

# What happened after the U.S. Bicentennial Celebration in 1976 ?

Chapter

17

**Why was 1976 especially significant for the U.S.?** The nation celebrated the two hundredth (bicentennial) anniversary of the Declaration of Independence in 1976. America was eager to move on from the Vietnam era and the Republicans' Watergate scandal. There were parades, patriotic exhibits, and fantastic fireworks that summer. In the fall, a Democrat named Jimmy (James Earl) Carter won the presidential election.

Four years later, a Republican, Ronald Reagan, won the election. He served two terms and his vice president was George Herbert Walker Bush. Meanwhile, George Nigh was serving two terms as governor of Oklahoma.

**Who was Governor George Nigh?** George Nigh was born in McAlester on June 9, 1927. He earned a bachelor's degree from East Central State Teachers College in Ada and taught history and government in McAlester High School.

Nigh's political career began in 1950 as the youngest member ever elected to the Oklahoma House of Representatives. He served four terms as a representative from Pittsburgh County. In 1958, at age thirty-one, he won election to the lieutenant governor's post. He was the youngest Oklahoman in that position and was second-in-command under J. Howard Edmondson, the state's youngest chief executive. Nigh became the seventeenth governor of the state when he served out the last nine days of Edmondson's term. Later, he won election again as lieutenant governor and served three consecutive terms from 1967 to 1979.

David Boren was governor from 1975 until January 3, 1979, when he became a U.S. Senator. Nigh again assumed the governor's office to fulfill David Boren's term. Then on January 8, Nigh actually began his own elected term as governor.

In his days as a junior legislator, Nigh contacted Richard Rodgers and Oscar Hammerstein about their song *Oklahoma!* He persuaded them to allow Oklahoma to adopt it as the state song. Later, after finding the lieutenant governor's main job was to wait in the wings for something



**Governor  
George Nigh**  
*Oklahoma Historical  
Society*

to happen to the governor, Nigh expanded the duties of the office. For example, he increased *revenue* by promoting Oklahoma to the movie industry. Thanks to his efforts, several movies were made, entirely or partially, here. Nigh promoted industrial development and tourism. He was in high *demand* as a public speaker.

Nigh vowed he would not run against an incumbent. “I wasn’t go-



**Oklahoma  
Governors George  
Nigh, David Hall,  
David Walters,  
Brad Henry, Frank  
Keeting, David  
Boren, and Henry  
Bellmon.  
OETA**

ing to undercut a governor I’d served as lieutenant governor,” he said. So he didn’t run against Dewey Bartlett or David Hall. When David Boren decided to run for the U.S. Senate, however, Nigh threw his hat into the ring in the governor’s race.

During Governor George Nigh’s campaign, Don Price was driv-

ing in the campaign caravan. Somewhere in western Oklahoma, Price’s vehicle exploded and set his clothes on fire. The other members of the caravan rolled Price on the ground to put out the flames. They sent him to the hospital with a passing motorist. Then, seeing that the stubble on the ground had caught fire, they tried to put out that fire, too. A few days later, the following letter appeared in a local paper:

“I wasn’t sure who I’d vote for until the other day I passed a van parked beside the road with big George Nigh signs. All Nigh’s workers were out in a field trying to beat out the flames with campaign signs. A candidate whose people are that concerned about others gets my vote.”

The woman who wrote the letter probably never knew how the fire started. But when Nigh won the general election with only 52.3 percent, his staff was grateful for her vote.

As governor, Nigh fostered sixteen major tax reductions. He restructured the state mental health system, overhauled the state personnel

system, and increased state employees' wages. He also wrote a plan to save rail service in the state. He *established* the Office of Handicapped Concerns and the Diamond Jubilee Commission. His leadership in prison reforms led to Oklahoma's being the first state with all its correctional institutions approved by the American Correctional Association.

In 1982, Nigh became the first Oklahoma chief executive to succeed himself in office. (Previous governors had run for re-election in consecutive campaigns, yet Nigh was the first to win.) In January 1983, the state's twenty-second governor began his second full term in office. However, he had served two of his own terms, as well as completed terms for two other governors. Thus, he is the only person in state history to have served four separate terms of office as governor.

Even though Nigh was well-prepared for his duties, no one could have expected all the challenges he met. During his terms, he dealt with a race riot, a prison riot, an economic disaster, and a political scandal among state employees.

**What was the Idabel Riot?** A race riot occurred in the small southeastern town of Idabel in January 1980. In less than twenty-four hours, three people were dead, several injured, and \$100,000 worth of property destroyed or damaged.

On Saturday evening, January 19, a 15-year-old African American was shot and killed. It happened in the parking lot of The Black Hat, a local nightclub. Henry Johnson and his friends were *allegedly* breaking into a parked car when a customer discovered them. The man pulled a gun and chased them from the area while firing.

Rumors circulated that Johnson had been beaten to death. A group of black citizens arrived at the town's police department at noon on Sunday. They demanded the arrest of the man they thought had done the killing. They gave an *ultimatum*: Arrest the killer by 7 p.m. or face violence in the streets.

As it happened, the police chief arrested a suspect but not the man the crowd suspected. Citizens were unaware of the arrest. That evening, a mob emerged from the African-American neighborhood and set fire to The Black Hat. From there, they moved up the street, vandalizing businesses. At about 10 p.m., the angry group met up with police in an empty field behind a service station. Ruben Farmer, an ex-police officer, was killed in the *confrontation*. The next morning, the body of a 26-year-old African-American man, William Mack, was found. He was the third fatality.

## Do You Know?

Oklahoma's Cimarron county is bordered by more states — Oklahoma, Texas, New Mexico, Colorado and Kansas — than any other U.S. county .

Supposedly more than three hundred people were involved in the ruckus, including police, sheriff's office personnel, highway patrolmen, and three SWAT teams. News reporters descended upon the small town. By Monday morning, the town was full of strangers — including officers to keep the peace. Groups from the Ku Klux Klan arrived later

in the week, but by that time, a bitter peace had settled on Idabel. There was no further trouble.

Many Idabel whites sympathized with their black neighbors. The town formed a grievance committee to address complaints against police. Government spokesmen blamed a “lack of communication” and “rumors” for the trouble and labeled it an “isolated incident.”

**What was the Connors Prison Riot?** On August 29, 1983, a riot erupted in the Connors Prison at Hominy. It started in the mess hall

and lasted three days. It involved Highway Patrol troopers and the National Guard. The new prison facility, just recently acclaimed as the best and most *progressive* of its kind, was virtually leveled. Authorities sent inmates to other facilities until the situation was under control. Within a few days, under orders from Nigh, the inmates were back at Hominy — working the cleanup detail. The prison has since been rebuilt.

**What was the Penn Square Bank Failure?** On July 5, 1982, news of the failure of Oklahoma City's Penn Square Bank rocked the financial world. Penn Square had grown in a few years from a small consumer bank to one of the largest banks in the Southwest. It failed, reportedly, because it did not comply with standard banking rules, especially in making loans.

The bank's customers included many energy companies. Some of them had received large loans without enough *collateral* (property or securities to guarantee a loan). Records revealed that a number of loans were made long after oil prices began declining. An economic recession and a lack of *collateral* made it impossible for customers to pay back loans.

Penn Bank had sold a large number of these loans to other banks



**Governor  
Henry Bellmon**  
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around the country. Thus, many of them suffered losses or failed because of Penn Square. Several uninsured depositors lost large sums of money in the failure and, as a result, businesses closed their doors or sold out. The failure of Penn Square Bank negatively affected the economy of the entire state as well as that of some other states.

**What were the County Commissioner Scandals?** The biggest story in Oklahoma in 1981 and 1982 was the county commissioner scandals. With more than 120 *indictments* touching almost every county, commissioners resigned in large numbers. Many admitted they had taken kickbacks from various suppliers of road- and bridge-building equipment. Federal authorities claimed that those officials had basically robbed taxpayers of \$1 billion. Their investigation was one of the largest in the nation at that time.

Reactions of officials and citizens varied. One man running for office in western Oklahoma pleaded for votes on the basis that he never took more than 10 percent in payoffs. One official from Delaware County, convicted of accepting kickbacks, was sentenced to two-and-a-half years in prison. His constituents gave him a big party, acclaiming him as a “good ol’ boy,” while the band in the background played *Your Cheatin’ Heart*.

Because of the scandal, the legislature passed a bill to remove county commissioners from the purchase of road materials. George Nigh signed it into law on May 11, 1982. The County Reform Bill makes county clerks responsible now for county purchasing.

**When did pari-mutuel betting become legal in Oklahoma?** The horse-racing industry has been alive and well in the Sooner State for many years. Oklahoma produces more race horses per capita than any other state. However, the issue of pari-mutuel betting, a system of wagering on horse races, has been a controversial one. On September 21, 1982, voters approved pari-mutuel betting by more than 125,000 votes. Nearly a million voters turned out for the election. Oklahoma was the thirty-second state to adopt a form of pari-mutuel betting.

**How was Governor Henry Bellmon elected for a second term?** Henry Bellmon, who in the 1960s was Oklahoma’s first Republican governor, ran for the office again. He became the state’s first governor elected to two nonconsecutive terms. His inauguration was in Oklahoma City on January 12, 1987.

Following his original term of office, Bellmon was a U.S. Senator. After that, he worked as acting director of the Department of Human

## Do You Know?

**Oklahoma’s Ethnic Roots:** German, 14.5 percent; American, 13.1 percent; Irish, 11.8 percent; English, 9.6 percent; African, 8.1 percent; Native American, 7.9 percent, with Cherokees as the largest tribe.

Services. Later, he was the *interim* director of the National Cowboy Hall of Fame, which was financially troubled at the time. He also worked to help economically disadvantaged farmers.

When Bellmon took office again in 1987, he took on a financial crisis. The oil boom of the early 1980s had ended. A recession was on. State government was facing a \$350 million shortfall. Its dilemma was whether to raise taxes to meet expenses or cut services to citizens by 17 percent. After much negotiating, Bellmon succeeded in passing the tax increase. This was an important accomplishment during a severe economic downturn.

Another battle Bellmon faced was over House Bill 1017, an education reform package. The state adopted it in 1990 after eight months of debate, and then only narrowly. One of the most controversial points required high school seniors to pass a comprehensive exam. Any senior who failed could not receive a diploma. In addition, House Bill 1017 needed \$230 million to pay for its reforms. That meant another tax increase. Angry citizens responded by placing an initiative, State Question 640, on the ballot in 1992. It required the state to adopt tax increases by a three-fourths majority of the legis-

lature or else put the increases to a vote of the people. The initiative passed.

Henry Bellmon was the first governor to receive permission to name a Secretary of Education. He appointed Dr. Smith Holt of Oklahoma State University. When Holt resigned in 1988, Bellmon appointed Sandy Garrett to replace him. In June of that year, Dr. John Folks resigned as Superintendent of Public Instruction, which was a separate, elected office. Bellmon appointed Gerald E. Hoeltzel of Watonga to finish Folks's term. In the election of 1990, Garrett defeated Hoeltzel for the Public Instruction position. She was the first woman elected as Oklahoma's State Superintendent of Public Instruction. She continued to serve in the governor's cabinet as Secretary of Education.

**What was the Stringtown Prison Riot?** Overcrowding in prisons was an issue again in summer 1988. At Stringtown, Atoka County, inmates captured guards and rioted. They took over a portion of the prison. Before they released their hostages, they destroyed property and



**Governor  
David Walters**

burned buildings. The damage was so *extensive* that the governor had to call the legislature into special session to assign money for repairs.

**When did Oklahoma host its first Olympic Festival?** In 1989, Oklahoma hosted its first Olympic Festival. Hundreds of thousands of people from across the nation attended the summer games in several locations in central Oklahoma. The festival not only gave the state economy a much-needed boost but also gave Oklahomans the opportunity to see world-class athletes in competition.

**Who was William J. Crowe?** Admiral William J. Crowe was raised in Oklahoma City. In 1942, he graduated from Classen High School, where he was student body president. He attended the University of Oklahoma one year before enrolling in the United States Naval Academy. President Reagan named him Chairman of the Joint Chiefs of Staff in 1985. This is the highest post in the military, the only post higher being President. He retired from the Navy in 1989. For a while, Crowe taught at the University of Oklahoma. The topic of his courses concerned the making of national defense policies. Later, President Clinton appointed him Ambassador to Great Britain. The Admiral died in 2007.

**Who was Governor David Walters?** A businessman, David Walters, succeeded Henry Bellmon. Walters was from Washita County. He had been valedictorian of the 1969 Canute High School graduating class. He earned a bachelor's degree in industrial engineering at the University of Oklahoma in 1973, then a master's of business administration (MBA) from Harvard University in 1977.

Walters had been chair of the Oklahoma Human Services Commission and co-chair of the Commission on the Reform of State Government. He made an unsuccessful bid for governor in 1986, when Bellmon defeated him.

Walters ran again in 1990 and won, carrying 75 of the 77 counties.

Walters supported downsizing the government. By summer 1994, 2,500 state jobs had been removed from the public payroll. He proposed a \$350 million bond issue for capital (physical) improvements for colleges and universities. It was the first time in 25 years that Oklahoma voters approved a measure of this kind.

**To what did Governor Walters plead guilty?** Walters took office in January, 1991. The next year, he was the first Oklahoma governor to



***Karen Silkwood***

plead guilty to criminal charges while still in office. A grand jury investigating his election campaign charged him with eight felonies and one misdemeanor related to fund-raising. In a plea bargain agreement, Walters pleaded guilty to the misdemeanor violations, and the felony counts were dropped. Walters said that he chose to agree to the plea bargain and enter the guilty plea rather than to subject his family and the State of Oklahoma to further turmoil. Because he did not plead guilty to a felony, Walters was able to continue in office. He agreed not to run for re-election and finished his term in early 1995.

**Who was Karen Silkwood?** The history of Oklahoma's energy industry is not complete without the story of Karen Silkwood. She was a lab tech (laboratory technician) at Kerr-McGee's Cimarron Plant, near Crescent, in the early 1970s. She died in a one-car crash on November 13, 1974. Her story led to a book in 1979 and a movie in 1983.

Silkwood belonged to the Oil, Chemical, and Atomic Workers (OCAW) International Union. The OCAW had accused the company of deliberate carelessness and of falsifying records about safety precautions, and Silkwood planned to meet a *New York Times* reporter about it. Groups opposed to nuclear power claimed that Kerr-McGee had conspired to stop Silkwood from her meeting. They said her death was a part of that conspiracy. The police and the Kerr-McGee Corporation, though, declared her death an accident. They said she had fallen asleep at the wheel and run her car off the road.

Reportedly, Silkwood was carrying papers which would prove the company's guilt in ignoring regulations. But no papers were found at the crash site. The anti-nuclear groups claimed that the papers had been removed by someone who had run Silkwood off the road. Kerr-McGee and others believed that no such papers had ever existed. An autopsy showed the presence of the drug methaqualone in Silkwood's body.

Kerr-McGee's Cimarron Plant near Crescent closed in December, 1975. Its license was officially *terminated* in March 1993. The company is no longer involved in nuclear energy production anywhere. Dr. John S. Ezell told the company's side of the story in his 1979 book *Innovations in Energy: The Story of Kerr-McGee* (University of Oklahoma Press).

In 1983, the movie *Silkwood* portrayed the lab tech's side of the story, placing the blame for conspiracy and cover-up with the company.

**How did the 1980s go from boom to bust again?** The 1980s made up both the most prosperous and the most depressed decade in

modern-day Oklahoma. The region was enjoying an oil boom as it entered the 1980s, although the rest of the country had slipped into a recession. Unemployed workers from other states flocked to the Oklahoma oil fields to fill \$12-per-hour jobs, mostly in the Anadarko basin in the west. A shortage of mobile homes and motel rooms inspired the building of a record number of motels. Still, people were forced to live in their cars and sleep in parks until housing became available.

Oil companies drilled wells to record depths. They produced oil and gas at the highest prices thus far. They signed contracts to build pipelines to great lengths and for long time periods. The newly rich were sure the boom would last at least until the end of the century. They spent their money in record amounts.

But in 1984, the *boom* slid all the way to *bust*. The tide began to turn in 1982 with the failure of Penn Square Bank. Banks started to topple like dominoes.

In 1984, numbers of energy-related jobs declined throughout the state, falling from a high of 102,200 in 1982 to 42,600 in 1988. This loss of approximately 60,000 jobs took Oklahoma from the country's lowest unemployment rate to the highest. Real estate values rose to dizzying heights, inspiring a building boom, but then crashed. Businesses, large and small, went bankrupt, which put more people out of work. People who had moved here to find jobs left when they found themselves unemployed again.

The largest number of bank failures, thirty-three, occurred in 1987. By the end of the decade, one-fifth of the state's banks had closed. Regulators claimed that poor management was the primary cause. There were too many unsecured and undersecured loans, especially in the oil and gas industry.

The failure of the energy industry led to failure in real estate and construction. That led to failures in the savings and loan industry. Building loans became under-secured. Homestead Savings and Loan in Woodward was the state's first "S&L" casualty, closing in October 1986. In 1988, regulators took control of fourteen savings and loan companies.

Construction, though, continued long after the economy began to weaken, and regulators blamed over-building for the S&L industry's problems. The federal government closed or "bailed out" seven of every ten S&Ls in Oklahoma.

**What is a corporate takeover?** Another item in 1980s financial news was the corporate raid, an unfriendly takeover of a company by

## Do You Know?

**Religion in Oklahoma: Known as the center of the "Bible Belt" (the Evangelical Protestant region spanning the Southeast and Midwest states and known for strong politically and socially conservative views). 80.2 percent — Christian; 17.1 percent — No Religion; 2 percent — Other Religions; 0.7 percent — Latter Day Saints.**

stock purchase. Two Oklahoma natives, Holdenville's T. Boone Pickens and Tulsa's Henry Roberts Kravis, perfected this kind of raid. Kravis headed the largest corporate take-over in history, seizing the RJR Nabisco Corporation in a \$24.5 billion deal.

Pickens and Kravis changed the way America does business with their use of the leveraged buy-out (LBO). In the LBO, a buyer uses a targeted company's own assets to buy or take over the company and to pay off the debt incurred. This usually results in the company's being broken up and sold in small pieces.



Three of Oklahoma's five largest energy companies were threatened with hostile take-overs. As a result, Phillips Petroleum Company restructured as a smaller corporation. The DuPont Company bought Conoco Inc. to help it avoid a takeover. Cities Service merged with Occidental but was later dismantled. Conoco and Phillips have since merged into Conoco-

Phillips, the third largest integrated energy company in the United States.

**Why did the first Persian Gulf War occur?** Oil was at the center of the Persian Gulf War. By 1990, the dictator of Iraq, Saddam Hussein, commanded the world's fourth-largest army. He invaded the tiny country of Kuwait because he wanted its oil fields. Saddam ignored warnings from the United Nations and all efforts to negotiate. By the end of 1990, American soldiers were gathering in Saudi Arabia with fighting units from twenty-seven other nations. To defend Kuwait's right of sovereignty (self-rule), this coalition of countries declared war. The Persian Gulf War, "Operation Desert Storm," began on January 17, 1991, with air attacks on strategic Iraqi military sites.

Pilots flew thousands of sorties (missions) daily. They relied on planes from Tinker Air Force Base to lead them to their targets. Those planes were called AWACS, short for Sentry E-3 Airborne Warning and Control Systems. A Harrier jet with Marine Captain Craig Berryman of Cleveland was shot down early in the war. The Iraqis held Berryman prisoner thirty-seven days. When he returned home he received the

***Oklahoman Maj. Dan Crouch, U.S. Army Corps of Engineers, Mosul, Iraq, along with other U.S. Army Corps of Engineer employees traveled to two schools located in the northern Iraq province of Dohuk to deliver school supplies and candy donated from Missouri residents.***

## Oklahoma Cross of Valor.

Oklahoma sent regular military personnel, reservists, and its National Guard to fight. They included 1,750 members from the Army National Guard and 280 members from the Air National Guard. Many of those who went were women. Most of the guard units were support groups. The only combat battalion was the 158th Field Artillery, specializing in Multiple Launch Rocket Systems. General Norman Schwarzkopf, commander of the coalition combat troops, specifically chose the 158th.

After five weeks of air attacks, the troops took to the ground. The 158th led the charge against Iraq on February 23. Sergeant David Clowers of Oklahoma City and Staff Sergeant Brad Rittenhouse of Lawton fired the first missile of the ground war. Just one hundred hours later, the war was over. Schwarzkopf hailed the 158th for its outstanding performance. It achieved the highest rate of fire in the Third Army.

Before surrendering, Saddam ordered the Iraqi army to dump millions of gallons of oil into the Persian Gulf. He ordered them to set fire to the Kuwaiti oil fields. After the war, Cudd Pressure Control Inc. of Woodward, Oklahoma, sent skilled personnel to extinguish the fires in Kuwait.

## DISCUSSION QUESTIONS

1. Who were the U.S. presidents from 1977 to 1992?
2. Who were the Oklahoma governors from 1975 to 1994?
3. What were the major accomplishments of George Nigh's first term as governor?
4. What problems did the Department of Corrections encounter in the 1980s?
5. What scandals made front-page news in the early 1980s?
6. Summarize the boom and bust of the 1980s. Include oil, housing, and banking.
7. Describe the career of Henry Bellmon.
8. Why were high school students interested in House Bill 1017?
9. What was Kerr-McGee's Cimarron Plant for? What was it accused of?
10. Briefly, what was Oklahoma's role in the Persian Gulf War of 1991?