



The Great Storm which tore Galveston apart in 1900 called forth heroic efforts to aid survivors and rebuild the city. Here, volunteer doctors and nurses treat flood victims at an improvised clinic in the corridor of the post office.

I. H. Kempner and the Galveston Commission Government

Harold M. Hyman

On September 8, 1900, a hurricane-spawned tidal wave smashed Galveston Island. In addition to creating innumerable immediate individual tragedies and group catastrophes, the Great Storm of 1900 inspired long-range economic and political changes. Among them, the Storm provided the clinching proof to many Islanders that the existing city government was incapable and the Island City's export imbalance undesirable. One of those who played a central role in imagining, initiating, and implementing basic improvements in the governance and physical safety of the community was Isaac Herbert Kempner (1872-1967).¹ A director of the Galveston Cotton Exchange, member of the Deep Water Committee, Galveston City Treasurer, head of the firm of H. Kempner, and scion of a wealthy Jewish family deeply committed to civic and philanthropic activities, Ike Kempner became a pivotal force in post-Storm rehabilitation and reform.

Disaster

Galvestonians knew from regional history that Indianola, a Texas Gulf Coast community which once competed commercially with Galveston, never recovered from the hurricanes which devastated it in 1875 and 1886. Indianola's spectral condition inspired Galvestonians to seek protection from Gulf storms. They lobbied periodically in Austin for permission to issue bonds to pay for a protective "breakwater, seawall, or other improvement as will protect the said city...against all injury and danger from the waters of the Gulf Coast." In 1875 a provision to this effect almost became part of a revised state constitution. But a conservative reaction was gaining force nationwide in the mid-1870s against public sector interventions. Rural Texans opposed special favors for exotic Galveston, the state's largest city, and municipal bonds generally were looked upon with suspicion by the legal and investment

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¹I. H. Kempner, "The Drama of the Commission Plan in Galveston," *National Municipal Review* (August 1937):409-410; John Edward Weems, *A Weekend in September* (College Station, Texas, 1957); Herbert M. Mason, *Death From the Sea* (New York, 1972).

communities of the time because numerous cities had repudiated bonded indebtedness. Incumbent legislators exploited an obscure parliamentary procedure and vetoed this clause.² And so the opportunity was lost, like others, in the seas of regional politics. Still, as the years and then decades passed and no hurricanes caused severe damage in Galveston, Islanders assumed for themselves a kind of deserved exemption from basic hurt such as Indianola's.

But the usually benign Gulf breezes swiftened on the morning of September 8, 1900. Heavy rains began to fall. By 4:00 p.m., salt water was already two to three feet high in some low areas and strong wind gusts were sending whitecapped waves down Galveston's major streets. Winds and high water were part of Gulf life. Almost all Galveston dwellings and business structures were elevated on pilings precisely to avoid damage from high water. Slatted wooden shutters protected most doors and windows from wind gusts and wind-lofted debris. However, the residents had not foreseen the frailty of such defenses against the fury of wind and water which assaulted the city that evening.

By 8:00 p.m., winds blowing at speeds well over 120 miles per hour pushed a liquid wall of water four to six feet high through the city. Dwellings and warehouses built of wood literally exploded. Buildings faced with brick or stone collapsed. The very lumber that had been buildings, slates that had faced roofs, timbers that were wharves, ties that had aligned streetcar and railroad tracks; whole railroad cars and streetcars, wagons, ships, uprooted trees and utility poles, baled cotton, rolls of barbed wire, chimney bricks, firewood, interwoven mats of branches and other vegetation, struggling people and animals, and corpses—all were borne along on the cataclysmic cresting wall of water that, wind-built to heights of ten or twelve feet over Galveston's center of settlement, rasped across the island. Unknowable numbers of huddled inhabitants lay trapped under debris. Hundreds died quickly from impact or compression. Less fortunate persons drowned in the rising liquid rage or suffered even slower deaths from injuries caused by abrasion amidst the awful artilleries of debris.

Like every survivor of mature years that day, Ike Kempner never forgot its nightmarish characteristics and his city's helplessness before the shattering wind and crashing water. During the shocking, numbing height of the hurricane, Kempner protected his family and servants as much as he could. By great good fortune and the substantial construction of the Kempner home at 1528 I Street, they escaped physical hurt although the lower floor of the house

²*Austin State Gazette*, September 28, 1875; 1876 Texas Constitution, Art. XI, sec. 7; J. A. Moretta, "William Pitt Ballinger: Public Servant, Private Pragmatist" (unpublished Ph.D. diss., Rice University, 1985), 284.

was "gutted," he noted later. Half a dozen neighbors and their servants found refuge there when the hurricane imperilled their frailer residences. Dangerously soon after the wind softened enough for him to feel reasonably confident of his family's safety, yet long before he could have been certain that the destructive thrusts of air and ramming waves were ended, Ike established himself as one of the many heroes of the Storm.

He tied a long rope around himself, entrusting the other end to a neighbor, Safford Wheeler, now a refugee in Ike's home, who secured the line to the Kempner back porch. Ike then swam first to the stables, or, as he discovered to his dismay, to where the stables had stood. He found neither structure nor beasts nor the Kempner coachman, whose room had been in the loft of the vanished building.³ Only opaque water filled with whirling debris covered the Kempner yards.

By this time the flood carried a chaotic mix of snagging tree branches, entangling fishing nets, splintered shards of uprooted fencing and house siding, sparking electric cables, jungles of wire from destroyed utility lines and livestock corrals, irritated snakes, clots of sewage dislodged from cesspools and privies, and a grim cargo of injured or dead humans and animals. Anything and everything could trap persons reckless enough to venture out and add them to the long list of dead, injured, and missing that were to become so sadly prominent during the next days and weeks. Nevertheless, throughout that night Kempner swam, then, as the water receded he waded, crawled, and splashed from house to house in his neighborhood to check on the condition of relatives, friends, associates, and anyone else he encountered. He found few—heartbreakingly few—persons to assist. Too often he discovered only "death and disorder," Ike told a Houston journalist only a few days after the hurricane.⁴

Ike's Island peers knew of and applauded his bravery. Kempner's Storm-night daring merged into urgent and ultimately successful efforts, by him and many others, first to initiate crisis management and then to apply lessons from the emergency to long-range improvements in their crippled city's governance.

Relief

In the bright sun-filled morning of September 9th, Ike found at the Tremont Hotel Mayor Walter Jones, several members of the Deep Water Committee, some Wharf Company executives, Rabbi Henry Cohen, and

³The coachman was safe "on the back porch (about ten feet high) of an irate neighbor." I. H. Kempner, *Recalled Recollections* (Dallas, 1961), 29.

⁴All details in undated interview with Kempner, ca. November 1900, unidentified news-clipping, probably *Houston Post*, in D. W. Kempner Scrapbook, 1894-1915, Kempner Papers, Rosenberg Library Archives, Galveston.

some relatives, neighbors, friends, and business associates. Responding to reports that not a single department of city government was functioning, Jones formed these haggard men into an *ad hoc* Central Relief Committee. He delegated police powers to it, especially to suppress looters who, within hours after the hurricane ended, were stripping corpses, ransacking shops, banks, and warehouses, and worse. Few survivors among the pre-Storm city police were at hand, and the remnant proved to be unreliable.

No "civil defense" or mass disaster organizations existed then. The Central Relief Committee members, becoming aware of the gigantic problems facing them, with the mayor's authority constituted themselves also a committee of public safety embracing all governing functions. They joined the mayor in declaring martial law to be in effect. Their orders created a city militia composed of volunteers and the slim roster of available former policemen. The militia implemented committee orders which forbade and punished looting and price-gouging, closed saloons, and confiscated scarce essentials including potables, foodstuffs, medical supplies, and tenting and lumber for redistribution in some still-unestablished order of need.

As an anti-epidemiological necessity hastened by the hot weather, within two days after the hurricane the Committee organized mass funeral pyres on isolated sections of the island, quick burials of anonymous heaps of dead people and animals, and dumped bargeloads of weighted bodies far out in the now-quiet Gulf. For months to come remains surfaced and littered the Island shore, requiring quick mass cremations or reinterments in mainland graves.⁵ The complete collapse of existing governmental and private institutions was nowhere more glaringly and shockingly illuminated than in this matter of disposing of the dead. The Committee labored to create dependable rosters of the dead and of the survivors. Only weeks later did the Committee complete the grisly task of exhuming unidentifiable corpses from the mounds of storm-gathered debris. Wounded survivors were hospitalized both on the Island and on the mainland. Even early communications indicated that the human misery and property destruction defied reasonable estimates. In light of the huge number of fatalities and the saturated nature of the Island's ground, wholesale cremations, mass burials, and disposal at sea were perhaps the only practical emergency resources. But these grisly policies deeply offended the consciences of many survivors, particularly of women, the traditional guardians of the dead. The events of the 1900 Great Storm converted many benevolent women into later civic activists.⁶ So too many men, in the

⁵Bradley R. Rice, "Galveston Plan of City Government by Commission: The Birth of a Progressive Idea," *Southwestern Historical Quarterly* 78 (1975):365-378.

⁶Elizabeth H. Turner, "From Benevolent Ladies to Civic Women: Galveston's Female Benevolent Voluntary Associations, 1900-1910," (Southern Historical Association paper, 1986), 10-12.

expectable quicker tempo and more visible manner that prevailing gender double standards allowed.

In the immediate wake of that catastrophe, Kempner and his Committee colleagues sought from any and all sources the ways and means to reestablish order. Committeemen were vastly relieved when, on the night of the 10th, Texas militia and federal regulars reached Galveston by sea, soon followed by larger contingents. These disciplined troops quickly suppressed looters and restored order. Thereafter the Committeemen, overcoming their increasing fatigue, were able to concentrate on tasks transcending immediate survival.

These tasks led to the second phase of Kempner's post-Storm activities, those which would have long-term effects. These activities included allocating the money and supplies that generous private individual and group benefactors throughout America and some foreign countries were sending to the Gulf (neither the United States nor the Texas governments provided relief funds), and trying to restore non-emergency municipal government while also fundamentally reforming it.⁷

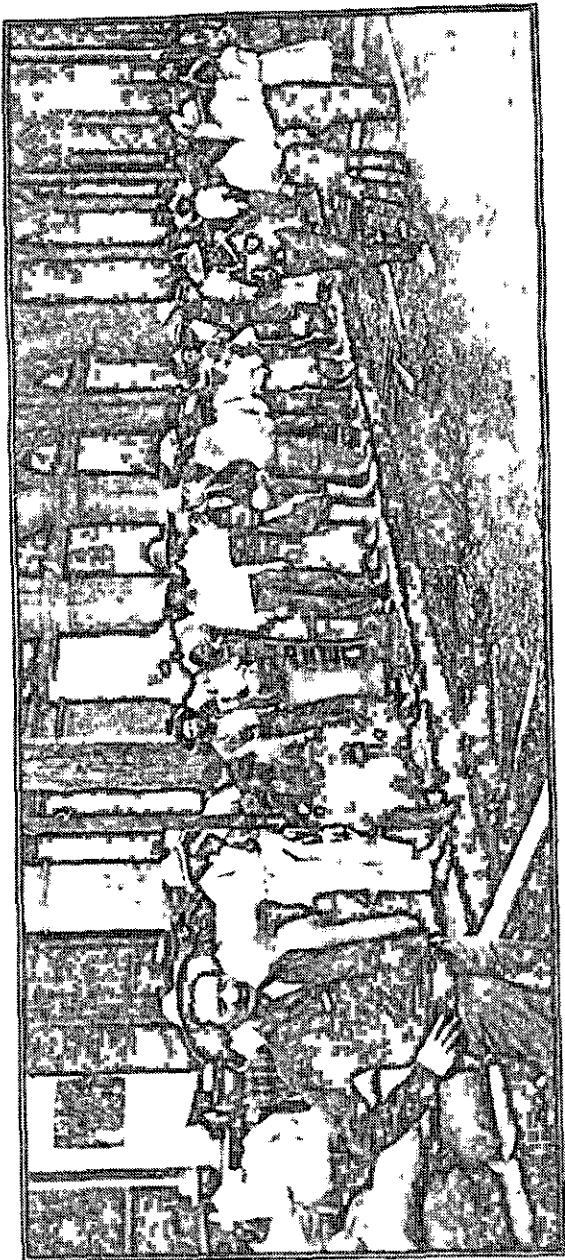
Food, water, shelter, first aid, clothing—all came first. The Red Cross sent Clara Barton to supervise distribution of its relief shipments, while Kempner handled independent appeals and distributions. In England, Cuba, and Canada special theatrical and operatic benefits generated money for Galveston. Shipping lines, railroads, and breweries donated money, cargo space, and products. Labor unions passed hats. Even middle- and upper-class Galvestonians accepted handouts, for almost no Islander had storm insurance.

Meanwhile Kempner and the other Committeemen appealed to state officials and business executives to supply labor. Only mass muscles could dent the appalling strata of debris. The city council resolved that all able-bodied residents desiring relief must work. The Committee promised rations and \$1.50 per day to all laborers, whose numbers swelled briefly to a maximum of 30,000.⁸ As bone-wearying days passed, Kempner assumed charge of accumulating and distributing emergency housing, especially tents. Committee subordinates confiscated some tenting from local shops and sail lofts. Soon additional large numbers of tents, some surplus from the Spanish-American War and even the Civil War, arrived from armories. Committeemen put gangs to work erecting tent settlements.

His work on the Committee gave Kempner a relatively clear early overview

⁷Kempner, "Drama of the Commission Plan," 410; Kempner, *Recalled Recollections*, 30-31. No complaints by Negroes or spokesmen for them, about racially discriminatory relief distributions, came to light. Race segregation undoubtedly prevailed, but it appears that Kempner oversaw these allocations in a noteworthy even-handed manner.

⁸Thomas T. Barker, Jr., "Partners in Progress: The Galveston Wharf Company and the City of Galveston, 1900-1930" (unpublished Ph.D. diss., Texas A&M University, 1979), 10-20; David G. McComb, *Galveston: A History* (Austin, 1986), ch. 4.



This crowd awaits the distribution of supplies in front of a relief warehouse, while Texas militia and federal regulars patrol to keep order.

of Galveston's desperate situation. The Storm had killed at least six thousand persons. Probably as many more were injured. A substantial additional number of the walking wounded and the uninjured abandoned Galveston permanently in the days and weeks after the hurricane and many others threatened to leave. The city's population, its ultimate source of survival if not progress, seemed to be evaporating. In conjunction with the massive property destruction throughout Galveston, such a population loss boded ill for the city's future. Kempner and his fellow Committee members came to fear that the city's tax base, economy, and very society were all but destroyed and that the morale as well as the health of the Storm's survivors were declining dangerously. Would Galveston become another Indianola, abandoned by its people forever?

Nature had indeed ripped apart the fabric of Galveston's commercial, industrial, and municipal life. Storm erosion had reshaped long-familiar shorelines. Who knew what changes had occurred under water, to that precious deep water channel? The entire complex urban infrastructure serving waterborne commerce, laboriously accumulated over many decades, lay ruined, perhaps destroyed. Wharves, piers, and breakwaters had disappeared. Warehouses lay flattened or roofless, their stored merchandise or machinery exposed to the elements to rot or rust. Streets and sidewalks were washed away, eroded, buckled. Electric and gas lines were ruptured, power poles down, and sewers plugged with vegetable and animal debris including corpses. Water wells and pipelines were blocked or broken, and contaminated by privies and cesspools. Trolley and railroad tracks lay buried under mountains of debris or were twisted into abstract sculptures. Trains, marooned ships, and dray wagons formed intricate barricades across downtown streets. The new Southern Pacific docks and connecting spur tracks had largely disappeared. Great Northern Railroad spokesmen estimated a \$6 million loss in tracks, depots, warehouses, and wharves, while the Gulf & Interstate registered a more modest \$80,000 loss. All twenty-seven miles of rail track on Bolivar Peninsula, east of Galveston, were gone; the roadbed had washed away.

Galveston's "downtown" was a shambles. First estimates of insurance officials were that more than 3,600 residences, stores, and warehouses worth \$5 million had disappeared, and additional private property losses were at least \$50 million, mostly uninsured. Public buildings including schools, hospitals, and churches were not included in this doleful estimate. Flooding waters had inundated the gas and electric works as well as major cotton presses and bagging companies.⁹ The overall damage seemed staggering, and despite their best efforts the Relief Committee must have felt overwhelmed by the magnitude of their self-imposed task.

⁹Baker, 15-17.

Rehabilitation

In this awful context the Committee in general and Ike Kempner in particular managed both quick and impressively effective immediate relief and enduring improvements in urban governance. Mastering the difficult and elusive equation of urban infrastructure, Kempner and his Committee associates translated the physical destruction they observed not only into a catalog of losses but also into one of ways to improve their urban environment. Ike believed that Galveston must attack the intertwined obstacles to recovery in broad, rational ways if the city was to recreate a new, viable infrastructure in time to stave off commercial death. Of course, Ike was not the only dreamer of a rebuilt, improved political Galveston. But his vigor, efficiency, and incorruptibility in the long-range work of the committee helped give form to the dream and to make it reality.¹⁰

Within a month after the Great Storm, Ike found himself responsible less for immediate alleviation of distress than for what he called "largely economic" and potentially more permanent rehabilitation. For example, he controlled large relief accumulations of "tools and equipment [ranging] from axes to sewing machines, hammers and saws, ...cooking stoves to trowels," most of which came to the Island from outside sources. He could have chosen to distribute these resources unsystematically in response to individuals' requests and politicians' pressures. Instead he undertook the more arduous and less popular task of rationing supplies in ways to encourage the quickest reestablishment of ordered community life. He wanted the beneficiaries of these basics "...to more quickly become self-sustaining in their trades and in their domestic activities." Kempner tried to match carpenter's tools with carpenters, sewing machines with seamstresses and tailors, and lumber and timbers with housebuilders and shipwrights. "The amount of detail was terrific," he was to write later, a statement that reflects the pressures that, in a democratic society, rationing officials experience in emergencies.

A reward existed for Ike, and a lesson. The reward: "...the practical success by cooperation was inspiring. The term 'Galveston Spirit' became a byword in the press of the nation." The lesson: "The effective work of this relief committee...was not susceptible to...political interference or personal influence...[O]ur municipal political situation was recognized to be, in the hands of a mayor and aldermen, incompetent to deal with the city's problems and some suspicion [existed] that incompetency was accompanied to no little extent by dishonesty."¹¹

When by year's end the Relief Committee disbanded without scandal despite the huge sums of money and the passions involved, Kempner and

¹⁰George K. Turner, "Galveston: A Business Corporation," *McClure's* (October 1906): 610.

¹¹Kempner, *Recalled Recollections*, 30-31.

others decided to reap the reward by applying the lesson. "A group of our more prominent attorneys and businessmen determined that the recovery and future of the city and port, politically, economically, [and] morally required efficiency and integrity in administration of its municipal affairs," he wrote. The traditional mayor-alderman arrangements should give way to a modern variant, one conformable to political democracy yet one that could better serve the complex demands of a modern urban, commercial infrastructure.

Reform: Commission Government

Kempner and his Relief Committee colleagues met nightly with associates of the Deep Water Committee during the 1900-1901 winter weeks. Out of these sessions came the proposal that Galveston adopt the so-called "commission form of city government."¹² Other cities had suffered catastrophes in the recent past. Their experiences provided encyclopedias of information to the Galveston survivors who, like Kempner, had networks of commercial data available.

Chicago, for example, was just Houston's age, also a major port, and a survivor of a catastrophic fire in 1871. A year after Chicago's dreadful blaze, another huge conflagration almost obliterated Boston's downtown. Once basic relief efforts were in hand, in both cities as well as in others analogously afflicted, reformers, including local business leaders, had tried to create opportunity from misfortune. Evidence from their cities' fire and police officials, assorted engineers, architects, insurance company spokesmen, and land developers, among others, indicated that the fires had spread so far and so quickly because these cities' Topsy-grown, politics-ridden public works departments were inadequate to defend people and places. Haphazardly built water "systems" did not match fire hydrants to hose couplings; narrow streets and unmaneuverable pushcarts and freight wagons blocked police vans and ambulances; unlicensed goods stands impeded passages already too narrow for pedestrians; fire alarm equipment was faulty. In short, the accumulated lessons from these pre-Galveston disasters were that slapdash, kaleidoscopic urban contrivances of governance and trade invited worse effects from future afflictions.¹³

Certainly a reconstructing city should not reproduce history's invitations to chaos. Rather, a rebuilding city should systematically plan for contingencies in its infrastructure. Such planning had necessarily to begin with the replacement of the old corrupt city government by some more rational, less corruptible form, one capable of promoting and managing a better rational-

¹²Kempner, *Recalled Recollections*, 30-31; and see Bradley Robert Rice, *Progressive Cities: The Commission Government Movement in America, 1901-1920* (1977), 7 ff.; Barker, 24.

¹³Rice, "Galveston Plan of City Government," 388.



Members of the Central Relief Committee: 1. Miss Clara Barton, president of the American Red Cross; inset, Stephen E. Barton, vice president of the American Red Cross; 2. Mayor Walter Jones; 3. William A. McVitie, Chairman; 4. John Sealy; 5. Robert V. Davidson, Secretary; 6. I. H. Kempner; 7. Noah Allen; 8. Daniel Ripley; 9. Bernard Levy; 10. Jens Moller; 11. Bertrand Adoue; 12. William V. McConn; 13. Miss Williams, official stenographer; 14. George A. Soper, honorary member; 15. Rabbi Henry Cohen; 16. Morris Lasker.

ized, more socially scientific, modern metropolis. But, though prodigies of physical reconstruction occurred in both Chicago and Boston, by 1900 reformers there acknowledged failure to reshape their city governments. The result: continuation of the corrupt political spoils system.

Some cities not afflicted by disasters, like Washington, D.C., had nevertheless adopted various forms of reformed governance, chiefly of the commission type. In 1880, Memphis, Tennessee, its taxable population shrunken after a yellow fever epidemic, announced bankruptcy and surrendered its municipal charter to the state, which, in turn, organized and supervised city taxation as part of the encompassing county. The year before the Galveston storm, Dallas had established a hybrid government involving an elected mayor and council plus a supervisory commission with control over administration, finances, and franchises, and with the governor choosing the commission members in charge of the police and fire departments. Nearby, Houston's business leaders had sporadically raised the commission proposal only to have the idea dissipate.¹⁴

Kempner's increasingly pressing concern, and his primary duty as the incumbent City Treasurer, was the problem of financing Galveston's payroll and bills. The latter had grown mountainous with emergency expenditures added to the city's long-term bond obligations, at a time when the tax base was derelict and investor confidence nil. In 1901 Kempner and his fellow reformers thought of allowing Galveston to default on its obligations and go into receivership as Memphis had done. Instead they determined to essay beyond the Houston-Dallas expedients, and to try to restore the confidence of residents, expatriates, and investors in the Island City. As their first step, they would transcend relief and recovery to create basic reforms in Galveston's fiscal and governmental structures. By introducing the commission in unalloyed form, they hoped to rationalize the city's administration and attract private businesses and worker-residents. The second step would be the floating of a new bond issue to cope with Galveston's pre-Storm bonded debt and the swollen, unfunded debts accruing from the Great Storm. Finally, with aid from the state government primarily in form of remissions of state and county taxes for Galvestonians, Kempner and his associates would finance and mount three massive public works projects—raising the grade level of the ravaged southeastern portion of the city; building a seawall on its exposed Gulf face; and constructing a new multi-use bridge the better to link Galveston to the mainland.

These public works were intended to prevent recurrences of the dreadful human and material casualties during future hurricanes. Only if people felt

¹⁴Christine Rosen, "Infrastructural Improvement in 19th Century Cities," *Journal of Urban History* 12 (1986): 211-214.

relatively confident about the capacity of the three public works projects to protect them would they risk themselves, their families, and their money on Galveston. Similarly, the new bond issues would depend for success on investor confidence nationwide. Apart from those who already had a substantial stake in Galveston's success, Kempner was convinced that no rational entrepreneur would build a factory on Galveston Island or buy a bond issued by the existing government. And so the first essential point was to replace the mayor-alderman system with the commission government.

To effect this change, Galveston voters had first to signify to the state legislature their wish for an appropriate revision of the city charter. Then the lawmakers must provide enabling legislation, thereafter approving what the Galvestonians contrived. In early 1901 Kempner and his associates initiated the first step. Their appeal to the public was that the existing government was inept in the Great Storm crisis because its basic structure was innately inefficient, adversarial, and corrupting, with many evidences offered, especially from Treasurer Kempner's records, of fiscal irresponsibility.¹⁵

Kempner determined to try to restore the faith of residents and investors in the city by reforming its fiscal base and government form. Honesty and efficiency in the complex urban infrastructure of a great port were essential for Galveston's survival.¹⁶

For a variety of reasons including, for Galveston, the 1900 Storm, the century's turn was a propitious time to innovate in and to escalate the standards of city government. But no one could guess how long that favorable climate of voter opinion might last.

Somewhat to their surprise, reformers found that several devices of governance long favored by rural, "populist" spokesmen, but derided by urbanites, did after all possess merit and were ready-to-hand for inclusion in a reformed city charter. These devices included the recruitment and retention of long-term city staff under civil service procedures instead of filling city jobs by patronage, to make machine politicians less capable of delivering bloc ward votes and more dependent on money support from business and on editorial support from journalists. Would-be reformers like Kempner accepted degrees of bureaucratization and regulation as necessary means of joining democratic politics with business practices and ethics.¹⁷

¹⁵Rice, "Galveston Plan of City Government," 378-408.

¹⁶Kempner, *Recalled Recollections*, 32; "[I. H.] Kempner Addresses [Tulane Univ.] Economics Society," undated (ca. 1907) news clipping, copy in D. W. Kempner Scrapbook, 1894-1915, Kempner Papers; Harold Platt, *City Building in the New South: The Growth of Public Services in Houston, Texas, 1830-1915* (Philadelphia, 1983), 204-5; McComb, 135-7.

¹⁷Thomas Cochran, *Challenges to American Values: Society, Business, and Religion* (New York, 1985), chs. 5, 7; Josef W. Konvitz, *The Urban Millennium: The City-Building Process From the Early Middle Ages to the Present* (Carbondale, Illinois, 1985), ch. 5.

Were such advanced tools even relevant to Galveston's mass distress and damage? No one knew. Ten years after Galveston's Great Storm, America's preeminent city planner Frederic Law Olmsted, who never had to deal with a crippled city, admitted that he was almost overwhelmed by "...the complex unity, the appalling breadth and ramification of real city planning ...[involving] enormously complex forces which no one clearly understands and few pretend to."¹⁸

Kempner and his fellow businessmen and professionals who championed commission government did not pretend to understand precisely how to revive and repair Galveston. What they understood—or believed that they understood—was less city planning than the management of large enterprises. Contrasting dramatically with the ditherings of most incumbent city officials, many Galveston businessmen were not only functioning again one week after the Storm, with shops opened, streets cleared, and orders delivered, but were directing private funds to aid especially treasured urban amenities. Kempner provided an interest-free indefinite loan to Temple B'nai Israel for rehabilitating its roof, and similar benefits went from his office to several Catholic and Protestant churches, an orphans' home, and the library. Rabbi Cohen, now like Ike busier than ever, served as a conduit for Kempner funds to be used for rebuilding.¹⁹

Among these proponents of self-help, the Galveston Wharf Company set an impressive example. Its managers performed heroically in the Storm's wake. Despite serious damage to docks and silting of channels, large ships were using Wharves facilities within two weeks after the blow. With the resumption of ocean traffic Galveston breathed again as a port city. The Wharf directors not only paid the extraordinary costs of repairing the storm damage, on top of the usual operating costs, but also resumed paying dividends and interest on the company's securities.²⁰

The 1901 Charter

While private interests in Galveston struggled to resume economic life, Kempner and other spokesmen for a redefined public sector exploited this evidence of vitality to win lawmakers' authority for a new city charter. Most state legislators reflected overrepresented rural constituents' bucolic values and were linked to county courthouse "rings" that, in the instances of counties embracing a city like Galveston, were entwined in turn with that

¹⁸Olmsted in Konvitz, 142.

¹⁹Congregation B'nai Israel Executive Board Minute Book, 1889-1902, p. 90, American Jewish Archives, Hebrew Union College Library, Cincinnati; and see "Relief" files, Cohen Papers, Eugene C. Barker Texas History Center, University of Texas, Austin.

²⁰Barker, 34-8.

city's ward aldermen. Kempner and his associates in reform had to sever these lucrative links between hardened Texas spoilsmen.²¹

Representatives of the city and of the Deep Water Committee (Kempner wearing both hats) by January 1901 had prepared a draft revision of the city's charter and were lobbying for its passage at the state capital, meanwhile employing the proposed revision also in Washington to convince Congress to accelerate federal funding to fully restore Galveston's navigability. Part of their argument rested on the impressive private-sector rebuilding efforts already under way by Galveston's major railroads, processors, and merchants.

But economic and political realities are not always the same. However viewed on Galveston's Strand, the Wharves retained a sinister image in Austin and Washington. Lobbyists against reform and aid revived talk of the Wharves as a monopolistic octopus in its pricing policies, reminding lawmakers that the city of Galveston was a minority owner of the Wharf Company, in this way entangling questions of charter reform with state or federal assistance. Galveston spokesmen including Ike retorted that such reports were prejudiced and exaggerated accounts from proponents of competing port cities. Whether or not such charges against the Wharves were true, they carried enough political weight to cause Congressmen and Texas lawmakers to mark time on all Galveston requests for aid and reform.

Kempner felt the immediate effects as investments in Island City bonds and enterprises dried up. The tax base eroded further as many former residents who had returned to the Island after the Storm now emigrated inland, often attended by hurtful publicity. In October 1900 the city councilmen met Galveston's payroll. But by year's end they had cut employees' salaries and then suspended them. The manager of the private electric light plant warned the council that the cost of coal was soaring nationally because of the unusually bitter winter and might exceed the company's budget, already strained by needed repairs and delinquent accounts of subscribers. When the city of Galveston offered to buy the coal, vendors refused to sell, fearing the municipality's insolvency.²²

Throughout these wearying weeks Kempner scrambled for new revenue sources. He won authority to license taverns, to tax peddlers, and to impose hook-up charges for sewer connections to residences and shops. Though palliatives, these positive efforts contrasted sharply with the indecision in Austin, Washington, and, not least, in other Galveston city offices. Galveston journalists described bickering and ineffectiveness in the city council,

²¹"[I.H.] Kempner Addresses [Tulane University] Economics Society"; I. H. Kempner, "The Galveston Commission Form of Government" (address, Galveston Historical Society, Feb. 12, 1946).

²²Turner, "Galveston: A Business Corporation."

reserving praise for a few incumbents including Kempner. Like old men of the sea, the mayor and council were dragging the city to death.²³

If only by contrast the reform proponents appeared to be both efficient and effective. A popular presumption in their favor existed when the draft revision of the city charter appeared in Galveston's newspapers on January 1, 1901. It, and the justifications for it that accompanied the draft, bore Ike Kempner's stamp. The justifications embraced his agenda: government reorganization to purify politics and rationalize governance, thus to restore investor and worker confidence; tax exemptions and the three great public works, the grade-raising, seawall, and bridge, thus further to encourage long-term investors and new taxpaying residents.

But from opponents, these questions: Did not the 1876 Texas Constitution (Art. VIII, sec. 10) stipulate against the proposed tax exemption for stricken Galveston, stating that the legislature "...shall have no power to release the inhabitants of, or property in, any county, city or town from the payment of taxes levied for State or county purposes, unless in case of great public calamity in any such county, city or town, when such release may be made by a vote of two-thirds of each House of the Legislature"? Perhaps Galveston had not really suffered a "great public calamity" since the Deep Water Committee itself stressed the large steps already taken toward economic recovery under existing governing arrangements. Was the agitation for charter reform and state aid inspired by the Committee in concert with the Wharves management? If Galveston enjoyed exemption from state taxes might not other Texas cities claim similar immunities, perhaps with less need?

Arguments continued into 1901. Then the reformers learned that they had won only a battle on the essential tax waiver, not the war. Texas's governor approved a waiver bill that for two years only, not for the requested fifteen, relinquished property and poll taxes for Galvestonians. Whereupon Galveston renewed its increasingly sophisticated lobbying efforts. Special trains brought hundreds of ardent Islanders to Austin. Leading reform spokesmen, Kempner prominent among them, addressed business, fraternal, religious, and social clubs statewide, and cultivated legislators, journalists, and professional associations. It worked. Texas lawmakers extended the tax exemption for Galveston rate-payers to fifteen years. Then in March 1901, the legislators approved the new charter over the crumbling opposition of those Galvestonians and others who denounced what they alleged were diminutions of self-government; in Kempner's belief, such critics were really those "...to whom politics has become a revenue bearing profession."²⁴

Kempner's ability, and that of his coadjutors, to improve city governance in

²³Barker, 34-38; cf. McComb, 135-7.

²⁴Kempner, *Recalled Recollections*, 32; cf. McComb, 135-7; Barker, 35-9.

storm-racked Galveston, has parallels in the ways that Progressive businessmen were transforming industry at this time by encouraging its bureaucratization, employing specialist-managers, and routinizing work. Business historian Thomas Cochran described this reform process as a new phase of relationships between business and politics, one that even in the absence of a crisis like Galveston's Great Storm encouraged frank marriages between the two.²⁵

Under the new state charter, Galveston's government would be a commission, the linchpin in Kempner's vision of a restored and greater city. Unlike the nation's and state's tripartite arrangements for check-and-balance separations of functions, Galveston would merge executive, legislative, and administrative operations. An elected mayor was to have no veto power. Replacing the ward aldermen, a board of at-large commissioners would be the city's only elected officers. At the price of diminished democracy (according to critics then and since) the Galveston mode allowed a short ballot and less obfuscation, corruption, and irrelevant emotionalism in elections and administration. The mayor and commissioners would be elected for two years. Elections would be in May, a month as far removed as possible from the traditional state and national fall ballotings, on the premise that workaday city issues had little to do with the broader policy alternatives faced in Austin and Washington.

Majority votes of the commission were to determine all city policies, the mayor having only one vote, save that he could act alone in emergencies (the 1900 Storm was not forgotten). In effect the mayor was to become a ceremonial figurehead, a "general manager" of specialist-managers, the commissioners, who possessed all municipal powers within each commissioner's sphere of operations. Responsibility would be centralized. Each commissioner's performance and those of his appointees would be judged by easily visible results in a short list of intimate, homely, essential urban functions: finance and revenue; police and fire; streets and public property; and water and sewerage. Now citizens seeking particular city services or with particular grievances knew where to turn, lessening spoilsmen's roles and encouraging accountability. Assignments of a commissioner to a function would result not from partisan disputes and claims during election campaigns or from hidden trades after ballotings. Policies would result from deliberate exchanges of views by the commissioners. They would be part-time, low-paid city servants who carried on their private businesses. Professional subordinates would implement policies, thus preventing conflicts of interest and minimizing corruption

²⁵Thomas Cochran, "The History of a Business Society," *Journal of American History* (1967): 5, 13; Sanford M. Jacoby, *Employing Bureaucracy: Managers, Unions, and the Transformation of Work in American Industry, 1900-1945* (New York, 1985).

and patronage.

Annual salaries for mayor and commissioners were set at \$2,000 for the mayor and \$1,500 for the rest, all but guaranteeing that only men with adequate external incomes could participate. A commissioner was expected to serve from a sense of public duty, not because the post would bring him economic advantage.

Finance Commissioner Kempner

To no one's surprise, on April 18, 1901, cotton merchant and city treasurer Ike Kempner became Galveston's first commissioner of finance and revenue under the reformed charter, receiving his commission from Governor Joseph D. Sayers. He would serve the new mayor (or, more precisely, the president of the board of commissioners) in this capacity for the next fifteen years. Ike and his fellow commissioners of 1901, wrote economics lobbyist Turner five years later, "came into...[Galveston's] service, it is true, under the pressure of a great calamity; but they still remain....In Galveston, where the office of alderman was a street joke or a disgrace, the office of commissioner is [now] a high honor, and an absorbing personal interest for its holder."²⁶

By agreement, the sitting mayor, council (Kempner included), and aldermen remained in office until mid-September 1901. This summer-long transition allowed both the new and the hangover incumbents to locate and move relevant records to their offices in a Storm-worn building on 20th and Market Streets (later the Central Fire Department) and to master them, to appoint subordinates, and to set up new procedures. Some records never surfaced. Others did, sometimes to the dismay of the new incumbents in their revelations of overdue bills, cronyism, or worse. Then on September 19, 1901, the lame-duck mayor and board of ward aldermen met in special session and administered official oaths to their successors, each of whom had filed \$5,000 bonds.²⁷ The old order had changed—but in time?

Staffing the new departments came first. Kempner chose as city auditor Albert Ferrier, an accountant whose review of the city's books in 1894 had sparked earlier steps toward reform. A local doctor, C. W. Trueheart, long an enthusiast for public health, a deep concern of the time due to uncertainties about water pollution and epidemics, became city physician. "One of the cleanest and bravest men on the police force [John T. Rowan] was put at its head," wrote Turner in 1906. "Throughout all the departments the best available men were selected...[and] they form an administration as continuous as that of any business concern. Galveston, instead of changing managers

²⁶Turner, "Galveston: A Business Corporation," 613.

²⁷All details in "50 Years Ago" newspaper columns, unidentified and undated, in D.W. Kempner Scrapbook, 1894-1915, Kempner Papers.

every two years, has been governed by trained and experienced men....It has ceased to be an experiment. It has had ample time to prove itself. Its brilliant success is best shown by its financial record."²⁸ Kempner made that success possible.

As city treasurer under the departed administration, Ike, once his demanding relief activities eased, had already been aiming toward renewed solvency for Galveston. Some windfall money kept trickling in. But more regular and much larger inflows were needed even to begin rehabilitation.

The pre-Storm assessed value of Galveston property was \$28 million (a much lower figure, of course, than the market value). The hurricane destroyed or seriously depreciated perhaps \$15 million worth, in addition to the projected loss of future revenues represented by deceased, injured, or departed ex-taxpayers and shrunken real estate valuations. Bonded debt exceeded \$2.8 million, plus a \$200,000 "floating debt" (i.e., immediate calls on city funds for past-due salaries and the like). In effect, Galveston was worse than bankrupt. But it was alive.

Kempner was determined to keep it so. Exploiting his banking and other business connections, Ike, in the phrases of an admiring newsman, "...though an amateur politician...was by no means an amateur financier when he started to put the bankrupt city on a firm financial basis."²⁹ Ike proved himself to be skilled at politicking as well. "My experience as a lobbyist...had its start," Ike wrote, in these hard-driving months of 1900-1901. Once Texas remitted to Galveston all property taxes collected in its county, this assured income allowed Kempner and other commissioners in the now-reformed government to begin paying dismaying amounts of floating debt in the form of pre-Storm bills and city scrip and to meet some part of the interest due on outstanding bonds. Most important, the state's beneficence allowed Kempner at least to initiate the steps needed to create and market a huge (ultimately around \$7 million on a remaining tax base of approximately \$20 million) new issue of Galveston city and county bonds.³⁰ If the city could market this indebtedness, then, as per Kempner's agenda, Galveston would build that protective seawall to shield the city's Gulf face from future stormy onslaughts, raise the municipality's grade level in order to guard homes and commercial structures from high water that might overleap the seawall or fall as rain, and construct a multi-use bridge to the mainland. All were essential to convince investors, merchants, workmen, whether ex-Islanders or potential newcomers, that life

²⁸Turner, "Galveston: A Business Corporation," 613.

²⁹"[I. H.] Kempner Addresses [Tulane University] Economics Society."

³⁰Kempner, "Galveston Commission Form." The city-county distinction was nominal. County population was so sparse that the City performed almost all public functions on the Island, and the burden of all the new bonds fell primarily on City taxpayers.

could be safe there. Without returnees or new manpower the city's workshops and wharves could not function. Therefore the community's tax base would remain forever shrunken.³¹

Reverses and accumulating weariness sometimes eroded Ike's confidence in these interweaving elements. After lobbying city voters to approve the issue of these municipal bonds, Kempner learned that their interest rate (4%) was too low ("a cheap rate at that time," he admitted) and the backing too uncertain (the bonds had behind them only "the scant and impaired credit of the city and the state tax remission," he noted) to attract skittish buyers. To spur sales, the private Galveston banks Ball, Hutchings & Company and Adoue & Lobit bought substantial blocks of the issue, and other Galveston bankers and merchants, including H. Kempner, followed suit. Ike ensured that the purchases were attended with due publicity. He professed to find aspects of politicking unpalatable but discerned no way to avoid this added weight "on my youthful but willing shoulders."³²

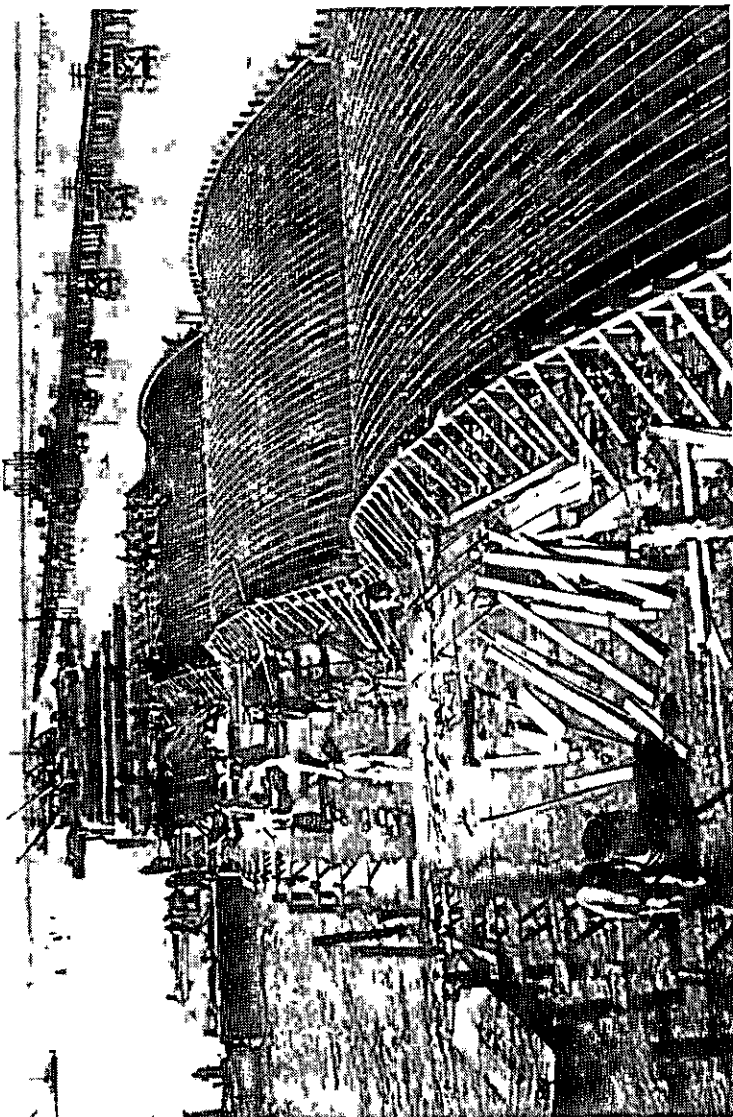
His lobbying success in Austin for tax remission relieved pressure but created no capital. Therefore Ike and other Deep Water Committee members conducted another successful lobbying campaign, this one in Galveston's county, whose thin cadres of voters supplied more of that necessary ingredient, capital, when they approved a \$1,250,000 bond issue. But that amount, though more than doubled by the subscriptions of Galvestonians including H. Kempner, still did not reach the needed total for the seawall, grade-raising, and bridge.

Meanwhile, Kempner was increasing city income substantially by strictly and honestly collecting long-delinquent taxes and fees. The vehicle tax alone, long unenforced, now yielded an average of \$5,000 a year, an insignificant sum by itself. But it helped to swell totals.³³ The inefficient and corrupt former city administrations had incurred obligations including bonds, with interest payments soon coming due, plus that ever-swelling floating debt. Hidden until Kempner's meticulous digging revealed their existence, these demands faced the new government when the tax base was attenuated and costs soaring. The existence of unexpected fixed indebtedness seriously diminished prospects for a ready marketing of new issues, especially the huge ones in Ike's plans.

³¹Undated, unidentified news clipping, probably *New York Times* (ca. June 1902), D. W. Kempner Scrapbook, 1894-1915, Kempner Papers.

³²He recorded later that the issue was not only ultimately "entirely subscribed," but also that "No [Galveston] subscriber who held these bonds for a few years suffered a loss." Kempner, *Recalled Recollections*, 32-33.

³³Ernest Bradford, "Financial Results Under the Commission Form of City Government," *National Municipal Review* 1 (1912): 374; Turner, "Galveston: A Business Corporation," 610; William B. Munro, "Municipal Government by Commission," *The Nation* 83 (Oct. 18, 1906): 322.



The causeway under construction; a formidable building effort which cost nearly \$1,750,000. Its opening on May 25, 1912, featured the Governor and went on for two days of celebrations.

He addressed this problem partially by cutting costs and increasing income. Both to fund the restoration of traditional city services and the seawall, grade-raising, and bridge projects, Kempner searched diligently for further cost efficiencies in city operations that had long been spoilsmen's fiefs, and for reservoirs of city funds that had escaped even his own earlier scrutinies. He saved Galveston \$1 million in economies while adding no new floating debt in this category. Despite the attenuated tax base, in 1901 Kempner's tax collectors brought in \$500,000 more than his pre-Storm predecessor plus saving a like amount in collection costs. He assigned \$200,000 of this windfall to retiring old debts and \$300,000 to permanent improvements.

Fellow commissioners acceded to his view that the city fire, police, and electric light departments should reduce their personnel (many were still patronage hangovers) and thereafter recruit only merit appointees under more objective methods of public administration. Kempner gained \$100,000 annually for Galveston from this economy. He lowered police department salaries and the size of the force while requiring it to enforce old ordinances prohibiting bordellos and gambling houses. Long-entrenched lotteries, policy and "numbers" games, and slot machines were no longer immune from police interference. Policemen now enforced midnight closing hours for saloons and arrested prostitutes, pimps, and vagabonds. It was all intended to prove that Galveston was not only reviving but would do so decently both fiscally and morally, that all residents and their families could live there unafraid of a New Orleans-style environment, and that money wasted on gambling might become available for consumer goods.

Kempner's program enlisted the cooperation of fellow businessmen and professionals and of Island religious leaders including Rabbi Cohen. A non-Island commentator admired Kempner's "great pressure and ingenuity to add to the sources of [city] revenue," noting also that previous city treasurers, "By an extraordinary piece of carelessness," had commonly deposited Galveston funds in non-interest paying "pet" banks. Now bankwise Kempner moved these funds to interest-bearing accounts elsewhere, generating \$60,000 of new annual income for the city. Accounting and billing efficiencies in water-supply operations squeezed out \$105,000 more, and at Kempner's insistence the police chief and city attorney shifted \$7,500 of former fees to the general treasury.³⁴

Kempner was particularly aggressive when negotiating with applicants for new or renewed public utility franchises, especially streetcars. The older way had brought the city little income. Would-be franchisees had curried favor with mayor, aldermen, and judges in order to acquire necessary access through private property under legal procedures including eminent domain,

³⁴Turner, "Galveston: A Business Corporation," 613-614.

condemnation, and easements. Then the Great Storm had scraped tracks off many streets. An unprecedented opportunity existed for either honest franchising and greater efficiency in utility routings, or for mass corruption. Kempner's hard-headed scrupulosity rebuffed spoilsmen and resulted in the streetcar franchises alone (not counting electric, gas, or telephone) immediately adding \$40,000 to the rebuilding pot.

Most resistance to the new order resulted from Kempner's unrelenting collections of delinquent property taxes. The ward aldermen had made both property valuations and tax collections their particular hunting grounds for bribes and favors. "Nothing could have been looser than the methods of collection [of taxes] under the ward alderman regime," economist Turner reported. "Delinquent taxes were let go of not merely for a few years; a great share of them were lost forever." At least \$115,000 annually had been lost to the city by unpunished delinquency. Kempner's tax assessors and collectors, following honest procedures, managed even on the diminished valuation base to collect totals within \$175,000 of the pre-Storm best, and dependably rather than spasmodically.

"There is no miracle about all this," concluded Turner. "It means simply that for the first time Galveston is operated by businessmen on a business basis. Every possible corner of the city's operating system is now being watched with care, [with a view] both to increased income and decreased running expenses."³⁵

Galveston in general and Kempner in particular received praise from Theodore Roosevelt and Woodrow Wilson, and were soon known in municipal reform circles nationwide. Most important to Kempner, his policies nourished investor confidence in Galveston bonds. If Kempner saved, he did so in order to spend: for the seawall, the grade-raising, and the Island-mainland causeway across the Bay; for rebuilding wharves; and for aid to owners of lots, homes and shops in the regraded area to reestablish homes and businesses and to replant lawns and shrubs.³⁶

Municipal bonds were not then commonly held by individuals. Banks and specialist investors, concentrated in northeastern centers of capital, acquired them. Such investors held most of Galveston's pre-Storm debt. Bondholders' nervousness about Galveston made prospects for the new issue doubtful. The hurricane had erased or damaged so much formerly taxable property that worried holders of pre-Storm bonds, chiefly banks and trust firms, had formed a "protective committee," in effect signalling their apprehension that Galveston would default on interest payments. Sharing this fear, Kempner concluded that holders of the existing securities should defer at least part of

³⁵Turner, "Galveston: A Business Corporation," 613-614.

³⁶Kempner, "The Galveston Commission Form of Government."

the interest due to them without litigation or repudiation by the city. Either bankruptcy or lawsuits would likely scuttle the prospects of selling the new bonds, and with them, the seawall, grade-raising, and bridge.

Galveston's commissioners assigned Kempner to negotiate with the bondholders' protective committee. He recruited a delegation of prominent Islanders including fellow Deep Water Committeeman George Sealy and banker Bertrand Adoue to go with him to New York. But Sealy died en route. Cancelling the meeting, the Galveston delegates became a funeral escort back to Texas.

Early in 1902, Kempner arranged for a special train to bring New York City business and banking leaders to Galveston. He kept them busy almost every hour of their days-long stay. Hard looks at balance sheets alternated with land tours and Gulf voyages in blessedly glorious weather and with rounds of lunches and dinners (Ike serving as toastmaster). From then till midsummer Ike, again accompanied by Adoue, conferred several times in New York with the bondholders' representatives. He stressed to them Galveston's efforts since the Storm to pay interest on her bonded debt, a phenomenon so rare in that period of numerous municipal bond repudiations as to evoke from Judge Sidney Dillon, a noted legal scholar and critic of defaulting cities, and now the bondholders' counsel, high praise for the city's good faith, "luck and courage in this period of disaster." Dillon agreed publicly with Ike's proposition that if the bondholders insisted on full and immediate payment of interest, they risked their capital.

In mid-1902 these intense negotiations produced agreement. For five years the interest rate Galveston must pay on its obligations lessened from 5 to 2½%, without penalties, and with possible further concessions thereafter, ultimately saving the city well over \$1,000,000 plus strengthening the immediate market for its other bond issues. "Congratulations [on] your settlement with bondholders," his Galveston fellow commissioners telegraphed on learning the final terms.³⁷

Ike exploited interviews by New York and Texas journalists to broadcast nationwide news both of Galveston's increasing if still precarious fiscal stability and of his vision for the city. The agreement on lower interest was indeed a "splendid understanding" for both parties, with the bondholders safeguarding their investment capital and "cooperat[ing]...with the enterprising people of Galveston and assist[ing] them in further[ing] their plans for a grander and greater and more powerful Galveston," he stated. Ike

³⁷Telegram, May 20, 1902, and interview with I. H. Kempner in *New York Times*, undated (ca. Feb. 1902), both in D. W. Kempner Scrapbook, 1894-1915, Kempner Papers. See also "50 Years Ago" columns in *Galveston News* for April 26, Oct. 23, and Nov. 19, 1951; Kempner, *Recalled Recollections*, 84.

predicted that:

...the business of the Port of Galveston will undoubtedly increase by reason of its splendid facilities, its magnificent harbor, and its advantageous geographical position....[and] the growth of the City will follow hand in hand with the development of the Port, and the financial and educational advantages of Galveston, which have placed it for years in the front rank of Texas cities and placed its Municipal credit on the highest plane, will again appeal to people of means and attract to Galveston those desiring a safe place of residence and investment. It is with this end in view and imbued by this hope that the people of Galveston have stood by their city without aid from the National Government and with only temporary relief from the State Government, and if they are permitted to carry out their own destiny without having insupportable burdens to carry, the City will not only regain its loss of population and commercial prestige, but a healthy increase may be confidently expected...³⁸

Galveston's future was by no means assured, despite Ike's confident words. In mid-1901 Galveston suffered another stormy flooding. Despite its relative mildness and lack of damage, in its six-foot height and its capacity to rekindle memories of its gargantuan predecessor the 1901 high tide had upset residents, insurers, potential investors in Galveston bonds, and money-heavy beneficiaries of the new oil boom centered in nearby Beaumont.³⁹ Nevertheless, good auguries abounded.

The 1900 and 1901 cotton crops were large and of fine quality. Internationally the price of cotton was rising. Cotton and cotton-related exports (cottonseed cake and meal) through Galveston exceeded \$20 million in 1901; wheat exports transcended the pre-1900 volume and value by about 8%, as did lumber, finished wood products, and minerals. Only livestock exports and imports generally showed declines, and these were modest. Economic indicators reflected Galveston's increased coastal oceanic trade since the deep water channel was cut from the Gulf into the Bay, and now new talk was heard about construction of a canal across Central America to give the Gulf favored access to the Pacific trade as well. With the city's destiny and new government linked more and more intimately to the interlocking membership of the Deep Water Committee and the Wharves, and with the seawall, grade-raising and bridge projects promising to make the city and docks stormproof, Kempner legitimately stressed positive indicators.⁴⁰ But then, from the most trivial-sounding circumstance, a lawsuit threatened to undercut every hard-won accomplishment.

One of Kempner's seemingly least abrasive innovations attempted to

³⁸Unidentified, undated news clipping, probably *New York Times* (ca. June 1902), in D. W. Kempner Scrapbook, 1894-1915, Kempner Papers.

³⁹Barker, 39-40.

⁴⁰*Ibid.*, 40.

improve the aesthetic appeal of the reviving city by making a felony of cleaning privies at non-stated hours. A violator, fined \$25, sued, claiming that the three city commissioners the governor had appointed (a trio that included Kempner) held office in violation of the state constitution's requirement calling for popular elections of all officials who implemented felonies. If so, then the intended results of all the taxes, bond issues, and reformed administration, suddenly rested on a shaky foundation.

A Texas appeal court sustained the allegation of unconstitutionality. In response, the state legislature, then in session, hastily amended the new city charter so that all the commissioners would be elected, a method of selection the Deep Water Committee had suggested years earlier. The special city election took place in 1903, and voters returned all five incumbent commissioners, including Kempner, to office.⁴¹

The Commission Form in Retrospect

After every hurricane and in each good tourist year, Galvestonians have celebrated the creations and policies in which Kempner played such central roles. Many other cities including San Francisco, Toronto, Des Moines, and Columbus, Ohio, plus much of Mississippi's Gulf Shore, were to pay him and Galveston the compliment of adapting the commission form to their needs and ways. A long list of academics saw Galveston's commission reform as the crowning reform achievement of the time. Woodrow Wilson, for example, in 1911 stated: "No single movement of reform in our governmental methods has been more significant than the rapid adoption of the...commission form of government in the cities of the country." This "Texas Idea" received praise from businessmen's groups, the National Municipal League, and Harvard president Charles W. Eliot, who stated that Galveston's successes were lights piercing the "dark days" of civic corruption. "One of the lights broke [through] in Galveston," he wrote.⁴²

In subsequent decades, in strikingly differing situations and moods from those of 1900-1901, Galvestonians themselves were to alter their turn-of-the-century, post-Great Storm innovation in public governance, the commission form, primarily by adding a non-elected city manager to the functionaries and also by increasing the jurisdictions of the commissioners. Some analysts suggest that the changes of decades later measure the defects that should have been visible in 1902, and even that Kempner's Herculean recovery and reform efforts were part of a plot by elitists to halt Island City economic progress.⁴³ Do

⁴¹*Ex parte Lewis*, *Southwest Reporter* 75 (1903): 811; cf. Barker, 43-44; McComb, 137.

⁴²Wilson in *Galveston Daily News*, May 22, 1911; Eliot in Rice, "Galveston Plan of City Government," 365, 407-8.

⁴³McComb, 135, and ch. 4.

such suggestions ask too much of people and of history?

A recent historian of Galveston asserted that although the charges Kempner and his associates leveled at the mayor and aldermen had "a blush of truth," they were also misleading, hyperbolic, and opportunistic. In his view, the pro-commission activists, especially of the Deep Water Committee, attempted to discredit the incumbent government by exaggerating its "past extravagance and carelessness" and the nearness of the city to bankruptcy and "civic...death." The existing government, he argues, was guilty mainly of irregularities rather than of basic defects or felonies. Yet this same analyst acknowledged also that an independent audit of city ledgers in 1895 indicated that no remotely adequate bookkeeping had occurred during the preceding five years. "The official accountant did not know how to keep books, and there were many irregularities. Wealthy citizens and some aldermen chose to ignore their taxes in these circumstances." But, he concluded, "There was no fraud, just procrastination, laxity, and error."

Such malfeasances and misfeasances might seem to justify more than a "blush of truth" to Kempner's accusations, especially in the context of ascending Progressive standards. Yet the same writer suggests further that the would-be reformers exploited the Great Storm crisis for selfish purposes; primarily to place "...the elite in temporary control to carry out their plans for long-range recovery of the city and protection of their economic base."⁴⁴

Much depends on how one weighs those phrases. If they equal selfish lusts for power or private gain, then proofs are needed to justify the charge. On the other hand, it is difficult to support the notion that Kempner's efforts to re-create a populous, economically flourishing Galveston were somehow less virtuous than the alternative of saving his family's assets and abandoning the city to its ruin. If it was merely power Ike wanted, why bother with the commission reform? He had power and influence as matters stood, with places in government, the Deep Water Committee, and the Cotton Exchange. His family's business affairs needed careful direction. He could have made much more money by using the time and inventiveness he expended on city business in any of a hundred investments.

Facts and context more fully support a conclusion that the existing government had indeed failed to perform adequately in pre-Storm years, and had utterly abandoned governing responsibilities in the wake of the Storm. Deep Water Committee leaders led in relief and recovery efforts not because of a *coup d'etat* but because the mayor and aldermen were unable to cope with crisis. Revenue officer and relief administrator Kempner was perhaps more familiar than any other Galvestonian with both the pre- and post-Storm pictures. On the pre-Storm side, he had helped to expose delinquent fiscal

⁴⁴McComb, 135.

ways in the city administration. To his dismay, he found that the Storm had taught that administration little if anything.

Kempner's evident disgust at ineptitudes and insensitivities on the part of his fellow city officers seems both understandable and merited. For example, on the very day the Great Storm hit Galveston, a Cincinnati buyer of city bonds that Kempner had helped earlier to float had paid for them in a letter of credit to a New York bank. Kempner therefore recommended that the Ohioan not be held to his purchase since the tax base undergirding those bonds was now somewhere in the Gulf. But, he recalled, "In spite of cries of distress, act of God, and unforeseen contingency, the [Galveston]...aldermen insisted on...not cancelling the transaction. The financial consequences to the [Cincinnati] bond firm were serious as the bonds were virtually unmarketable for several years."⁴⁵ This was hardly behavior designed to restore investor confidence in further bonds Galveston might issue.

Less defensible was the reformers' use of at-large districts, since described (correctly) as favoring white elites at the expense of racial minorities or blue-collar majorities. For decades after the century's turn Kempner insisted that the at-large arrangement was a general benefit, leading to more even-handed citywide services as opposed to ward interests. Other southern cities including Mobile and Jackson had established at-large elections in their commission governments. In those cities, whites' desires to exclude black votes and the business elite's desire to perpetuate their rule did indeed impel the at-large innovation.⁴⁶ Race relations, especially as they concerned labor unions, were part of the southern urban Progressive equation, and they were certainly a factor in the design of the Galveston charter.

Unghettoized if only by the nature of island living, nevertheless a predominantly Negro ward had long existed in Galveston. Its leaders had developed "swing vote" tactics to a fine art, especially in close elections, and in the 1890s a black, Norris Wright Cuney, who was able to deliver his ward's vote as a bloc, sat on the city council. Republican Presidents like McKinley and Theodore Roosevelt sometimes appointed a few blacks to highly visible local federal positions, often as postmasters, thus further annoying southern whites already upset by Congress's flirtations in the 1890s with new civil rights laws. Local blacks' occasional ability to lever jobs and other patronage out of city officials, often in exchange for kickbacks or other graft, seemed to be part of the old order that required purification. The reformed Galveston government, one which Ike helped to create and staff, ended the "black seat"

⁴⁵Kempner, *Recalled Recollections*, 31.

⁴⁶Bradley R. Rice, "Commission Government Adoption in Jackson, Mississippi: Race and Politics," and David Alsobrook, "Bosses and Businessmen: The Fight for Commission Government in Mobile," (both 1985 Southern Historical Association papers).

on the city council, and half a century was to pass before the "reformed" city government again boasted elected black incumbents.⁴⁷

Could Galveston's reformers have fought off Jim Crow in 1900? Race segregation was a mighty force. Ike would later oppose it only in a relatively minor though highly visible matter, Jim Crow segregation on Island streetcars. Sporadic pre-Storm black participation in voting and office-holding had fed the corruption that the charter-crafters wished to end, and they cloaked any racist imperatives in the vocabulary of reform, as with the at-large innovation.⁴⁸

The attitudes of the blue-collar sector on the at-large district are more problematical. While white Galvestonians like the Kempners were unsettled by the militancy of labor unions during the turbulent 1880-1900 decades, union leaders themselves were upset by the question of admitting black members. Galveston employers who took on blacks as strike-breaking "scabs" were themselves ambivalent about the wisdom of their expedient, for some Galveston blacks proceeded to form their own unions, even on the treasured docks. Therefore it may have been that Galveston makeweights, including Kempner and white unionists, contrived the at-large reform as a means of further relegating blacks into political oblivion.

For balance, it wants noting that Galveston blacks did not then or for years to come request reinstatement of the old ward arrangements. True, Galveston blacks were to nurse exaggerated traditions of the extent of black power during the aldermanic decades. Even in 1980 one Island black resented post-Storm displacement of the aldermen by lily-white city managers and commissioners. But though still preferring a strong mayor-alderman government, he admitted that in other southern cities with city managers, whites "...wouldn't even let...[blacks] have an audience. We never had anything like that here in Galveston. [Its] City Managers have always been reasonable and fair to most of us when we go up there [to City Hall]."⁴⁹

A City Reborn

Whatever their specific agendas within the broad category of reform, for Kempner and many others political restructuring was fundamentally only a means to an end: that of rebuilding their city in the best and most effective

⁴⁷Ruth Allen, *Chapters in the History of Organized Labor in Texas* (Austin, 1941), 136-7; Andrew Morrison, ed., *The Port of Galveston and the State of Texas*, (Galveston, 1900), 9-10, on blacks' unions; on Cuney, Virginia Hinze, "Norris Wright Cuney," (M.A. thesis, Rice Univ., 1965), 46. See also Rice, "The Galveston Plan of City Government," 372.

⁴⁸Paul E. Isaac, "Municipal Reform in Beaumont, Texas, 1902-1909," *Southwestern Historical Quarterly* 78 (1975): 409, 430.

⁴⁹John H. Clouser, interview by R. L. Jones, April 22, 1980, RLA.

manner they knew how. And achieve it they did, through heroic efforts on all fronts. Within a remarkably few years, shipping from Galveston equaled or surpassed pre-Storm levels. By 1910, the Island's population was only 800 persons short of its pre-Storm numbers. The ongoing construction projects, although causing considerable inconvenience to residents, did indeed reassure Islanders of their future safety as Kempner had hoped. Work began on the seawall in December 1902, and just eighteen months later the massive structure was completed despite the difficulties of its financing and its novel construction. Grade-raising proved to be a much more complicated source of legal, political, and human relations problems than the seawall, and its first phase was not completed until 1910. (A second phase took place after a major hurricane in 1915, to drain Galveston areas adjoining the city center.) These two projects, tested many times by future Gulf hurricanes, proved indeed sufficient to protect Galveston from ever again experiencing a disaster such as that of 1900.

The grade-raising was only halfway complete when construction began on Kempner's third pet project, the multiple-use bridge or causeway across Galveston Bay to the mainland. The causeway opened for traffic in 1912, creating a swift, sure, and cheap way for mainland farmers to reach the Island and for Galveston merchants to reach mainland markets. Houston's growing population quickly exploited the causeway as the vacation route of choice leading to the beachfront pleasures of Galveston, and tourism increased on the Island.

In all this recovery from the terrible 1900 Storm Ike Kempner played a central role.⁵⁰ For fifteen years he served as finance commissioner. Whether initiating and defending the commission reform, searching out neglected sources of revenue for the city, or using all his persuasive powers to pass a new bond issue for construction and reconstruction, Kempner never faltered in quest of his vision of a new and better Galveston reborn in the wake of disaster.

⁵⁰Barker, 50-2.