The Rise of Hispanic Political Power

José de la Isla
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José de la Isla
In memory of

José de la Isla Jr.
My father
“I’ll give you a phone number right by my bedside. You won’t [ever] have difficulty reaching me.”
—Candidate Jimmy Carter, speaking to Hispanic political leaders, (1976)

“People are recognizing that the Latino agenda is synonymous with the American agenda. There is nothing radical about our goals of improving schools, expanding health care, making our communities safe through gun control and law enforcement, and expanding economic opportunity. . . .”
—Richard Polanco, Chairman, California Democratic Latino Legislative Caucus

“And I have to tell you, this presidential election year, it is somewhat frightening to see two white, middle-aged men campaigning around the country speaking better Spanish than your own niece and nephews.”
—Arturo Vargas, Executive Director, National Association of Latino Elected Officials (September 29, 1999)

*George* Magazine: “How do you feel about being Hispanic?”
Bill Richardson: “I’m very proud, but try not to wear it on my sleeve, don’t overemphasize it. I am not a professional Hispanic. To get ahead, you must deal with mainstream issues, not just Hispanic ones.”
—Interview (August 2000)

“I believe in the Constitution—and groceries too.”
—Congressman Henry B. González
Acknowledgements

I owe much to many. Among them are Charles Ericksen, Gerald García, Blanca Hernández Blanco, Kathryn Lawlis, Patricia Fuentes, and Francisco García, Jerry Rankin and Alfonso Vásquez. Joy Estela Hansen suffered through the early drafts and was consistent with her research assistance. Carol Lumpkin helped prepare the final manuscript. And Fanny Riva Palacio gave me moral support to the finish. My publishers, Rosemary Tribulato and John Taylor-Convery, made the completion of this work easier than a task like this ought to be.

Also, I want to thank the University of California-Berkeley Ethnic Studies Department for a lectureship that provided me time to collect my thoughts and organize my ideas. Some of the material in this book first appeared as articles in Society, Aztlán, Houston Post, Houston Chronicle, Hispanic Link Weekly Report and in newspapers that are part of the Los Angeles Times Syndicate.
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The Rise of Hispanic Political Power
Prologue

Writer Mike Davis has provocatively stated, “To be Latino in the United States is rather to participate in a unique process of ‘cultural syncretism’ that may become a transformative template for the whole society.” Latinization, is the fusion of histories, traditions, and social understanding. It is a practice, rather than a representation. It would be a mistake for us to search for an essence of the Hispanic identity, “the Rubik’s Cube of ethnicity” in Davis’ words. Hispanic/Latino is an artificial “box,” he says, that was invented to contain individuals of “disparate national origins who may subsequently develop some loosely shared identity as a reaction-formation to this labeling.” Davis, of recent commentators, comes closest toward grasping the identity-force (movement, purpose and action) and dispels the identity-label (provoking a victim-of-circumstances characterization and a stereotype).¹

There is still a tendency to portray the several major Hispanic groups as a single mindset. However there are just too many national origin, regional, linguistic, cultural, class, and educational matters that differentiate the groups and the individuals. By the same token, it is a simplification to imagine that the differences lead to antagonisms between the Hispanic groups. There may be competitions, of course, but estrangement is another matter altogether. What brings Hispanic groups together is the shared notion of a common experience, recognition that each one lives in the same national context, and that something has to be done to extend opportunity to those that prosperity does not reach. These are not arguable points but shared values and the stuff of strategy. The direction mostly taken has been to avoid offshoot ideologies and head, instead, toward mainstream politics.

Altogether, Hispanics number 32 million, or 11 percent of the U.S. population. It increases by about a hundred thousand persons per month. By 2050, Hispanics will make up 24 percent of the United States population. While Hispanic historical roots go back to the nation's founding, current developments began soon after the Second World War. Hispanic soldiers, returning home from liberating countries, witnessed how our government made reconstruction investments abroad at a scale unmatched or rarely seen at home. Some of them returned to communities that loved their heroism but disdained or discriminated against them as members of an ethnic group. That part of the story is not generally well known, nor are the predating landmark civil right challenges in the 1940s, leading to the desegregation of Hispanic children in Texas schools.

While many people became better off in the post-World War II period, that prosperity was not evenly spread. Government reluctance to intervene and extend equity more uniformly at the local level was part of the problem. The lack of government representation, especially in the southwestern region where most Hispanic people—mainly Mexican Americans—lived was patently obvious and became the issue.

There was even a general belief that the progress and welfare of the people was not the stuff of government. That seems to be the ideology mainly among those whose neighbors, friends and relatives were unaffected by underdevelopment. Yet, despite it all, there was some progress when the economy was strong enough to continue incorporating people, albeit ever so slowly. But the political introspection of the 1950s helped the next generation’s leaders, who looked at education and neighborhood conditions as the benchmarks for government-sponsored help that they wanted.

The belief that the arriving immigrant generation must sacrifice so that the next generation can climb up the middle-class rungs wasn’t working. Many Hispanics coming of age during this period were now a generation or two removed from the immigrant experience. In fact, some people were now centuries removed from it. The political beliefs and ideologies that resonated with Middle America just didn’t strike a cord with many Hispanic Americans. Notions about equality and democracy looked more like folklore then as an achievable reality. A dissatisfaction—and in some places disaffection—festered throughout the 1950s. All that began changing during John F. Kennedy’s presidential campaign when the Hispanic vote was actively sought for the first time and Kennedy won by a razor thin margin over Richard Nixon in 1960.

Mexican-Americans, the largest of the Hispanic groups, had by then
adapted to a hyphenated ethnic identity, similar to the Irish-Americans and the Italian-Americans and other immigrant populations. While the term “Hispanic” was not applied prior to this time, none of the three major “Latin American” groups was significantly large to command a national identity. Mainly Mexican or Puerto Rican and a smattering of other groups were a hybrid that did not quite fit into the conveniently simplistic racial categories white, black, red or yellow. They were distinguished by—of all things—culture, Spanish-language and historically Latin American roots. This “Latin American” proto-identity distanced Mexican Americans, Puerto Ricans and the others from racial identification and segregation in the 1950s. But they were mis-typified, except to themselves.

By the time of the Civil Rights and racial and ethnic assertion movements of the 1960s, “Chicano” became the term for the so-called “brown movement.” The older regional distinctions (Californios, Tejanos, Hispanics, Manitos, Spanish-surnamed, and Spanish-speaking) gave way to Chicano, and captured the imaginations of political activists and young people (mainly students). The new term implied—beyond ethnicity—an identity with a cause. So much so that in the early days, some Chicanos recruited Puerto Ricans, before many of them joined their own Boricua movement. Some of the fervor still remains. “Today,” says Richie Pérez, a political participant in the tumultuous 1960s, “the majority of [Puerto Rican] activists from this period, myself included, recognize electoral participation as an important weapon in our political struggle.”

The need to change the terms to designate Hispanics arose from the need to include more people and get greater congruence for a larger place in the national picture. They were not included if they lacked a name.

“Hispanic” was adopted in the early 1970s, during the Nixon administration. “Spanish-speaking” (not everyone was) and “Spanish-surnamed Americans” (nor was everybody), although used, just didn’t fill the bill. While some people to this day object to “Hispanic” as the encapsulating category, the others were worse. “Hispanic” was originally as much a demographic as it was a political device. “Hispanic,” as a political term, was one included in the Nixon “heritage groups,” used to distinguish among potential constituencies. The choice of “Hispanic” grates on some people because of its association with the Nixon administration’s policies and political intentions, but it did facilitate the first significant U.S. Census enumeration under this category.

Both “Hispanic” and “Latino” are generally accepted today. Author Earl Shorris conducted one interview in which his respondent refused any term
other than national origin: “No other word was acceptable,” said Shorris, “not because there were no other nouns or adjectives available, but because any less specific, more encompassing word was damaging: To conflate cultures is to destroy them; to take away the name of a group, as of an individual, is to make pale the existence of the group.” It is like having your name as the address and “Latino” or “Hispanic” is the name of the city.

Our intention is certainly not to do violence to anyone’s identity. Either “Hispanic” or “Latino” will just have to serve as neither satisfactorily expresses national, regional, ethnic and class identity. “Hispanic,” because it gained acceptance first, and it is the choice of most Hispanics, is mainly used in this book. In either case, both represent a drifting away from mixing racial and ethnic and political identities under one term, as was so popular in 1960s and ‘70s.

“Hispanic” is the meta-category first applied in forging the early political collaborations, alliances and coalitions between groups. “Hispanic” was the meta-term applied to adhere the various nationality, rural-urban, ethnic-class, public-private interests. The term had currency then and it is one still in general use now. It is not used exclusively in this book because “Latino” shares billing among many people.

Mexican Americans, Puerto Ricans and Cubans are the largest Hispanic groups. Since the 1970s and 1980s, Central and South Americans are the fastest growing segments and Dominicans (among the Caribbeans) have significantly increased in number. The Hispanic bond extends to the newcomers as the affinity goes to those with a historical origin in Latin America. Yet for some—such as the Hispanos of New Mexico and some colonial and land grant Mexican-American families—“Latin America” might have to include parts of the present United States when those regions were culturally part of Latin America. Yet, our purpose is not to resolve all the seeming contradictions and describe the nuances but to avoid posing a fiction. The

4. Writer Mike Davis warns: “The debate is unlikely to be resolved. Indeed, there is a broad critical awareness that both labels fail to acknowledge the decisive quotient of indigenous genetic and cultural heritage in the populations described,” Magical Urbanism, ibid., p. 12.
task here is to show how the Hispanic distinction came about in politics and how it is increasingly less foreign and is more a part of the American experience.

Mexican Americans form the largest Hispanic group. Their tie to the United States is as old as the Republic itself and as recent as the last bus to arrive at the terminal. Historically, this population has been mainly concentrated in the Southwest. Immigration and mobility have made it a national population with significant clusters in every state, and virtually every urban and suburban population center. In the formative years, the farm workers movement crystallized a political consciousness, especially among youth, liberals, idealists, and progressives. They established a connection between social justice, representation, and legislation. The lessons learned from those early struggles (that still continue) were taken to other efforts for economic opportunity and civil rights. While traditionally Democratic, we will see how and why Republicans made inroads.

In the late 1960s, Puerto Ricans—concentrated in the northeast, mainly New York—received Democratic party attention, however with many notable progressive Republican exceptions. The Puerto Rican population has been fed historically by migrations from the island. Underlying Puerto Rican concerns is the sovereignty status of Puerto Rico, which became a territory in 1898 and a free associated state in 1952. Puerto Ricans became U.S. citizens in 1917, under provisions in the Jones Act, but island residents are still not allowed to vote in presidential elections nor do they pay federal taxes. Free associated state status won a plebiscite in 1967 and in 1993 by a bare plurality (48.4 percent) over statehood (46.2 percent). The Independistas only garnered 4.4 percent of the vote that year. Puerto Ricans, like Mexican Americans, have focused on ethnic assertion but have directed much of their attention on urban revitalization, migration from the island to the city, and island sovereignty.

The Cuban influence on South Florida and Tampa predated the 1959 revolution in Cuba led by Fidel Castro. In the early twentieth century, up to a hundred thousand Cuban visitors traveled annually between Havana, Key West and Tampa for business and pleasure. After 1959, about 215,000 Cubans—including wealthy businessmen, government officials, and professionals—went into U.S. exile. Miami’s Hispanic population increased tenfold from the 1960s to the 1980s. Although Cubans settled in other parts of the United States, the largest concentration was in South Florida.

In 1966, Congress passed Public Law 89-732, providing federal assistance through the Cuban Adjustment Act. Medicaid, food stamps, free
English courses, scholarships, business credit and loans, low-interest college loans, ability to secure visas, and less than the normal five-year waiting period to gain citizenship. The law became a sore spot with Mexican Americans and Puerto Ricans whose displacements never received that kind of concentrated aid as provided the Cuban refugees. Cubans were routinely elected to school board, city, county and judicial positions in South Florida only a decade later after their mass arrival and contrasted sharply with the other Hispanic groups.

Central and South Americans comprise a large 14 percent of the rest of the U.S. Hispanic population. Their numbers are not to be minimized, however. For instance, Dominicans, Colombians, Mexicans and Ecuadorians have a significant presence in New York. So do Nicaraguans and Puerto Ricans in Miami. As do Salvadorans and Guatemalans in Los Angeles. While traditionally one tries to telescope in and zoom out, the truth is that we need a kaleidoscope to embrace the true social setting on the ground. Furthermore, these populations may be the link to the United States’ international future. U.S. Latinos, considered as a whole, would make up the fifth largest Latin American nation—after Brazil, Mexico, Colombia, and Argentina. By 2050, U.S. Latinos will be the equivalent of the third largest Latin American nation.

Of the three major Hispanic groups, Mexican Americans occupy much of our attention. As the oldest and largest group, Mexican Americans have a longer representational history than the others, making them more prominent in forming alliances across local, regional, rural and urban, education and class distinctions. These are political alliances and coalitions, not blood brotherhoods. Detractors sometimes confuse the difference.

This book, purposely, does not compare and contrast between Hispanic groups. That provincial approach, prevalent until the end of the 1990s, is frivolous. Instead, looking at what brought distinct Hispanic groups from different parts of the country together and how they gained political capital is a more fruitful discussion. In the end, we see that this is part of the continuing story about how the United States brand of democracy is acquired. It is also the story about how power is gained—it is not given freely—and

5. Current convention refers to “Puerto Ricans” and “Cubans” by place of cultural origin, although “Cuban American” (without a hyphen) is occurring more often in writing. “Mexican American” was written with a hyphen in the past but it has been largely discontinued. The hyphen suggests a verisimilitude “hyphenated” American, so the thinking goes, that gives equal footing to both places. Without the hyphen, “Mexican American” makes “Mexican” the modifier, an adjective, with no ambiguity about national identity.
the controversies involved in acquiring it, and the progress that can be made from its pursuit.

Abelardo L. Valdéz, former White House chief of protocol, once said, “History is to a nation what memory is to a person.” This story of the emergence of Hispanic political power recollects what happened and why, and who played a part in support or reaction to what. Not long ago, this would have been an interesting story about politics, local color, assimilation and accommodation. The unfolding globalization allows this story to become, instead, an adventure tale about how our nation is transforming, adapting to a new time and to different circumstances. The grand sweep of events foretells how the next chapter in the nation’s story will unfold and gives us a glimpse into the emerging history of the future. But before we lunge into that future, we are wise to draw from our national memory—that is to say, from our history.
1
The Brown Mafia

ew Mexico Senator Joseph Montoya was outraged (somewhat disingenuously) when he learned the Nixon administration had blatantly tried to buy the Hispanic vote. Investigators from the U. S. Senate’s Watergate Committee had uncovered an elaborate scheme to influence how Hispanics voted in the 1972 presidential election. The whole thing was an “incredible insult,” said Montoya, after hearing testimony on the White House plan.

Senator Lowell Weicker (R-Conn.), who heard the same testimony, saw it differently. The White House was merely “maximizing on the incumbency,” as he put it. “Why in heaven’s name do you think the Democratic Party became the majority party? It was just these types of efforts made on behalf of other minority groups over a period of decades.”

In fact, many Hispanic leaders had been led to believe before the election that unless they supported Nixon, the federal government might stop giving financial support to their communities. They had fought hard to get assistance for education, employment, and self-help projects and feared this would come to a halt if they supported George McGovern, the Democratic candidate. Put bluntly, Hispanics were vulnerable because they needed help and had few elected officials who looked out for their interests. Why not play it safe and support Nixon?

Why would the Republican White House undertake a strategy to focus on Hispanics in the first place? The reason was one that Democrats had long understood and Republicans were only now catching on to.

Hispanics formed a potential voting bloc that could mean the difference between winning and losing a close presidential race. Robert Kennedy

had recognized this years before. As his brother’s campaign manager in 1960, he supported the formation of the Viva Kennedy organizations in the southwestern states and requested Henry B. González, an unsuccessfully candidate in the Texas gubernatorial primaries, and U.S. Senator Dennis Chávez of New Mexico, as national co-chairmen to help organize the Viva Kennedy Clubs. John Kennedy got 85 percent of the Mexican American vote in his razor thin victory over Richard Nixon.

Mexican Americans made a difference in the Texas election that year when Democrats failed to win a majority of the Anglo precincts. Republican local gains were offset when 91 percent of Mexican Americans voted for the John Kennedy-Lyndon Johnson ticket, which won the state with 50,000 votes to spare. In New York, Puerto Ricans (especially in Spanish Harlem and the South Bronx) turned out for Kennedy three to one. They gave him a 125,000-vote plurality—approximately one-third of the New York victory margin. That unprecedented political organization by the Kennedys swept Los Angeles City Councilman Edward Roybal into the U.S. House of Representatives. The next year, Henry B. Gonzalez (D-Texas) was elected in a special election to fill a House vacancy.

In 1964, during the next presidential campaign, Lyndon Johnson won 90 percent of the Mexican American, and 86 percent of the Puerto Rican, vote. He carried all the southwestern states, except Arizona. In the following presidential election of 1968, 87 percent of Hispanic voters favored Hubert Humphrey. Richard Nixon received only 10 percent of the Mexican American and 15 percent of the Puerto Rican vote.

The 1960, 1964 and 1968 presidential elections clearly demonstrated that the Hispanic vote was allied with Democratic candidates and was potentially (if voter turnout could be kept at a high level) far more important than previously recognized. The pattern was so evident that the League of United Latin American Citizens and the Mexican American Bar Association issued a white paper arguing that a small shift in the Mexican American voting pattern in the southwestern states plus Illinois could tilt the balance in future presidential elections.2

Local and state candidates were also well aware of what the Hispanic voting potential meant. Democrat John Connally failed to carry a majority of Anglo precincts, but won the 1962 Texas gubernatorial race with a 150,000 vote victory margin coming from Mexican American precincts that voted

for him by 93 percent. Similarly, Democrat Joseph Montoya won New Mexico’s U.S. Senate election by 16,000 in 1970 over Republican Anderson Carter. Hispanics made up the victory margin in a record turnout for an off-year election.

As Richard Nixon’s reelection campaign in 1972 approached, the respective campaign histories suggested that success required voter-switching to the Republican Party and/or a low Hispanic turnout in key states. Other events also played into the White House’s 1972 election design. The La Raza Unida party, founded by José Angel Gutiérrez, turned into an important pawn. Unlike other third parties, Raza Unida had the ability to divert a crucial number of Hispanic protest votes to its own candidates and away from the major parties.

La Raza Unida was part of a new generation of organizations that arose around San Antonio in the late 1960s. In 1967, the Ford Foundation granted $630,000 to the Southwest Council of La Raza to help accelerate the rise of Mexican American leadership. About the same time, the aforementioned José Angel Gutiérrez, who was born and raised in Crystal City, Texas, headed a group called the Mexican American Youth Organization (MAYO). The Ford Foundation, said Gutiérrez—in the arrogant, demanding, even menacing tone characteristic of the time—“didn’t have much choice in the matter. It was one of those situations that either you come across with the money and [are] able to plug us into the system or we just tear the hell out of everything out there.”

In 1968 Gutiérrez supported Congressman Henry B. González’ Republican opponent and encouraged several members to enter a city council race. The next year, after Gutiérrez made some public comments not dissimilar to those of the so-called radical youth of his time but considered inflammatory rhetoric by some, González countered from the floor of the House of Representatives, attacking the Ford Foundation for supporting the “Brown Bilbos” and the “new racism.” Subsequently, MAYO was told by the Ford Foundation it would no longer grant them support. Period.

3. Neil R. Pierce, The Megastates of America: People, Politics and Power in the Ten Great States (New York: W.W. Norton & Co., Inc., 1972), p. 560. José Angel Gutiérrez was to become one of the leading Chicano activists and political leaders of the 1960s and ’70s. Besides co-founding La Raza Unida Party, which helped to raise consciousness about Chicano civil rights issues. In 1966, Gutiérrez had received a B.A. from Texas A&I University in Kingsville, Texas and an M.A. from St. Mary’s University in San Antonio. Later he was to receive a Ph.D. in Political Science from the University of Texas at Austin in 1976.
Gutiérrez returned to his hometown and, in 1970, formed La Raza Unida party. The idea of a third party alternative to the predominantly conservative Texas Democrats had a certain appeal to Gutiérrez and his followers. The love affair between Mexican Americans and the state Democrats had turned acrimonious. Dissatisfactions ran deep. “When President Kennedy and Bob Kennedy died, the Democratic party died for the Mexican Americans in Texas,” said one labor official.

By the spring of 1970, Raza Unida party candidates had won control of Crystal City’s school board and positions in Carrizo Springs and Cotulla. This success, however, was short-lived. In the fall elections that year, Mexican American voters deserted Raza Unida candidates and voted Democratic, electing, among others, Democrat Lloyd Bentsen to the U. S. Senate.

In response, Gutiérrez set out to extend Raza Unida beyond south Texas, and found success in that year’s special election to fill the State Assembly seat in Los Angeles. Chicano Democratic nominee Richard Alatorre was the clear favorite in the race against eleven other candidates, including Raza Unida candidate Raúl Ruíz and Republican Bill Brophy. When Alatorre, Ruíz and Brophy were forced into a runoff, Ruíz doubled his primary total by cutting into the traditional Democratic vote. As a result, Alatorre was defeated and the Republican won. Raza Unida had proved it could upset a close election by drawing votes away from Democrats, act as a spoiler and even help Republicans come out ahead.

Alex Armendáriz, a staffer at Richard Nixon’s reelection campaign committee (Committee to Reelect the President), had been studying Raza Unida and proposed a strategy to weaken Democratic strength and help Raza Unida win votes, namely that his party provide covert assistance to Raza Unida. “Republicans,” he wrote, “are in a good position to help attract to La Raza [Unida] . . . [the Hispanic voters] who already approve of that party.” He assured that “any help given them would not be identifiable as Republican. . . .”

In formulating the strategy he estimated that Republican core support would come from the 19.4 percent of the group who “may be the most conservative members.” However, the main target was the 33 percent of Hispanics who had no strong political opinion. The goal was quite simple: [It] “will be our job to try to crystallize” [that segment] “toward La Raza [Unida], toward the Republican party, or staying at home.”

4. Committee for the Reelection of the President memorandum for Henry Ramírez from
To accomplish this, the federal bureaucracy would have to be enlisted to provide incentives for Hispanic leaders to either turn Republican or to allow the Republican incumbent to win by going passive. The mechanism for doing that had been established earlier.

President Johnson’s Inter-Agency Committee on Mexican American Affairs was formed in response to the Viva Johnson support of 1964. Headed by Vincente Ximénez, a former U.S. Equal Employment Opportunity Commissioner, the agency held hearings in El Paso (attended by the President and Vice President Hubert Humphrey) and heard testimony from virtually every major Mexican American leader about the need for a greater federal commitment. Witnesses demonstrated how the population was much more diverse than the prevailing wisdom, which typified Hispanics as a predominantly rural, regional, unorganized group, forming an insignificant population in political terms. They were, instead, a heterogeneous group whose problems and issues were, in fact, national in scope. However, federal programs continued to elude them, even when economic conditions demanded attention. Hispanics were getting left out of the national scheme of things. Government agencies, they argued, needed to become more involved to ensure that federal assistance reached individual communities. Cabinet members and the Office of Economic Opportunity’s (OEO) director, Sargent Shriver, were briefed on the uniqueness of the problems.

A year after the hearings, Senator Joseph Montoya introduced a bill to keep the momentum going. He proposed a new agency to continue the Inter-Agency Committee’s work. The Senate Government Operations subcommittee held hearings, and Congressman Frank Thompson (D-N.J.) introduced companion legislation in the House of Representatives. Then the bill dropped out of sight.

Several years later, Representative Edward Roybal “found” the bill in the Foreign Affairs Committee. “Mexican American” had been presumed to mean relations between Mexico and the United States.

Roybal’s intervention got House Government Operations Committee chairman Chet Holifield (D-Calif.) to refer the bill out of Foreign Affairs and into his own committee. With only two weeks remaining before a recess, the

In December 1969, with a new administration now in place, Congress finally established the Cabinet Committee on Opportunities for Spanish-speaking People.

Martín Castillo, a deputy director at the Civil Rights Commission, became the Cabinet Committee’s chairman. He was experienced in Washington’s ins and outs and moved quickly to persuade the Bureau of the Census, as a matter of policy, to identify Hispanics as such (referred to as the “Spanish-speaking”). The data was vitally needed to form advocacy offices inside federal departments.

Numerous bureau chiefs had already noticed that the Hispanic population was growing fast. Still, progress was slow. Hispanics had not received the amount of attention they deserved for a population their size. “We’re not doing so well,” Castillo admitted to Vice President Spiro Agnew, who presided over the Cabinet Committee. The bureaucracy itself was the main problem. It didn’t have enough Hispanic Americans among its ranks to count on, causing a lack of insightful understanding about how to apply existing policy. Agnew agreed. Too few policymakers came from Hispanic backgrounds, leading to the recommendation and President Nixon’s approval of a sixteen-point program to significantly increase federal employment opportunities for Hispanics.

Then one month after the 1970 mid-term congressional elections, Castillo and Small Business Administration director Hilary Sandoval suddenly resigned. Their inability to move any noticeable Mexican American votes into the Republican column had upset the White House. The first and second highest ranking Hispanic presidential appointees were out. The election had ushered in no new Hispanic Republican strength. Instead, Herman Badillo, a liberal Puerto Rican Democrat, had been elected to the House of Representatives from New York’s South Bronx, ousting a Republican, and becoming the first Congressman born in Puerto Rico to represent a district in the continental United States.

Overall, Hispanic congressional representation increased to six (one senator and five representatives; five Democrats and one Republican). With this, the two highest-ranking Hispanic presidential appointees, failing to produce any noticeable Republican gains, were turned out.

The White House didn’t replace Martín Castillo for eight months. When it did, President Nixon said in his speech nominating Henry Ramírez that he was concerned about how slowly the federal government responded to Hispanics. The Senate confirmed Ramírez in November, a year before the presidential election, and a lot of federal activity followed, but little had
much bearing on the Cabinet Committee’s statutory responsibilities.

Tony Rodríguez, the Cabinet Committee’s acting executive director, then became a White House aide. Ramírez, with little experience in bureaucratic hardball, didn’t see the important contradiction signaled by his appointment. While the Nixon administration had encouraged Hispanics to seek assistance from federal programs, the broader New Federalism policy it pursued (including revenue sharing) was designed to discontinue the programs that targeted Hispanic communities. If the administration continued along this path, even fewer federal programs would be available to Hispanics. Local groups would be forced to seek local support to obtain grants and contracts.

Community advocates and leaders were activated to petition Washington for help in addressing their self-help proposals to the federal government. Inside President Nixon’s Executive Offices, a small group concerned with this confronted the basic problem: How could the government avoid giving direct support and still gain Hispanic loyalty? They had learned from the failed Castillo and Sandoval experience that well-meaning bureaucrats could not orchestrate this delicate political maneuver. Instead, a task force was created to carry out what was named the “Responsiveness Program.”

In January, 1971, Jeb Stuart Magruder, a White House staff member, began planning a general campaign strategy and, in June of that year, William Horton, a White House aide, recommended that the president should have control over selected grants. The White House could then determine which ones were politically important enough to warrant a positive response. With this, the Responsiveness Program, designed by Fred Malek, was hatched.

At thirty-six, Malek was one of the most ambitious persons on the President’s staff. When he joined the Nixon administration in 1969, he was assigned to assist Health, Education & Welfare Secretary Robert Finch. Malek unsnarled HEW’s confused, overlapping programs and successfully applied management-by-objectives and cost-effectiveness measures.

In early 1971, H.R. Haldeman, the President’s chief of staff, took Malek into the White House to recruit personnel. As part of this job, he evaluated the Office of Communications, headed by Herbert Klein. After a White House staff fight over lines of responsibility, Malek recommended that Chuck Colson get authority over project managers and the speakers bureau.  


The Committee to Reelect the President (CRP) was in disarray toward the end of 1971. Malek—with Magruder, Attorney General John Mitchell, and H.R. Haldeman agreeing—took on the additional duty of supervising the CRP’s voter response program. That section included the Spanish-speaking Division, now headed by Alex Armendáriz. When Attorney General Mitchell resigned from the CRP, Haldeman put Malek in charge of field operations and the Responsiveness Program.

The Responsiveness Program was intended to remain a covert operation but it was exposed by the Senate Watergate Committee investigating President Nixon’s campaign activities following the 1972 election. Secret memoranda moved into reporters’ hands in such abundance that Washington insiders described the flow of documents not as a leak but as a “hemorrhage.” One report in particular, titled “Administration Efforts in Support of the Reelection” provided the most revealing look into how the Responsiveness Program worked.7

Each Cabinet officer was told which states, counties, and voting blocs the White House considered important. Each was asked to “sensitize” “loyal” appointees to White House political priorities. The departments were asked to plan what they intended to do to advance the campaign’s target groups.

In early 1972, key persons were identified for honorary appointments to gain “stroking value.” One report humorously pointed out that a leader of the Sons of Italy in New York had been placed on a traffic safety board. “He was ecstatic,” said the report. In a similar move, Alfred Hernández, a Houston municipal court judge, was “stroked” and told he was being “considered” for a possible federal judgeship. Hernández, at the time, headed the League of United Latin American Citizens, the largest Hispanic organization in the nation.

But the bureaucracy was Malek’s main concern. He reported to Haldeman in a “confidential” March, 1972 memorandum that the departments

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needed to respond quickly to the White House’s political priorities if the Administration was to take full advantage of the discretionary funds available during that fiscal year. The Responsiveness Program was only channeling a fraction of what it could. The departments took too little initiative, and the White House had to virtually direct the whole program, he said. If only 5 percent of the money in five of the Commerce Department agencies alone were re-channeled, Malek believed, the campaign could effectively reach its “target groups and geographic areas.”

It was also deemed necessary that the White House set the campaign’s political priorities and stop micromanaging the details. Department officials needed to take their own “positive” and “negative” actions to help cultivate support from organization leaders who were awarded grants.

“There would be no written communications from the White House to the Departments,” Malek instructed. Knowledge about the operation would never become public, and “all information about the program would be transmitted verbally.” As if to wipe the fingerprints from the evidence, “The only written material submitted by the Departments to the White House would be their plans,” said the secret report. Only two copies were permitted—one for the White House and one for the Departmental contact.

By June 1972, Malek and his staff had already intervened in twelve responsiveness issues. “All of them,” wrote Malek, “originated in the field and were channeled to us” by CRP, the Committee to Reelect the President. Three of the five examples he highlighted concerned Mexican American projects in Los Angeles that were losing their funding (one program concerned possible conflicts with the Watts black leadership). The Department of Housing and Urban Development agreed to fund the three projects.

In another situation, the Department of Labor agreed to reverse an earlier commitment to fund a so-called “anti-administration” consortium made up of community action agencies that wanted to train migrant farm workers. The responsiveness group intervened and Labor was instead asked to make the $2.2 million award to the “pro-administration” Lower Rio Grande Valley Development Council. Malek reasoned that, by pulling the rug out from under the Office of Economic Opportunity, a possible antagonistic group was silenced. The administration would also gain Senator John Tower’s (R-Texas) goodwill.

In the other intervention, Senator Tower had informed them that Edward Peña, a compliance director, had recommended to Equal Employment Opportunity Chairman William Brown that the agency sue the University of Texas over employment discrimination. Brown agreed, even if the action
would be detrimental in a key state. (Brown later denied to responsiveness group inquisitors that the suit was even considered.) The matter “should be followed carefully,” said Malek.

Malek’s deceptively simple Responsiveness Program politicized every important department and strong-armed the government into conformity with the election campaign’s priorities. Previous administrations might have had similar plans, but never before had campaign goals been as pervasive, nor carried out to the same extent."}

Congressman Edward Roybal, who represented a predominantly Mexican American district, was disturbed about the Responsiveness Program. At a House Appropriations subcommittee hearing, he confronted Malek. Roybal was from the Kennedy generation that had looked at public service and government as the source of public assistance and social direction. Now he was seeing it used for deliberate manipulation “It seems to me,” he said, “that this whole set up was to reward your friends and punish your enemies, and that this matter of contracts was actually used as a stick over someone’s head to get them to fall in line with regard to the campaign. Doesn’t that indicate to you that the main objective was to reward your friends and punish your enemies?”

“Absolutely not,” said Malek.9

Later, Malek even suggested to the subcommittee—and afterwards to Les Whiten, columnist Jack Anderson’s associate—that the Responsiveness Program was never fully put into effect. “That wasn’t done,” he said. Instead, the memoranda had just been “talking points which never came up in meetings with Mitchell and Haldeman.” Columnist Anderson reported that, despite Malek’s denials, “we have obtained evidence that among blacks and Spanish-Americans, at least, the program was in full swing.”


9. Hearings of the Subcommittee of the Committee on Appropriations, House of Representa-
Alex Armendáriz, also, denied he had any significant involvement in the Responsiveness Program. “I never engaged in specific discussions on any particular grant or contract of any sort,” he said.\(^\text{10}\) But the evidence didn’t support that claim. In fact, he even contended that the memorandum outlining the strategy to neutralize the Hispanic vote was merely a point of view put on paper resulting from a public opinion survey. His plan wasn’t much more than that, he said.\(^\text{11}\)

But it was. It was much more than that.

To make the Responsiveness Program possible, White House aides Charles Colson and William Marumoto helped form the “Brown Mafia.” The group went by that designation until it was changed to “Spanish-speaking Constituent Group Task Force” in May, 1972.

“Please drop mafia title,” Malek wrote to Marumoto, “it would look bad if it ever got out.”

Indeed word did get out and it was Marumoto—who had joined Fred Malek’s staff in 1970—who did it. On programs affecting Hispanics, Marumoto reported to Charles Colson. Under Colson, Marumoto focused his attention on grants, personnel appointments and programs to “fill any gaps in the President’s record,” as he described it. He also kept an eye on federal subsidies that could serve as havens for the “opposition.” The Brown Mafia was originally comprised of Marumoto, A.F. (Tony) Rodríguez, Carlos Conde, Henry Ramírez, and Alex Armendáriz. Rodríguez and Conde had both worked at the Cabinet Committee before taking staff jobs at the White House. Ramírez was, of course, the Cabinet Committee’s current chairman.

Armendáriz (of the campaign staff and not a government official) coached the President’s Domestic Council staff on what minority grants to approve and eventually he was involved in “signing off on” (meaning, giving approval to) an Office of Economic Opportunity grant application. Marumoto admitted as much to the Watergate Committee. But the Brown Mafia’s concern, he said, was “more than grants.”

“What we tried to do,” he said, “was [to] select any department or agency . . . and we asked that [the agencies] cooperate in trying to involve our particular constituency.” In matters dealing with the Office of Minority

\(^{10}\) The Senate Watergate Report, ibid., pp. 332, 338.

Business Enterprise, John Evans of the White House Domestic Council was assigned to coordinate those requests and took coaching from Armendáriz and Rodríguez on who would receive grants.

“Would it be fair to say,” asked Samuel Dash, the Committee’s Chief Counsel during the investigation, that “included in that group of new recipients of government grants and contracts were also those [people] sympathetic to the administration, [and whom you would call] the right people?”

Marumoto said they were looking for supporters.

“But [would that] also [include] those who are sympathetic to the administration or supportive [of it]?” Dash wanted to know.

“Yes,” said Marumoto, “and I think here I would like to clear the air in terms of any . . . of the fact we weren’t just looking for Republican contractors because in the Spanish-speaking communities there are very few [Republicans]. So we were really looking for those [potential recipients of grants and contracts] who were supportive and qualified.”

During the eight months they were in operation, the Brown Mafia did not, of course, supervise all government grants and contracts that went out to Hispanic recipients. They, however, attempted to do so.

The government’s grant-making process, intended to be equitable and free from partisan shenanigans, was made partisan and biased. Approvals and rejections, with Brown Mafia influence, were based on the applicant’s political qualifications. In some instances, people were “stroked” if they were undecided or if their loyalty was in doubt about supporting the president’s reelection campaign.

Richard Nixon’s Hispanic reelection strategy was also helped by Lyndon Johnson’s Great Society. Nixon got credit for programs beginning to show promise after Johnson had left office and Nixon was president. To his credit, Nixon had measures of his own to show off. He had proposed bilingual education. Also, during his term, greater numbers of Mexican American and Puerto Rican youth—helped by projects to recruit and provide financial assistance—enrolled in colleges and universities. The federal government even attempted to establish Mexican American and other Hispanic higher education institutions. While the Johnson administration had expanded training programs to reach Hispanic applicants, new organizations during Nixon’s first term were forming an infrastructure to improve housing, advance economic development, and provide project management.

However, the broader policy to decentralize the federal government threatened Hispanic organizations that were becoming dependent on centralized federal funds. These organizations didn't think they could compete successfully at the local level for revenue-sharing funds if Nixon's reform measures were adopted during the second term.

Richard Nixon, as president, had proposed to decentralize most “social” programs—and most of Johnson's “Great Society” legacy. Under a new policy, Nixon wanted to channel federal money to state, county and municipal governments through “revenue sharing.” Local governments would become responsible for funding local groups. This “New Federalism,” as the policy was called, would force Hispanic leaders back into negotiations with the same city, county and state officials who had driven them to search for federal assistance in the first place. Few Hispanic leaders had any confidence in the kind of future that Nixon proposed. They had little, negligible, or no representation in the nation’s city halls, county court houses and state legislatures to assure fairness, even when they formed a large part of the population.

The Nixon White House had to smooth over the discrepancy between what it had done (continue some programs) with what it wanted to do (replace them with decentralization).

Starting in early 1972, the Brown Mafia met every Monday afternoon to develop strategy. William Marumoto was the Brown Mafia's group leader. His boss in this matter, Charles Colson, had originally persuaded Nixon that “special interest” groups were a key to winning the election by cutting into traditional Democratic ties. Marumoto was particularly concerned that some groups opposing the administration could find jobs and political havens within organizations funded by the government. Just before the election, he wrote to Colson that he wanted suspect projects supervised closely “so they are devoting all their energies toward solving the problems of [the] Spanish speaking poor (particularly in September and October),” preceding the November election.

Brown Mafia members most feared negative publicity, as had occurred when the National Economic Development Association (NEDA), a Mexican-American organization, opposed the appointment of Cipriano Guerra to become deputy director at the Commerce Department's Minority Business Enterprise section. Marumoto wanted a Commerce Department undersecretary to threaten withholding a $2 million grant to NEDA. Later, when they seemed to have the group under control, Marumoto wanted one of the organization's vice-presidents to stage a demonstration protest over a Los Angeles Times editorial as a loyalty test.
Marumoto and Armendáriz made the rounds of federal agencies to encourage officials to make grants, let out contracts, and appoint “safe” Hispanics supportive of the administration. In some cases—documented for the Office of Economic Opportunity, at least—Armendáriz approved new grants.

“He [Armendáriz] was involved in terms of signing off on any grants,” Marumoto testified to the Watergate Committee.

“When you say “signing off,” did that mean he would have to agree?” Chief Counsel Samuel Dash asked.

“Approve, yes,” said Marumoto.

“He would have to approve?”

“Yes,” Marumoto affirmed again.

“And he was not actually a staff member of OEO, was he?”

“No, he wasn’t,” said Marumoto.

“In fact,” Dash continued, “. . . a political signing off was necessary for the making of a grant to a Spanish speaking grantee. Is that your testimony?”

“Yes, sir,” Marumoto answered.13

Meanwhile, Henry Ramírez’s job was to make sure that highly visible awards went out. The Cabinet Committee, which he headed, was responsible for “spinning off” large sums of federal money through a special initiative called “Project Alfa.” It yielded $47 million to first-time Hispanic grantees. Small Business Administration loans increased by 23 percent in 1972, a boost from $57 million to $74 million. The SBA also awarded $18 million to Hispanic firms through 248 contracts.

The reelection campaign correctly claimed to the public that the Nixon administration had made a greater effort to help Hispanic Americans than any previous administration. The message was that this group was finally getting out from under Democratic social-welfare handouts that only looked like progress, or so it seemed.

The Republican outlook was especially appealing to entrepreneurs and businessmen. Bureaucrats who expected local organizations to come hat-in-hand, and who solicited proposals for projects while dictating the terms, offended them. The middle-income sector didn’t want to become dependent on social development programs. Republicanism was a quantum jump into self-reliance and respectability, the likes of which welfare-oriented Democrats

didn’t understand. The new approach promoted improved living standards, increased government employment, and expanded business opportunities.

Alex Armendáriz, meanwhile, came to some curious conclusions from an opinion survey conducted in New York, Chicago, Los Angeles, and San Antonio. He detected that East Coast Puerto Ricans, Florida Cubans, and southwestern Mexican Americans were uneasy within the generic “Spanish-speaking” alliance. Instead of devising one campaign to appeal to all, a divide and conquer strategy was considered more effective. “Puerto Ricans are unpromising voters for anyone,” Armendáriz wrote in June 1972. “They are undermotivated, easily divided, and rely extraordinarily on luck for [the] betterment of their lives.” When asked what the best thing that might happen to their families might be, they put the perception of money gifts first. When probed, they answered that the form that this might take would be the winning of *la loteria.*

His memorandum, after it was leaked to the *New York Times*, began to rekindle some old antipathies between Mexican Americans and Puerto Ricans, based on their earlier competition to get government attention. These differences had been resolved earlier when the “Spanish-speaking” alliance was formed. One of the agreements reached was to collaborate in forming the Cabinet Committee on Opportunities for Spanish-Speaking People, but Armendáriz’ approach threatened to destabilize that relationship.

Armendáriz believed Republicans could capture about a third of the Hispanic vote. He reasoned that some voters were already predisposed to the Raza Unida party, and that they should be encouraged to waste their votes in that direction because those ballots wouldn’t go to the Democrats. Then, Republicans would chalk up numbers by appealing to the Hispanic middle class, using the influence of Henry Ramírez, Treasurer of the United States Romana Bañuelos, and other campaign surrogates.

The campaign encouraged undecided voters to not vote at all by satisfying them with information about Republican accomplishments and creating an ambivalent attitude. The thought was their divided loyalties would make them stay home.

A “negative campaign” against McGovern (making drugs, crime, and

abortion the central campaign issues) would work best, he thought. To get President Nixon to advocate bilingual and other educational efforts was “our strongest and most effective issue.”

The Brown Mafia now had a broad plan: the Responsiveness Program on the right and Armendáriz’ strategy on the left. Marumoto was proceeding along these lines when he met with Southwest Council of La Raza (SWCLR) members (the organization later became the National Council of La Raza) in an attempt to neutralize them. “There was some discussion about SWCLR supporting the President,” said Marumoto. “They, in turn, said they would, provided they could get some federal contracts. . . . I think . . . the Committee to Reelect, the Spanish speaking division, recommended a strategy for working with them. . . . That they be funded for $30,000 for a national conference they wanted to hold. . . . I believe they were looking for either two or three grants. . . .”

Five weeks before the election, Marumoto reported that Brown Mafia members agreed any proposal submitted by SWCLR should be held up for the next few months. “We would like to have final sign off in the event any funds are given to them.” 15 The Brown Mafia also worried about the Mexican American Unity Council, an SWCLR affiliate, and wanted their grant monitored closely.

Just a month before the election, George McGovern made a thinly veiled reference to José Angel Gutiérrez and a health project in Crystal City, Texas. He asserted that the Republicans had offered money to discourage the militants from voting in the presidential election. Gutiérrez quickly denied the charge, calling McGovern a “damn liar.”

Yet ten months prior to McGovern’s allegation, an “action memorandum” sent to John Mitchell (despite claims to the contrary) ordered a plan that called for “consideration of undercover funding of La Raza Unida, a splinter party, in exchange for an agreement that La Raza Unida runs Presidential candidates in California and Texas.” 16

Colson had communicated to H.R. Haldeman a year earlier that Raza Unida was “a very fertile political opportunity” and to give “some sub rosa financial and/or organizational support.” The idea was to encourage the

15. The Southwest Council later denied reciprocating with the Brown Mafia. It rejected allegations that anyone from their group “was ever authorized to discuss or initiate on behalf of the organization any support for the reelection of the president as a condition for receiving federal grants or contracts.”

splinter party to run candidates and draw votes away from Democrats. “Money spent this way,” said Colson, “can be as effective, if not more so, than money spent for our own advertising and promotion.”

Raza Unida entered the Texas gubernatorial race. An upset Democratic Governor Preston Smith had refused to approve OEO funds for a health project. “So we saw the Republicans and they overrode it,” said Gutiérrez. But a September 14, 1972 memorandum indicated it wasn’t as simple as that. Instead, Gutiérrez had actively sought Republican money, and Armendáriz responded by pressuring for more federal grants to Zavala county (Crystal City) up to a week before the election.

Armendáriz went so far as to recommend an $8,000 contribution to Ramsey Muniz, Raza Unida’s Texas gubernatorial candidate. When he got the news, Malek became suspicious. It “seems too cheap. Raza Unida principles should be [worth] more than that,” he said.

The Chicano party’s election role was approaching a critical point. Soon, Raza Unida would register enough votes to hold its own primary elections. It could already divert as many as 200,000 “liberal-left” protest votes that cut into Democratic strength. The disaffections could make the difference in a Democrat winning or losing a close statewide race. Evidently, La Raza Unida party, sanguine about its position to leverage a bloc of votes, was reported to have tried to shake down the McGovern organization for $200,000, as well.

Besides a preoccupation with organizations, the Brown Mafia was also concerned with certain careers in and out of government. Edward Peña, contract compliance director with the Equal Employment Opportunity Commission was a long-standing League of United Latin American Citizens (LULAC) member. He had been an aide to Indiana Democratic Senator Birch Bayh before taking the civil service job and had participated in forming an alliance with the G.I. Forum (a Mexican American civil rights group comprised of veterans). Together, they organized the largest Hispanic worker-training program in the nation, called Service, Employment and Redevelopment (Project SER). Peña remained active with LULAC while holding down his government job. The Brown Mafia tried to have him fired.

The Brown Mafia was also concerned about Armando Rodríguez, a distinguished educator from California who went to Washington in 1967 to head Mexican American advocacy in the Office of Education. In 1971, Nixon appointed him, a Democrat, assistant commissioner of Education. Rodríguez screened Hispanics for important jobs, which made some Brown Mafia members nervous. Tony Rodríguez—no relation—was assigned to keep an eye on him so that he could be “kept in line.”

The Brown Mafia was not concerned with Democrats per se, only unfriendly ones. In a quid pro quo, Marumoto promised former LULAC president Judge Alfred J. Hernández that “the President will adequately recognize you” for conducting a news conference declaring his support. Hernández later headed Spanish-speaking American Democrats for the President. Marumoto communicated to John Clarke, a White House aide in charge of recruitment that “If any vacancies come up for the Federal bench in Texas . . . our operation would like to see Judge Hernández appointed.” But the likelihood was very remote since the Republican senior senator from Texas, John Tower, would not clear a federal judgeship for a Democrat, and junior senator Lloyd Bentsen, a Democrat, would not favor Hernández after he endorsed Nixon.

Marumoto wanted nothing to mar the upbeat campaign. He even recommended that the Census Bureau suppress a report that showed Hispanics were falling seriously behind the rest of the population in certain economic categories. The report had been earlier slated for release before the election.

Sometimes, campaign exuberance motivated the Brown Mafia. Other times, they seemed like skilled plotters. But they were only part of the picture. The campaign surrogates were the other part of the strategy.
The Price of Influence

Alex Armendáriz had U.S. Treasurer Romana Bañuelos in mind when he recommended that Republican campaign surrogates should appeal to the Hispanic middle class. She had been a successful businesswoman, had name recognition, many people identified with her struggle, and others aspired to be like her.¹

Nixon had nominated Banuelos despite a series of embarrassing raids by the Immigration and Naturalization Service on her food processing plant. The raids were staged for the media to draw attention to a developing illegal immigrant problem and to discourage union efforts at her operation. The incident’s coverage in the Los Angeles Times, that Nixon interpreted as reflecting badly on the administration’s ability to enforce the law, enraged him. He told Attorney General John Mitchell that he wanted retaliatory Immigration and Naturalization Service action taken against the newspaper owner, to have the INS area director replaced, and to have tax records of Otis Chandler, the paper’s publisher, examined. “I want to go after this goddamn Los Angeles Times,” said Nixon to his assistant. “I want the whole goddamn bunch gone after.”²

1. Romana Acosta Banuelos was the first Mexican American woman to be nominated to a such a high federal position. Born in Miami, Arizona in 1925, she was raised and educated in a Chihuahua, Mexico, mining village before returning to the United States. In 1949, with young children at home, Romana Banuelos bought a $400 part-interest in a small Los Angeles tortilla factory. By the 1960s Ramona’s Mexican Food Products had expanded into a major company, preparing 25 different products and hiring 300 employees. At the time of her nomination to become U.S. Treasurer, she was 46, and Ramona’s Mexican Food Products had completed new construction on a 23,000 square foot plant addition. Banuelos was a founding member and chair of the East Los Angeles Pan American National Bank. She had also established a scholarship foundation for East Los Angeles high schools graduates. In 1971, at an Oval Office ceremony, President Nixon nominated Banuelos for U.S. Treasurer.

Despite it all, those who knew about Nixon’s nominee Romana Banuelos understood she was an American success story, a clear example of perseverance and ultimate triumph by a small businesswoman. She represented the type of individual who succeeded through hard work and persistence, in spite of criticism and adversity. Not surprisingly, United Farm Workers leader César Chavez had opposed the nomination.

Armendáriz believed that the careful use of Henry Ramírez, Philip V. Sánchez, and Romana Bañuelos in particular, would influence the middle class to support Nixon. “There’s a helluva push on,” said one administration aide, to name Latinos to high-level positions and to publicize those appointments. “We were told by the White House to do it,” said another official.

After March, 1972, Romana Bañuelos’s schedule was arranged by the White House and the Committee to Re-Elect the President. Eighteen appearances were arranged that month. A television taping at the Spanish International Network—for broadcast to New York, Miami, San Antonio and Los Angeles—was arranged by Carlos Conde and also featured Phillip Sánchez and Henry Ramírez.

On March 17, 1972, Mrs. Bañuelos spoke at the San Antonio Chamber of Commerce. More than 200 persons picketed the hotel entrance, protesting what they described as the Republican administration’s bias against the United Farm Workers Union. In her speech, Bañuelos said that the nation was moving toward greater equality for all citizens. “Discrimination is still a painful fact for Mexican Americans.” We already “know about our problems,” she said. “We need action and I think the action has begun,” she told the 400 dignitaries in attendance.

The following month, a Denver celebration to honor Bañuelos—organized by La Luz, the first national Hispanic magazine—was canceled after the United Farm Workers Organizing Committee (UFWOC) threatened to picket the event. In Houston, Bañuelos spoke to a banquet organized by the local Hispanic Committee for the Reelection of the President. “These doors,” she said to the five hundred attending the event, “will open still wider if we continue our active interest in public affairs and our traditional independence of spirit.” A “poor people’s dinner” was held outside the hotel

while she spoke. ‘$50 IS A MONTH’S RENT,’ read some of the protest signs. Referring to the pickets, banquet organizer Benjamin Fernández said “there would be other occasions” when all Hispanic people could participate, “including $5 dinners and $100 dinners.” Another sign across the street from the Shamrock Hilton read, ‘BAÑUELOS, GO BACK TO YOUR TACO FACTORY.’

“The main objection” to the Republican showcasing, according to protest organizer Ben T. Reyes, was that Nixon’s “few token appointments” didn’t reflect community sentiment. “The people inside,” said Reyes, “will be bank chairmen, funeral directors, furniture merchants, and other middle-class Mexican Americans who fancy themselves as part of the elite. The real majority of Mexican Americans will be represented outside.”

Treasurer Bañuelos, in response, said, “I don’t know why they say I am a token Spanish-speaking appointee. If we can go back and compare President Nixon’s appointments of Spanish-speaking people to those of previous administrations, they don’t even compare.”

“The announced ‘poor people’s dinner’ outside the hotel . . . fizzled,” Houston Chronicle political editor Gayle McNutt observed. “The only food served the demonstrators was a pair of tamales and a few soft drinks. The protest dissolved in about an hour after demonstrators shouted insults in Spanish at many of those entering the hotel to attend the dinner.”

As election day neared, Philip Sánchez, Carlos Villarreal, and Mrs. Bañuelos swept through key cities. The Mexican American Committee to Re-Elect the President sponsored the three administrators in Tucson and an Arriba Con Nixon rally in Phoenix. Sánchez, obviously optimistic, said that federal revenue sharing would definitely strengthen the poverty program. He said that municipal tax bases had become so saturated that cities could not do more for the poor, even though they wanted to. Revenue sharing would allow cities to address poverty from the local level.

Only forty persons attended the Phoenix event where Sánchez declared: “We’ve been telling the people to look at the record of this president in regards to Spanish-speaking people.” He pointed out that three of the Department of Health, Education & Welfare regional directors were Hispanics, and “for the first time in history,” the chief of the migrant division of HEW was a Mexican American. The Nixon administration has “given the orders to open the door of opportunity” for Mexican Americans, he said. “I dig that.”

Sánchez, Bañuelos, and Villarreal flew to Denver for a rally sponsored by the Hispanic CRP. Two hundred persons in attendance heard Sánchez assert
bluntly that members of the administration had a responsibility to recruit more Hispanics for federal appointment. “We have to be judged in terms of bringing in more [Latinos to government], and if we don’t, the President will kick us out.” Outside, United Farm Workers union supporters distributed a leaflet urging the boycott of non-union lettuce.

Going into the election, Mexican American and Hispanic appointees were ubiquitous. They were later credited with helping the president make inroads into the solid Democratic bloc. The campaign surrogates, as part of the Brown Mafia’s reelection strategy, created the illusion that Nixon’s policies and Hispanic interests pointed in the same direction. At last, Hispanic Americans were considered part of the nation’s consensus-building and were taken into account. Or so it seemed.

Going by a cumbersome name, the National Hispanic Finance Committee (NHFC) for the Reelection of the President was organized to raise money, work with the Brown Mafia, and serve as a forum for campaign surrogates. The group also sent out an important message: affluent and middle-class Hispanics controlled their communities and supported the president. The imagery offended many neighborhood-level poverty workers, who had begun acquiring some measure of community control themselves.

Benjamin Fernández dreamed up NHFC as a fund-raising organization in early February, 1972. He wanted Hispanic communities contributing funds to Nixon’s campaign. Maurice Stans, former Commerce secretary and chairman of the Finance Committee for the Reelection of the President (Nixon’s main fundraising unit), liked the idea and authorized it. The first event was a testimonial dinner honoring Stans.

Upon finding out about these activities, San Antonio Congressman Henry B. González (D-TX) took to the floor of the House of Representatives on May 4, 1972 to recount how Fernández, with a $605,360 SBA grant, formed the National Economic Development Association (NEDA) by opening offices in Los Angeles. Between 1970 and mid-1972, the organization received additional grants totaling more than $1.3 million. In two years, NEDA opened eighteen area offices. By May of 1971 NEDA clients had received loans totaling $1.5 million dollars. Applications for about $14.7 million were pending. The 744 loans approved, pending approval, or in progress came to more than $40.5 million, making NEDA a significant factor in stimulating new Hispanic business development.

It was, however, interesting to note that the NEDA San Antonio office ranked first among those cities stimulating activity. González claimed he
had received complaints about Fernández’s personal profiteering in late 1970. Within six months of NEDA’s opening, said González, San Antonio groups paid $23,000 to Fernández’s research company in applying for savings and loan association and bank charters. Cipriano Guerra and Dr. Richard Delgado (the San Antonio office director and a NEDA board member), in an apparent conflict of interest, were among the six organizers. The group hired Fernández to conduct the required economic survey for about $13,500.

After organizing NEDA, Fernández separated himself from Research Inc.’s management, then divested himself of company stock. In August of 1971, Fernández resigned from NEDA after failing to get a vote of confidence from his board, following a dispute over the company’s books.

Weary over insinuations about wrong-doing, Fernández, declared, “It is the toughest thing I have ever done in my life to try working the Spanish-speaking people into a cohesive unit. We have a tradition of not working together. Indeed, among ourselves we joke that the Mexican American does not talk to the Puerto Rican, the Puerto Rican does not talk to the Cubano, the Cubano talks to no one, and it is tough getting these three diverse groups to talk together.”

William Marumoto looked into the affair to see if the administration would get damaged in any way. “We are convinced after some checking,” Marumoto wrote to Charles Colson, “that there is no truth to the charges.”

From the run-in with González, Fernández drew a curious moral: It “brings to mind a cliché that I learned from my father, a Mexican immigrant from Michoacán, Mexico. He told me as a boy, ‘Son, if you ever, as an adult, work with the Mexicans, I want you to remember something, that more Mexicans have died from envy and jealousy than from cancer.’”

In February 1972, under charter from Maurice Stans, Fernández organized the National Hispanic Finance Committee. State committees, each with its own chairman, were installed in California, Colorado, Arizona, Texas, Illinois and New York, with Florida a priority state. The large Cuban-American

4. González’ remarks concerning this matter are contained in the Congressional Record of May 4, 1972.
population in Florida had more money to contribute than other Hispanic groups due, in no small part, to Cuban entrepreneurial success. Plus, they were staunch Republicans.

Testimonial banquets in cities with large Hispanic populations were staged to honor Nixon’s high-ranking Hispanic appointees. The events provided the forums for unprecedented public relations gains.

By August of 1972, the HFC had raised $244,900. One dinner alone in New York City produced $50,000. The black-tie affair brought out businessmen, bankers, and officials who, according to *The New York Times*, “tend to be overlooked amid poverty problems that plague so many other members of the Hispanic community.” The talk at the event was about how delighted the president would be with a 20 percent show of support from the Hispanic community since nine-tenths of New York Hispanics were registered Democrats. But New York Republican Senator Jacob Javits pointed out that he had received 25 percent of the Puerto Rican vote. Governor Nelson Rockefeller had drawn a slightly higher percentage in 1970. The President could equal that number, Fernández thought, even though New York’s Puerto-Rican voting strength had actually declined while the population increased. High estimates suggested up to 500,000 registered Puerto-Rican voters; others indicated there were as few as 120,000. Either way, it was enough to make a difference in a tight race.

San Juan’s mayor, following Stans at the podium, pointed out that President Nixon had increased federal programs to Puerto Rico from $197 million in 1968 to $420 million in 1972. The mayor said that a “permanent union” was established between the island and the mainland, encouraging statehood and benefiting the U.S. with better Latin American relations.

By drawing out the affluent and the influential, the Finance Committee forged an identification between middle class Hispanics and the Nixon administration. The testimonials created the impression that a grateful and admiring community approved of the administration’s direction. All the while, Ben Fernández and the Brown Mafia were in constant communication over how to get the most public relations juice from each event.

“The testimonial dinner in Los Angeles on March 19th for our Spanish-speaking Presidential appointees,” William Marumoto wrote in a memo to Charles Colson, “is coming along very nicely. The organizing committee has already reportedly sold 2,000 tickets and are projecting an audience of

4,000 people composed of 90 percent Chicanos.”

In April, Marumoto reported to Colson that “Rodríguez is working with Ben Fernández on a master list of his fundraising activities so we can plug in our speakers.” All worked well. The entire project, in fact, went off as planned and was a screaming success. Yet, later revelations suggested the something else was going on.

John J. Priestes testified before the Senate Watergate Committee on November 7, 1973, that he was suspended as a contractor by the Federal Housing Administration (FHA) for violating regulations. Benjamin Fernández, representing the Hispanic Finance Committee, allegedly called him to say that several builders and real estate people had mentioned Priestes’s troubles to him and that he thought he might be able to help.

Fernández claimed he had assisted people in trouble with FHA before. The suspension could be cleared up in exchange for a $100,000 contribution. A $25,000 check, made out to the “Committee to Reelect the President,” would serve as the first installment. After receiving it, Fernández would arrange for Priestes to meet Maurice Stans in Washington. Priestes was to make another $25,000 payment after meeting Stans and pay the remaining $50,000 when the suspension was withdrawn.

In Washington, Priestes was worried after newspapers disclosed that International Telephone and Telegraph had made an illegal $200,000 political contribution to the Nixon campaign. And he thought it was unfair to ask him for $100,000 dollars. This led to a change in the payment schedule. Priestes was to pay the first $25,000 at the meeting with Stans, and a remaining $25,000 when the FHA problem was cleared up.

At the meeting, Priestes explained the FHA controversy and handed Stans some newscloppings. Stans said he would make a call and would return the check if he could not do him any good. Stans jotted something on the check indicating that it had been made out to the wrong committee. Furthermore, according to Priestes, “He [Stans] told me that the final payment would have to be made before April 7” to circumvent certain new reporting requirements.

7. The relationship between the Spanish-speaking Task Force and the National Hispanic Finance Committee was documented in Marumoto’s weekly reports to Colson and Malek on the following dates: April 3, 32, 28, May 5, 19, 26, June 9, 16, August 18, September 1, October 6, 1972.
Priestes returned to Miami and later found that Fernández was not positive, saying they were working on it and would get back in contact with him. About two weeks passed before a man appeared at Priestes’s door. “The man said ‘it could be handled but it would require $25,000 in cash, and the check . . . he didn’t want the check,’” said Priestes.

Priestes couldn’t recall the man’s identity. Upset, he called Fernández, who offered to find out what could be done.

“Well,” said Priestes, “his conversation [with me] was that he said: ‘Well, we can’t do anything for you. You can, if you would like to, make a contribution for $5,000 but it would have to be reported. . . .’ I said: ‘Wait a minute, I don’t understand this at all. You’re talking about $5,000.’ He said: ‘We never promised you anything,’ and I guess I got a little indignant and I said: ‘What was I doing in Washington with [the] $25,000 check, and I am not even a Republican?’”

On questioning him, Senator Lowell Weiker asked, “What did you think you were doing?”

“What did I think I was doing?”

“Right.”

“I though,” Priestes answered, “I was paying $25,000 down, with a promise to pay an additional $25,000 for a political favor.”

“A political favor or government favor?” Weiker asked.

“Well, I don’t know how, exactly how to describe it. I don’t know what type of favor you would describe it as. The end result was that I was going to be an eligible building contractor again. It would have been a favor.”

“Did you think of this in your mind as a bribe to government officials?” Weiker wanted to know.

“I didn’t give it a lot of thought as a bribe. No, I didn’t really give it that thought,” said Priestes. “I just thought it was the way things are done.”

A statement from Maurice Stans, introduced to the record, acknowledged he met Priestes briefly on March 13. Hugh W. Sloan, treasurer of the Finance Committee to Reelect the President, had arranged the meeting.9 Priestes offered a $25,000 campaign contribution in the form of a check payable to an organization other than the Committee for the Reelection of the President. After discussing the check, Stans reviewed Priestes’s newspaper file and promised to read the clippings more thoroughly later. “I also told him that I could not evaluate the situation without knowing FHA’s attitude toward him and his transactions; that I would have to check with

9. Ibid., pp. 5346-5347
HUD. I returned the check either to Fernández or Priestes to hold until I had been able to do so.”

Later the same day, Stans had HUD deputy assistant secretary Richard Dunnells look into Priestes’s record. He also met with William Gifford of the White House staff to have him check out Priestes. Within days, Dunnells and Gifford advised that any contact with Priestes was inappropriate. On March 18, he told Fernández to terminate any contracts with Priestes, and Fernández said he would do so at once.

When Ben Fernández’ testified, he said that “To my knowledge, in no single instance was there ever a promise of political favoritism, coercion, or other similar tactic employed in the solicitation, collection, or expending of these campaign contributions.”

“Yesterday, I sat in this hearing room while a man named John Priestes did everything in his power to stain my good name and that of the National Hispanic Finance Committee,” he said. “I am appalled, shocked, and disgusted with the tenor of his testimony.” Fernandez took the stance that this was a low blow after he had taken ten months from his own business to work as an uncompensated, full-time volunteer.

As it turned out, John Priestes was just one—albeit extreme—type of contributor. There were others. And there was a connection between contributions and political considerations.

John Evans, a White House staff member, admitted receiving “input” from Marumoto and Armendáriz, among others. He acknowledged that political considerations played a role in awarding grants. He admitted that the Brown Mafia recommended “qualified groups” who supported the administration over those who did not. Although Armendáriz, Marumoto, and Ramírez had approached him, asking him to fund political contributors, Evans said he was not involved in specific grants where that had occurred.

In a Watergate Committee interview, Alex Armendáriz denied any wrongdoing or that he had been involved in letting out government grants. He disclaimed having had power to sign-off on federal awards. “I never engaged in specific discussions on any particular grant or contractor of any sort,” he said. But that was, of course, untrue.

The Senate Watergate Committee documented how the Brown Mafia rewarded Republican friends and punished uncooperative individuals. Joe A. Reyes, president of J.A. Reyes and Associates, and chairman of the District of Columbia, Virginia, and Maryland HFC, had received numerous federal grants. Most of his business came from Section 8(a) of the Small Business Administration, a program designed for the expansion and development of small businesses owned and controlled by eligible disadvantaged persons. Reyes grossed between $400,000 and $500,000 during 1971, and his gross grew to $1 million in 1972. All of the money came from the 8(a) program through seven contracts and one grant, including a $200,000 “sole-source” (non-competitive) contract awarded to evaluate and assist the Office of Economic Opportunity’s Emergency Food and Medical Services Program.

Arnold Baker, former head of OEO’s field operations in the Labor Division, argued that sufficient data already existed on the program, and an evaluation was unnecessary. Nevertheless, the contract was awarded over the objection. When the political reasons for the award became obvious, OEO decided to withdraw the contract. Then the contract was awarded. Then it was canceled because of substandard work. Then it was reinstated. A contract specialist with the Migrant Division concurred with Baker that the Emergency Food Program contract was not warranted and that J.A. Reyes Associates was unqualified to conduct the evaluation. The contract specialist characterized the award as a “political payoff.” The Migrant Division director, denying the allegations, insisted on the award, claiming the contract did not result from political influence.12

In another situation, Marumoto and the Brown Mafia supported a $300,000 Office of Minority Business Enterprise grant to Ultra-Systems. Fernando Oaxaca, HFC’s national treasurer, was Ultra-Systems’ vice president. “This organization,” said Marumoto about the grant applicant, “strongly supports the Administration.” The company was again the subject in an August 1972 White House memorandum concerning an Office of Minority Business Enterprise application. Steps were taken to expedite the request, even though the firm had not completed the qualifying requirements. Oaxaca denied that the grant, awarded in October, was a quid pro quo. He explained that he failed to get a response after the application was made, so he contacted A.F. Rodríguez, who made an inquiry on Oaxaca’s behalf.

In yet another case, Armendariz recommended the Spanish-speaking Business Alliance of Los Angeles (with which Oaxaca was also affiliated). They “are highly recommended by this office,” he said. Yet, in his interview with Watergate Committee staff, Armendáriz admitted knowing Oaxaca, but denied knowing that he was national treasurer of the Hispanic Finance Committee.

Influencing favorable decisions was one thing; influencing negative actions was quite another. For example, Marumoto asked for a contribution from Levo Sánchez, head of Development Associates, a contractor with Democratic ties. Sánchez refused. Consequently, the Small Business Administration announced that Development Associates was “graduated” from participation in the 8(a) program. This meant that the company would lose all government grants awarded on the basis of participation as a minority contractor. Dan Trevino, a company vice president who had served on the Texas Committee to Reelect the President, tried to intervene. He discussed the problem with Henry Ramírez, A.F. Rodríguez, and William Marumoto, but to no avail. Ramírez and Rodríguez admitted that the actions were directed at Sánchez for not cooperating, and not at Trevino. Similarly, other negative actions were considered against the Mexican American Unity Council in San Antonio, but Marumoto wrote to Colson saying, “there are some legal hang-ups to try to cut them off.”

In the end, the campaign investments helped yield 31 percent of Hispanic ballots for Richard Nixon, while the Democrats retained 69 percent. The Brown Mafia strategy came close to its goal of obtaining a third of the Hispanic vote.

According to a CBS analysis, 49 percent of Hispanic voters in Texas and Florida voted for President Nixon, as did 24 percent of New York Puerto Ricans, and 11 percent of California’s Mexican Americans. Sampling by the Committee to Reelect the President showed that the chances that San Antonio Mexican Americans would vote Republican increased with income: 20 for Nixon in low-income precincts, 49 percent in middle-income precincts, and 58 percent in high income precincts.

The president’s coattails had no effect in the Texas election. The gubernatorial election was a seesaw race. In the end Democrat Dolph Briscoe won over Republican Henry Grover with just over 99,500 votes. Raza Unida’s

13. Ibid., p. 5633.
candidate Ramsey Muñiz drew over 200,000 votes. Earlier, Muñiz had drawn enough votes away from liberal Frances “Sissy” Farenthold to cost her the nomination during the primary. When Muñiz drew just over 6 percent of the vote in the general election, he deprived Briscoe of a majority. Raza Unida, as a third party, had earned a place in future elections. “If we only increase our strength to ten per cent of the vote,” said Muñiz, “we’ll decide every governor’s race from here on out.”

Following the election campaign, numerous administrative changes were made. In many cases, high-level Mexican American officials were replaced. Nixon’s policy now emphasized revenue sharing as part of the New Federalism plan. The days were numbered for categorical programs focused on human services.

In the same month of Nixon’s reelection, the National Labor Relations Board ruled on a complaint brought by the Teamsters against Ramona’s Mexican Food Products. The ruling said that the union, on strike since March, had been treated unfairly. The company was ordered to stop refusing to negotiate and discouraging union membership. Eighteen days later, federal immigration agents raided Ramona’s Mexican Food Products again. Fifty-three illegal immigrants were arrested.

Romana Bañuelos resigned fifteen months after the President’s reelection. She said personal reasons had led to her decision to leave the administration. Speculation pointed to a Treasury Department controversy in which she was embroiled as the cause.

President Nixon appointed Benjamin Fernández as special envoy to Paraguay President Alfredo Stroesner’s inauguration in August, 1973. Rumors circulated that Fernández would soon announce his candidacy for lieutenant governor in California. But the plans never materialized in the wake of the Watergate investigation.

A year later, Senator Edward J. Gurney (R-Fl.), who served on the Senate Watergate Committee, was indicted on charges that included conspiracy, bribery, receiving unlawful compensation, and four counts of making false declarations to a grand jury. John Priestes was one of three key government witnesses whose testimony led to the eleven-count indictment. Priestes claimed he would have “exposed” Gurney before the Watergate Committee if minority counsel had not stopped him.

In the middle of all this confusion, Samuel Dash attempted to clarify why the Senate Watergate Committee was concerned with Hispanic policy and politics. The main concern, he said, “was not whether or not the
administration sought to give grants to a minority group, but whether or not certain members of that minority group were made enemies... that if you were not in favor of the administration, you were cut off.” Some contractors were classified as unfriendly and “graduated” out of competition.

Dash said, “perfectly competent” Hispanics were “dropped from grants because they would not support the administration “ The question,” he said, “is whether or not that is proper politics.” Clearly, it wasn’t.

The Brown Mafia, Committee chairman Senator Sam Ervin stated, had made federal agencies into “the political plaything of the Nixon administration.” They set out to channel federal contracts, grants, and loans to places, groups, or individuals “so as to promote the reelection of the President rather than to further the welfare of the people.”

As the Brown Mafia activities began coming to light, Henry Ramírez was called to account for the Cabinet Committee’s role before the House Operations Committee. He had succeeded where his predecessor, Martin Castillo, had not, but Ramírez was going to pay a price for it.

Congress had given the Cabinet Committee a five-year mandate to do its work. The charter, Public Law 91-181, due to expire in December, 1974, required most of the president’s cabinet and agency heads to meet quarterly to determine a Hispanic policy approach. But the Cabinet Committee only met three times in three years.

The Cabinet Committee’s 1972 annual report, required by legislation, was only nineteen pages long and arrived eleven months late. The document suggested that the Cabinet Committee had virtually stopped working as it was supposed to. For instance, the 1971 and 1972, efforts to implement the Sixteen Point Program to increase the federal work force with high-level appointments were dubious, at best.

“You have been in existence four years,” Michael McGinn, the Government Operations Subcommittee’s analyst said in open hearings. “Are you aware that as of the last period for which figures are available, that fourteen out of twenty agencies in the Executive Office of the President had no Spanish-speaking representation, and that only among groundskeepers do the Spanish-surnamed exceed their portion as a whole?”

McGinn was miffed because he couldn’t verify the Cabinet Committee’s employment claims. “Fifty people,” the report showed, were “employed as a result of your data bank, which you cite as one of your major accomplishments, and last week you cited to the Appropriations Committee there were forty people from all sources. The list sent to me included a major general in the Air Force. Presumably he wasn’t in the job bank.”
The Sixteen Point Program simply didn’t work, but it was postured for election purposes as a great success. Hispanic people, 6 percent of the U.S. population, represented only 3.1 percent of the federal work force.

Under Henry Ramírez’ chairmanship, the Cabinet Committee had been deflected from its mission. He could have guided both the president’s Cabinet and the U.S. Congress through this Hispanic “domestic council,” reporting to both the executive and legislative branches of government. But Ramírez, as a campaign surrogate, let partisan politics overtake the policy’s purpose and created only the illusion of progress. After the election, unable to effectively carry out the mandate, he was pulled into an unenviable round of questioning.

“On behalf of the nation’s Spanish-speaking,” Ramírez pleaded before committee chairman Chet Holifield, “we hope and pray that your deliberations are fair, that your decisions [are] just.”

President Nixon revived the “new federalism” idea originally conceived by Walter Heller, Chairman of the Council of Economic Advisors during the Eisenhower administration. Local governments were to become responsible for planning, allocating resources, and making program decisions. They would get revenue grants to spend on the public sector. The money from the federal government would come from anticipated surplus revenues from full employment if the economy remained strong. But the government did not have a revenue surplus by the time revenue sharing was enacted into law in 1972. The United States operated a deficit budget. Critics called it “deficit sharing.”

The new approach was presumed necessary because the old grants and contracts, according to its critics, were over-bureaucratized. Categorical programs alone had increased four-fold between 1945 and 1972. The approval process was cumbersome and virtually unworkable. Federal bureaucrats in Washington determined what local problems needed attention.

Richard Nixon first advanced the New Federalism idea in his “welfare-workfare” speeches of 1969. He wanted to give grants to states and cities to plan their own worker training, set welfare payments to benefit the working poor, and give cash incentives to unemployed welfare recipients to get job training. In 1971, the administration also proposed special revenue sharing for law enforcement, transportation, education, manpower training, community development, and rural development. According to Nixon, the first four proposals—resubmitted in 1973—consolidated, decategorized, and decentralized government programs on the assumption the measures would eliminate waste and duplication of services.
State and municipal governments would use revenue-sharing funds to initiate their own new programs. But that level of government had seldom, if ever, seen fit to safeguard—much less promote—Hispanic interests. It was doubtful they would recognize, much less embrace, Hispanic problems that needed solutions. The New Federalism undermined the developing Mexican American influence by displacing sympathetic bureaucrats who were learning how to use available federal programs to their benefit. The prospects were not bright that state and local governments would share the same level of concern as the federal government.

Neither cities nor states had an acceptable record of service to Hispanic groups, who were often overlooked or taken as a nuisance, and who lacked local representation (often due to gerrymandering and at-large elections).

The administration’s first major rejection of Hispanic community interests occurred when President Nixon moved to abolish OEO and its Community Action Program. The administration tried to wipe them out with a flourish and, with it, the Great Society’s approach to alleviating poverty. Many of the social objectives outlined in the 1960’s were rejected. “Phil Sánchez (OEO director) was appointed to preside over the funeral of OEO,” said Hector Morales, Tucson’s community action agency director, “and that’s what really hurts.” President Nixon later replaced Philip Sanchez at OEO with Howard Phillips, who colorfully junked existing antipoverty operations in order to substitute the New Federalism.

In a March 1973, in a speech before the National Spanish Speaking Business Development Conference, Henry Ramírez admitted, “We lost Phil Sanchez and then Carlos Villarreal at Transportation.” Four months after Nixon’s reelection, five other Hispanics were fired from high-level positions. Some observers complained that the loss of policy leaders was part of a Nixon plan to hoodwink Hispanics. “Our people,” said Ramírez, “began thinking we had been used, that all the administration had been doing was giving us jobs and money so that it could get our votes.” He rationalized, instead, that the losses were the result of simple reorganization and attrition. “I can tell you,” he said, “that other high-level Spanish-speaking appointments will follow. I can assure you that there are going to be more brown faces in top government jobs than ever before.”

Ramírez, however, failed to address the central issue: The administration didn’t want the nation’s budget written with particular people’s problems in mind. Many community-based service programs faced oblivion under revenue sharing if local leaders couldn’t negotiate funding with the established state and local authorities.
The issue was representation. Hispanics did not have enough representation at the local level. And not enough at the federal level, either.

The Nixon government had believed all along that they had no business promoting economic equity through programs providing assistance. The shift was evident in the reelection campaign. A selfish reaction was engendered within the electorate. Nixon’s campaign exploited the understandable crassness among citizens who were harassed by high taxes, frustrated by rising prices, worried about bussing to achieve school desegregation, annoyed by political violence and afraid of crime in their neighborhoods. Federal assistance was portrayed as totally profligate and administered by a lot of devious characters concerned only with bureaucratic empire-building, embarrassing the president and dissipating taxpayers’ hard-earned money on social programs run by inept administrators to meet questionable aims. The administration promised a “New American Revolution” that would return power to average Americans who had become members of an exploited class, helpless against an omnipotent government, and fed up with social parasites.

During the retreat from social responsibility, the president, without committing himself to anything more than avoiding a tax increase, carried forty-nine states. The new policies, when they were implemented during the second term, reopened old cleavages. The New Federalism was no revolution at all. It was just an administrative adjustment.

While the nation was traumatized by the Watergate Committee’s revelations of the president’s campaign activities, the economy deteriorated rapidly. This had begun during the 1970-71 recession and continued during the preparation for the 1972 election. The administration imposed the largest peacetime budget deficits and a tremendously sharp increase in the money supply to hold down interest rates.

Nixon had traumatized the nation in 1971 with a ninety-day wage and price freeze, followed by mandatory controls limiting pay increases to 5.5 percent and prices to 2.5 percent. The program seemed to work at first. Inflation receded from 4.4 percent to 3.8 percent. Then in 1973, Nixon abandoned mandatory controls in favor of a voluntary program. Inflation surged ahead again. Wage and price controls produced shortages. Tremendous distortions in the market economy drove prices even higher. When Nixon finally dropped the program for good in 1974, inflation was at 12.2 percent, two-and-a-half times higher than the rate he had inherited.

The deteriorating national economic situation hit Hispanic families very hard. The Census Bureau released a report in August 1974, showing that
Hispanic average income declined while it increased for the rest of the population. Nixon’s economic and social policies were largely responsible. To have a better social and economic chance in the future, the only reasonable answer was to replace the stand-ins and surrogates representing Hispanic interests with their own elected officials.

Burdened by the articles of impeachment voted by the House Judiciary Committee, President Nixon resigned on August 9, 1974. Vice President Gerald Ford assumed the presidency, taking office with just two years to establish himself and his program before the Republican Convention.
A month after taking office, President Ford invited Hispanic congressmen and administration officials to the White House. The agenda mainly concerned the economy, bilingual education funding, and worker training programs.

As the first order of business, Congressman Eligio (Kika) de la Garza (D-Texas) insisted that distinctions and differences between Hispanic groups had to be taken into account. Regions such as rural south Texas needed one kind of attention that was distinct from what was needed in urban areas like East Los Angeles or New York City. The differences required better definition and attention. Still, the meeting, said de la Garza, was encouraging. He found Ford “genuinely interested.”

“His intention is very serious,” said Senator Joseph Montoya. New Mexico Republican congressman Manuel Lujan, Jr. added, in Lincolnesque prose, “Doors of opportunity must be open to all citizens, regardless of ethnic background, with fairness for all and favor to none.”

Earlier in the month Henry Ramírez had resigned from the Cabinet Committee and was replaced by Reynaldo T. Maduro, who had been Ramírez’ principal adviser during the 1972 campaign. Ford had said he wanted more information about how the agency worked before taking a position on its continuation. Community leaders had mixed feelings about Maduro’s appointment. De la Garza favored, instead, a Hispanic advocate in the White House. Coincidentally, Ford was considering Fernando E.C. de Baca to become a White House special assistant.

Soon after the meeting, Ford appointed de Baca as presidential counselor. De Baca had earlier headed Nixon’s Sixteen Point Program in the Civil Service Commission. He was at least partly responsible for Nixon’s fifty-one Hispanic super-grade appointments. The record compared with six similar appointments by the Johnson administration. Nixon then appointed