and you're not going to do it while I'm here."

Procter, a former football player, is 36; Cofer, who is over six feet tall, is 59.

Thurman admitted the journal. Coer read the pertinent passage to the jury very slowly. Procter, after discussing the matter with Talasek by phone, decided to go ahead without him as a last-minute rebuttal witness.

That ended the testimony.

Rippy Reconciled To Desegregation

AUSTIN — "Someone has to take the lead in each community. The school board must do it in integration, whether it wants to or not," a wire service quotes Dr. Edwin L. Rippy, school board president in Dallas, this week.

Rippy said Dallas school board had a long-range plan as far back as three years ago, but its timing has now been "confused" by pending litigation.

IN HOUSTON —
BELL
INSURANCE AGENCY
2307 CAROLINE STREET
CA 8-4469
ALL KINDS OF INSURANCE
— SINCE 1929

Over \$80 Million

Insurance
In Force



HOME OFFICE — 5011 FANNIN, HOUSTON
First life insurance company in Texas with \$1,000,000
Capital and Surplus paid in cash prior to writing business

COMPLETE INSURANCE SERVICE

HALL'S
INSURANCE AGENCY
Dickinson, Texas

WIGINTON-HALL
INSURANCE AGENCY
Alvin, Texas

LEAGUE CITY
INSURANCE AGENCY
League City, Texas

BOW WILLIAMS

Automobile and
General Insurance
Budget Payment
Plan
Strong Stock
Companies



624 LAMAR, AUSTIN
Greenwood 2-0545

Let's Abolish the Poll Tax!

GOVERNOR SWEET-TALKS LEGISLATORS

(Continued on Page 4)

promote or oppose the passage of any legislation by the Legislature, or the approval thereof by the governor." Zbrank and Kennard are liberals; Hays is chairman of the appropriations committee and a conservative House power).

Registration of legislators who represent others before state agencies—Daniel comment was limited to: "I again submit and recommend ..." and: "The Legislative Council also has presented a bill and a study report on this subject."

State law enforcement commission—"... I feel that it is our obligation to do everything within our power to see that the state properly discharges its responsibility ... I do not want the finger of federal encroachment pointed at Texas because of inaction on a law enforcement problem we should do our best to correct." By "problem" here, he meant recent increases in major crimes and "the fact that 46 per cent of these major crimes are being committed by boys and girls 17 years of age and under." He recommended removal of the "grand jury" nature of the commission bill as he originally proposed it.

Water—"... this call relates to the state's number one economic problem—proper planning, conservation and development of our water resources ... this legislation is essential to the future growth and prosperity of Texas ... You have the greatest opportunity of any legislature that has

occupied these chambers to build for the future progress of Texas." Both states' righters and "the advocates of centralized federal control" would be happy to see delay in this area, Daniel said, the former because "it costs money," the latter because they wish to see federal power supreme.

Tucked away at the tail end of the governor's message was a fifth recommendation for legislation, to "provide for the construction of a building to house the state Board of Insurance." A portion of the insurance reorganization bill passed in the last regular session, which would have provided for this, was recently declared unconstitutional by the attorney general.

No mention of segregation was made by Daniel, despite heavy pressures for legislation in this area. The East Texas House delegation's "policy committee" last week (Observer, Oct. 11) said it wanted a second special session for this purpose. Monday, as Daniel spoke, it was announced that East Texans would caucus Tuesday to consider ways and means of getting segregation legislation. And Rep. Joe Pool of Dallas, a candidate for the congressional seat now held by U. S. Rep. Bruce Alger, said in an interview that he will offer a resolution calling on Pres. Eisenhower to respect Texas' laws against racial intermarriage by seeing that soldiers married to Negro women are not stationed in Texas.

Gov. Daniel said at his press conference Friday he thinks the

chances of passage of all four of his main legislative proposals are "good." He thinks the bills approved will be "substantially along the lines that I have recommended."

Late last week there was an interdepartmental tiff over where the money for the session would come from. Comptroller R. S. Calvert said he could not certify any money in addition to that appropriated by the last session, forecasting a general revenue fund deficit of \$6.4 million by Aug. 31, 1959. That afternoon, while Gov. Daniel was at his press conference, Atty. Gen. Will Wilson's opinion was delivered to Daniel

that the legislature could, by legislation, appropriate the unexpended \$540,000 balance of its appropriation for the regular session, without certification by the Comptroller. That settled the issue of financing the session.

The \$6.4 million deficit estimate does not take into account another \$5.6 million which will be committed Dec. 1 if the voters approve the welfare constitutional amendment Nov. 5.

Speaker Waggoner Carr said in Dallas over the weekend he would urge the session "to set in motion as speedily as possible a task force, perhaps spearheaded by the legislative budget board,"

to gather information "on how their money is being spent at present" — whether the government is being administered efficiently and within the limits of what is being administered efficiently. Carr said the legislature should not impose new taxes without such information. He said the Comptroller's estimates indicate the probability of need for new taxes, perhaps in sizable amounts, when the legislature meets in regular session in 1959.

Pre-session social activity included a reception given returning senators by Sen. and Mrs. Charles Herring, Austin, Sunday evening.

THE WATER CONTROVERSY

AUSTIN
Governor Daniel restated his position on water development Monday. He is, in brief, in favor of a master plan and state participation, eventually, in the construction of various water projects, including dams and reservoirs.

There are eleven separate river authorities in Texas now. There are nine major intrastate river basins. Planning to date has been done by these authorities, by the State Board of Water Engineers, and by federal agencies.

R. M. Dixon, chairman of the state board, has complained that his appropriations have been cut by "fishwife yammerings and undercover operations" designed to

prevent the board from carrying out a master plan the legislature directed it to bring into being.

Speaker Waggoner Carr said in San Antonio recently that sectional controversy, distrust among neighbors, and political pressure have prevented the passage of a needed law. He predicted a new state agency for a water master plan will be created this session.

Sen. Lyndon Johnson was responsible for the drawing up, by the U. S. Bureau of Reclamation, of one master plan for Texas water development. It turned on the construction, inland, of a \$2 billion canal following the configurations of the Gulf Coast, crossing the rivers and thus connecting Texas watersheds.

Sen. Ralph Yarborough, in Denison Sept. 20, told the Red River Valley Assn. that there is a danger that Texas water rights may be "gobbled up in the next three years by selfish interests who are seeking control of the power sites and water resources." "Privately-owned power companies are moving in ... and have even succeeded in placing their spokesmen in key positions in organizations seeking to tell the people what to do with their water heritage," Yarborough said.

This sounded like an opening shot in what heretofore has been a relatively unpublicized conflict between those who favor a state water master plan and the planned use of the available water,

and others who are opposed to some of the consequences of such a program.

Felton West, in a recent Houston Post series on water, observed:

"The owner of a private electric power company may favor water supply reservoirs, as often as they can be built, but it is not surprising that he opposes incorporation of power generation facilities in the dams, even if the power is needed to pay for the project."

It is well known that downstream water users are not disposed to favor programs which might result in upstream farmers, cities, and industries having better access to, and use of, dammed-up water.

The Week in Texas

● A mountain in Big Bend Park—in the Chisos range—has been named "Carter Peak" after the late Amon G. Carter, Fort Worth publisher.

● Archbishop Robert E. Lucey of San Antonio told a Houston meeting of the Confraternity of Christian Doctrine that San Antonio's Catholic school integrated "without noticeable complaints of difficulties," declined to comment on the integration problems of other areas, except "there aren't any exceptions to obeying the law."

● Defense attorneys in the felony gambling cases and permanent injunction cases growing out of Atty. Gen. Will Wilson's crackdown on Galveston vice have won delays in 45 cases. R. Richard Thornton, lawyer for members of the Maceo syndicate, said he plans to file a motion seeking access to all the state's evidence—under the U. S. Supreme Court Jencks case decision.

● Houston Power and Light, which recently was granted a 50-year franchise to do business in Houston, is seeking similar franchises in 36 other cities.

● Ernest G. Sweigert, president of the National Association of Manufacturers, spoke to the Houston Rotary Club, said the states are losing more and more power to the federal government, that "no nation ever survived which spent more than 25 per cent of its income on government at all levels," predicted an industry "slowdown" in 1958, and said both major political parties have accepted "the idea that it is the function of the government to take care of the people, to supply all their wants and needs."

● Sen. Ralph Yarborough, after a three or four day battle with influenza, hit the ground

running. Monday, he was to be at El Paso; Tuesday, Dell City and Sierra Blanca; Wednesday, Sanderson, Alpine and Pecos; Thursday, Beaumont; Friday, Houston, and Saturday, Corsicana. Sen. Lyndon Johnson was to speak at the Rose Festival in Tyler on Friday and in Austin on Saturday.

● Ben Wooten, Dallas banker and Baptist layman, told delegates to a Baptist convention \$3 million must be raised to build a Baptist junior college in Dallas. The proposed college would be affiliated with Baylor University.

● Carl L. Phinney, Dallas attorney and commander of the 36th Division (National Guard), was elected vice president of the United State National Guard Association.

● Two armed convicts, en route from Goldthwaite to Huntsville, slipped off their handcuffs, overpowered Mills County sheriff C. F. Stubblefield and a deputy, took the officers' pistols and escaped. Stubblefield was shot in the head. Both prisoners were recaptured after a huge posse—Rangers, highway patrolmen, prison guards, sheriff's deputies, with airplanes and bloodhounds—cornered them near Buffalo.

● A Wichita Falls oilman, Edward Kadane, proposed a 15-day moratorium on oil production as the best way to reduce excess above-ground petroleum stocks. He said the moratorium would hold back about 100 million barrels of crude.

● Railroad commissioner William Murray told the Dallas Petroleum Engineers Club the commission has no intention of giving up on its plans to require ratable purchase of crude oil and gas take. Purchaser proration

would mean "chaos," Murray said.

● Former Pres. Harry Truman, at the dedication of the Sam Rayburn Memorial Library at Bonham, said: "It's almost impossible to enumerate the great contributions Sam has made for the good of this nation," added: "My friend Sam Rayburn has always been a good Democrat and that's what it takes to be a good citizen." Treasury secretary Robert Anderson, at the same dedication, said: "Our libraries assure us that man has a sense of direction, a lasting dependable sense we may all safely take as individuals and as nation, to guide our conduct. Also present for the dedication: Sen. Lyndon Johnson, Oveta Culp Hobby, Supreme Court Justice Tom Clark.

● M. J. Rathbone, president of Standard Oil of New Jersey, and Herbert Hoover, Jr., will be main speakers at the annual Independent Petroleum Assn. of America meeting in Dallas Oct. 28-29.

HEAVY DUTY MUFFLERS

GUARANTEED for the Life of Your Car!

INSTALLED FREE WHILE YOU WAIT!

DUAL EXHAUST SYSTEMS \$29.95

FORD '41-'53	\$8.95
CHEV. '41-'53	\$9.45
FORD V8 '55-'57	\$11.60
CHEV. 4 '54-'57	\$11.65

Similar Low Prices on all Other Cars

TEMPLE Auto-Care CENTER

4535 GRIGGS ROAD OPEN MON. and THURS. NIGHTS TIL 91 BOTH STORES OPEN ALL DAY SATURDAY!

2900 FANNIN CA 4-6971 TWO Stores 4535 GRIGGS RD. OL 4-6561

HOUSTON, TEXAS

RENEW

To the Texas Observer
504 W. 24th St., Austin

Name:

Address:

City:

One year, \$4; 2, \$7.50; 3, \$11



For Your Plastic Pipe Needs

CALL OR WRITE:
W. H. Jones Electric Company

8541 MONROE ROAD
Houston, Texas
Hudson 6-1474
POLYETHYLENE
POLYVINYL CHLORIDE
AND KRALSTIC
LOW INITIAL COST—
LOWEST MAINTENANCE

DREAM OF A TEXAS OF POWER DAMS

AUSTIN

Water, water, everywhere, and hardly a drop for power. This is the hidden explosive in "the water problem." You cannot amass millions of tons of water in one place without storing there also turbine-turning power, power that can make a man who owns it rich, or all the men and women and children who live within the valley of its pulsing thrusts better off, power that can cut the costs of industry drastically and give whole cities and towns cheap lights and wallplugs and things wallplugs plug in to.

Our public men are debating now merely the dimmest outlines of water and power in Texas in the year 1975. It is still necessary for there to be a fight over whether the state will even plan the intelligent uses of its water on a statewide basis. Some states' righters who would have resented the federal government's expenditures on its invaluable studies of Texas watersheds had federal engineering chief Harry Burleigh not been so effacing about it still are not ready for a state water agency to perform this very responsibility.

Happily Governor Daniel is not among these. If one has difficulty berating the mistresses of history for having failed so far to bring us a forward-dated judgment of Daniel, it is because of the curious disjunction between the levels on which he operates as a politician and as a Governor. The one is substantially less prepossessing than the other. He has, for example, lent his hand to the stealing of a party convention, and he was not above using demagogic symbols to get elected. But here and now he has brought the

legislators together, at considerable state expense, and despite considerable criticism, to enact not only a statewide plan for water, but also a bill to control and register lobbyists and another, in effect, to regulate legislators who try to coerce state agencies in their capacities as private lawyers.

In the past the Governor flubbed on taxes, taxing the poor more heavily than the rich; and he signed two patently unconstitutional race bills, one of which even the Dallas school board is taking into court. But he also had passed a probation and parole system for ex-prisoners, he increased the state's welfare services, and now he has decided to refrain from Faubusing Texas by using the police powers to keep Negroes out of schools to which federal courts have ordered them admitted. Mere mortals find it difficult to be categorical in remarking about Daniel in general, so one can understand the diffidence of history's mistresses.

Friday at his press conference Daniel was caught by a question that somewhat startled him, as it was addressed, not to what the Comptroller said who could spend, but what Daniel envisions for the future of Texas in 2000. What, pleaded a reporter confused by the weltering interests tugging and wrenching at the water program, what is his vision, what is the pattern in his mind, for the control and use of water in Texas in the future?

"I would want to see a lot of it in dams and natural reservoirs," he said. Studies need to be made now to determine present, short-range, and long-range needs, giving humans and domestic livestock and cities first priority, but also assessing needs of small towns, agriculture, future industry. "How much do we need, pro-

jected to 1975 ... 2000 ... Then I we can tell just every place we have the possibility to build a dam. We can be trapping water to flow into the underground sands. Generally that's what I have in mind."

He is going to ask the legislature to transfer about \$1,024,000 from other purposes to a state water study—a "master plan," it has been called. That such a plan will be opposed by some people with vested interests in the way things are now is foregone. That they have a right to oppose it is not at issue. But with more than four-fifths of the state's water—and therefore of its power, its

electricity, its generative force—sliding to the sea unclaimed, a master plan we must have. If the state is to grow in some intelligent way, if we are not to waste the might that is within our re-

NOTE

Editorial columns on this page this issue are usually found on pages 2 and 3.

sources forever more, we must plan, map water sheds, spot dam sites—and then, decide.

A plan now does not settle the decision then. The great Northwest has been rent by public versus private power fights so long

that a candidate is judged on that issue above every other. In a decade or so the same will be true of Texas.

But there will be no significant conflict at all until the state government forces the private utilities into competition for serving the public welfare. Where are the dams the private companies could have put up, had they the will? They are not. The water rushes downstream unimpeded, spending its force rounding boulders and cutting out bluffs and baring tree-roots. It is time we did something, and there is no time like a special session.

RONNIE DUGGER

Fervor, Vintage 1937

CADDO

The place was the district courtroom of an oil-soaked East Texas county. The year was 1937, and the members of the bar had met to save the dignity and power of the Supreme Court of the United States. "That man in the White House" had begun a movement to prevent the complete destruction of his legislative program by the now famous "nine old men." Fervent speeches on the sanctity of the judiciary, and the need to keep it independent, brought forth a heated resolution that by the eternals the last guardian of property rights and the sanctity of contracts should not be attacked, or its judicial powers questioned. Telegrams hit the wires for Washington, and a dedicated group of attorneys from Texas converged on the Capitol to plead with congressmen not to pack the court.

Two decades later, some who were there, and many who shared

their views then, are hysterically crying out against the independence of the same court. If, as Mr. Dooley said, the U. S. Supreme Court follows the election returns, it may well be added that its evangelists and detractors follow its decisions. In 1894, the use of federal troops to break the Pullman strike in Illinois over the protests of Gov. Altgeld was held constitutional by the court. The writer wasn't around then, but research will likely show that the prototypes of the most virulent critics of the present court were then looking heavenwards, while sanctimoniously intoning that order must be preserved first, and that we should thank our Maker for a strong president who was courageous enough to put down this labor rebellion, and an independent court wise enough to declare his actions constitutional.

Another parallel is found in the somewhat tardy howl that the fourteenth amendment was never legally adopted anyhow, or no-how. During the period when a court of a different bent was preventing the common people from trampling on the rights of private corporations, by curbing state regulations found to be violative of the fourteenth, not even a Southern corporation president or his legal mouthpiece entertained any thought that the amendment was inoperative or unjust. So long as the former slaves, for the protection of whom it was intended, did not get fresh and invoke the amendment, it was dandy for fostering corporate growth.

Today, well today, it's different.

The dictatorship of the judiciary is actually attempting to apply the egalitarian principles of the fourteenth amendment to colored people, instead of the fictional "persons" that enjoyed so many advantages under it in the past. This won't do, for the amendment was never legally adopted. Besides, it had no wording about schools in it.

This brings up another phenomenon that only the cosmic heaving incident to integration in the South could produce. Everybody, just everybody, is now an expert in the field of constitutional law. Ah! had we only had it so easy in those dear dead college days when we wrestled with the judicial interpretations of our basic document. Could we only have picked out the bare words of its immortal principles, and told our fool professors that it was there to see, why didn't they read for themselves?

The truism of Charles Evans Hughes, that the Constitution is what the Supreme Court says it is, has given ground to a new conception: it is what the segregationists say it is, and the back of a hand to the mouth of one who disagrees.

These times have their advantages. Not only have the erstwhile reactionary supporters of an independent judiciary turned topsyturvy for a curb on the court, but the worshippers of St. Ike have demanded his impeachment. Ah, fellow iconoclasts, and we thought we could chunk bricks!

FRANKLIN JONES



Patriotic Leaders

To the Editor:

... the "metropolitan" press of Texas is filled with segregation arguments, many of them violent and inflammatory, to such an extent, one would infer that our whole state is overwhelmingly segregationist. Such is not the case. Many of our school districts are now completely desegregated or proceeding to become so under the rules laid down by the Supreme Court; and in not a single instance of desegregation that has come under my notice has there been even a ripple of trouble.

... What Texas needs now is a patriotic statesman in each of its major offices instead of a petty politician intent only on his personal fortunes. And for the information of any in the latter category, may I suggest that in the very near future the segregation label may become a millstone around the neck.

MILLER HARWOOD
PO Box 144, Taft

'Pickled' Again?

To the Editor:

Back in 1952 we had a "splinter group" of Democrats who opposed Eisenhower for President. At that time Price Daniel joined in with Shivers to "Ike" the Democratic Party of Texas.

In an effort to come back from this crushing blow two years later, the Democrats of Texas ral-

lied behind Ralph Yarborough, but to no avail. This time Allan Shivers "Pickled" the Democrats with stories of the Port Arthur type. Again the Democrats lost.

Again the "splinter group" is being harassed by the same "Pickle" with such high sounding phrases as "dollars for Democrats" (or is it nickels for Pickle and dollars for Daniel?)

We must keep courage. The "splinter group" has elected a Democrat to the U.S. Senate and the sky is clearing. Right is might!

J. J. BATES

402 Medical Arts Bldg., Waco

Blindfolded Mule

To the Editor:

It's usually a chore to renew a subscription, but this time it is a genuine pleasure. A number of years back I remember J. Frank Dobie saying that anyone who tries to find out what's going on by reading Texas newspapers is just about in the position of a mule blindfolded down in the bottom of a coal mine. Ever since there has been an Observer, we have all been able to get out of the coal mine for only the price of a subscription. Keep up your much-needed work!

RABBI DANIEL E. KERMAN
PO Box 1268, Kilgore

(Rabbi Kerman leads Congregation Beth Sholom serving Kilgore, Longview, Henderson, Gladewater, and Overton.—Ed.)

NO BEER ADS, PLEASE

To the Editor:

Please hold down the liquor and beer advertising lest you lose your independence.

MRS. W. S. CLEAVES

8141 Joplin St., Houston 17

Lobby Evils 'Peccadillos' - News

✓ Asking "Will it become as dangerous for a Southern white man to be a Republican as it was back in 1870?" the Amarillo Daily News ran a headline with a new twist on the segregation question: "We Need Not Laws, But Men."

✓ The Palestine daily, in an editorial called "We're Lucky Here," revealed: "The other day negroes (spelled with a lowercase 'n'—ed.) held a mass meeting to discuss social problems. The gist of the thinking expressed at that meeting was that negroes should refrain for any action that would be criticized. They should not stir unrest, they should be courteous at all times, and they should perform on their jobs in such a way as to prove the right attitude." The whites and Negroes should "keep their troublemakers under control," said the paper.

✓ Archer Fullingim in the Kountze News is making hay of the fact that Allan Shivers and Price Daniel supported Eisenhower. The Republican Party "that Shivers and Daniel once es-

poused" "has not changed since the Civil War and its Reconstruction tyranny," he says.

✓ The Dallas News predicts that during the special session the capitol will "buzz with the chief issue of the day," probably 'the chief domestic issue of the century so far,' segregation. "Compared to that, lobbying and the evils of lobbying are but passing peccadillos," says the News.

✓ Atty. Gen. Will Wilson is being criticized in East Texas quarters for failing to intervene

Political Intelligence

on the side of Marshall in the swimming pool suit. This is behind the drive for a bill to require the attorney general to defend segregation suits.

✓ Dawson Duncan writes in the Dallas News: Owners of irrigated farms, particularly in the Panhandle, are working hard to get a tax depletion allowance on water. The case now has been taken to a Washington. The farmers

claim that underground water is a resource which can be depleted just like oil—leaving the property less valuable than before."

✓ An editorial writer for the Beaumont Enterprise, Hilliard Henson, says Southern newspapers are missing a fine opportunity for public service by failing to prepare the people for "the inevitable compliance" with desegregation.

✓ H. M. Baggary, in the Tulia Herald, asks, 'Are we naive enough to think we can continue to segregate 10 million Americans into cabins and shanties on the basis of color?' But Baggary adds: "More despicable than (Orval) Faubus is Atty. Gen. Brownell whose vision is limited to the number of votes for the GOP he can pick up."

✓ Texas Businessman says Texas Tech's academic troubles "will follow the predictable course, bring eventual censure from outside."

Belden Ranks Politicos

AUSTIN

If Joe Belden's poll is right, Price Daniel would have an advantage over either Ralph Yarborough or Will Wilson were either of them to run against him for governor next summer. More voters think Sen. Yarborough is representing Texas better than Gov. Daniel did as U. S. senator, but while only one in ten voters disapprove of either Daniel or Yarborough now, 13 out of 20 approve of Daniel and only 9 out of 20 approve Yarborough, the others not having an opinion, Belden said.

Were Atty. Gen. Wilson to oppose Yarborough for senator next year, Yarborough would start (as of now) with 37 percent of the voters and Wilson with 26 percent, the rest being undecided, Belden's poll indicates.

Says Belden:

"Both Daniel and Yarborough are satisfying large majorities of the people who have opinions ... The job Daniel is doing as governor is apparently easier for people to judge than what Yarborough as senator. But more people seem to think that Yarborough is doing a better job as senator than Daniel did when he went to Washington."

Belden said his figures were based on personal interviews with 1,000 adults representing a statewide cross-section of persons who are eligible to qualify as vot-

ers in 1958 by paying poll taxes or getting exemptions.

He said that Yarborough's "strongest backing comes from persons affiliated with labor unions." Among those who have a union person in their immediate families, Yarborough had the edge over Daniel in the projected hypothetical governor's race, 45-26; in the hypothetical Senate race, Yarborough led Wilson, 50-20, among these same people, said Belden.

There was a difference in the way Belden asked the pollees whether they approved of Daniel and whether they approved of Yarborough.

"In general, do you approve or disapprove of the way Price Daniel is handling his job as governor of Texas?" was one question. But the other was: "Do you happen to approve or disapprove of the way Ralph Yarborough is handling his job as U.S. senator from Texas?" Belden did not explain why he put the two questions in these differing terms.

Results of these two questions:

Daniel/Yarborough	
	%
Approve	65
Disapprove	10
No opinion	25
	100

Other questions and results in Belden's latest poll:

"Do you feel that Yarborough is representing Texas better or worse than Price Daniel did when

Daniel was U.S. Senator in Washington?"

Yarborough better	19%
Yarborough worse	12
Both about the same	33
No opinion	36
	100%

"Looking ahead to next year, suppose Ralph Yarborough decides to run against Price Daniel for Governor of Texas. Which one would you like to see win the race for Governor?"

Daniel	40%
Yarborough	31
Undecided	29
	100%

"Suppose Will Wilson, the attorney general of Texas, runs against Ralph Yarborough next year for U. S. Senator. Which one would you like to see win—Wilson or Yarborough?"

Yarborough	37%
Wilson	26
Undecided	37
	100%

IN HOUSTON —

BELL

INSURANCE AGENCY

2307 CAROLINE STREET

CA 8-4469

ALL KINDS OF INSURANCE

— SINCE 1929

LEGALS

TO WHOM IT MAY CONCERN:

Notice is hereby given that George Waitz and George W. Waitz, composing the firm of and doing business under the firm name of Waitz Red and White Food Store and/or Waitz Super Market, have incorporated said firm under the laws of Texas, effective October 1, 1957, the name of said corporation being Waitz Super Market, Inc., which corporation has acquired all of the assets of the former partnership. This notice is given and published as provided in Article 1307 R.C.S. of Texas.

GEORGE WAITZ
GEORGE W. WAITZ

THE STATE OF TEXAS

To any Sheriff or any Constable within the State of Texas—

GREETING:

You are hereby commanded to cause to be published, ONCE, not less than ten days before the return day thereof, exclusive of the date of publication, in a newspaper printed in Travis County, Texas, the accompanying citation, of which the herein below following is a true copy—(but if there be no newspaper so printed in said county, then that you cause the said citation to be posted for at least TEN days before the return term thereof as required by law).

CITATION BY PUBLICATION

THE STATE OF TEXAS

To All Persons interested in the estate of Forrest K. Pence, Deceased. No. 18,958, County Court, Travis County, Texas. Robert F. Pence, Administrator in the above numbered and entitled estate, filed on the 8th day of October, 1957, his verified account for final settlement of said estate and requests that said estate be settled and closed, and said applicant be discharged from his trust.

Said application will be heard and acted on by said Court at 10 o'clock A.M. on the first Monday next after the expiration of ten days from date of publication of this citation, the same being the 4th day of November, 1957, at the County Courthouse in Austin, Texas.

All persons interested in said estate are hereby cited to appear before said Honorable Court at said above mentioned time and place by filing a written answer contesting such application should they desire to do so.

The officer executing this writ shall promptly serve the same according to requirements of law, and the mandates hereof, and make due return as the law directs.

GIVEN UNDER MY HAND AND THE SEAL OF SAID COURT at office in Austin, Texas, this the 9th day of October, A.D. 1957.

EMILIE LIMBERG

Clerk of the County Court,

Travis County, Texas,

By M. EPHRAIM, Deputy.

CITATION BY PUBLICATION

THE STATE OF TEXAS

COUNTY OF TRAVIS

To Stephen Cummings, Joseph M. W. Scrivener, W. H. Thaxton, T. W. Walker, Louisa Walker, Louis Walker, and if dead, the heirs, and legal representative of Stephen Cummings, Joseph M. W. Scrivener, W. H. Thaxton, T. W. Walker, Louisa Walker, and Louis Walker, defendants in the hereinafter styled and numbered cause:

You and each of you are hereby commanded to appear before the 126th District Court of Travis County, Texas, to be held at the courthouse of said county in the City of Austin, Travis County, Texas, at or before 10 o'clock A.M. of the first Monday after the expiration of 42 days from date of issuance hereof; that is to say, at or before 10 o'clock A.M. of Monday, the 28th day of October, 1957 and answer the petition of C. R. Hamilton, Jr., Plaintiff in Cause Number 108036 styled C. R. Hamilton, Jr., vs. Stephen Cummings, et al, in which the following person is plaintiff: C. R. Hamilton, Jr., and the following persons are defendants: Stephen Cummings, Joseph M. W. Scrivener, W. H. Thaxton, T. W. Walker, Louisa Walker, and Louis Walker, their legal representatives, their unknown heirs and the legal representatives of such unknown heirs, which petition was filed in said Court on the 13 day of September, 1957, and the nature of which said suit is as follows: Being an action and prayer for judgment in favor of plaintiff, C. R. Hamilton, Jr., and against defendants for title to and possession of the following described property, to-wit:

The East ½ of Lot No. 3 in Travis County, Texas, according Block No. 164, City of Austin, to plat of said City; Plaintiff alleges that he is the owner in fee simple of said land and claims title to said land in fee simple, under title or color of title and that defendants are claiming some interest in and to said land; which said claims are barred by the 3, 5, 10, and 25 year statutes of limitation; plaintiff prays for removal of cloud from title, costs of suit, etc., all of which more fully appears in Plaintiff's Original Petition on file in this office, hereto referred to for all purposes.

If this citation is not served within 90 days after date of its issuance, it shall be returned unserved.

WITNESS, O. T. MARTIN, JR., Clerk of the District Courts of Travis County, Texas.

Issued and given under my hand and the seal of said Court at office in the City of Austin, this the 13th day of Sept., 1957.

O. T. MARTIN, JR.,
Clerk of the District Courts,
Travis County, Texas.

By GEO. W. BICKLER, Deputy

THE TEXAS OBSERVER

Page 7 Oct. 18, 1957

SHERIFF'S SALE

By Virtue of a certain Order of Sale issued by the Clerk of the District Court of Travis County, Texas, 98th Judicial District, on the 20th day of September, 1957, in a certain Cause Numbered 103-670, wherein Housing Authority of the City of Austin, is Plaintiff, and Veryl Reid, is Defendant, in favor of the said Plaintiff for the sum of Nine Hundred Five and 82/100 (\$905.82) Dollars, with interest thereon at the rate of 6 percentum per annum from the 27th day of March, 1957, together with all costs of suit, that being the amount of a judgment recovered by the said Plaintiff, in the District Court of Travis County, Texas, 98th Judicial District, on the 27th day of March 1957, and for the foreclosure of Plaintiff's deed of trust.

I, on the 26th day of September, 1957, at 11:20 o'clock A.M., have levied upon, and will, on the 5th day of November, 1957, that being the first Tuesday in said month, at the Courthouse door in the City of Austin, within legal hours, proceed to sell for cash to the highest bidder, all the right, title and interest of Veryl Reid, as the said deed of trust lien existed on the 18th day of December 1952, and at all subsequent dates existed and still exists, in and to the following described property levied upon as the property of Veryl Reid, to-wit:

One-half acre of land, more or less, being as tract 3B out of the Henry Ulit Subdivision of a part of Outlot No. 28, in Division "B", in the City of Austin, Travis County, Texas, described by metes and bounds as follows:

BEGINNING at a stake in the East line of said Outlot No. 28, beginning 626.1 feet South 9 ½ East from the Northeast corner of said Outlot No. 28;

THENCE South 9 ½ East 104.5 feet to a stake for the Southeast corner of this tract;

THENCE South 80 ½ West 208.7 feet to a stake for the Southwest corner of this tract;

THENCE North 9 ½ West 104.5 feet to a stake for the Northwest corner of this tract;

THENCE North 80 ½ East to the place of beginning, containing one-half (½) acre of land, more or less, together with all improvements thereon, and being the same property conveyed Veryl Reid by deed dated February 11, 1952, executed by Jennie Williams, et al, recorded in Vol. 1278, Page 137, Deed Records of Travis County, Texas.

THE ABOVE SALE to be made by me to satisfy the above described judgment for \$905.82, and for foreclosure of Plaintiff's deed of trust, in favor of Plaintiff, together with all costs of suit, and the proceeds applied to the satisfaction thereof.

T. O. LANG, Sheriff,

Travis County, Texas,

By HENRY KLUGE, Deputy.

Austin, Texas, September 26, 1957

ACID ON THE BLANKET

The Texas Observer is the only statewide liberal newspaper in Texas.

It is put together this way: In Austin there are two full-time newspapermen who travel, interview, read, and write. Around the state writers in various places—newspaper offices, universities, lake houses, river bottoms, even, though rarely, garrets—use the mails and the buses to send us stories. From Washington Drew Pearson (so seldom seen in Texas dailies) and Robert Spivack (never seen in Texas dailies) aim stuff our way.

While we cannot, even quite, claim to be a mass circulation enterprise, we can claim not to be a mass circulation enterprise, which is also something.

The people who write for the Observer are free to report what they think is important and say what they think is right. If this is surprising, it ought not to be.

Our readers, bedded down in their communities in every county in Texas and throughout most of the states of the union, play a potent part in the state's life and in the nation's opinion of the state. It may not be coincidental that the main subjects of the October special session, lobby regulation and legislators' retainer fees, have been the objects of groundbreaking exposes in the Observer. A crusade against loan sharks has led to rippling impulses of reform all over the state. Our series on the slums of Texas cities spurred passage of the anti-slum bill last session.

But perhaps more important than such notches in the rifle of reform is some less palpable but more pervasive effect in the minds of some men.

The Observer has been called everything from a scandal sheet to a nest of nuts, but such critics don't usually sign their names, since they can't write. We are somewhat more taken by comments like these about the Observer:

It "has played a leading role in exposing Texas insurance scandals." TIME.

It "reports regularly on political shenanigans which are seldom mentioned in the metropolitan press." HARPER'S.

"A courageous liberal weekly." THE NATION.

"An eloquent voice of the Texas eggheads." THE REPORTER.

"A courageous ... weekly newspaper." CORONET.

"A crusading opposition newspaper." LOOK.

"A bright, militantly crusading Texas weekly." THE PROGRESSIVE.

"Only by reading the Texas Observer can a Texas citizen desiring full information and a variety of critical opinion learn about much of what goes on in his state. Only by reading the Texas Observer can the slanted and reactionary opinions of most other Texas publications be balanced." TEXAS AFL-CIO, in its 1957 convention.

"The Texas Observer has often been called 'the most liberal newspaper in Texas.'" TEXAS BROTHERHOOD OF LOCOMOTIVE ENGINEERS (news bulletin).

"All Texas Democrats ought to be subscribers to The Observer. My wife is seeking subscriptions in our neighborhood. Every subscriber should attempt to get at least three new subscriptions this week ... Never destroy an issue ... The Texas Observer is kindling the fires of political liberty in Texas." RALPH YARBOROUGH, February, 1955.

"I read The Texas Observer faithfully." SEN. ESTES KEFAUVER, June, 1957.

"The Texas Observer is without any question the most 'liberal' publication in my state ... It is militantly and aggressively devoted to the cause of civil rights." SEN. LYNDON JOHNSON on the Senate floor, July, 1957.

You may think it is immodest of us to mention these carefully-saved accolades; and you are right.

But how else can we get an opening through the blanket of the big-city press and let in a little light?

The Observer makes a good, acidic gift for friends who can take it. And we always appreciate your \$4 renewals.

The Texas Observer

THE TEXAS OBSERVER Subscription Blank

Please enter the following name for one year's subscription:

Name _____

Address _____

Enclosed find \$4 check (), money order (), cash ()

Mail the subscription to Texas Observer, 504 West 24th Street, Austin, Texas.

P.S. Should you get more than one new subscriber, list then on separate sheet of paper; careful to give name and correct address.

Austin Lobbyists Face Prospect of Controls

(Continued from Page 1)

on a year round basis, and those who flock to Austin during sessions intent on pushing or blocking particular pieces of legislation.

Gov. Daniel, many legislators, and some lobbyists charge these transient lobbyists, who often work on a contingent fee basis, with responsibility for some of the scandals of the last few years.

Dyer's Parties

Although it is not generally known for its catering operations, the Phillips Petroleum Company served upwards of 1,000 meals to members of the legislature last session.

Lobbyist Tom Dyer, Phillips host for the regular buffets held in Austin Hotel suite 1628, is quite candid about putting on the feed-bag for the hungry lawmakers.

However, he takes exception to the meals being referred to as banquets. "They are more like a garden party," he insists.

He estimates that between 900 and 1,200 meals—12 to 15 for 80 days—were downed by lawmakers last session while he and they became acquainted.

Phillips's bill for these lunches, Dyer estimates, ranged somewhere between \$2,400 and \$2,800. Figured over the 15 years

It's Difficult To Dine Alone

AUSTIN

In his recent series on lobbyists, Allen Duckworth, political editor of the Dallas News, wrote:

"Senators and representatives have a wide selection of hosts for breakfast . . . Legislators who prefer to eat alone and pay their own way find it difficult . . . A member can't predict where his next meal is coming from; it may be the fire fighters or it may be sulphur . . .

"Favors continue throughout the day. A power company lobbyist makes the rounds of senators' offices to be sure no good member goes without an electric coffee pot or some other convenient appliance. The lobbyists look down from the galleries during the morning session. Some send down invitations to luncheon.

"During the evening, there is entertainment of a wide variety.

"It was during the (1955) session that a businessman, with interest in certain legislation, sent members of his county's delegation a check for \$100 with a letter of appreciation for their hard work . . .

"Favors, favors, favors — but how much outright bribery? The professional lobbyists—those who stay in Austin permanently or throughout sessions— . . . wouldn't dare offer cold cash for a vote . . . There are other ways to influence members.

"Let's assume that Rep. Paddlefoot is a young lawyer whose main client is the Ajax Buggy-whip Mfrg. Co. I. M. Sly, lobbying for the Associated Running Board Manufacturers, learns that Paddlefoot plans to vote for a tax on running boards . . . Paddlefoot will receive a long distance call, return to the House floor a more thoughtful man, so far as his law practice is concerned.

"There's the possibility of future rewards . . .

"Allegations of irregularities stem almost exclusively to those who are interested in single-shot legislation, not permanent Austin watchdogs."

he's been serving these meals for Phillips, the oil firm must have served up around \$25,000 worth of chow to get to know Texas legislators.

Speaking of the buffet operations, Dyer declared:

"We have nothing to hide. No one expects to influence anyone with a meal. Acquaintance, that's all, acquaintance" was the purpose.

He added: "It is to assure that if something comes up that I need go before a committee, that I will have an opportunity to be heard."

Free meals for legislators are a "common practice. Far as I know everybody is doing it," he said.

Last session, with the furor over lobby registration and the Cox bribery case, feeding and other more elaborate activities of the lobby were sharply curtailed as compared to the 1955 sessions. However, it was by no means impossible for legislators to grab a free bite.

Lemens Amused

One of the most effective lobbies is the small loan contingent. In 1949 it helped put through the legislature the credit insurance act, legalizing credit insurance for added charges on small loans. Since then it has fought back several efforts to set limits on total annual charges on small loans and to bring small loan firms under Banking Commission supervision.

Key members of this select group of lobbyists are Sam Hanna, former representative from Dallas now representing Pacific and Beneficial finance firms and others; Vernon Lemens, an attorney and former senator who is counsel for the Texas Association of Small Loan Companies; Scott Sayers, ex-member of the House and co-counsel for the small loan group; and Frank Cain, Dallas attorney who frequently represents major loan companies and organized one of the largest credit insurance firms in the state.

Lemens, a tall, personable man who has a habit of pyramiding his hands together during conversation, enjoyed an explosive laugh as he recalled the defeat of House Bill 13 last session.

The small loan lobbyists got bankers stirred up against the bill on grounds it would affect their automobile finance business.

"Of course, we did everything we could to keep that from the bankers," Lemens laughed, "but somehow they found out."

Lemens served in the legislature from 1929 to 1946, when he retired to the Third House. He said his organization favors passage of small loan legislation. However, he was not prepared to say how much interest of charges or both his group felt borrowers should pay.

He said his group had been for Rep. DeWitt Hale's bill last session. This was a licensing act and made no provision for how much interest and charges sharks could legally charge.

"Our directors read that bill word by word for a whole day and I've never seen a group in such accord," said Lemens. "Of course, we didn't let the word out too much because with things as they are we might have hurt the bill more than it was helped."

Lemens volunteered that Gov. Daniel had performed one highly important task since taking office. "He named a top-notch insurance board. Why, I've known Penn (Jackson) all my life and you can't even buy him lunch.

I mean that literally."

Ed Buehner, manager of the Houston Better Business Bureau, tells of an experience which gives a picture of how lobbyists sometimes operate very effectively.

Timely Barbecue

"BBB members from across the state went to Austin to appear before a committee considering the loan shark control measure," said Buehner. "It was a lot of trouble and expense for a lot of people to make the trip but we felt it was a worthy cause. Much to our disgust, the committee never even got around to hearing the bill that night."

Buehner said the committee

chairman, recognizing that the citizens were unhappy, promised to call the bill up for hearing at the top of the calendar at a subsequent meeting. Once more the BBB members and other interested citizens descended on Austin. They waited five hours, but the hearing never came off because a quorum of committee members never showed up.

"We finally learned," said Buehner, "that the lobbyists had picked that night to throw a big barbecue and beer bust and that most of the committee members had gone to the party instead of the hearings. We couldn't get our forces mustered for another trip to Austin and it seemed like a waste of time, anyhow."

The Constitutional Amendments

AUSTIN

In less than a month—on Tuesday, November 5—voters will decide whether they want to let the state set up a \$100 million borrowing fund for local water projects, increase annual welfare payments \$5 million a year, and increase state and state employee contributions to the state workers' retirement system.

Nine additional constitutional amendments will be voted on in November, 1958, but these three are to be submitted this year. The League of Women Voters of Texas points out that since the Texas Constitution was adopted in 1876 the voters have approved 226 and defeated 87 amendments to it. On a strictly mathematical basis, then, the odds the pending amendments will be adopted are about five to two.

The water amendment would create a board with authority to issue state bonds up to \$100 million; and the legislature, by a two-thirds vote, could authorize the board to issue another \$100 million. They could not bear more than four percent interest a year, says the league.

Money from the sale of the bonds would be made available to river authorities, conservation and reclamation districts, interstate compact commissions to which Texas is a party, cities, municipal corporations, and other political

Bray Plans Shift To Senator's Staff

AUSTIN

Observer staffers have been a favorite source of personnel for U. S. senators from Texas.

Bill Brammer, Observer associate editor in 1955-56, quit the paper to join the staff of Lyndon Johnson and is still with the senior senator.

Bob Bray left the Galveston bureau of the Houston Chronicle to replace Brammer. Then, six months ago, Bray left the Observer to take a job as staff writer for the Houston Press. He has written several series of articles about Texas loan sharks, the causes of Houston's high murder rates, and the Texas Lobbyists in the Press.

Lyman Jones, a top aide to Ralph Yarborough, resigned to join the Observer when Bray left. Bill Bruce, formerly of the Houston Post, now in public relations in Houston, replaced Jones on Yarborough's staff during the last session of Congress, but he did not agree to stay with Yarborough permanently.

Now Bray has made plans to go to work for Yarborough. He and his family are moving to Austin in a week or ten days.

subdivisions. The money would have to be repaid to the state, with interest.

Projects for which the state could pass out the money would include control, storing, and preserving of storm and flood waters and waters of rivers and streams, the acquisition, improvement, and construction of dams, reservoirs, and other water storage projects.

The legislature passed a law setting out further details: it will go into effect if the amendment is adopted. It provides the board (appointed by the governor) will have a lawyer, an engineer, a farmer or rancher, a businessman, and two men in public or private finance.

The state cannot help any one political subdivision more than \$5 million, or one-third of the cost of the project, whichever is less. The money would be loaned to the subdivision by buying its bonds or other securities. The interest rate for the subdivisions would be the one of those two which is the greater amount: the weighted average effective interest rate on all state bonds sold under the act plus one half of one percent, or the effective interest rate of the bonds sold by the subdivision for the purpose of providing the remaining funds required for the project.

To qualify a project for state aid, a subdivision has to obtain a resolution from the Board of Water Engineers showing that the project is feasible, there is a present or future need for the water to be provided, the applicant has the permit to use the water to be made available, and that if a dam is involved the project will provide the optimum development of the site proposed.

The bond-issuing board would have to consider the needs of and benefits to the area to be served, the availability of funds from all sources of the political subdivision to repay the loan, and if the project could be financed without assistance by the state.

THE WELFARE AMENDMENT would increase slightly the ceiling on old age pensions and increase slightly the ceiling on old age pensions and increase from \$42 million to \$47 million the constitutional limit on the total amount of state funds available a year for aid to the needy aged, needy blind, and needy children. The ceiling on the maximum monthly aid payment to needy citizens over 65 from state funds would go from \$20 to \$25, but no payments over \$21 would be made from state funds unless the additional amount were matched by the federal government.

An enabling act would transfer \$4,900,000 for old age assistance, \$175,000 to aid for the blind, and \$525,000 for aid to needy children from the omnibus tax clearance fund.

No Estimate

The Texas Legislative Council's report to the last Legislature on lobby regulation gives an idea of the expenses reported by lobbyists in other states;

Kentucky, \$55,984; Massachusetts, \$281,121; Nebraska, \$116,800; New Hampshire, \$66,715; South Dakota, \$56,298, for a five-state total of nearly a half million dollars.

The council didn't make any estimate of such expenditures in Texas, but if the state lives up to its usual form and reputation of doing things bigger, few would be surprised were Texas expenditures to eclipse the entire five-state total.

The old age assistance reasoning in the amendment goes like this:

The first \$30 of any old age assistance grant is \$24 federal aid and \$6 state money. The next \$30, or any part of the next \$30, is 50-50 between the federal and state governments. Federal participation ceases when the pension check reached \$60 monthly.

Thus, the maximum payment possible under the proposed amendment would be \$39 federal money and \$21 state money, unless the federal participation increased. With the state now contributing \$20 the upper limit is \$58; with the state contributing \$21 it would be \$60.

THE NEW retirement amendment would—in enabling legislation to carry it out—set a minimum retirement benefit of \$30 a month. Employees would contribute 4.5 percent of their salaries to the retirement system, with the state matching. Instead of computing retirement benefits on the basis of prior service, present contributions, and future contributions based on future pay, the enabling act would base them on the average annual pay of an employee for the five highest consecutive years during the last ten years of his service. No annuities or benefits already approved would be reduced, and for the next ten years no one entitled to a service retirement benefit would receive less under the new system than under the present law.

Under present law a state employee is required to contribute five percent of his salary up to \$180 per year; under the proposed amendment, the five percent maximum is kept, but the \$180 limit is abolished. Coverage would be extended to cover elected as well as appointed officers of the state if the legislature so provided. State employees covered by other state retirement systems would not be eligible.

HELP!

The May 30, 1955, issue of the Texas Observer was somewhat controversial because of a story involving certain elected persons in Corpus Christi. A large number of copies requested for distribution in Corpus wound up in the Gulf of Mexico. Now we find that we are short seven copies of this issue; without them we will be unable to complete seven bound copies of the newspaper for that year. We would appreciate our readers checking around for copies of this issue and sending them to us. We'll pay 50 cents each. The Texas Observer, 504 West 24th St., Austin. (Adv.)