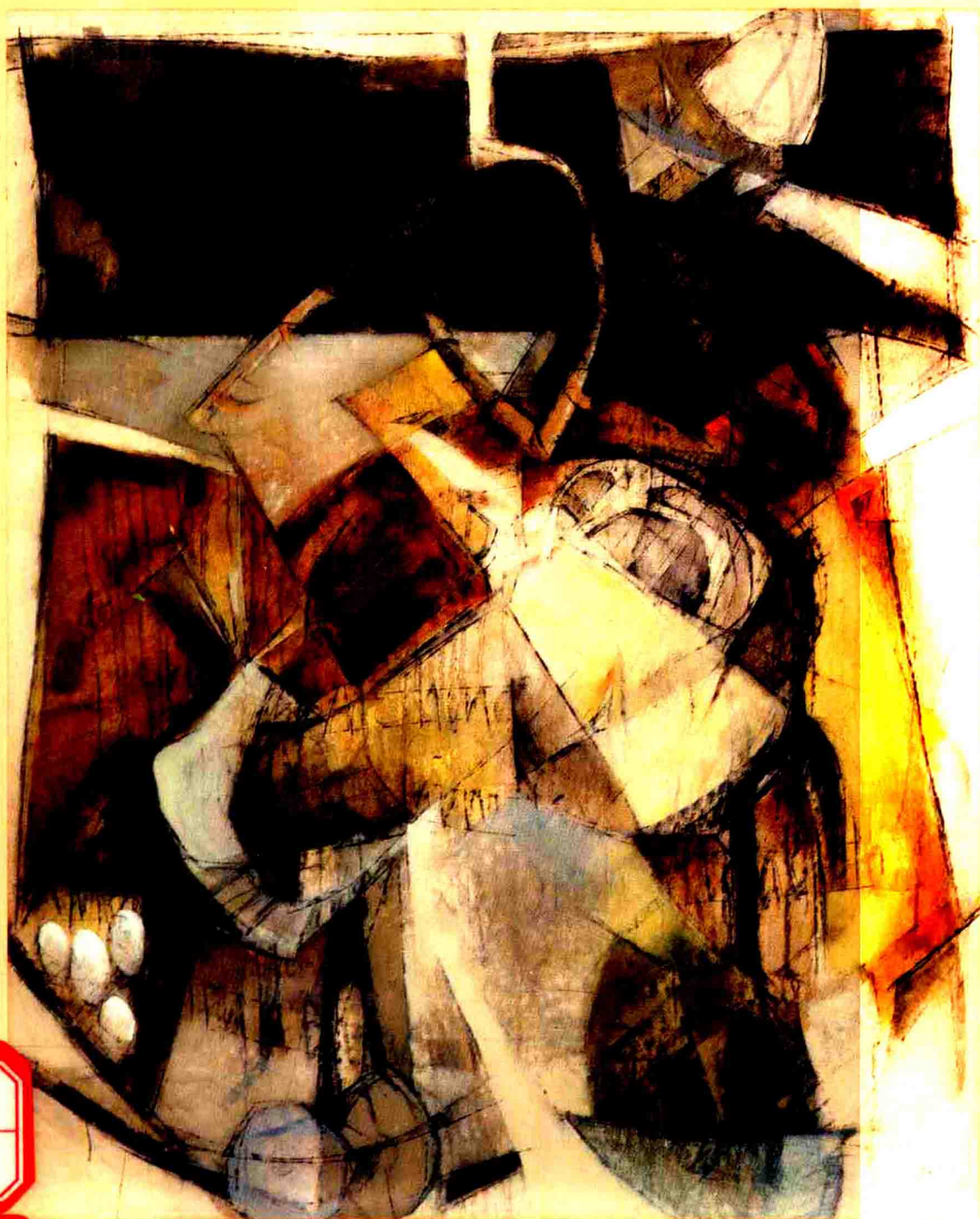


TEXAS POLITICS

Second
Edition

ECONOMICS, POWER, and POLICY



AMES W. LAMARE

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JAMES W. LAMARE

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To Nappy and Alice, who have touched many lives

PREFACE

This revision continues investigating Texas politics from an economic perspective, the theme first formulated in the first edition of this book. Additional information has been incorporated into the text to update, sharpen, and expand upon the previous version. I am grateful for the suggestions on improving the earlier work offered by Kevin Bailey (North Harris Community College), Jose R. Hinojosa (University of Texas at Austin), Bob Little (Brookhaven College), Mark E. Priewe (University of Texas at San Antonio), and Lee M. Allen; that I may have overlooked some of their insights is a result more of my stubbornness than their lack of perspicacity. I would also like to thank Skeet and Sharon Steffey, Rick and Cynthia Collis, and Lynn and Fred Bryson for making my stay in Texas much more than a research excursion. Finally, without the encouragement, support, and, most importantly, stimulating challenges offered by Mary Lamare, this project would have been impossible.

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The Texas Economy

Exploring the impact of economic forces upon the politics of Texas requires an analysis of the state's economy. In particular, the key economic actors must be identified. The first part of this book pursues this goal. Chapter 1 is an introduction to the concepts of power and economic rule as they relate to the political situation in Texas. Chapter 2 outlines the major economic arenas in the state. The core of the economy is composed of the petroleum industry, agriculture, and financial transactions conducted through banks, insurance companies, and savings and loan firms. Large-scale corporations dominate each of these important economic areas. Chapter 3 shows that these distinct sectors of the state's economy are interconnected. Mergers, shared ownership, and interlocking directorates link seemingly disparate members of the economic elite operating throughout Texas.

Power, Pluralism, and Economic Rule: An Introduction

This is a book about the distribution of political power in the state of Texas. Its aim is to determine who has political power in Texas and why.

Power simply refers to the ability of a party — be it a person or a group — to achieve its goals. The struggle for power is most obvious in situations where parties compete for scarce resources. The party that accomplishes its purpose is generally recognized as the more powerful. After numerous victories, a party might reach a position of such superiority that it no longer faces any serious challenges. In this case power is highly structured. The powerful party can control the agenda of pending social action to minimize the materialization of any threats to its position. Realizing the awesomeness of this power, potential opponents may forego any challenge. There are times, in other words, when goals are achieved without much, if any, meaningful conflict.

Political power is a distinct type of power. It refers to actions that affect a substantial segment of the population. A party has political power if, in trying to attain its goals, society in general is influenced.

Any social organization that makes decisions that have an impact on the general public is politically powerful. It is possible for institutions to have political power independent of the government, but, in modern industrial societies such as the United States, government is inextricably involved in the relationships of political power. Political groups often align themselves with and rely upon the government because people are more likely to obey decisions if the government has sanctioned them. There are two reasons for widespread obedience.

First, most modern governments are considered to be the highest level of protectorate by their constituent populations. So overwhelming is this supportive feeling that a governmental request for adherence is frequently acceded to by most citizens simply out of respect for the government.

Second, governments can compel obedience through the threat or actual use of coercion. The most distinguishable characteristic of a government, according to the eminent sociologist Max Weber, is that it "successfully upholds a claim to the monopoly of the legitimate use of physical force in the enforcement of its order."¹

In the United States, the government has traditionally been accepted by its citizens as the legitimate source of rules and regulations. Quite understandably, private interests have sought the sanction of government in their quest for political power. Requests for government assistance have taken two general forms. At times, the government is asked to adopt and implement the programs and ideas of outside groups. On other occasions, private interests seek government assurance that the former can engage in certain activities without the intervention of the latter. In either instance, the government becomes deeply involved in the distribution of political power in this country.

The governments of the fifty states play a major role in the allocation of resources for the overall society. The expansion of the federal government throughout the first eight decades of this century has encouraged, not discouraged, a greater involvement of state governments in public policy. All states are heavily engaged in formulating policies in the areas of education, welfare, transportation, taxation, and the regulation of business, labor, and social behavior. Indeed, it has been concluded that "the states are growing in importance more than any other level of government in the United States."²

City and county government has a very immediate effect on citizens. Local governments are primarily responsible for providing public services such as education, water delivery, sanitation facilities, streets, and police protection.

This book analyzes political power at the state and local levels in Texas. There are two prevailing theoretical approaches to studying the distribution of political power in the United States. One is called *pluralism*; the other is the *economic rule* perspective.³

As theories, pluralism and economic rule are at odds in their interpretations of almost every aspect of the political power question. They do, however, have one belief in common: each school of thought agrees that government at all levels in the United States is actually run by a relatively small group of people — an elite. As to the nature of the elite, its composition, and its accountability to the mass public, disagreement reigns supreme. An analysis of the pluralist and economic rule theories follows.

PLURALISM

Pluralism contends that political power is widely distributed in the United States.⁴ No one group or person has a monopoly on it. Political decisions are mostly made openly in government institutions by officials representative of, and accountable to, the general public. The ties between the rulers and the ruled are quite intricate. Both parties benefit from the relationship.

With regard to political leaders, many things keep them close to the public.

1. *Political leaders are plentiful.* Thousands of Americans hold offices in local, state, and federal government. Leadership positions tend to cluster around specific policy issues. For example, those who make decisions in the area of education — members of school boards, superintendents, etc. — do not enter into other areas, such as agriculture. Tax collectors do not plan city traffic light patterns. Consequently, numerous leadership groups have emerged in the government. Each is quite autonomous from the other, and each specializes in a given policy area. As the public increasingly demands resolution of crucial issues, many new leadership groups (boards, commissions, agencies, legislative committees, etc.) are born. The public thus is not without government institutions to hear complaints and redress grievances. The more formidable problem often becomes finding the right group of officials to address. Pluralism holds that in those rare instances where one leader or a small group of leaders dominates the decision-making process, the leader or leaders becomes very visible, and therefore accountable to a wide constituency.
2. *Diversity, both in the social backgrounds and in the issue orientations of the political elite, is quite pronounced.* Within each specialized leadership group, and across the broad spectrum of political leaders, officials are drawn from all walks of life. No one social group, such as a race, region, economic class, sex, or religion, dominates all leadership posts; each social group is represented in the elite. Moreover, pluralism contends that elite members vary in their perspectives on the issues; their outlooks are as distinct as the social backgrounds from which they come.
3. *Political leaders firmly believe in democratic values.* While diversity marks the issue orientations of officials, they are alike in their adherence to the democratic creed. They share a common commitment to procedural fair play, tolerance for all points of view, and respect for individual liberties. They encourage nonviolent solutions to social problems and emphasize the importance of mass participation in the political process; hence, disagreements over policy matters are conducted in a democratic atmosphere.

The masses also play a crucial role in pluralist theory; the elite are cognizant of the multitude in many ways:

1. *It is not difficult for the average person to join the ranks of political decision makers.* The line between the two is thin. Becoming a leader is mostly a matter of desire. If one wants to seek office, opportunities are ample. A general disinterest found among the public is the major barrier preventing most people from seeking a position of leadership. Accordingly, a citizen outraged at the behavior of decision makers can quickly exorcise his or her feelings by seeking a political post.
2. *Citizens control leadership behavior through the electoral process.* The ultimate route to becoming a leader includes winning votes. Failure at the polling booth effectively bars attainment of a leadership post. Even appointed officials are influenced by mass preference since they are se-

lected by popularly elected leaders. The threat of electoral defeat is often enough to shape the behavior of officeholders. Candidates hence pay close attention to the opinions held by the public.

3. *Citizens affect the political process through membership in interest groups.* Group membership is effected either by physically joining an organization or by simply being in an identifiable categorical group such as Texans, or Southerners, or blacks, etc. Either type of group is bound to have leaders who present demands to the political elite. Indeed, many political officials begin their careers as group leaders. Through the active participation of groups in political decision-making, ranging from candidate selection to lobbying for specific policy proposals, members have their viewpoints presented — whether they are fully aware of it or not.

The results of the mingling between leaders and followers are these:

1. *Political leaders make decisions based upon input from various groups and individuals.* The government listens to the proposals of all concerned parties and formulates its policy after a neutral weighing of all sides.
2. *Final decisions reflect the interests of a large and diverse section of the population.* Because of the many voices aimed at the government's ear, public policy usually is a compromise of many viewpoints. It is through the art of negotiation that the bargain among competing interests is struck.
3. *A change in policy is often initiated by the masses or in anticipation of demands from the public.* Since many perspectives enter into policy discussions, change is usually moderate and arrived at slowly.

In short, pluralism depicts the political system in the United States as one that is close to the interests of the masses. The beneficiaries of public policy are many, many people — usually more than a majority. Hence, wide segments of the population reach their goals through the political system: each group has political power.

ECONOMIC RULE

The economic rule model asserts that political power in the United States is concentrated in the hands of the top economic elite.⁵ Put simply, those people and institutions that dominate the production and distribution of goods and services also collect most of the rewards of governmental decision-making. Average citizens take a back seat to the economic elite in affecting and benefiting from public policy.

The following points about the economic elite stand out:

1. *Members of the economic elite are people who command the operations of the major businesses in America.* They are principal stockholders, officers, and members of the boards of directors of the country's largest corporations. These institutions set the tone of the economy. Since there