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A BUSINESS GROUP RULES IN DALLAS

Citizens Council Runs City Without Voters' Mandate

Special to The New York Times.

DALLAS.

In his novel "Alpaca," H. L. Hunt, the oil man, once outlined Utopia as glimpsed by a Dallas multimillionaire.

In his perfect land, the author would apportion votes on the basis of how much tax each citizen paid.

To avoid inflaming the unstable masses, always susceptible to demagogues, he would bar political discussions from television, radio and all meetings of more than 200 persons.

The experiment, Mr. Hunt concluded, would produce dedicated and prosperous men working quietly for the good of the people.

In the author's home city, such an invisible government has existed since 1937. It is called the Dallas Citizens Council.

Few of the 234 businessmen who make up the Citizens Council would endorse "Alpaca," with its negation of democracy. Yet the group runs Dallas without an electoral mandate and, by and large, runs the city with the success and selflessness Mr. Hunt described.

Emphasis on Education

The city of Dallas has the usual appurtenances of city government, including a Mayor and a nine-member City Council. But the influence of the Dallas Citizens Council is at least as great.

"If you want to get a project going," one Citizens Council spokesman said, "you'd better talk to our board of directors."

Before the school board prepares to float a new bond issue, the board's chairman appears at a Citizens Council meeting to seek approval.

Because the Citizens Council has in the last decade become particularly impressed with the importance of education, that approval will almost certainly be given.

Little appears in the newspapers about the workings of the Citizens Council, although as one of its officials said "Membership on our board of directors is the first thing that's usually mentioned in an obituary, before the church the mar belonged to or what business he was in." The group is no to be confused with the segregationist White Citizens Councils common in the South.

Found Lack of Authority

The Dallas Citizens Council was formed after the centennial celebration of Texas independence, held in Dallas in 1936. The businessmen of the city had worked hard to raise \$3.5 million for the event, but the experience had shown them how loosely organized their city was.

R. L. Thornton Sr., one of the five living founders of the Citizens Council, explained later that the backers of the centennial had been slowed by the lack of authority they constantly encountered. After a meeting, delegates had to report back to their companies before making financial commitments.

"We needed people," Mr. Thornton said, "Who could say 'yes' or 'no' right away, to determine if a project could be done quickly and efficiently. In fact, I wanted to call it 'Yes-Or-No,' but I was overruled."

Mr. Thornton served as Mayor of Dallas for eight years and as president of the Citizens Council for six. The current Mayor, Earle Cabell, is eligible for the Citizens Council, not because of his elective post, but because he is the president of a dairy.

In hailing the election last week of John Stemmons as the new president of the Citizens Council, one newspaper laid out an agenda of civic business for him worthy of a Mayor or of a Governor.

Must Be Invited

Three rules were established for membership in the Dallas Citizens Council: The member must be the chief executive officer of a business, he must be genuinely concerned with the good of the city and he must be invited. Mr. Hunt is not a member.

"They talk about power," a recent president of the group said, "but if a man were only interested in power, he wouldn't get anywhere in this city. When you lived here most of your life, you get to know who's looking out for Dallas and who's looking out for himself."

The members themselves are not always clear about the criteria for belonging. "We had one man, the head of one of the largest companies in Dallas, who was transferred to New York," Mrs. Lillian McDonald, who constitutes the entire paid staff of the Citizens Council, recalled.

"He wrote asking that his membership be signed over to the man who was taking his place at the company. Well, the directors didn't know this guy, so they paid no attention."

"Later, they got a chance to see him, and now he's on our board."

Has Advisory Members

The Citizens Council is not officially a fund-raising organization. Members pay \$50 a year; the 24 directors, who meet monthly and conduct the business of the group, add \$25 more to pay for their lunches.

When an executive moves up to chairman of the board of his company, his usefulness to the Citizens Council has ended. He may become an advisory member with "all of the privileges of membership except the right to vote or hold office." There are no other privileges.

Although funds are not directly raised, such perennially insolvent enterprises as the Dallas Symphony are nurtured by

the individual members of the Citizens Council.

The problem of integration in Dallas public schools is often cited as the group's most effective operation.

When the Dallas school board reported in the late 1950's that all legal steps to keep the system segregated had failed, the Citizens Council set to work.

Biracial Panel Formed

A 14-member biracial committee was formed. Sam Bloom, a former newspaperman who heads an advertising agency here, volunteered his services to the Citizens Council, of which he is a member.

His agency prepared a 30-minute film illustrating what had happened in communities that had resisted integration. Mobs, lawlessness and arrests throughout the South were shown. As the film strip ended a booklet urging moderation was distributed.

For more than a year, the film, with equipment and a projectionist, was made available to any group in the city. When the schools integrated, there was no trouble.

Despite its achievements, the Citizens Council has been criticized on several grounds: That its business membership is not leavened with professional men, educators and clergymen; that the businessmen are too conservative and that the group short-circuits the democratic process.

Stanley Marcus, the president of the Neiman-Marcus department stores and a former president of the group, disputes the first contention.

A Conservative Membership

"Say we had a different kind of membership and we called a crisis meeting," Mr. Marcus said. "These new members would be full of good wishes but no money. The organization was put together for the purpose of speedy backing for worthwhile projects, and doctors, lawyers, educators don't give any money."

While the Citizens Council is nonpolitical, the views of most members begin with the very conservative and range rightward. "A Paul Hoffman or a Bill Benton would really animate our group," one dissident member said. He stressed, however, that there was "no acrimony at all" between the conservatives and the occasional liberals in the Citizens Council.

The political hooliganism that preceded the assassination of President Kennedy is foreign to the Dallas Citizens Council. Before the assassination, busi-

ness leaders resented the fact that the action of a few persons, with no standing in the city, should be taken as representative of Dallas.

To offset this, the Citizens Council had agreed to cosponsor the luncheon for President Kennedy on Nov. 22. None of the 2,500 tickets for the luncheon was put on sale. Instead, members of the three host organizations were given tickets, and they had to supply in advance the names of their guests.

"We didn't want anything to mar the occasion," one official of the group said. "We felt Dallas couldn't afford another incident."

The final charge, that the Citizens Council exercises too much authority, is explored in Mrs. Carol Estes Thometz's "The Decision Makers," a survey of the city's supergovernment.

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Mrs. Thometz, a young Dallas sociologist, wrote, "At the time of the study [1961] and before that for many years, the established decision makers had no continuing or effective competition. They were not elected by the citizens they serve, and they were not subject to recall."

Evaluated by Others

Elsewhere, Mrs. Thometz noted the one check that existed over this informal government. "Although the leadership as a whole is rarely forced to consider criticism seriously, the leaders as individuals are frequently under the pressure of evaluation by other leaders."

Occasionally criticism of the Citizens Council has brought results. Its leaders were sensitive to the assertion that by the time a man became the president of his company, he was no longer young. The Dallas Assembly was established in 1962 for younger men as a sort of "management development program in civic affairs," according to the assembly's president, W. Dawson Sterling.

Mr. Sterling, president of the Southwestern Life Insurance Company, is also a member of the Citizens Council. The assembly, limited to a hundred members, accepts professional men as well as businessmen. "Membership is earned by a demonstrated interest in the city's welfare," he said.

The Citizens Council's name has also caused some uneasiness since the formation of segregationist White Citizens Councils throughout the South.

Disapprove of Race Hatred

In the last election, anti-Negro material was sent throughout the city in the name of "The Citizens Council of Dallas County, Inc."

The directors had decided not to go to court to force the racist group to change its name because, one spokesman explained, "Everybody here knows we don't approve of that kind of race hatred."

As Dallas continues to grow, the advantages of the benign paternalism of the Citizens Council become more disputed.

One comment came from Melvin M. Belli of San Francisco, defense lawyer for Jack Ruby, who is accused of killing Lee H. Oswald, President Kennedy's alleged assassin. Mr. Belli labeled as "shocking" the fact that the Dallas judge in the Ruby case now had a public relations council.

This adviser is Sam Bloom, who volunteered his services to Judge Joe B. Brown, as he had earlier enrolled in the cause of peaceful integration.

The leaders of the Citizens Council were determined that the trial of Ruby would be handled decorously, and Mr. Bloom was recruited. To Dallas, such foresight does not seem "shocking" at all.