

# A System of Government Where Business Ruled

By Betty Trapp Chapman

How old are the brick streets in the Fourth Ward? Who is building the new condominiums in the First Ward? Is one of the proposed rail lines going through the Third Ward? Questions like these are heard in Houston almost every day. Yet the wards as definitive areas have not existed in Houston for more than one hundred years. That reality, however, does not prevent them from being part of our collective history and continuing to exist in our present-day mindset.

The wards system of local government became a common

political tool in the early nineteenth century—based on the Jacksonian tendency for a decentralized government with numerous officials elected on a frequent basis. Thought to be more democratic than a system in which the mayor wields the greater power, the wards system began in the early years of American cities, such as New York, Boston, Chicago, New Orleans, and, of course, Houston. Chicago still uses wards, and the number has grown to fifty.<sup>1</sup>

When the town of Houston was incorporated in 1837, the powers accorded to the government were sue or be sued, own and sell property, pass laws, assess taxes, establish schools, and maintain streets. Its charter called for a mayor and eight aldermen, although it took a subsequent charter in 1839 and a supplement in 1840 to divide the town into four wards from which those aldermen would be elected. A nine square mile area centered on the county courthouse delineated the city limits. The intersection of Main Street and Congress Avenue formed the four wards' innermost boundaries that extended out to the city limits. The land north of Congress and west of Main became the First Ward, and the four wards proceeded clockwise from there. In 1866 the Fifth Ward was added north of Buffalo Bayou and east of White Oak Bayou. A final ward, the Sixth, was carved out of the Fourth Ward North in 1877, but it was not formally given representation on City Council until 1896.<sup>2</sup>

All of the municipal offices were unpaid, part-time positions. The mayor, elected at-large, served a one-year term as did the voter-elected aldermen in their designated wards. Only white males who were citizens of Texas, residents of Houston for at least six months, and owners of at least \$100 in real estate were



"The Magnolia City" from *Texas World newspaper*, May 21, 1898, depicting Houston's growth in manufacturing and trade.

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eligible to hold office. Meetings of the governing body were held randomly at Kesler's Arcade, a popular gathering place. The turnover of the mayoral office four times in the first three years and a revision of the charter nine times between 1837 and 1853, demonstrated the instability of the government. The makeup of the elected leaders, who initially came almost entirely from the mercantile class, did not change.

Houston was founded on the premise that agricultural products, especially cotton, would be brought to Houston from the rich farmland

to the west and then shipped down Buffalo Bayou to the Gulf of Mexico. In return, manufactured goods came from distant ports to Houston to be sold in the mercantile establishments, which included dry goods houses, retail grocers, hardware stores, wholesale warehouses, commission merchants, drugstores, and bookstores. If Houston could become the commercial emporium of all Texas that the Allen brothers had promised, those engaged in commerce clearly had the most at stake. To realize success, they became involved in all aspects of the community's development, which included using government to promote and support their capitalistic endeavors. In essence, Houston's government became the instrument of the local business community. The numerous changes in the city's charter between 1837 and 1853 dealt primarily with transportation—essential for a trade economy. The business community focused on developing the cheapest routes to and from the market places by roadway, water and, later, rail. These priorities clearly overshadowed attempts at providing public services for the private sector as the fledgling town grew. All administrations reflected a strong commitment to business growth based on a *laissez-faire*—or "free enterprise"—philosophy characterized by an intense belief in economic growth, private property, private investment control, private profit, and government action tailored to business needs. Leaders envisioned Houston becoming "the Chicago of the South" and consistently measured their local accomplishments against the commercial development occurring in Chicago.<sup>3</sup>

By the 1850s, class stratification had developed with a small wealthy elite, a substantial middle-income group, and a large poverty-level population. A review of local government officials

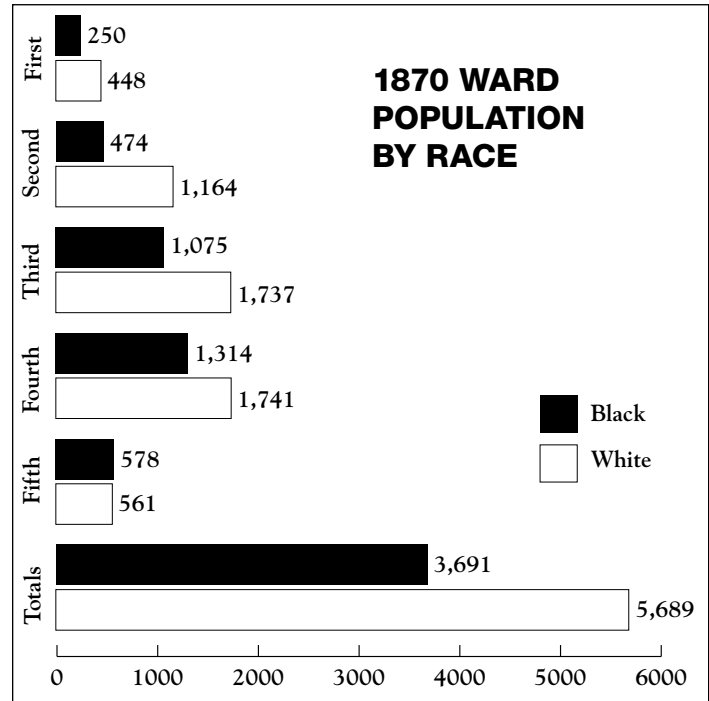
reveals that the majority of mayors throughout the nineteenth century were merchants. These men promoted the city's business interests and held positions of leadership in their churches, the volunteer fire units, and other civic organizations, becoming the "commercial-civic elites," as historian Harold L. Platt aptly named them. In time, they became the largest property owners, occupied the highest social ranking, and represented the wealthiest citizens. Between 1850 and 1860, the share of wealth held by the richest ten percent of the population increased from just over half to more than two-thirds. Many elected aldermen fell into the elite categories, as well.

During Houston's early years, each ward's population was heterogeneous in its make-up, composed of a variety of ethnic and economic backgrounds. Except for a few free black residents, slaves comprised the African American population. Although there were fewer slaveholders in Houston than elsewhere in Texas, slavery was a significant factor in the city's economic life. Urban slavery practices did not dictate that slaves live on their owners' premises. They were often hired out to work as domestic servants or journeymen for others in the community. In these instances, their domicile might move from ward to ward. This pattern of residential mobility remained in place even after emancipation of the slaves since many workers tended to live near their work place, which frequently changed. Until more homogenous neighborhoods developed in the late nineteenth century, the commercial-civic elites were elected across the city because they often dominated several wards at any given time. As the majority on City Council, they controlled decision-making in government affairs. These decisions most often revolved around trade issues to improve roads, dredge and widen Buffalo Bayou, and expand railroads crisscrossing the Houston area. Accordingly, street paving and improved drainage occurred first along the town's business corridors. These areas would, ultimately, have the first artificial lighting and the first horse-car transit. In the meantime, ward neighborhoods suffered with few improvements or amenities.<sup>4</sup>

The Civil War had a divided effect on Houston. Industrial activity, almost totally absent in the town's development, flourished as wartime items were produced. Yet, at the same time, the area's infrastructure deteriorated. The bayou needed dredging after years of neglect, streets remained in poor condition, the Market House was totally inadequate, and the police force lacked sufficient numbers to keep order. The town's inadequate revenue, which came from occupational license fees, merchandise tax on store goods, rental for market house stalls, and a small ad valorem tax on real estate made improvements slow. When taxpayers rejected plans to raise taxes, the municipality borrowed money by issuing bonds. Instead of buying long-term insurance-bearing bonds, they chose uninsured ones—marking the beginning of an insurmountable debt that the city faced for years to come.<sup>5</sup>

The composition of City Council during these years gives insight into why commercial improvements always took precedence over those that might benefit the neighborhoods or spaces shared by the general public. Business owners, cotton factors, and railroad management heavily represented wards Two, Three and Four. The First Ward's representatives were grocers and railroad laborers with a few industrialists. The newly-assembled Fifth Ward's aldermen were primarily railroad workers, mechanics and bricklayers.

African American males first voted in 1868, but they played no role in city government until the Reconstruction years when the Radical Republicans controlled local government and appointed them to the office of alderman in every ward except the Second. In 1872 when the aldermen were elected at-large, African American males represented Third, Fourth, and Fifth wards for one year. Although a new charter received approval in 1874, minorities found it difficult to gain enough votes for election due to the highly integrated make up of the wards, as shown in this table:<sup>6</sup>



By 1880 the city's mounting municipal debt discouraged anyone from running for mayor. A group of citizens drafted banker and railroad president, W. R. Baker, believing that he had the expertise to resolve the financial problems. Baker agreed to run if he could choose his slate of aldermen, all of whom were merchants or bankers. Unfortunately, Mayor Baker did not successfully reduce the debt and found railroad mechanic Daniel Smith opposing him in 1885. Surprisingly, Smith, a "short hair" candidate, defeated Baker. Perhaps even more surprising, Smith erased the debt and left office after two terms with a surplus in the city's treasury. Moreover, with the support of a City Council composed of fewer elites and a larger number of blue-collar laborers—namely, a painter, two railroad superintendents, a yardmaster, a saloon keeper, and a grocer—Smith addressed some neighborhood concerns. The shift of political power back into the wards resulted in an expansion of public works projects for all areas of the city. For example, City Council formulated a new lighting contract in which the locations of street lamps were divided equally among the wards rather than being placed primarily in the central business district, as would have likely been done by an administration dominated by the commercial-civic elites, that now included bankers, lawyers, and railroad entrepreneurs in addition to merchants.<sup>7</sup>

Aside from the political implications involved in the ward-based system of government, there were other defining characteristics of the wards. The First Ward, located near the bayou and produce row, was a workingman's community with many

residents engaged in service occupations. Bayou transportation dominated the Second Ward, offering jobs along the waterway, but it also had wealthy constituents living in the city's first upper-class neighborhood. The Third Ward developed into what was sometimes called "the city's silk stocking district," perhaps because it, unlike the other wards, remained relatively free of intrusive rail traffic. A mix of large and small businesses, churches, and public institutions made up the Fourth Ward. Industry, both heavy and light, prevailed in the Fifth Ward and gave employment to most of its residents. The Sixth Ward likely represented the city's most diverse in nationality with its residents comprised largely of European immigrants who contributed their skills to the building trade, as well as the railroads.<sup>8</sup>

Throughout the rest of the nineteenth century the ward-based government focused primarily on the city's business interests. The city continued to overlook ward neighborhoods as commercial interests received most of the tax-based improvements. As a result, city services were unevenly distributed. In 1882 a local newspaper reported that Houston amounted to "a huddle of houses arranged on unoccupied lines of black mud." Residents in the Fifth Ward went a step further and petitioned to secede, complaining that the ward was "mud-bound and without utilities." The city did not grant that request or a second one several years later. The ward residents did succeed, however, in having a bridge built over Buffalo Bayou to give them easier access to the heart of the city.<sup>9</sup>

The private sector was expected to provide those services that enhanced the residents' quality of life. Fortunately, certain groups recognized needs in the community. A Roman Catholic order from France, Sisters of Charity of the Incarnate Word, established St. Joseph's Infirmary in 1887 to provide care for

the sick beyond that offered by the railroad hospital and a sporadically-operated charity hospital. Women's clubs agitated for years for a free public library to replace the private one to which only white males were admitted as paid members. In the absence of any parkland in the city, the congregations of Trinity Methodist Church and Antioch Baptist Church bought land in the Third Ward to establish Emancipation Park for the city's black residents.<sup>10</sup>

Samuel Brashear, a reform-oriented progressive who envisioned an expanded public sector, was elected mayor in 1898. The city made some progress in extending services to the wards during his administration. These included a more adequate sanitation system, a park system, greater emphasis on primary education, and appropriations for a public library. Brashear, however, was unsuccessful in promoting municipal ownership of utility companies. Water, gas, and public transit were provided, often inefficiently, by private companies with little regulation by local government. Brashear forced reform through building coalitions of individual ward leaders. Although this progressive element expanded public services, there was still no equality in a city as racially segregated as Houston. As neighborhoods became more homogeneous, African American areas were less likely to benefit from any of these reform efforts. The split continued between "the people" and "business interests."<sup>11</sup>

In 1895 the business community formed the Business League, the primary vehicle through which local government acted. Its role soon expanded to coordinating major business groups in the city as well as political campaigns. In 1902 the Business League (later renamed Chamber of Commerce) successfully organized opposition to neighborhood oriented reform. Within three years the business elites had gained complete


*Main Street looking toward Congress Avenue, 1866.*



control of the political institutions. At this same time, the city faced monumental problems that demanded solutions. There was a severe shortfall in the budget, the city's sewer system was inadequate, its drinking water was frequently contaminated, surface drainage was problematical, teachers in the city schools were not being paid their salaries, and a new Market House was needed. In 1905, following the example of Galveston, its neighbor to the south, Houston residents voted 1262 to 815 to dissolve its ward-based government in favor of a commission form of government. Under this format, a mayor and four commissioners were elected at-large. For the first time, the mayor's post became a paid, full-time one. Each of the commissioners headed a department: Tax and Land, Fire and Police, Streets and Bridges, and Water and Utilities. This change enabled the city to run like a private corporation producing the greatest results with the least expenditures. Although this new government did not officially commit to any one sector, the commercial-civic elites still dominated and power was placed in the hands of a very small governing body. Minorities had little voting power with every official elected at-large. The quality of life, inevitably, diminished for the working class and racial minorities, even as the city's commercial development hit new performance levels.<sup>12</sup>

In conclusion, was the commission form of government better for the city than that based on ward representation? The answer would be "yes" if the progress made in the commercial sector is the determining factor. During the first seven years under the commission government, the city recorded \$2 million in improvements with much of it going to the development of the

Ship Channel. The answer would be less positive if looking at the quality of life experienced by many residents. As commercial interests continued to be the dominant force, issues dealing with public welfare remained in the background. As Jim Crow laws were enforced and as the economic divisions between segments of the public widened, the city became a less desirable place to live for many of its citizens. As Harold L. Platt points out, administrative reform and political repression as seen in Houston were typical of urban progressivism in the New South. Even more revealing, elected officials instituted a model for local government that would prevail and permanently identify Houston as a place where "business rules." Houstonians, nevertheless, continued to define themselves by the ward in which they lived regardless of the circumstances surrounding their lives.<sup>13</sup>

In 1987 a local newspaper reported: "Houston is a cosmopolitan city. The word 'ward' is stagnant, unsophisticated, and places areas in isolation. We should erase it from our vocabulary."<sup>14</sup> But that has not happened nor is it likely to happen in the foreseeable future. Houston's wards are a vital part of our past and, as such, continue to play a visible—if unofficial—role in our city one hundred years after they were abolished. 

**Betty Trapp Chapman** is a historian who researches, writes, and lectures on Houston history. Although she delves into all aspects of local history, her special areas of interest are women's history and historic preservation. She currently chairs the Houston Archaeological and Historical Commission.

*City Hall and Market House (1876-1901), shown in February 1895 after a twenty-two-inch snowfall.*

