

Senator Thurmond looking stern at the 1968 Fortas hearings

How the senator
from South Carolina
succeeds in real estate

Strom's Little Acres

by DENNY WALSH

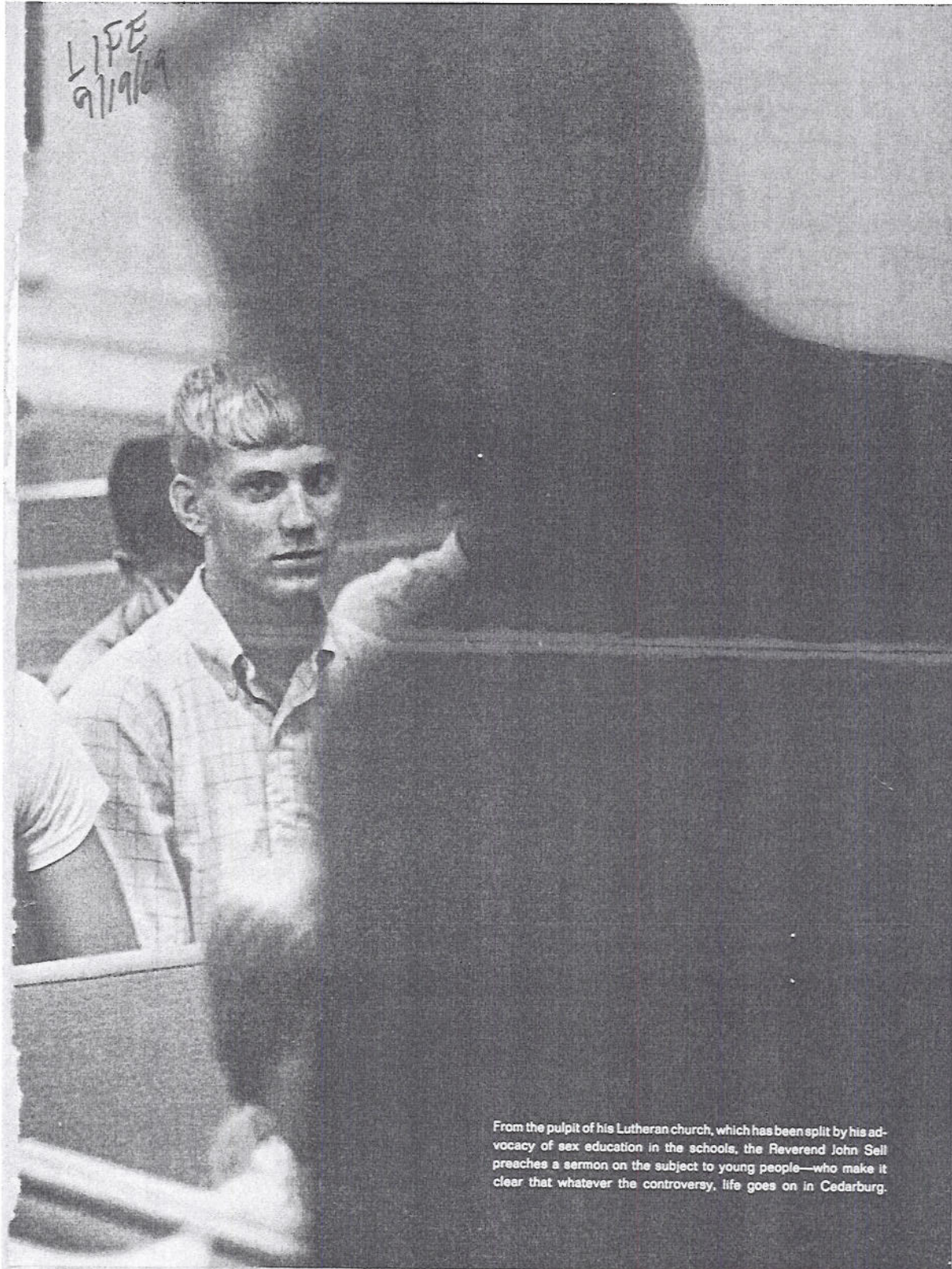
"...as his colleagues in the U. S. Senate know, of all the people to be suspected of misuse of public position for private profit, Strom Thurmond is the least likely candidate.... When Strom Thurmond went to the Senate, he dissolved his law partnership, resigned as president of the At-

ken Federal Savings and Loan Association (which he had organized and was attorney for) and disposed of the few stocks he had. He has had no connection with business since then." Editorial in the Columbia (S.C.) Record, June 16, 1969.

"Mr. President, members of the Supreme Court should be, like Caesar's wife, above suspicion." Senator Thurmond commenting on the Justice Fortas scandal, May 5, 1969.

The South Carolina Highway Department paid \$200 an acre for Interstate 26

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From the pulpit of his Lutheran church, which has been split by his advocacy of sex education in the schools, the Reverend John Sell preaches a sermon on the subject to young people—who make it clear that whatever the controversy, life goes on in Cedarburg.



right-of-way property on the far side of the river. For Senator Thurmond's land, shown in the foreground, the price was \$492 an acre.

"A man in public office has got to appear to be right as well as be right," Senator Thurmond is debate on the matter of Mr. Justice Douglas' outside earnings, June 9, 1969.

In all government there can be few more vocally careening opponents of unethical conduct in office than James Strom Thurmond, the senior senator from South Carolina.

Senator Thurmond has an almost un-

matched gift for projecting disapproval, a quality which prompts less resolute men to feel guilt in his presence without knowing what for. Social acquaintances describe him as a warm and courtly man, but the warmth he radiates on the floor of the Senate is American Gothic. His eyes are wintry; the rare smile that bends his straight mouth is the sort of rupture that starts avalanches. He is, at 66, legendarily fit, a pusher-up and a weight-lifter, a user of noth-

ing more addictive than prune juice. His bearing and stride are those of a general officer (he holds a two-star reserve commission in the Army). He is a swinger in only the most literal sense—over the years he has undertaken to right more than a few affronts with his fists.

Senator Thurmond's stature and power in Washington are commensurate with the rewards of the rectitude he preaches. A key member of the Judiciary and Armed Services com-

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mentees, he moves importantly in the corridors of Capitol Hill.

Because of his unique position as the Republican who is Southern enough, senior enough and segregationist enough to hold the battlements against George Wallace, Senator Thurmond has great persuasive authority in the Nixon administration, among whose working staff he is known as "Sugar Daddy." His former administrative aide and close associate, Harry Dent, is, by reason of his control over patronage, currently the most politically influential assistant in the White House. Dent is in the White House because Thurmond wanted him there. No Nixon appointments from the South are made without Strom Thurmond's assent, and there have been a lot of them. This would include Postmaster General Winton M. ("Red") Blount, an Alabamian, and it would include Clement F. Haynsworth Jr., of Greenville, S.C., President Nixon's nominee to the Supreme Court (see box, p. 46). No fewer than 16 South Carolinians occupy key executive department positions in the Nixon administration. These range from special assistants to the

Defense Secretary and the Postmaster General, to the Assistant Attorney General in charge of the tax division, to a director of the Export-Import Bank.

Back home in South Carolina, Thurmond's power, if not absolute, is awesome. It was here that he first drew national attention when as a Democratic governor he ran for President of the United States in 1948 as a Dixiecrat. He returned to the fold to be elected to the Senate as a Democrat in 1954 and supported Senator Lyndon B. Johnson for the Democratic presidential nomination in 1960, but sat out the subsequent Kennedy-Nixon race. He became a Republican to campaign for Barry Goldwater in 1964, and four years later held six states of the South for Nixon. (It is noteworthy that one of his farewell acts before bolting the Democratic party was to outlicker the old political horse-trader Lyndon Johnson, maneuvering the appointment of his former law partner, Charles E. Simons Jr., to the federal bench.)

His home state press ranges from uncritical to adulatory. Most of his constituents are reluctant to believe Strom Thurmond capable of cutting a single ethical corner—or, believing, most reluctant to talk about it.

But lately there has been talk about a real estate venture in Aiken County, near the Georgia border, in which Senator Thurmond and his old Aiken law associate, Federal Judge Charles Simons, are partners. The talk concerns a transaction between the Thurmond-Simons partnership and the South Carolina Highway Department which resulted in a whopping profit for the senator and the judge. There was no publicity concerning the deal, which was put through more than a year ago. Public records of it are hard to come by, or unattainable for one reason or another, and were in one instance mysteriously missing from court files for a time.

Everything that is Southern these days is cleared with Strom

The facts, as developed by LIFE's investigation, are straightforward enough. What they add up to is that Senator Thurmond and Judge Simons received from the state highway department more money for their land than any neighboring owners of similar property received, more money than the land was worth by any appraisal other than their own—in brief, more money by far than they would have received had they not been U.S. Senator Thurmond and Federal Judge Simons.

The Thurmond-Simons tract consists of some 3,000 acres of rough sandy land, mostly covered with scrub timber, for which they had paid an average of \$14.35 an acre, beginning with a 2,300-acre purchase in 1953. Aside from the harvest of some timber, the land had since remained idle and unproductive.

In 1966, the highway department began condemnation proceedings in Aiken County for right-of-way for the projected Interstate High-

way 20, which bisects the state from the north-east to Augusta, Ga. in the south. Included was a 66.04-acre strip through the Thurmond-Simons tract. Condemnation sales in that vicinity brought an average of around \$200 per acre to the landowners, a price generally conceded to be fair.

Senator Thurmond and Judge Simons, on the other hand, got \$492 an acre. And their remaining property, bisected for nearly a mile by Interstate 20, should now be worth even more. An overpass connects the two sides, and the state is paving, at a cost of \$26,636, about a mile-and-a-quarter strip of dirt road running through Thurmond-Simons land.

How did this favorable result come to pass?

At the outset of condemnation proceedings for the right-of-way, the state hired three independent appraisers. Two of these were master appraisers, widely known and respected throughout the Southeast. The third was a real estate agent from Aiken County. All three agreed that the owners of the Thurmond-Simons tract had been putting their property to the highest and best use—i.e., growing trees. The highest of the three appraisals, including land, damages and standing timber, was \$192 an acre. The lowest was \$130.

Although Thurmond's name was repeatedly invoked during the right-of-way proceedings, the senator himself remained pretty much in the background, leaving most of the negotiating to Federal Judge Simons. The judge is a familiar and respected figure around the state. Although his base court is Charleston, where he has a residence, his home is in Aiken and he and the three other South Carolina federal district judges sit in the various courts around the state. A large-boned, bespectacled man of 53, he exudes fitness and energy. When he drops the senator's name in business dealings, he does so with authority, for he carries the Thurmond proxy.

Judge Simons at first offered to give the 66 acres to the state in exchange for the placement of an interchange at the point where the dirt road through their property crossed the Interstate right-of-way. This the state refused; no interchange was needed there. There would be one with U.S. 1 five miles to the west of the Thurmond-Simons overpass, another five miles to the east at the juncture with State Highway 39. Then Judge Simons and the senator advanced the position that their acreage was a prime industrial site, made suitable for heavy wet industry by the presence of the narrow South Fork of the Edisto River and a tributary trickle known at various times of the year as McTier Creek or McTier Gully.

To support their judgment, Thurmond and Simons produced three experts of their own. ▶ One of these was Buck Mackel, president of the Daniel Construction Company of Greenville, S.C. The company's founder, the late Charles E. Daniel, had resigned his interim appointment as U.S. senator so that his good friend Strom Thurmond could claim seniority among the nine freshmen in the Senate "class of '54."

▶ Another was a close personal friend of Judge



U.S. District Judge Charles E. Simons Jr. strides away from his handsome home in Aiken, S.C. He and Thurmond tried to be partners in a law practice there.

Simons named Stathy E. Verenes, an Aiken beer distributor who is a member of the South Carolina Development Board and an ex-member of the Aiken County Planning and Development Commission.

► The third expert, also an ex-member of the county's planning and development commission, was William B. Byrd, an entrepreneur from North Augusta, S.C. As partners during Thurmond's first term in the Senate, Simons and Byrd had built a number of post offices throughout the state for lease to the federal government. This took place before Simons became a judge. Records in the regional office of the Post Office Department in Atlanta show that Judge Simons is still owner of post offices at Estill, Beaufort and Lyman, half owner of the post office at Langley, and that he still collects rent for all four from the government.

Thurmond and Simons duly turned down the state's offer of \$200 an acre for their property. Then their experts submitted statements to the effect that the land was worth between \$800 and \$550 an acre.

In South Carolina, Judge Simons carries the senator's proxy

At this point, the state began a succession of legal moves whose end result, in the light of its initial position, was strange indeed.

Seeking local counsel in the Thurmond-Simons case, the state discovered that most Aiken County lawyers were otherwise engaged. The man finally retained was the Aiken municipal judge, Marion L. Powell. Powell set about to persuade his client, the state, of the hopelessness of its case. In a lengthy letter to Attorney General Daniel R. McLeod, in January 1968, Attorney Powell argued that the deck was stacked, that Thurmond witnesses Verenes and Byrd were so highly thought of in Aiken County that "the state will have to proceed with 'gloved hands' in its examination . . . because of a fear of alienating . . . friends on the jury." (In the case of Verenes, no one appears to have questioned the propriety of a state official appearing as an expert witness against the state.)

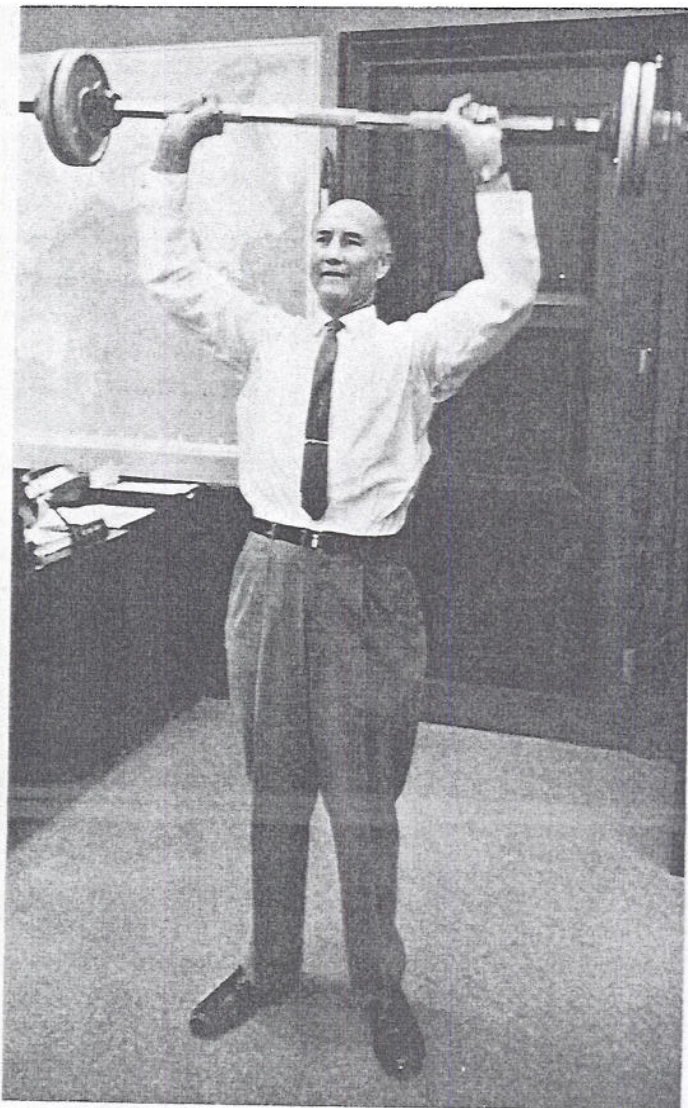
Attorney Powell also voiced his concern for the impressive reputation and influence of the landowners' attorneys, Benjamin Surasky and John H. Williams, and as for the landowners themselves he wrote:

"Judge Simons was a member of the state House of Representatives for many years and 'led the ticket' in every contested election in which he was a candidate.

"Senator Thurmond is extremely popular in the county and the last several elections have proved his strength to an increasing extent."

Powell concluded his alarm with a hypothetical breakdown of a prospective jury panel. Ten or more, he calculated, would be former clients of either Surasky, Williams, Simons or Thurmond, and it "would be difficult to appraise the number that would have been political friends of one or another of these men.

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Senator Thurmond, a physical fitness addict, presses a 55-pound barbell in his office (above). Photo at right shows him last December leaving church with his 22-year-old bride, the former Miss South Carolina, Nancy Janice Moore. "I prefer the smell of perfume to the smell of liniment," he is fond of telling friends.



but the odds certainly would be better for the defendants than the state."

Powell estimated that a jury verdict could ultimately award Thurmond and Simons as much as \$120,000. Accordingly, he wrote, he felt very fortunate to have obtained the agreement of the defendants to a settlement of \$50,000 for the 66 acres—more than \$750 an acre, or \$200 an acre more than the evaluation of Thurmond's and Simons' own experts. For this advice and connected services, the state paid Powell a fee of \$5,000.

Convinced of the awkwardness of its situation, the highway department thereupon sought the approval of the U.S. Bureau of Roads for the \$50,000 settlement. The bureau, which pays 90% of the cost of interstate highways, flatly refused.

While all this was going on, the owners of property adjacent to the Thurmond-Simons tract were being offered and were accepting \$200 an acre for condemned right-of-way. A Negro family whose land lay immediately to the east of the Thurmond-Simons property was in fact told by a highway department representative they had no choice but to take the \$200. Across the river to the west, a long-time Aiken resident and landowner took \$200 an acre for his river frontage which was very similar to the Thurmond-Simons property. He told LIFE he felt he got a fair price. He characterized the South Edisto at that point as "a swamp . . . I suppose [the bottom land] would grow a big tree if you waited a hundred years. To think of it as industrial property is rather far-fetched."

Adjacent to this man's land on the west, a 100-acre tract belonging to the Canal Wood Corporation, one of the largest landowners in South Carolina, was cut in two and destroyed for any practical company use by the right-of-way. The award in this instance, for right-of-way and damages, was \$250 an acre. An officer of the firm told LIFE he was well aware that his most famous neighbors had received substantially more, and philosophically observed of Thurmond: "He's a pistol, ain't he?"

'This state has been thurmondized as well as simonized'

The state's appraisers were called upon again, this time for depositions by the defense. They said the site was in no way suitable as industrial property. As a matter of fact, they added, this land would be enhanced with the advent of the new highway.

An expert on industrial water needs was prepared to testify that the Thurmond-Simons property was unsuitable for heavy wet industry. More than a dozen experts on industrial location requirements had refused to testify on learning the identities of the defendants.

(A little more than a year before this land was condemned, Judge Simons, also on the advice of beer distributor Verones, sold 480 acres, located five miles downriver, to the Kimberly-

How to 'oppose' a friend into office

The nomination of Judge Clement F. Haynsworth Jr. to the Supreme Court, though billed as a Thurmond "defeat," offers, in fact, a fascinating example of Thurmond's power and his ability, with the help of White House Aide Harry Dent, to mask his moves while getting exactly what he wants.

Haynsworth, whose nomination is scheduled for Senate consideration this week, was recommended last May by Ernest F. Hollings, the junior senator from South Carolina, a Democrat. Some weeks later, Senator Thurmond proposed instead another home-state federal judge, Donald S. Russell.

To the uninitiated, it might have appeared that the senators had got their nominations mixed. Thurmond's nominee, a former governor and senator, is much more moderate than Thurmond

and is a Democrat as well. The two are not friends. Judge Haynsworth, on the other hand, while being the nominee of Hollings, is a close personal friend of Thurmond's and bolted with him to the Republican party, supporting Goldwater in 1964 and Nixon in 1968.

Thurmond's advocacy of Russell is therefore considered by most knowing observers as a pure feint. Haynsworth, having been proposed by a Democratic senator and supposedly lacking Thurmond's blessing, thus became more acceptable to the Democratic Senate majority and to Republican moderates. And Richard Nixon could make another South Carolina appointment without appearing to be obliging Strom Thurmond. The senator, his "lame" candidate now forgotten, has made it clear that he is delighted with the result.

Clark Corporation. This property, much more suitable for industry because it is bordered by two state highways, brought Judge Simons \$103.82 an acre.)

About five days before the condemnation case was scheduled to go to trial, settlement was reached calling for \$492 an acre, or a total of \$32,500. A perfunctory trial was held, at which Judge Simons briefly testified, and then the jury was directed to bring in a verdict in line with the settlement reached between the state and the landowners.

Attorney General McLeod and his assistant who handled the case, J. C. Coleman, do not deny that the state paid considerably more than the property was worth. In an interview with LIFE they voiced no doubt that the industrial site claim was invalid, but said they felt there was a danger with these landowners that the jury would "go haywire." In other words, you don't fight Strom Thurmond and Charles Simons in South Carolina, particularly Aiken County.

"Assessing everything as well as we could, we felt \$32,500 was the best settlement we could make," they bluntly conceded.

When LIFE reporters went over the Thurmond-Simons tract with an independent realty appraiser, he commented glumly as he looked over a stand of scrub timber, "This land is mainly good just for holding the earth together." Another appraiser, on learning what the senator and the judge had received for the land, allowed that "this state has been thurmondized as well as simonized."

The Aiken County right-of-way settlement was as tightly kept as a family indiscretion. The entire case file, which is legally a public document, at one point disappeared from the Aiken County clerk's office in direct violation of the law, and no one seemed to know where it had gone. When a LIFE reporter returned a few days later, the file was back where it belonged,

but Judge Julius B. ("Bubba") Ness of the State Court of Common Pleas refused to provide a copy of the transcript of Judge Simons' testimony at the trial; it, too, was part of the public record but not in the file. (It was eventually obtained through intervention of the attorney general's office.) "I am not interested in selling copies of LIFE magazine," said Judge Ness, a good friend of Simons, and he added that he disliked "outsiders" taking transcripts and quoting them "out of context."

There is greater public awareness in South Carolina of a more recent real estate matter involving Senator Thurmond. This one concerns three lots the senator purchased on the bank of the Saluda River overlooking Columbia. Suddenly these lots appear to lie smack in the path of a bridge, which was earlier supposed to go somewhere else.

In 1964, South Carolina and the federal government cooperatively hired a transportation planning firm to undertake a study of traffic needs for the Greater Columbia area. The report, made public in 1966, recommended that an existing bridge across the river between Columbia and West Columbia be converted to carry one-way traffic into the state capital, and a parallel span be constructed immediately upstream to handle outbound traffic.

A year later, Sept. 11, 1967, the state highway department, this time without federal participation, and for reasons as yet obscure, hired another consulting firm to review certain aspects of the earlier study.

The following February, Senator Thurmond, for \$20,000, purchased his river lots, some distance upstream from the site of the proposed bridge. To the east, the lots have a view of the state penitentiary and an industrial area in the capital, as well as of some islands intervening.

Subsequently the second consulting firm came through with a recommendation for a

new bridge location—this one vastly longer and costlier than the first proposed span. The new right-of-way, now approved by the U.S. Bureau of Roads, nicks the corner of Senator Thurmond's recently acquired property. That portion of the senator's land not affected by the right-of-way, though hardly suitable as a homestead, will be immediately adjacent to an interchange. It cannot be stated that Thurmond had foreknowledge of or control over the second approved bridge site. Yet his purchase of the land could yield him as much as \$65,000 for the untouched and commercially desirable remnants of his property.

An interview with Senator Thurmond was scheduled for the afternoon of Aug. 29 in Columbia. The *Lit* reporters arrived at the senator's offices to be met by the senator, and by Judge Simons, two of the senator's staff assistants, Attorneys Surasky and Williams from Aiken and a court stenographer. Judge Simons quickly informed the reporters that the stenographer would take complete notes on the session, and that it would be tape-recorded as well. Two microphones were on view on the senator's desk, and a light on the phone switchboard indicated that a line was open during the entire interview.

Senator Thurmond began by stating three points: 1) that he had nothing to hide, 2) that he would answer any questions and 3) that he wanted *Lit* to "stick to the facts" and not distort them.

He then described himself as a man who has leaned over backward to prevent any possible conflict of interest. "I resigned every connection that I had of any kind of any business nature," the senator said. "I don't have any connection of any kind where there is any influence to bear."

What about the real estate partnership in Aiken County, he was asked? That land, said

Senator Thurmond, dated back to 1953, and he had let Judge Simons handle it for the most part because he, Thurmond, was busy in Washington. However, he showed a thorough knowledge of the condemnation case. "I think frankly it was worth over \$50,000," said Thurmond. "The reason I agreed to go along with this [settlement] . . . was simply because of the positions we held with the public, and we just didn't want to go into court if we could avoid it."

Judge Simons interjected: "Having the facts and the testimony that we had, if I had not been a judge and Senator Thurmond had not been involved, I would not have settled for what we settled for." Judge Simons said he thought the jury would have awarded a minimum of \$75,000.

The interview turned briefly to the senator's riverbank land purchase near West Columbia.

"I hoped to build a home on there someday," he said. "I thought I might wish to retire there. Now, if this road runs through there and touches a corner, it would destroy the property as a homestead. I have expressed the hope to the highway department that they would not have to run it through there, but if they do have to have the property, all I would expect is the money I put in it, plus interest."

'I don't have any connection where there's any influence to bear'

Judge Simons was clearly taken aback by questions concerning his ownership of federal post office buildings.

In the view of most real estate investors, it should be noted, post office building leases are "as good as an annuity." The tenant is orderly and undemanding, the rent is profitable

and the checks don't bounce. And in most states, including South Carolina, post office leases are as political as postmasterhips.

Asked if he saw any conflict in a federal judge leasing post offices to the federal government, Simons replied that frankly he had never thought about it. "As a federal judge, I'm still an individual," he began. "This is something that was done before I became a federal judge. I don't see why my ownership of a post office would have anything to do with my ability to perform as a judge."

During this exchange, Senator Thurmond, visibly upset, interrupted to say: "I didn't know he [Judge Simons] had any leases on post offices."

The possibility of conflict of interest seemed to have occurred to the senator. The Post Office Department is frequently in federal court on both criminal and civil matters. It appears at least questionable that a plaintiff should plead any case before one of the defendant's landlords, or vice versa.

The amounts of money represented in these real estate transactions involving Senator Thurmond and Judge Simons are not, in a dollars-and-cents context, large. But the significance of Thurmond's real estate transactions is not lost on the White House, which has a great deal staked on the integrity and reputation of this most influential senator. Upon hearing of *Lit*'s investigation, Presidential Counsel John Ehrlichman immediately began his own inquiry.

One consideration is particularly urgent. Assuming Judge Haynsworth's confirmation to the Supreme Court, the most important judicial appointment facing President Nixon will be Haynsworth's replacement as a judge of the U.S. Fourth Circuit Court of Appeals.

The man generally conceded to have the inside track is Charles E. Simons Jr.

At a congressional reception last March, the senior senator from South Carolina was warmly greeted by President and Mrs. Nixon.

