MMS OFFSHORE GULF OF MEXICO

ORAL HISTORY PROJECT

Interviewee: Howard Middleton

Date: July 16, 2006

Place: Houston, Texas

Interviewer: Jason Theriot

Keyword: Port of Houston/Houston Ship Channel

Bio
Howard Middleton is from Centerville, Texas. Throughout his career, he served as an educator, public servant, and consultant. He was the first African American to be appointed as Port Commissioner (1976-1994).

Tape 1, Side 1

JT: This is an oral history interview with Howard Middleton, on July 16th, 2006, interview by Jason Theriot. Howard Middleton is a former port commissioner of the Port of Houston. This is tape one.

HM: You know, you gave me the right to kind of review these questions.

JT: Yes, sir.

HM: But I've been so busy I really haven't had time to do it, didn't take time to do it.

JT: No problem.

HM: I really don't know where you're going to start.

JT: Well, I know a little bit about your background from our previous conversation, and with your knowledge about the Port of Houston, obviously you weren't around in the twenties and the thirties when a lot of change was happening, but you've probably got some perspective, and I'm sure stories have been passed down. Of course, you've probably done a lot of research, given that you had a career at the port.

[Tape recorder turned off.]

JT: And just keep in the back of your mind, what we're trying to do is frame some of these questions and how they apply to the oil and gas and its impact on the Port of Houston. Okay. Tell me about your past, where are you from and how you got involved in the Port of Houston.

HM: I'm a minority kid from a small town in Centerville, Texas, which is 120 miles from here. My parents were involved in education, and my grandfather was a teacher, my father was a teacher, and my uncles were teachers, my aunts were teachers, so we have a ranch there, and my grandfather gave the building for the school, for the church, with the understanding that he wanted to teach school in that building, because the schoolhouse he was teaching in was in poor condition.

So they built a new church and he moved the school into the church, and that's where I went to elementary school. In 1978 when the Gilmer-Aiken Bill passed, many of those small schools were changed, and, of course, they developed a high school downtown, and my family moved down there around the high school.

They were one bus driver short, and there was an Anglo man living across the street from us on welfare, but because of segregation he couldn't drive the bus. So I wound up driving the bus from fourteen years old until eighteen. I graduated at eighteen, and I drove the bus the whole four years, and got paid just like everybody else. And I often tell people that segregation has never been a problem to me, it's been an asset. [laughs]

So when I moved to Houston, first thing I did was got involved in the livestock show, because my dad was a cow buyer.

JT: You grew up on the farm?

HM: Yes, grew up on a ranch. We still own it. My mother and father both are large land owners. My mother owned property that was oil producing, so I know a little bit about oil, gas. I still own the ranch, and I still farm it.

JT: Great.

HM: Yes. When I came to Houston there were two things I wanted to do. I wanted to get in the livestock show, and I wanted to get into politics. I was in both of those. I was the first manpower director for the county government around all that manpower programs. I've been involved in county government, and then when Judge Lindsey came in, a Republican judge, he asked me to go to the Port Authority and take care of that.

I've had appointments from the state, the county, and the federal government. I also had an appointment from [President Jimmy] Carter when he first went to office. I'm one of the guys that went in and helped change the judicial system. We are the ones who added—you only had ten federal judicial districts, and I'm one of the guys who developed the eleventh, by cutting the fifth into two districts

and created the eleventh. I'm one of the persons. Griffin Bell was the U.S. Attorney, and Griffin called us in, and I stayed in the St. George Hotel there near the White House for two weeks, and went through that whole process.

Of course, I have been appointed to Texas Youth Commission Board of Directors. I also have a card in my pocket where I have also been a member of the Florida Human Service chairman. I served on those manpower, children's programs, juvenile programs in Florida for a number of years, and on the board of directors for the Florida Child Protective Services, and I went to Florida for three years and I served on that board for three years.

I've served in many capacities here in Houston at the local level, state level, county level, and city level. I've served on every level of government and I'm very proud of that. One reason I'm proud of that, as a commissioner for eighteen years I traveled all over the world, and this is the only country in the world that appoints minorities to public boards and commissions, and lets them remain private citizens. I've never had to be a part of the government, yet I have served this government, and continue to serve this government, for the last forty years.

JT: That's great.

HM: So I'm a quasi-public official, but yet I've never been elected to anything. I've just been appointed to boards and commissions, and I've served on many and most of the most important boards and commissions in this city and state. So I'm very lucky and very blessed, and very proud of my services as a public servant.

Port of Houston, I spent eighteen years there, and I made the application and received the first federal dollar that the Port of Houston ever received. I've applied for IST grant, in order to extend the ramp port at Barber's Cut, and so my

services have not just been rewarding to me, I've made it rewarding to the citizens who accepted me.

And so I didn't go there to fill a quota, and I didn't go there on the basis of what the color of my skin was. I went there as the quality of my integrity, and the amount of my ability to perform a job and then to do a public service on behalf of the citizens of this community. And I feel very proud, and I know that my service has not been to anybody's maze a good thing for me. You know, I've given back what I received.

Yet I'm not going to tell you I didn't enjoy it. I did. It's all serve your country, whether you're a soldier, whether you're an appointed public official, or whatever you do, so long as you're giving back, and you know you're giving back quality you can feel good about it, you know.

I'm like a prize fighter now, you know, doesn't matter who I've got to box. And in that business you have to box. [laughs] And so I did have to box, but I boxed those that needed it, and I kissed those that should be kissed, and there's a distinction. There are some people who play with the government because of their own private needs, and there are those that go there for the benefit of the public. So you have to help distinguish the difference between those contributions.

So right off the bat I want you to know I'm that kind of person, that doesn't mind sparring with somebody if it dictates the need. But yet I want to be cautious and courteous for those who deserve it.

JT: Certainly. And I appreciate you telling me that. I do appreciate you being honest, and putting in all your time that you've put in these several decades here. I've only been in Houston for six years, and this is a marvelous city. I think the city

has been built around individuals like you, particularly those in the working class who maybe are not from Houston particularly, but who have come here to work and to serve, and to make Houston the great city that it is, and I think the Port of Houston has a lot to do with that.

What was the position or what was it that brought you to the Port of Houston as a commissioner? What led up to that?

HM: I think that I've always been involved with the public business, and I think my interest in public business, plus the county had had the benefit of my service as an administrator. I think that was the key factor in them asking me to go to the Port Authority, was certainly because they were knowledgeable of my administrative skill.

[Side conversation, not transcribed.]

So I think because they were knowledgeable of my administrative skills they knew immediately that I could go there and make a contribution. The Port Authority at that point was running some very backwards business. We had to do a lot of—I caused a real major turnaround in the Port Authority. It needed a lot of direction.

JT: What was the most serious problem that you found when you arrived there on the post?

HM: First thing I found that the guy that was the legal officer, the attorney for the Port Authority, serving as attorney with a law degree and probably a good attorney, was also the timekeeper, was also the assistant director. [laughs] And he was more things than he needed to be, yet they had over 700 employees, and there was not even an employment person in charge, not even a human service director.

There was no process of applications and this sort of thing. It was hired on an interview, and yet it was at that point about number three in the nation, and yet it was being run so backwards.

JT: Disorganized.

HM: No, it wasn't organized. It wasn't disorganized, which would indicate it had been organized before. It had never been organized. It was just run—they had had very few directors—it was just run like they wanted to run, and it just wasn't serving the community right. It was kind of a quasi-private, run like a private business.

JT: And it's not.

HM: And it really was not. We turned it around. It is now number four in the world and number two in the nation, and I really do credit myself as the first event of change. I was the first black, and first minority, and also the first to institute a change. I was the first minority department head for the county, and you know, I've never been treated that way, but I really was. I'd made that transition without any problem, so they knew I could make it at the Port Authority.

And there was no female any higher than the secretary. The highest female there was a secretary to the director.

JT: A lot has changed.

HM: You go there now, you know, and I made all those changes. I also put on the first minority women and men pilots, ship pilots.

JT: There's women pilots?

HM: Two of them.

JT: Is that right?

HM: They both came under my administration.

JT: Outstanding, I wasn't aware of that. Well, as the leader you probably had to have a pretty reliable staff. I'm sure it was hand picked, to get some help over the years.

HM: No, I had no help from the staffers were there when I got there. I went in as a lone commissioner with those real problems, and I had to address them. I wanted it to look like America. I wanted the people of various kinds knowing that the port belonged to them. They paid the taxes on it. At that time the port had a very low visibility. There were any number of folks in the city didn't know there was really a port here.

My first trip to Hong Kong I went into one of the largest shipping companies' office here and I started and said, "I'm from Houston."

He said, "You mean you're from Galveston." He says, "Not a port in Houston." He hadn't been working for ports long.

"Yeah, there is, too."

"When did it get there?"

I said, "President Hoover."

JT: Well, that takes us to a great segue here, Mr. Howard. One of the first questions I have here actually talks about the competition between Port of Galveston, a natural port, and Port of Houston. If we go back to the twenties and thirties, which is when a lot of the changes began to take place, tell me in your opinion why Houston eventually won that battle.

HM: Simply because Galveston—you know, Houston was the size of San Antonio, was next to San Antonio when the port was established here. And the Allen brothers, when they developed Houston, they brought the *Laura* around up to downtown Houston, and made it a safe harbor. But the ships were small, as you know, and they just felt it safe to come no further than the turning basin. But the first ship, *Laura*, parked at Adam's Landing, which is downtown.

As cargo started coming this way, the market was here and you could save the freight between Houston and Galveston, if you left it on a ship till it got here. Now, that's what really helped Houston. When the ship channel was open, Mayor Welsh says it better than anybody I know, and that's somebody you ought to visit, Mayor Louie Welsh, ex-Mayor Louie Welsh.

JT: Louie Welsh?

HM: Yes, L-o-u-i-e W-e-l-s-h, I think it's s-h. Louie Welsh is probably ninety years old, but his mind is as clear as it was when he was twenty. Anyway, he has a good knowledge of the Houston Ship Channel, and, of course, he was the chairman of the Chamber of Commerce when I took over as a commissioner, and that's the first interview I had.

I went to him to prepare myself because of the Port Authority. I wanted to know a lot about this city. He had been mayor twice, and now as the chairman of the Chamber of Commerce had a good handle on what Houston commerce was all

about, and I knew that was the person I needed to visit with. So I went and had an hour-and-a-half visit with him. Then I was prepared, I thought.

Then I went in to make all these changes, get the port geared up, get it involved with the total community, get people knowledgeable about it and what its effects were, this kind of thing, made some changes in personnel, made some change in the method of how they ran the business, and then made it more accessible to the public in general.

And, of course, growth then was ready to take place. I kind of changed the attitude of how we saw people, how we saw things, how we treated employees. Of course, the first thing I had to do with that is turn around and develop a day in the year that we honored all employees and held an employee banquet, picnic once a year, and got people involved with awarding them for the good things they had done, and encouraged them to be loyal to the port and love it for what it was.

It got away from that sphere of power and control, and got it into contribution and delivery of services, and made them understand what they were doing, and appreciate their role as professionals in their trade.

JT: What has always fascinated me, and I've only been studying this for just this summer, past couple or two months, but in 1914 when the community itself helped to fund, partnered with the federal government to dredge the ship channel and to open up the Port of Houston. That's fascinating. I believe that there were only a hundred-some-thousand Houstonians in the city at the time, which you said was the size of San Antonio back then at the turn of the century, and the community came together because it realized—

HM: What you had then in this community, you had a low amount of people, but the wealth was in the hands of just a few. And so it wasn't hard then for those few to

want to do something that was going to help them. So you can't look at it as if they were doing a great public service. They had an opportunity to make a lot of money themselves, and they invested in something that would make that possible. You follow me?

JT: Yes, sir.

HM: So it wasn't that they felt good about themselves and they really wanted to do something for the community. They were the wealthy group that was going to get them a port, and they were challenging Galveston. [laughs] So there's always been a competitive spirit in shipping. That is probably the most competitive business in the world, and they don't go after that with a lot of community spirit. They go after it as a hardnosed business, to make money, and those that invested there had a lot to receive, and they did. They did well by it.

So don't feel it is the same community spirit you see now. People now give, because it took a while to administrate that kind of belief in the competition. That was slow about coming, but that eventually came. But during that time it was a business venture. The Allen brothers weren't just looking to get a lot of folk to Houston. They came here to develop them a good business site.

And everybody came during that time. In the early twenties that's the nature of business. But that spirit of competition has always been in port business. They're the fiercest competitors there are. Today they make lots of voyages from here to all over the world, in a competition to beat the competitor to the cargo. That's what drives the port business.

JT: So in the big game with the big stakes, Houston just beat out Galveston. It had more power, more of a vision, more visionaries.

HM: Well, Galveston has a city port. Their tax base is just in the inner city. Harris County is the tax base here, so we don't have to fund the police department or the Port Authority. [laughs] You see what happened?

JT: Yes, sir.

HM: So when Houston went in they made their port a Harris County port, not just a city port. Galveston has Texas City and Lamar; they pay nothing to the port. It only comes out of the Galveston city limits. That's the difference. So their tax base was their downfall. They simply cannot keep up with the competition. They don't have the money.

So they didn't outrun them because they were more skillful. They're more skilled in building a system that was better. Now, everybody in Harris County pays taxes to the Port Authority, but only in Galveston County, only does Galveston city limits. They've got to fund the city hall and the Port Authority from the same tax dollar.

JT: That explains a lot.

HM: That's where the differences were, and I don't want you to get the opinion that those citizens were just good-law citizens, that they gave that money because they wanted to. During that time, even up to the early sixties, most governments in Texas didn't want any federal money in their kitty, because they were supporting integration on a federal level, and they were trying to hold onto segregation in the local levels.

I am the one who got them to take that first federal dollar. They didn't want any federal money. So they didn't want the federal government to own the Port of Houston, even then.

JT: Wow. That was a long time ago.

HM: They wanted to be sure that they were always in control. So you've got to understand the whole sphere of culture, and let it be honest with you in your presentation in each cycle, because the cycle changed now to where you could forget why they did what they did then. But the same motivation was not here then.

JT: How did World War II change things at the port, how did it change business?

HM: I don't know that World War II made much change at the Port Authority, the war itself. What happened during the war is that they had cargo, and so during that time the port flourished. But during that time also the union flourished, you know. They had strikes and stuff like that. They had real danger at the Port Authority. They went through a cycle of real danger there then, but the union won out on it, and now the union is the greatest partner that the port has, but it's not always been that way.

JT: 1936 I believe was the bad year, we had the big strike across the country, ports.

HM: Yes. Where Houston Port Authority went through the same problem. Today unions are more confident in the Houston Port Authority than they are in any other port up and down the channel. Houston and its union are partners.

JT: What explains that? Is it just a long-term history with each other?

HM: Before I went down there, their lawyer, the port union's lawyer sat on the commission. Of course, they developed what was good for the union. When I went there I went there as a laborite, but not with the same interests. I said to the union, "Look. I'm not going to be involved in what your contract says or what you get. But I'm going to promise you, as long as I'm a port commissioner you'll have a ship that operates. You'll have a job. You can go unload a ship. But how you do that, what your contract says and all those things, I'm not going to have any input in that at all. I'm not interested in that. I come from a different union. But I want you to have is a ship to unload."

Today I negotiate the contracts for the stevedores. I don't have anything except for union. But you would believe at what I do at the Port Authority today as a consultant, that I was a management person. I was a labor person, and the union has great respect for me, because I assisted them in their business, but I never meddled in it. I can chew chewing gum and walk at the same time. [laughs]

JT: It probably comes from a great deal of your upbringing. You seemed to have several jobs—basketball coach, bus driver, all involved in labor one way or the other.

HM: Well, my parents today and my family today are well respected in Centerville. Even though I'm one of the minorities of that city, when oil wells were having problems being able to pump, and need the water well, I'm the guy that walked up and gave five acres of my ranch to the oil company and put them a water well on, so they could go ahead and pump, and prime those wells. I gave it, you know, so I've been involved and stay involved with all sources.

I take very proud in the fact that I'm glad to be a black guy, but I have as much integrity as any white guy, you see, and his color doesn't make him any more important than I am. I'm a big land owner, I have money in the bank, I do just

things just like he does. And if he doesn't believe I am, give me a try. [laughs] None of that excites me. I grew up having to hussle my way through community projects. I do it today.

JT: In 1947, Mr. Howard, the first offshore out-of-sight oil platform was built in the Gulf of Mexico just off of Morgan City. That made tremendous changes in just about all phases of not only economics but culture and society within the northwest Gulf of Mexico. What types of impacts did the offshore oil and gas have on the Port of Houston in the forties and fifties?

HM: Well, let me tell you what happened. The oil companies in the Port of Houston had lighter ships. They met the ships out at sea and carried that crude over there. They paid no taxes to the Port Authority, paid no wharfage. I'm the big, bad boy that stopped that.

JT: They were not paying any taxes?

HM: No, they were not paying, no wharfages at all, because they left their own harbors at their own refineries, and carried the cargo out to sea, and they felt they didn't owe us anything. The Houston pilots came to me and I asked them to integrate, and they told me they weren't going to do it. I went to the mayor, went to the county judge, and I got the support of them to make them integrate.

So I came back and said, "Okay. We're going to disassociate ourselves with your hiring hall. We're going to set up our own in the Port Authority's office, and we're going to disperse every pilot from our office. You're not going to get any jobs anymore." And I said, "When I do that I'm not going to have anything to do with reappointing you all every two years as pilots."

See, every two years they've got to be reappointed as pilots. Their license only lasts for two years. I said, "At the end of your two years I'm not going to appoint y'all. I'm going to get pilots who agree with my principles, and I'll appoint them." They immediately wanted to make a deal with me. [laughs] And that deal was that, "I've got a black pilot I want you to put on." They came to me and they had their own black. "No. No, you're not going to pick the one I want. Here's the one I want. This one. None of you would not mind having Christmas dinner with him."

So I didn't think they were listening to me. When I got through with them they put him on, and the test was normally two and a half hours long. They made his test ten hours long. He made 97 [percent]. [laughs]

JT: You can pick them.

HM: Can you imagine that the corps cooperated with the pilots association, and tried to stop my man? That's right, they participated with them. So I got him on and then Christmas dinner came. The head of the pilots called me, said, "We're going to have dinner." [laughs]

JT: What was the gentleman's name?

HM: Paul Brown. He's there today, been the chairman, been the head of the pilots and everything else. They listened to me. I came back and I said, "You know what? I can help you all." They came back to us with a guy that was eighty-eight years old, and he wanted his pilot license renewed. We renewed it, and I said, "I'm going to create you all a retirement system. The only way I'll create it is you let Paul Brown chair it. I'll create y'all—."

He said, "Well, you can't create us one. We're a private company."

I said, "That's all right." I said, "You operate just like the union, and I want to use the union system to create your retirement." I did do that. They got the best retirement system in the region. They were the first pilots in this region to have a retirement program. I created it for them. I'm the guy that created it for them.

Now, what I'm saying to you is that's when—you know where I got the money? I went out to the offshore rigs, said, "You're shipping out of the Port of Houston. You don't pay a wharfage fee." I went and made all of them pay that wharfage fee, and I dedicated it all to the pilots, and in three years time they were retiring. [laughs] I did that, said, "It's the only way I'm going to do it. You've got to let Paul Brown chair it." Had my black man. He chaired it, he gave them all a retirement system.

JT: That's great.

HM: Now, today you can call the Port of Houston and pick up the phone, talk to him, anybody that's been there fifteen years, and ask him who was the best commissioner ever been there, and they'll say me. [laughs] Now, what I did, I went in there with enough education, enough business experience, enough understanding of the governments to know where the facts were buried. I had enough innovation with me to make those changes so people could live better.

JT: Public servant.

HM: I asked Captain Niday, he had something he could sit here and take this pen and do it like this, and throw it up and it would bump the ceiling, and he didn't move his hand. He just opened them, and it'd fall right back down in his hand like that. He could do it over and over. He's still alive. He owns Niday Funeral Home.

And I said, "Captain, I want you to answer a question for me. Do you feel that during my lifetime I'll ever see a black pilot on the Port Authority?"

He threw that pencil back up in the air, it bumped the ceiling and he caught it. He said, "Commissioner," he had the biggest grin you ever saw, he said, "you asked me a question, I'm glad to answer it. No."

I said, "Captain, I've got fifteen minutes to make it to city hall before the mayor leaves. She's waiting on me. I'll see you later. We'll talk about it later." I went to the mayor and she gave me permission to cut them pilots off. I had the chairman with me, now. Cut them pilots off, started my own pilots' association.

And when I laid that on them, sitting right on that divan right there, this is what it is. That group is the group that took the offshore loading away from Exxon and all of them and made them pay wharfage. Today they pay that same damn wharfage. They pay if they unload it at the docks. [laughs] But I already had figured this out, see? I did that.

Now, my thing to you is, government is of the people, of, for, and by the people. In order to make it work, you have to have people on the commission or in office that have the ability to do the work, that have the ability to think and be innovative, and have the strength to do what you should do. Now, you can't go there without the strength.

I'll assure you today that I like Teddy Roosevelt's little statement, "Walk light, carry a big, big stick." That's what government has to have. There are too many people like Tom Delay, want to do something for themselves and not the people. I was at the Port Authority eighteen years. There's no sliming around me. There's no acquisition behind me. If I had one opportunity I had 18,000

opportunities to do wrong and do bad, because I was connected from the very top to the bottom.

I didn't go there broke. I didn't go there needing money. Don't have the fox watching the henhouse. If you've got financial needs, you shouldn't be a public servant.

JT: Good statement.

HM: In order to be a public servant you ought not to need anything financial, because you'll get them opportunities every day. Those old boys around the waterfront are strong and they are daredevils. They'll offer it to you every day. You've got to be the one who said no.

JT: Let me ask you this, Howard. With respect to the petrochemical industry, I know when that came to Houston that made tremendous impact. Tell me a little bit about your experience in how the petrochemical industry has transformed the port.

HM: Well, needless to say that the Port of Houston is an asset to the petro areas, but I want you to know, when they build those refineries they build the docks there form them. So they don't really need—see, the Port of Houston is one name, then the Houston Port Authority is another name. Houston Port Authority just runs the docks they own.

JT: Which is roughly 25 percent of the docks down there?

HM: Yes.

JT: Okay.

HM: But the Port of Houston is all of them. They're all on the channel. But they can survive without the Port Authority. So the Port Authority has had to politically adjoin themselves somewhat with the petrochemical in order to go where we need to go.

We stayed in court for twenty-five years with Exxon, trying to get control of Bayport, and I'm the individual, the last week of my service was I served on the committee to arbitrate the sale of Bayport to the sale of the Port Authority, and it had been in court for over twenty years.

JT: Wow. I didn't realize that.

HM: Yes. And John Walsh, who is now the big man in Mayor White's office, was the guy we had to go through. He was with Exxon, Friendswood, Texas, friends with development on Bayport. Now, the petrochemicals don't really need the Port of Houston. They use the name of the Port of Houston for their best interests, but they independently operate on their own.

JT: They own their own docks as well?

HM: Yes, they own their own docks. Those docks are tied to the refinery. They drive up there to load. They don't load at any of our docks. They load at their own docks. Now, what they do, they have lighter ships that loads and carries it out to sea, and loads the big rigs in the Gulf of Mexico.

JT: Those big ships are too big to come up the channel, is that why?

HM: Yes.

JT: So Exxon wanted that area for its future development.

HM: No, no more than they wanted King's Wood or Friend's Wood; does their business for them. They had a client. They needed their docks, and they were still there. We bought them out. Now, we didn't buy them out, they're still there. Those were their clients. They put them—there's three of them, they're still there. They had a client.

Tape 2, Side 1

JT: This is tape two of an oral history interview with Howard Middleton, 16th July, 2006, by Jason Theriot. This is Howard Middleton on the Port of Houston.

HM: A business venture in a capitalistic society is competitive. No one, business is not a Mona Lisa. You follow me? It's a competitive sort, and these ship channels are built there for cargo coming and out of ports for commercial uses. They're only going to be built where there is an indication of enough business. The State of Louisiana had used those bayous by building little small ports all around. Texas don't do that. They got their ports built on the channel. Houston is the only one they dug its way to it. You follow me?

JT: Yes.

HM: So even two states adjacent to each other have different modes of operation. Our M.O. is different from Louisiana's M.O. But one thing about ours, it's not the distance between them. Brownsville and Corpus are right there together, and they've both got ports. If Houston would have been on the gulf you would have still had a port. But we had a bayou that ran into the gulf, and our people were smart enough to know we can dig that damn bayou and dredge it out. They'd

seen that done before. They knew they could do it. They were innovative, they had money, and they could pay for it.

JT: Allen brothers and Rice.

HM: Yes, but they were the big motivators. Allen brothers were a business people, and they wanted to do business. They didn't have all the money, but they were good enough business people and showed the tenacity, and the wealthy people of Houston joined them. You've got the money and got the tenacity, me and everybody else will join you if you can go out there and get something done.

I want to assure you that Houston being here was not because of some great donors. This city, this port was created in a competitive zone. Galveston hated this area, this area hated Galveston. That competition spirit was here, and those old boys didn't understand it in the same method me and you understand it. They went out there and spent that money against each other. You follow me? And the competitive spirit was here, and that Galveston island was limited. It just couldn't keep getting a lot of folk on it. It didn't have the space.

Houston, Texas, was the largest rice-producing area in the state for years. It has a surrounding neighborhood, and we're a big cattle country, yet there's not a cattle-loading system between here and, what is it, Virginia? You can't load cattle out of Houston, on the ship channel. The only place you can load them is a cow port. So they weren't trying to do everything. They had a certain commodity they wanted to handle, and they stuck with what they know, and not with what would be good.

JT: In the fifties a new invention came to the Port of Houston and transformed it, containerization. Tell me about your thoughts on how that changed business at the port, at the Port Authority.

HM: Well, the first container ship that rolled in the United States came to Houston. Now, you can imagine how pre-packed one component came here, and you could unload it in twenty minutes with a crane, one man operating it. You can imagine how the loaders and our workers have always feared automation. The steel mills went out of business in America simply because they couldn't control their labor force. They couldn't make the changes that they wanted to make.

This country diverted from smokestacks to technology. It did that because it couldn't change the system. They could close it, but they couldn't change it. The shipping industry was smart enough to accept the change, institute the change, and acceptable practice. They saved the waterfront.

JT: Is that right.

HM: You couldn't have continued moving that cargo one piece at a time. You could buy cargo in these developing nations, where the technology is not great, but hand sewing and this sort of stuff, building whatnots and this sort of stuff, little small stuff, it's what those people can do. It doesn't take a lot of skill to do it, and the labor is extremely cheap.

And bilateral trade is what this country and all other countries are built on. We've got to open up our market, they've got to open their market, and free trade is a thing that is still being worked on every day, because it's a good thing. It allows all nations to be successful. And bartering has been the source of pride since the days of Christ. It always will be. Humanity believes and lives on that technology, and that old rule and regulations. So how we improve it is through automation, and in cargo through containers is the lifeblood of that.

I was glad to go into the Port Authority through that war, and help the working class understand that. I communicate extremely well with bankers and ditch diggers. I know a lot about banking, I know a lot about digging ditches, so I can help make that bridge, because I understand them both. I'm a part of both of them.

JT: That's right. Tell me about your experience with the Coast Guard and the pilots, sort of a two-part question, and how have these groups contributed to the security and safety of the travel up and down the ship channel.

HM: Okay. The Houston pilots, this Port Authority is a one-way traffic. They do a chicken, what they call a chicken when they meet another ship.

JT: Texas chicken.

HM: Yes. They ride the waves out by each other. If they ran this port according to the rules, we have to shut down the port, let all traffic come in, and then shut it down and let all traffic go out. Otherwise we'd have one day to come in and one day to go out.

JT: That wouldn't work.

HM: It would, but we'd have less traffic. So they decided they knew how to do it, and they'd practice it, and they've done it. They don't have to do it. That's their own innovation. They could stop it tomorrow and there's nothing we could do about it. It ain't a demand, it's dangerous. But they learn how to do it and they do it.

Every ship pilot you see can't come into the port. You've got to be trained specially to do that. So we couldn't borrow a pilot from Corpus Christi or Galveston and let him bring a ship into Houston. He can't do it. The ship

channel has basically got thirty-eight feet of water from Galveston to Houston. We bring ships in here that deserve forty-four, bring them in every day.

JT: Not much room for error.

HM: No room for error. And when they bump a ship we fire them, we punish them, and everything. But they bring money in. How? The Houston pilots are the best friends on the Port Authority. Coast Guard, they're the cops of the sea. [laughs] That's all I can say about them, they're the cops of the sea. To understand those two, to understand shipping is to have a vast amount of knowledge of all of that. I do understand the process, and understand them in their specific role, and respect them in their role.

They have a responsibility to dredge on all of the public's part. Over at our part that's considered ours, we have to dredge it. So we understand the federal government's responsibility to us, and they understand ours to them. We work together as a team in the Houston area. Therefore it's extremely important who becomes the director of Coast Guard in Galveston, because they run the whole region in here, this whole coast.

Our first black person there, and the only one probably in the next twenty years has been a guy that's number three man at their port now, Eric Parks.

JT: So the Houston Ship Channel, the Port of Houston, the Port Authority would not function as efficiently as it would without Coast Guard.

HM: Well, you wouldn't have a port without it. They're a part of the system when you get a port, so you can't do it without them, because it can't function without them. That's the federal government's responsibility. So you don't need to reason with;

it glad they're here or something; it's a must that they're here. They're glad to serve their role.

JT: Certainly.

HM: Yes, so it is not a good thing they're doing for us. They're doing their job.

JT: What about shipbuilding, repair facilities, fabrication yards, supply bases, all of these services that provide a service to the offshore oil-and-gas industry? What is your experience with these particular companies and these organizations that are located along the ship channel?

HM: Ships are a transportation vehicle. You wouldn't have a very good streetcar if you didn't have an auto mechanic's shop to take it to. [laughs] So the fabrication companies, and the shipbuilding and repair services have to be there just like they have to be for automobiles. That industry has to be serviced. So you must know what those services are, and they've got to be provided.

This community is intact well enough to know, and as it hires folks their people get proficient in their trade, and that's what they continue to do, so it will always live and flourish because of the economic need for it. But they're not doing it—again, it's not a public service. It's a private, very profitable skill and duty. You follow me? Again, it's not a community service. [laughs] So they ain't just doing a good thing, that's how business is, and you've got to be there.

You know, I'm kind of a realist. I hear so many people want to look at these deals as they're so necessary, I'm glad they're doing it for us. They wouldn't be doing it if it wasn't very profitable. This is a capitalistic country, and we don't do things here just because it's good. We do it because it's profitable. [laughs]

JT: All up and down the ship channel, all day long.

HM: All up and down it. So I don't want you to get some impression that they're just doing a real community service and they're doing something good. You can't do that in life. You've got to make a profit, else you can't stay in business.

JT: The last fifty years the port has gone through a lot of changes. What are some of the major advances and milestones that you've seen?

HM: I think automation takes care of all of it. This country, who is that, Wilbur Smith, wrote that book about the move from smokestacks to computers? I think that's what is happening in this country is that you can buy pig iron in South Africa, and load it on the ship channel cheaper than you can pour it at one of the U.S. steel mills.

JT: That's across the board for everything, unfortunately.

HM: And so what you've got to do is, that's why bilateral trade is so important. So many people don't understand U.S. America. It's because they don't understand trade and its effects. When I walked my first trip to China, the walk up there looking at a brand-new 1941 Ford, walk over there and see a Plymouth with the front end of a Plymouth and the back end of a Buick on the same car. My grandmother owned a Singer sewing machine that you do on the foot; they had brand-new ones there, foot-pedal Singer sewing machines. And we haven't seen one around here in years. All we see is electric ones.

Now, that, and I have a button in there now that President Reagan gave me as a peoples-to-peoples program, our first trip to China, when we were teaching them how to make red brick. And red brick in America is a common brick. We don't

use it in houses at all. We use it for backup material on doing building, not dress material. And I helped China make their first red brick.

Now, what I'm saying to you is, this country is way ahead of a whole lot of countries. We live in a great, great country, with a vast amount of technology and skills, and we have scientists, we have engineers that are developing models over and over for this country to improve. So our skill base and technology base is far ahead of other countries.

Now, what makes us so dependent upon them is our sphere of economics is so high, until there are lots of things that other folks can build so much cheaper than we can, because it costs so much for you and I to live. In order to keep this kind of livelihood, we've got to buy those small things—what this little doll would cost you if it was made in America, you couldn't afford it. I couldn't have it sitting right up here.

The thing to you is, what is a good education is for people to have the knowledge of what's good for us, and what's not good for us, how we can expand our wealth and maintain our style of living if we do import, so the ship channel has become greater.

Now, there's something else here. Do you know the reason why Wal-Mart is down at the Port Authority?

JT: Wal-Mart is at the Port Authority?

HM: They have the largest warehouse. They have the largest—Wal-Mart or Home Depot, which one is it? Oh, it's Home Depot.

JT: Home Depot is the building materials.

HM: Yes, I believe that's the one that's there. You know why it's down there? They were in Los Angeles, and the year before last, four years ago, 2000, labor struck at Christmas time and wouldn't unload the toys. So what they had to do was not deliver nothing during that time, but they made a deal to move out of there. They moved here because they have a labor force and everything. We operate under that circumstance. We are dependable, so they moved their warehouse here. They've got twenty acres under one roof there.

Now, let me assure you that America has the flexibility to move around and make things work. But you've got to have good management to do that. You've got to have skillful people to do that. The Port of Houston has been vivacious in terms of its production because of the leadership it has, because of the flexibility it does, and you know, the Port Authority is just not here because people had great minds to bring it here. You can have great ideas that start something, but you've got to have just a great a mind to keep it going.

And so you've got to have people like I was when I went there. I went there to make some changes. Port Authority was living in the past. The leadership was proud of their jobs, and they were discriminatory in their practice. They ran their own thing. And anybody all, "Nah, that ain't what we do at the Port Authority." And they were very built up in that. They had a good thing, and they were using it.

You know, I was born and reared on my own ranch. I was eighteen years old before I ever did a lick of work for anybody other than my dad. So I had the chance to know that if we didn't make a profit on the farm, we couldn't run it. So we had to stay there at home and work, and run that in a successful way to make it work. So I grew up knowing that you had to take a little and use it instead of a lot, and that you don't waste resources.

The Port Authority was just wasting resources. It never had a federal dollar in their life, didn't want any of it. When they took that first 50 percent—I did know the exact dollar it was, but I've forgotten it. Wasn't a whole lot of money, just a few people spent it. That's all they needed. But the federal government dredged it. So it was a matter of buying a few strips of land here and there, you know, to get the right of way.

JT: Let's talk about that in a little more detail. We haven't really touched upon the environmental impacts of the ship channel, of the activities that go on. Obviously, the offshore oil and gas has had some impacts on the environment as well, but the dredging certainly—

HM: Well, now, you've got to remember how many years that the EPA has meant anything in public works. You've got to remember now that it has not been a deterrent, because it had no teeth in what we were doing down there. As EPA becomes a viable organization, the Port of Houston is already built.

I remember when Dr. [Walter] Quebedeaux in the early fifties became the EPA director for the county, and we were still changing oil in the channel. [laughs] And there was no life, no marine life in the ship channel, none, because we changed oil in the channel. All the ships changed their oil in the channel.

JT: I'll be. What changed, what brought about the change, eventually?

HM: Dr. Quebedeaux came in and set the standards to where we had to clean it up, and then they were prohibited from changing oil in the channel, and it just grew little by little, never to the extent we had to spend a lot of money.

JT: Must have been a big fight at the beginning, though, I imagine.

HM: It was. No, not much. Dr. Quebedeaux was a strong one. When he got to the channel to start working on the channel, he had already established himself as a tough hombre, so those boys knew that they couldn't hoodwink him. He was the county's EPA man.

JT: It seems that in my research, and you're the fifth gentlemen I've interviewed who's had experience in the port, it seems that it's almost come full circle now, where environmental sustainability is sort of one of the top priorities—

HM: It's the priority there.

JT: —next to making profit.

HM: Let me tell you something. When we got ready to go in and clean up the ship channel, the Port Authority did, we brought in an EPA director and we set the standards. We went down there and dredged those bays, and we had the technology. When they dredged material, it used to take one hundred years before you could do that then. When you'd dump it in, it took a hundred years for it to get hard. You know now what they can do? They can pump it in this afternoon, and thirty days from today you can drive a car across it.

JT: Like, was it Red Fish Island?

HM: Yes. In our dredging we built that island. We built that island.

JT: And now it's home to countless species of birds and fish and all kinds of—

HM: Now, we were not made to do that. That was our contribution to the community. We went around to all the small towns and asked them, "What do y'all want us to

do for you?" We had lots of dirt to give away. Now, my thing is that the federal government has not had to be a big bad wolf to the Port Authority. If you go down there even on this fuel program, we were the very first ones in the nation to have our fuel meet the EPA standard.

Port of Houston has been an innovator. One good thing is that we are rich enough and have got enough money, we could hire the kind of people necessary and bring them in and do the job. We're a very wealthy port. We've got the money and the resources. The land acquisition has been good to us, and we've gone in and done the right thing. Our port is a leader. It's not somebody in the federal government...We've led the government. [laughs]

JT: And the oil companies were right alongside you guys?

HM: Well, the oil companies have got some problems. They're the ones that are still messing up the environment, we aren't. We don't own a whole bunch of smoking rigs and all that stuff. We don't own all that equipment. We lease that out to people, and our users are the ones who own that kind of equipment, and we set the standards for them. We are their EPA person, you follow me?

So the reason our facilities can be so nice and clean is not that the government makes us do it; we make our users do it, because we want to meet that standard. Our people are intelligent. Our EPA people are qualified, as qualified as anybody in the federal government. We hire them on that standard. And so when they set the standards that the government gives out, then we make our users meet that standard. So we're not made to do anything. We lead the community in these resources.

So the federal government has not had to beat us around, make us do these things. We volunteered to do them. We're a different animal. One of the things we've done is that the county and the city have chosen the leadership for those ports.

JT: That's right, appointing you.

HM: And when we go in, we go in to meet these standards, so we don't need to be tagged and put on the carpet. We put you on the carpet. [laughs] That's why the Port Authority is a leader. Houston Port Authority is a leader because it has the monies, the resources, and the leadership. That's why we took the lead. That's why we're the leader in this country.

This year we're going to entertain the International Port Authority. Tom Carnegie, the director, is the international president. We're respected in the world.

JT: That gets me to a side question here. You've traveled. You've been to China, I'm sure you've been to other countries, and I know where your idea about where the Port of Houston and the Port Authority fits in the world scheme of things. But what are some of the major advantages of the Port of Houston, compared to other ports in other major cities, in port cities around the world? What makes Houston the best?

HM: Ports are evaluated on their tonnage capacity, not capacity but what they actually deliver. So we are who we are not because of any name identified. It's because of the tonnage we deliver.

JT: Coming in and going out.

HM: Coming in and going out. But we don't just do that. There are some small—the Port of Lake Charles delivers a lot of cargo. They're the little port up from here, what's the name of the little port up front? Probably does more cargo in it, because all it does is move petrochemicals.

JT: Liberty?

HM: I don't know the name of it. I've forgotten it. But I want to assure you that we don't move any petrochemicals. I told you, those refineries move their own, and we don't get credit for it. If we got credit for that where would we be? [laughs] Where would we be?

JT: Number one in the world.

HM: In the world. We're number four in the world now.

JT: How much of a percentage is the petrochemical industry—

HM: To the port, the ship channel? They don't know.

JT: I mean, is it 30 percent?

HM: Oh, heck no.

JT: No, it's not that much?

HM: No. I don't know how much we get credit for moving now, but I doubt it's any, because they bring their shipment through their own dock on their lighter ships, and take it out to the dock. We're not charging wharfage for that they go out there with, on a percentage basis. That's where we get the money to pay for the

pilots' retirement. But just how that's calculated now, I don't know. I've been away for several years, and I don't want to talk about what's going on there today, because I'm not fully in knowledge of it.

But I want to say this very small amount. My thing to you is that petrochemical is great for the community, and the Port Authority gets some credit for it because we provide the waterways for them to take it in and out. But as far as us being the one delivering, it's not us. We don't order it. It doesn't go through our facilities, and so we don't get direct—the port gets credit for it, but not the Port Authority.

Okay. My thing to you is that it's in the community we serve, so we are primarily, have some responsibility, because we're the ones service the channel, keeps it going, pays for all the necessary repairs and etc., the dredging and all of it. We run that, and the federal government uses us. They're our sponsors. They prepare that and we do that, so we get some credit for it. But as far as being responsible for it, we aren't. So I'm not going to take a lot of credit for that. I'm going to say the petrochemical does a great thing for this community, and because we're all partners together, we gain some support and some knowledge for what we do in order to make that well, and I'm not certain how much of it we can claim. It's a small amount.

JT: With fewer people entering the field, that means in stevedoring, in Merchant Marine, even in pilots, in lots of phases that take place in ports, primarily in the United States, with fewer people getting involved in that industry, what do you see as the future of the port in this coming century? How is it going to have to change?

HM: It doesn't need to have much change. Since the days of Christ, shipping has been the cheapest mode of transportation in this world, and forever will be. You can't take a load of container from France to America that cheaply any way else, any

other mode of transportation. The air can't do that. Rails are not there, so there's only two ways of having international shipping, through the air or through the water. So waterborne cargo will always be the main mode of transportation between foreign countries, and that will always be.

Now, the amount of people will always need, will always be available. We don't have to worry that the—see, the pilots are trained by the universities as well as by the Merchant Marine schools you've got around the country. So you see, what I'm saying to you is that there'll always be an ample amount of people available. That source is not going to dry up in the near future.

We still have more folk now in shipping than there is necessary, so we'll always have pilots, we'll always have ample amount of pilots, and one thing that we have now that you didn't have before, during the war now you don't have to take the Merchant Marine ships and put them into the war. We've got carriers now. You know, look how many ships we've got now that's atomically equipped. We've got, what, about ten of them in that fleet?

JT: There's twelve nuclear—

HM: Twelve nuclear-powered ships. You didn't have that in World War II. So our fleet is prepared, and we don't have to go back and think about, we're going to go back and take them away from shipping and put them in the war.

JT: And worry about U-boats or submarines—

HM: No, no, we won't have to worry about that. So technology has covered all those loopholes, and we don't have to think like we thought in World War II. So that's the reason I don't want you to believe that World War II is going to live again. Our technology is way past that.

JT: Well, I completely agree with you. Here's one area that we might talk about for a while, but I think it is crucial. This country only produces so much oil off of our coastlines, primarily in the Gulf of Mexico. We are forced because of our capitalist society and our consumption needs to import vast amounts of cheap crude oil, primarily from the Middle East. This is not going to stop. This is a necessity that'll probably go on at least for the next half century.

What would be necessary for the port to keep up with this rapidly developing technology, and as this industry moves deeper and deeper into the gulf, to 5,000, 10,000 feet of water, who knows what's going to be next. We keep having to go deeper and deeper, and the technology has to keep advancing in order for us just to keep paths just to get enough of this natural resource to keep our cars driving. How is this industry going to change, in your opinion, with respect to what goes on at the ship channel, the port, and the authority?

HM: Let's first divert out the roots of those two problems. First let's say the Port Authority is a transportation mode. It is not a developing mode. We've got the transportation available. We've got the harbors available for whatever you want to ship. If we're going to ship crude oil to Iraq, or if Iraq is going to ship it to us, we'll take it both ways.

What makes the difference in that is the technology that the present president is now agreeing to discuss, and that is that there's much oil here that we've never tapped. We're now talking about some rock oil, and there's all kinds of oil. But the main thing we're talking about is changing our consumption needs, by changing what we burn in our automobiles. Even that material, if we start to develop enough of it, we're going to sell some of it, so we'll ship it out.

But we're not going to go in, it's not our job to go in and develop anything. It's our job to have an open business to do transportation with, and that's the port's job. Stay able and ready to transport whatever goods America needs, and crude oil is not their only need. Those crudes are shipped and transported primarily by the oil companies that use them. Very little of that is shipped via the Port Authority. You follow me?

JT: Yes.

HM: So the Port Authority would have to make very little changes to meet that need, because it's not bearing upon the port, of what its present-day functions are.

JT: The port will continue to keep up with technology. It'll continue to have a pool of labor to keep up with anything that changes.

HM: I want to assure you the leaderships of these ports, that's why you have the American Association of Port Harbors, then you have the International Association of Port Harbors; one is North America and the other is the entire world. Those ports meet every month, discussing the needs and the way of the changes, and what we need to do to come to those.

And we have one of the best communication systems in the world. Port of Houston has an international association that has consultants and building capabilities that they can go out and build other ports, right there in the Port Authority.

So what I'm saying to you, they've got a billionaire that's on the port that made one billion dollars in 2000, and it's this black-owned oil company, there named Kase Lawal. He's actually a king in Nigeria. He's one of the wealthiest men in America. He sits on the Houston Port Authority. He developed this organization

to go out and consult with other ports, keep them abreast like we are. They make a fee for that.

JT: I think a perfect example would be Barber's Cut, of an incident where shared technology and shared communications—

Tape 3, Side 1

JT: What role does the local community play in the port development?

HM: The local community furnishes the leadership, and the workers. All of the directors, all the commissioners come from this community, and the leadership of this community appoints them.

JT: As I mentioned to you at the beginning, I've been here for six years. Only now am I starting to understand the importance and the contributions that the Port of Houston and the Authority make to this region, not just Houston itself. I think I'm in a minority when I say that. A lot of people, four and a half million people who live in the city, probably a good bit of those don't realize what takes place there, the components that are necessary to make it all gel, and the amount of commerce that is coming through that area and arrives on their kitchen tables, or in their closets, or in their automobile gas tanks every day. Why do you think that is, Howard?

JT: Again, I told you that trade has been essential throughout the civilization of this world. If you read the Bible you'll find out what shipping and fishing was, and it will always be. Waterborne cargo is the cheapest mode of transportation there ever will be. This world is a lot closer than it was in 1950. We weren't doing business in China. We weren't doing business in Russia. We're going to be doing business in Cuba pretty quickly.

I've been to Cuba. I've been to all of the main countries in this world, and in most of the small countries. I've been to almost every major city in America, every country in the world, I've been there. I've been there as a businessman for the Port Authority, and I will assure you now that this community is already pivoted in the right posture.

We've got the port, we don't have to go get it. We've got it. It's well organized and running as a great machine. It really doesn't need any improvements. It just needs to continue. I'll assure you that the Port of Houston is a master in business ventures. There is very little it has to do but exist. It's so well organized, it's so well developed, it's at the height of the spectrum right now. It is well respected throughout the world.

You've got men down there who are well qualified, and you've got men who are better qualified than others. That'll always be. But when I left the Port Authority it wasn't that their best man or their only man had left. There's still other there with the same kinds of capabilities that I had, and I've got great faith in the Port Authority, because I know it well.

JT: Any regrets or mistakes that you might have made along the way, that you wish you could go back?

HM: No, I don't think so. I took advantage of my time. I had plenty of time to think it over. I gave all of my undertakings good consideration. I planned them and executed them according to my plan, and I don't have any regrets. I achieved all the things that were possible during that time, and I feel good about it. I still go there every day. I'm happy to go there. I make a good living working through the port industry, and I'm a consultant in that business and I enjoy it.

I make a good living out of it, and I stay involved in the business of the Port Authority. It's still good to me, so I'm proud of it.

JT: Here's the last question, Howard. At the very beginning you said the port looks like America. In the next fifty years there's going to be lots of changes taking place with respect to open trade, cheaper labor in other countries. Is the port going to still look like America fifty years from now?

HM: Oh yes, oh yes, oh yes. Port Authority has the tenacity to make the changes. When they moved to containerization without a strike of any kind, just remember, they're used to changes now. They understand changes now, and there's not going to be any drastic changes in the next fifty years. We've already—what trip was this to the Moon? About our twelfth. We have continued to explore this atmosphere, and all of the real strange changes and innovations have been made. It'll take another fifty years just to implement and perfect these that we've got.

So the Port Authority is in a real good position. There would not be that much happening in that field that's going to change it that drastically. The ships are bigger. The harbors have to be improved. The depths of the bays have got to be deeper. We've got all the technology to do that with. So the width is there now, that's what this change was. The depth can be achieved overnight. I don't know very much you could talk about.

If you look like the *Lara B.*, which is the Japanese's biggest car ship, it moves right up to the Port Authority, and that's, what, about six stories high? Carrying over 5,000 automobiles? Hey, not bad about that. [laughs]

JT: Human ingenuity.

HM: There you go, and we're right there.

JT: Howard, it's been a pleasure. Thank you, sir, very much.

HM: Thank you.

[End of interview]

[edited by Jason Theriot, 28 November 2006]