

RAM GALINDO

THE MAKING OF AN AMERICAN

AN AUTOBIOGRAPHY

CHAPTER 1..... 3

THE POWER OF A DREAM..... 3

 THE GENIUS OF AMERICA..... 3

 THE PYRAMID OF PROGRESS..... 14

 CONCEPT “AMERICA”..... 23

 DREAMS PLANTED, DREAMS HARVESTED..... 33

 UNTETHERED DREAMS..... 37

 AMERICA, A STATE OF AFFAIRS..... 44

CHAPTER 2..... 56

NO SUBSTITUTE FOR FREEDOM..... 56

 SEEDING GROUNDS..... 56

 THE FIRST SPARKS..... 61

 HOT FRONT IN A COLD WAR..... 64

 FREEDOM FIGHTERS..... 68

 EVERY PERSON COUNTS..... 78

 EMBERS OF FREEDOM..... 84

 PAYING FOR GOOD GOVERNMENT..... 88

CHAPTER 3..... 91

TO MAKE AND TO KEEP..... 91

 CREATION..... 91

 BUDDING ENTREPRENEUR..... 94

 PROFESSIONAL PRACTICE..... 100

 THE MINING COUNTRY..... 110

 TEXAS REAL ESTATE..... 117

 SMALL TOWN BANKING..... 128

 HEALTHY MIND IN HEALTHY BODY..... 134

 RECONSTRUCTION..... 145

CHAPTER 4..... 155

FAMILY..... 155

 THE GRAND DESIGN..... 155

 CHARACTER AT THE NUCLEUS..... 164

 HOME..... 172

 ADVENTURE..... 185

 ROOTS..... 196

CHAPTER 5..... 209

SERVICE..... 209

 GIVE TO RECEIVE..... 209

 SELF-HELP..... 211

 TAX FAVORITISM..... 217

 VOLUNTEERISM..... 221

 GOVERNANCE..... 228

CHAPTER 1**THE POWER OF A DREAM**

---011---

THE GENIUS OF AMERICA

The genius of America is to provide the environment where any person can pursue a dream of achievement and enjoy its results.

As surely as a human is able to think, a human is able to dream. I have never met anyone who, at one point or another during life, didn't have a dream. People have dreams of self-improvement in Cochabamba, Budapest, Copenhagen, Jerusalem and Shanghai. It matters little where they are born. What matters is whether or not there is a climate propitious for development of the dream. Then it becomes fundamentally important whether one is in Bolivia, Hungary, Denmark, The Holy Land or China. After spending a lifetime reading, traveling, talking with well informed persons and actually doing business and living in some of these countries, I find it impossible not to conclude that America is by far the brightest shining beacon of hope in the world.

I, like many millions before and after me, saw the light of that beacon and deciphered its message. America is a machine of hope and prosperity. The central idea of this book is to describe how, slowly but surely, my life's journey ties in with my growing awareness of how such a social machine was conceived and continues to evolve. And how, although I was born six thousand miles away, it affected me so thoroughly. And what, I believe representing millions of people with similar views, am doing to preserve it.

Although this book is filled with examples of my interactions with people who have affected and shaped my life, it is essentially a book about the origin and application of certain public policies that give structure to the American social compact. By describing aspects of these interactions, I seek to lift the veil that often obscures the proofs of my fundamental thesis about America's genius. I intend to shed light on how this genius came to exist. My approach includes reviewing historical events or periods; interpreting the accomplishments of some of the architects who helped build the pyramid of human progress; describing some of the lessons I received from contemporary role models; and, finally, recounting my own stories. Obviously this work is my autobiography. Its presentation is like an embroidery on the cloth of America that I stitch by describing its public policies. Just as the lives of all my countrymen do, my story gives texture to the fabric of America's social compact.

In my opening descriptions I wrote allegorically, climbing into an imaginary spaceship from which I had an unlimited power of observation. As my fictional platform orbited around the world at high speed, my field of vision was astronomical in time and space. I could see human history from its beginnings, wherever on the planet those beginnings had been. As I wrote parts of my story in this imaginary spaceship, whenever events were convenient to my points, I swooped down and described them in enough detail to show their significance to America.

I used this approach to illustrate the social circumstances that these events either expressed or produced as a result of their occurrence. The resulting effects, whether ancient, recent or current, are either the basis for the propositions that I extract from them or the proof of the theses I present. These propositions and theses are the foundation for some of the public policies that make the cloth of America. It is the cloth onto which I stitch the thread of my life. The emerging embroidery is the picture of a custom-made American. It is the picture of millions of others like me, whether born here or not. It is how an American is made.

The examples I dwell upon ultimately emerge in aspects of contemporary America that I wish to explore. They entail some of the public policies that affect me and therefore hold my attention. Sometimes, when it is important to my points, I make the linkage between the opportunities and laws that move our lives today and the historical events at their base thoroughly and in detail. Other times, the same relationship is traced quickly and directly. To provide more convincing argumentation, I sometimes add anecdotes of role models or of historical personages who have influenced my life. In either case, the objective of the narrative is to describe the social effects produced or expressed by those historical events and then to illustrate how these social results have been applied to make America the most singular country in the history of humanity, and how I am living my life in it.

Although the opening chapter may suggest that this book is mostly an essay on the history of public policy, the remaining chapters are about the drama of my life, very similar to the lives of millions of other Americans with whom readers can identify. In the following chapters I relate how the story of America affects me, and how my story affects America. Taken as a whole, the book is about the interaction between the ideals and struggles of a conscientious, self-reliant citizen and the co-existing protection and safety net provided by an evolving democratic, capitalist government.

America gives people a safe harbor to pursue a dream. And therein, in that simple fact, resides the strength of the American influence under which we live today. All visionaries want to follow their dream in an environment that, under the rule of law, offers freedom, opportunity, stability and, most importantly, the right to enjoy the benefits of their creations. America offers that opportunity to the world. That is the fundamental strength of America. To illustrate, with my stories, experiences, and commentaries on public

policy how America became the best place for dreams to come true is one purpose of this book. In my opinion, preserving the conditions that make America capable of remaining the safe harbor for self-reliant dreamers should be very important to all thinking Americans. Notwithstanding where one is born, understanding and embracing this responsibility is an essential step in becoming a useful American.

Nothing in this grand vision of the genius of America had even begun to take shape in my mind when I first arrived at New York. On a hot afternoon of mid-July 1956, as a seventeen-year-old dressed in my woolen suit appropriate for the winter season in the Southern hemisphere that I had just left, I sat on the sidewalk of Idlewild (now J. F. Kennedy) International Airport with tears in my eyes. I had just left the safe, loving care of my family for the first time in my life.

Suddenly, I had entered a strange new world for which I was not quite ready. It had been a sad good-bye to Mom, Dad, brothers, sisters, relatives and friends. I had left a small town where everyone knew everybody and for generations the same extended families had been neighbors - sometimes friends, often antagonists. Everything was in walking distance from anywhere. Literally, it was not easy to meet a stranger, there weren't many. Loneliness was not common. The memory of the crowd seeing me off at Cochabamba's (Bolivia) airport burned in my mind as an indelible picture.

Though when I left home I thought that I knew enough English to get along in an English speaking country, the reality of this delusion slapped me on the face when I got off the plane. In New York, as I was surrounded by hundreds of strange new people of whose existence I had had intellectual knowledge but whose presence I had never experienced before, I felt very lonely as I began to sample my new reality. My past was now just memories. I did not understand what was being said, could not read many written signs, did not know how to use the newfangled machines that I saw working when someone put a coin in them. I did not know how to make a phone call, could not find the right train to get to Manhattan, much less tell someone what I needed. I was homesick, lost and overwhelmed. It almost seemed that the crowd, like a hungry beast, could actually devour a fresh newcomer.

Lugging my artisan-made leather suitcase, I made my new suit wet with sweat and ruined my new shirt and tie, which worried me because I had just received them as a going away gift from my parents. I was afraid darkness would come before I learned what to do. Fortunately, my best friend of my high school class had preceded me by a few weeks and, knowing that I arrived that day had come to look for me. Eventually he found me. With his help, by nighttime I was installed in a windowless room on the 47th floor of a building on the Upper West Side. I was very proud to have found a place to stay. The next morning I began exploring New York.

Neither historical nor geopolitical thinking were in my mind at that time, but my admiration for America, which had been the moving force that attracted me in the first

place, began to grow by personal experience. In a few days I learned the words to order something else to eat other than ham and eggs and began to develop a sense for the cost of things, as measured by the dollar and the work needed to earn a dollar.

I started to realize that this apex of civilization of which I was now going to be a part had not just materialized by magic. Slowly it started to sink-in that this metropolis was the result of generations of hard working people dreaming, sacrificing, succeeding, failing and persevering in their pursuits. From the friendly waitress at the diner where I usually ate to the merchant-exporter my father knew at the Empire State Building, all had dreamed and built a part of it, much like a mason sets one stone over another to erect a building. America was the penthouse for the dreamers of the world. I was not yet aware enough to wonder what forces had prodded New Yorkers to achieve these amazing accomplishments but I knew without a doubt I wanted to be a part of them.

While in that awakening summer of 1956 I had no awareness that our country's two and a quarter centuries of institutional life are barely a tweak in the story of humanity, I now wonder about its resilience. Does the system that I have come to love so well have the inner strength to continue tilting the trend lines of progress up to heights never before reached? But why should I wonder? Because humanity's story is the history of political systems almost always destroyed by internal abuse of power, either tyrannical or consensus based. The pulse of alternating rises and falls of humanity's experiments in organizing itself left me curious and wondering.

I cannot point to one specific event or date when my wonderings started. But, somehow through my post-college entrepreneurial experiments, I must have subconsciously started to wonder about the origins of the system that allowed the creation of the comforts and freedoms I first saw in New York. It now seems that in response to this curiosity most of my non-career reading has been on history and geopolitics. Most of the books I read usually pointed to the inevitability of the human search for a place and/or a time where freedom could be found. I also enjoyed books about places or systems where no superior power despoiled the value-creator of the products of his or her creation.

This reading hobby led me to a practical, as opposed to a scholarly, personal understanding of the origin, birth and growth of the socio-political compact in which I now live. Its creators, the founders of America, distilled the best of humanity's long history of thinking and experimenting in this endeavor. They managed to capture the very best solutions not just as enlightened intellectuals but also as executives responsible for their application. They brilliantly summarized their system in two seminal documents that started it all, the Declaration of Independence and the Constitution. I say I acquired a personal understanding of the nature of the system, as opposed to only an intellectual one, because it impacted my life practically and directly. Indeed, I chose to adopt America as the place to make my dreams come true.

Before weaving my personal experiences into the fabric of America, I must first share my personal version of how “concept America” developed. A description of the blending of freedom with the rule of law, as it affects me and all other Americans is the first step. I start by tracing the origins of both freedom and the rule of law with illustrations of broad and sweeping examples from history. I choose the examples from ancient history almost at random, moved only by their usefulness in the making of my points. As I move through time, at the Middle Ages I turn my vision in more detail to Iberian Europe, simply because it was the cradle of my ancestors. From among many social changes that these examples produced, I pick out only one or two significant forces from each historical instance. Again I select them guided only by the need to use them in my narrative as support for my commentaries on public policy. Then I proceed to explore, again by intentional selection of specific instances, how the public policies engendered by the historical events discussed affect my life.

Thus, before my personal story can be gleaned, the book takes on a character of a study of the origins and effects of public policy in America. Because of the impossibility of reducing the staggering magnitude of applicable history to a single book, my narrative is limited to samples that affected my life only. But they serve well enough to illustrate how America’s genius to retain and attract self-reliant visionaries emerged. So, slowly at first, to make my points about how well we are protecting, or endangering, the genius of America, I intersperse my historical recollections with related present day situations that affect our lives now. From the second chapter on, I overlay personal experiences on the framework of policies that are our rule of law.

Where are the roots of the American system? There is no fast date for the earliest civilizations that left remnants of their existence or information about how well organized they were. We cannot safely point to any ruin or record as being the first of human history. But it can be very safely said that it took at least 8,000 years of recorded building of the pyramid of progress to arrive at the proper time, the proper system, the proper place and the proper people to achieve such momentous accomplishments as the American Declaration of Independence and the American Constitution. We know that the social freedom that ensued as a result of their universal and lasting acceptance by the American people ushered the most advanced civilization the world has ever known. The universality of the acceptance of these documents by Americans is matched only by the emulation they receive by most non-Americans. How did we get to this point?

Humanity has been experimenting with a wide range of social organizational systems since about 4,500 years before Christ. King Hammurabi in ancient Babylon codified his first set of laws about 1,300 years before Classical Greece. It appears that his dictums were mostly unwritten laws that had been in existence for more than 300 years before him. Despite the fact that they had to be chiseled in stone, the resulting code was longer than the American Constitution. However, though promulgated from the top, it contained provisions for the protection of each individual, giving rise to its popular acceptance by

contemporary subjects and descendant kingdoms. In the not too distant Nile Valley, Egyptian Pharaohs imposed written rules perhaps even before Hamurabi to organize already existing societies better. Thus, it appears that it took humanity about four millennia to get from the first promulgated laws to the American Constitution. What is significant to me, and what I try to bring out throughout the book, are the turning points of history when individual freedom moved up the ladder as an objective of government.

Of the earlier civilizations that left large tracks in our history none excelled for giving opportunity to lowly individuals to seek their dreams. The pre-Roman Chinese, Indians, Persians and other peoples in between, all lived under yokes of dictatorship, under the rule of one man and his close associates and descendants. The basis of their wealth was a little value-creation and some trade, but mostly conquest. There was no faster way to increase wealth than to loot or to confiscate. The longer the rulers lasted, the more powerful they became. Thus, they did not want to leave office ever. Long-term abuse by the strong was the basis of greater power.

The absolute domination of rulers who heavy-handedly suppressed dissent preserved their privileges and maintained a forced status quo. But this approach also precluded the advent of improvements by discouraging their subjects from pursuing dreams. Worse yet, it didn't make the despots many friends. Unknown to the wielders of power, this suppression of individual liberty contained the seeds for their eventual self-destruction. In time, power made the rulers even more selfish and corrupt and blinded them from seeing the forces rising to despoil them of their abusively gained privilege. It happened every time!

Historically, the Roman Republic was the most influential intellectual seedbed for limiting the power of the governing, thus creating some opportunities for those outside the inner circles. In my view this was due, to a great degree, to the fact that they wisely imposed term limits for their elected positions, and the terms they agreed upon were rather short. Because their system of voting was based on Rome's 35 tribes, and money heavily influenced results, wealthy senators, tribunes and praetors, though not in office, were able to stay in the limelight for decades at a time. Yet by and large, no one was in direct control long enough, except in dire emergencies, to amass excessive power. Individuals, if wealthy, generally could pursue dreams and help their clients do the same. One of Republican Rome's greatest contribution to America was to codify a system where monarchical powers were shortened from hereditary life-long tenures to short-term office holding by winning candidates elected from among the noble elite.

Birthright gave power to the Roman nobility, not elongated terms in public office. Some famous Romans, such as Cincinnatus (almost 500 years before Christ) held office for only 16 days, long enough to defeat the enemy in battle, before returning to his farm. American army officers fighting the Revolutionary War, including George Washington and most participants in the Continental Congress and the Constitutional Convention, took notice of this example and returned to their former occupations as soon as their job

was done. They were aware that if the environment needed for individuals to pursue dreams were to perdure, self-perpetuating governors could be a menace.

Nowadays too many politicians have made a career of their jobs, refusing to go back to live under their own laws and unwilling to lose the privileges they accumulated at the expense of the governed. Their symbiotic life with the lobby that surrounds them clearly is addictive. This is a bad sign for the survival of the social compact that created the New York that impressed me so much and that makes America the hope of the world. One of the jobs we, the governed, have in America is to make our political class reflect upon the importance to legislate an end to unlimited terms in office before it becomes a weighty factor toward decadence. I have yet to find an elected official to steadily speak for this cause after winning an election.

In the absence of a policy accepted by elected officials themselves to limit their own terms of office, our constitutional right of petition may give us the way. Theoretically this shortcoming is subject to correction, and therefore the seed of hope is alive. I consider unlimited terms detrimental to my opportunities to keep more of what I make because the longer elected officials stay in office, the more they become symbiotic with lobbyists, who always have their own agenda. This is always detrimental to the common good. Also, they are a throwback to monarchical practices. Long-term office holders begin to act as if the powers of government personally belonged to them. I am sorry to say this is true even of my friends in politics.

On occasion of being invested as a Knight of the Royal Order of the Dannebrog by Queen Margrethe II of Denmark in 1979, I was invited to a private audience followed by a reception and tour of the Royal Palace of Copenhagen. The premises had been in the Queen's family for time immemorial, and for all I knew they belonged to her. All Danes accept that and it is part of their common law. The event was conducted from that point of view – it was the Queen's property. On the occasion of Sen. Phil Gramm's (Texas) run for the presidency in 1994, I also had the opportunity to have a private tour and dinner one Sunday evening of the U.S. Capitol. Sen. John McCain (Arizona) conducted the tour. He acted as a gracious host, but his demeanor reflected an implied birthright to the place. In less than a full term of service this very sensible senator was already acting as one of the owners of the Capitol. His manner was appreciative and very friendly. Yet, it struck me as an indication that he also subconsciously felt that the money we made as taxpayers belonged to the government as well and that he had rights of ownership.

I see the effects of long periods of office holding by the same politicians as pernicious to the common individual's right to accumulate and enjoy the benefits of his or her own creations. I see them as an encumbrance to my own ability to set bigger goals for myself. But the forced transfer of power from common individuals to elites is not exclusive to political spheres, even in democracies, and there are other factors besides term limits that must be observed. Abuses of political and economic power are not the

only roots of oppression. Religious and military might are more profound and therefore more intractable.

The innate human need to worship a superior being lends itself to usurpation of individual rights by organized churches. Successful religions have historically anchored their influence in society to political and economic power, whether in tyrannies, democracies or systems in between. Because religion's power affects our society not only morally but also economically, it is necessary to explore its effects in our ability to create wealth. I do this with some historical insights and examples.

The influence of religion as a force that generates power appears with overwhelming frequency in humanity's myriad experiments with social organization. Religious leadership posts of significance are seldom just temporary, even in Ancient Rome. The Roman Pontifex Maximus and other priestly posts were lifetime appointments. By and large the priestly ruling class has not made itself subject to term limits. Undeniably, in one form or another, from primitive to advanced societies, a religious strain has always affected the direction of our dreams.

Despite a historically confident reliance on God's protection implicit in religion, every generation has had to confront great tragedies and uncountable personal misfortunes. Regardless of man's frustrations with failed results, reliance on the guidance given by religion to form morality continues unabated. As a testament to religion's innate presence in human nature, man's ability to dream and determination to search for those dreams continues to frequently include a supernatural ingredient. The need for religion is among the prime forces of man's progress, sometimes improving and sometimes debasing the human condition. I develop this reasoning in more detail in "The Grand Design" (Chapter 4).

Ancient prophets of transcendental religions gave us their dreams, from Zoroaster with his search for the Truth and the Lie, to Gautama Buddha and his peaceable Nirvana, to Confucius and his allegoric wisdom, to Christ and his remission of sins and to Mohamed and his armed propagation of faith. The flames their dreams left in their followers molded the morality of the vast majority of modern humanity.

The myriad religious offshoots of these seminal prophets provide a home church, shrine or temple for almost anyone who feels the need to render homage to the deity of choice. Since most humans claim to belong to one religion or another, the strength of these dreams still endures. What is most amazing is that every one of these doctrines is based on strange mysteries and weird stories that must be accepted by faith alone. And, impelled by the fervor of ancient Egypt, where pharaohs were the vicars of the Gods and were divine themselves, modern man continues to measure his own actions against the now fully developed dogmas set by religions that emanated from these early dreams. And despite ever-growing scientific and political evidence at odds with religious doctrines and beliefs, and of the blood shed in the name of religion, most of humanity

continues to adhere passionately to one church or another and to dream of eternal salvation. Powerful arguments justifying the allusion in our constitution to the role of a Creator as the source of all of man's rights!

In view of man's unquenchable desire to worship a deity, it is most remarkable that the founding fathers had the foresight and the courage to keep religion out of the realm of government. Being a matter of personal choice, religion should be an individual or family activity, carried out within the rule of law without any support or interference from the government. In my opinion, as I demonstrate with personal examples throughout this book, this is one the greatest strengths of America. What was the historical process that culminated in such great improvement of government?

Despite the energetic universal dominance of the Christian religion in Rome during the latter years of the Roman Empire, in the mid 4th Century, Christianity's center of power followed political power to Constantinople where the Emperor had moved. By the mid 5th Century, as a result of the vacuum left in the Western Roman Empire and the exhaustion of the pagan gods, the barbaric tribes from the East and the North finally destroyed Rome as the empire's capital. However, they blended their traditions into the new Christian religion they now began to accept. But, except for a few monasteries where some literacy and knowledge was preserved, the masses didn't change much. From about the mid 5th Century to the mid 13th Century, Europe fell into the depths of the Dark Ages, keeping only remnants of social organization, culture and civilization. Ignorance, poverty, fear and personal immobility reigned supreme, with the consequent destruction of the people's ability to pursue dreams.

The first significant improvement was felt in the southern part of the Iberian Peninsula in the early 8th Century. After that part of the peninsula came under the dominance of North African Moslem emirs, the affected Spanish provinces were in constant turmoil caused by the clash of two very different groups of people. Yet, out of this conflict, there arose a climate that fostered centers of trade. The hunger for wealth was at the root of the new masters tolerance for more commerce. Encouragement of knowledge, sciences, trade and liberal acceptance of diverse peoples and religions were the bases of improved living at Cordoba, Valencia, Toledo and Seville. They were ruled by Moslem emirs, but subject to a tax, the exercise of any religion was allowed. As a result, they became shining lights of Europe attracting Africans, Arabs, Jews, Slavs and other Europeans who found that there they had a better chance to develop their aspirations.

After Charlemagne stopped the Moslem advance into France at the close of the 8th Century, the relationship between Christians and Moors became more stable. Christian kings of northern Spain entered a period of armed co-existence with the Mohammedans, effectively containing their further expansion. But new waves of Islamic invaders forced renewed confrontations. By the early part of the 2nd millennium the knights from the Pyrenees began the Reconquista moved more by a blend of economic incentive and territorial re-occupation than religious deliverance. As I relate with some

detail in “Roots” (Chapter 4) of this book, my own reputed ancestors had a pivotal hand in this effort. Towards the end of the 15th Century, after almost eight hundred years of intermittently hot and cold war, King Ferdinand of Aragon and Queen Isabella of Castile completed the eviction of the Islamic invaders. The alliance by marriage of these two monarchs positioned Spain as one of the leading kingdoms of Europe.

At the dawn of the 13th Century, the descendants of the Visigoth Christian kings of Spain began to make progress re-conquering their land from centuries of Moslem control. They began to get rid of the Moors’ greedy theocratic governance, but as a result of their indecisive battlefield victories that left them mired in a semi status quo, they isolated themselves in culture and trade. Ultimately they became overrun by religious fanaticism and became intolerant of any form of dissent. The individual freedoms that the Mohammedans allowed disappeared. On the other hand, the process of fighting a common enemy positioned their country for consolidation into a powerful nation well ahead of other European domains. At the time, feudalism was still a very strong force in many Frank and Germanic lands. Three centuries later, when Spain became the world’s most powerful nation, they established a most cruel and dogmatic partnership of political and religious powers – the Spanish Inquisition. It was an ideal institution to exert control over commoner and noblemen alike. Even Columbus barely escaped its judgment. Religion killed freedom.

While Spain was starting on the road to consolidation, post-Charlemagne Europe was disintegrating. Seemingly smaller and smaller kingdoms were fighting with each other as a way of life. At the close of the 12th Century, Pope Urban II, in a bid to stop the infighting by taking on a common enemy for all of Europe, accepted a request from the Christian rulers of Constantinople to promote an armed expedition to rescue the holy land from its new Turkish rulers. Europe mobilized itself into The Crusades, a series of wars of conquest, looting, and opening new trade routes more than of religious vindication.

The 13th Century marked the beginning of slow but significant changes for the Western World. But the glue of a common religion kept it together. At about the same time that the above events were occurring in Western Europe, some 900 years ago, feudalist western princes in Eastern Europe began to feel the contrast of life under other systems. The tyrant-ruled Mongolian invaders had arrived. The hordes of the great Khans of the Orient were devastating the eastern edges of Europe bringing greater absolute one-man central power with them. The lords of Moscow and Kiev took the brunt of this invasion without much help from the rest of Europe, which was still immersed in the Crusades. That period of barbaric domination seemingly affected Russia for hundreds of years afterwards, apparently weakening its rulers’ appreciation of the benefits of allowing their people to pursue individual dreams.

Monarchical rule during the Middle Ages in the rest of Europe was not favorable to the dreams of common individuals either. But pressures from wars to the east were bound

to bring tectonic change to European society. And indeed they did. Though we now perceive that the changes brought by the Spanish Visigoths in their fight to evict the Moors were glacially slow, the rest of pre-Crusades Europe was literally deep-frozen in time. Other Europeans were totally isolated and in disarray. For more than three centuries internecine fighting among feudal lords had been the order of the day. Some leaders realized that the power necessary to overcome internal conflict could only come by joining forces with each other. Sometimes, as an un-intended result, such alliances opened the way to consolidation. Far from devolving power to the people, the consolidation of smaller fiefdoms concentrated power in the hands of even fewer. This historical movement, though opposed to our concept of freedom, proved to be critical for the birth of autonomous, viable nations.

Upon the disaggregation and fading of Charlemagne's Holy Roman Empire in the late 9th Century, feudalism in Europe became resurgent again. Processes of consolidation often gave way to disintegration because the lower nobility was reluctant to give up any of its powers. More than three centuries after Charlemagne, the Pope's solution of taking on a common enemy provided the desired impetus for uninterrupted consolidation and was the seed for future Renaissance kingdoms. The religious fervor rekindled by the goal of conquering the Holy Land, and the need to amass a force large enough to achieve the objective, brought about a new social order. The conditions were now given to justify greater central powers while at the same time guaranteeing rights to the noblemen who had to do the fighting. The common man was still in bondage but freedom was tasted by many more.

Near the outset of the 13th Century's turmoil, the knights of England, which at the time still included parts of France, forced their king to limit his own governing powers. Although they had their own dreams, they realized a superior lord was necessary for their common good. It took close to 1,750 years (17.5 centuries) after the Roman noblemen formed the Roman Republic by exiling their king to arrive at another historical pivotal point where vassals imposed limits to the rights of their sovereign. The Magna Carta of 1215 marks the first recorded effort at implementing rules written by the governed rather than by the governing. It was a new beginning toward having citizen input in setting the rules-of-the-game, although the citizens were themselves princes and thus part of the governing class. But at least they respected the integrity of the kingdom while peacefully forcing their sovereign to accept limits on his power over them. A potent seed for a new strain of social order harking to the Classical Greece concepts of democracy was planted.

For more than five centuries Europe had been caught in a seemingly constant struggle between a social system that allowed elites to keep most of their freedoms and another where all powers were consolidated in the king. The Magna Carta was a compromise that allowed a union of both systems, carrying with it the yet unseen seed for the birth of nations. However, the agreement affected only the nobility. Regardless of the Magna

Carta, the serf majority continued totally dispossessed and unable to realize any dreams.

Even so, the top ruling classes feared that, emboldened by this document, the lower noblemen would continue demanding an erosion of the central authority. Eager to remain at the center of power, the still monolithic Christian church came to the rescue. It provided the solution by developing the full theory of the divine rights of kings. Few dared to dispute this new formula that brought God into government. Thus, the priestly class entrenched itself at the root of power and legitimized the foundations of absolutism. A human solution became divine and thus more permanent.

Although the Magna Carta is recognized as the first written document that confers power to the governors by voluntary acceptance of the governed, and thus plays a key role in the origins of our own laws, the Aragonese-Navarran tradition of swearing in a king is quite older. As early as the 8th Century, the noblemen of the Pyrenees would predicate their oath of acceptance and loyalty to their kings with a clear expression that he (the king) was no better than they were and that they, who were yielding the power, would accept him as king only so long as he respected their customs, laws and traditions. They clearly meant it, for many a king was assassinated or banished. By itself this tradition is a powerful example, 1,200 years old, of humanity's desire to grant power to government upon defined terms.

Efforts to codify written laws, sparks of democratic freedom, limits to power of the kings, term limits for elected officials, man's desire to feel close to God and his willingness to pay for that privilege, contacts and struggles among very different people, unification in the face of a common enemy, see-saw between feudalism and consolidation, enlightened monarchy... these are social effects that lie at the base of the American pyramid. They formed the social landscape where my life's story is taking place.

---012---

THE PYRAMID OF PROGRESS.

To be sure, in a historic perspective, the base of the pyramid of progress of which the United States now occupies the top was built under systems with seemingly little in common with ours. This is part of the algorithm of human evolution. Often progress occurs despite us, and it comes by an un-ending process of trial and error. We all know that limits to the powers of government and to the people who exercise public office are most important to securing our own dreams. From the preceding section there can be no doubt that I consider the consent of the governed, the rule of law, limits to yielding

public office, the right to private property, the influence of religion and the intermingling of peoples as crucial to the advent of freedom in America. These issues are not the only important ones by any means, but they are very worthy of further reflection.

The essence of the genius of America is one word – freedom. But in early times, freedom was available to only a privileged few. For the lowly born, freedom's precursor was patronage. It became a pervasive substitute, but was, in fact, a camouflaged enemy. Patronage is defined as the sponsorship by the rich and powerful of the talented poor. I find that this practice, which history highlights time and again, has historically served as a palliative for freedom. However, coupled to paternalism, it has been a transition tool from total servitude to full freedom. It appears under every system of social organization, and the more dictatorial the social environment, the more important for progress it becomes. The existence of this practice, which the Romans made common, runs through history like an essential thread binding one system to another and one period to the next.

A more severe kind of patronage that encompasses whole classes of inferior persons is known as paternalism. I define paternalism as the condescending grant of limited privileges by the ruling class to oppressed majorities. It was the common way of living in most societies of the world. It still appeals to many parties that see benefit from it, even in America.

Paternalism and patronage maintained the status quo by making the powerful more powerful and the recipients of their favor more dependent. All the great strides of progress in the human story depended on patronage. With time, as individual liberty spread through the world, what had been a tool for progress in the past became a shackle for the millions who had dreams of self-improvement but had no connections with the powerful. America offered the liberating alternative. With the advent of a chance to pursue a dream without a sponsor, progress accelerated at rates never thought possible before. Freedom begot self-reliance and consequently, the American system was based on self-reliance rather than on patronage.

History reveals that this was a long and tortuous road. It started about twenty-six centuries ago. The first recorded clamors for individual freedom resonated in ancient Athens. They were heard through the voices of such historical figures as Pericles who wanted to endow anybody who had a dream with a chance to achieve it (sometimes at taxpayer's expense), and Socrates who wanted everyone to become capable of having a good dream (by learning personal virtue), and many others whose work brought critical mass to the concept of personal rights.

The classical Greek's ancestors, removed by time from them by about the same span as Christ is removed from us, had already built several layers of the pyramid of progress and left discernible records for our research almost 4,500 years later. The Cretan creators of Cnossus and the builders of Minos dreamed strong enough dreams to lay

early levels of our pyramid. From identified ruins and the scant written records of antiquity we learn that most wealth was acquired by theft, euphemistically referred to as conquest. It was increased mostly through the toil of slaves, who were, in turn, together with their land, the most prized objects of conquest.

And although it becomes clear that about a millennium later, in the classical period of the Greek city-states a significant number of artists, teachers, craftsmen and merchants began to fulfill their individual dreams, it was always necessary to be under the auspices of someone in the ruling military or priestly classes. This state of subordination of opportunity to power prevailed throughout the world's history, no matter what the civilization, until about the time of our own revolution.

My first brushes with the understanding of freedom and the collateral concepts of self-reliance and individual initiative came in the school year 1956-57, while attending Villanova University in Philadelphia as a freshman. The lush beauty of the countryside and manicured fields of the neighboring hills were a totally new but very impressive landscape to me, quite different from the rough semi-arid valleys where I grew up. I was still lonely and culturally shocked and didn't know how to enjoy this beauty as I now wish I had. I yearned for my family and the villa where I had grown up. I had a short-term dream and that was to go home for the summer. I had no sponsor but I thought I could make the arrangements myself. I had a part-time daily job at the school's cafeteria but I needed more money to achieve my dream. I grabbed every opportunity I could to work weekends. I was a golf caddy and a handyman in the graceful clubs and farm-homes of the Philadelphia Main Line. I de-greased and cleaned industrial ovens and garbage grinders and did anything that didn't require extensive language skills.

Since my father was paying for my living and studying expenses, my immediate purpose was to earn enough money to pay for my trip home the summer of 1957, which, luckily, I was able to do. At two bits (\$0.25) per hour, less taxes, it took many hours to earn the \$250 I needed. Most importantly for my life, however, I felt the subconscious stirring of a yet undefined yearning to be self-sufficient. At the time, making the trip home was the immediate driving force for all the extra work, but the idea of self-reliance, with much greater long-term implications, was planted in my mind.

As a token of my devotion to my parents and in appreciation for the sacrifices that they were making to pay for my school at Villanova, I sent my mother the first paycheck I received for my work (September 18, 1956). She used the whole \$7.50 to engrave a silver heart with the date of this offering, spending, I am sure, many times more than what I sent her. This gesture was repeated by and for both my brothers when their time to start working as students came. It became a symbol of the respect and duty we had to our parents and an extension of the values we had learned at home.

The ultimate meaning of this gift reflected the new freedom I had found in America to openly make money and dispose of it as only I saw fit. To give it to my parents was the

most honorable purpose I could find in my own and sole opinion. I savored that freedom greatly. A decade and half later I was to realize that while this is the constitutional right of all Americans, the accumulated legal predations through excessive taxation by government at all levels, over the years have made this right seem more a concession than a right. Over-taxation shows the other side of the coin of patronage – tribute due to the almighty government in payment for providing us with some protection and services and for the opportunity to be self-sufficient. Through taxation government has managed to close the circuit between the antagonistic drives of self-sufficiency and paternalism.

If patronage and paternalism would be a drag on our ability to be self-sufficient, and therefore free, over taxation is currently one of our worst enemies. As our Founding Fathers conceived the American system, we, the people, grant the government certain specific powers and not the other way around. Nowhere does the constitution provide that government is to determine how much of our creations we can dispose of ourselves. Although through the 16th Amendment the people granted the government the right to levy a tax on the product of their industry, its full effect did not become apparent until a generation later. Government turned this weapon against its grantors and used it, not to pay the costs of national defense as it was mostly intended, but to redistribute wealth and to take an ever-growing share for itself. Had these results been anticipated in their full magnitude during its debate, I believe the amendment either would have been defeated or re-written to avoid the results that it eventually produced.

After a certain point, the growth of government is inversely proportional to individual freedom, at least to the freedom of doing what we wish with the product of our creations. By extension, as a growing government siphons out a greater share of the value and product of our industry, all other freedoms are impinged upon and we become more dependent in government, which in turn fans the fires for even greater government – less self-sufficiency, more paternalism.

The spiral of freedom's death at the hands of growing government is the greatest enemy of our founders' creation. As I illustrated with the example of my first wages, one of the sources of freedom is money. When I was poor I simply didn't have the freedom to buy all that I needed, much less what I wanted. I couldn't control my own time or agenda. Most of us have experienced the limitations of non-affluency, and all of us perceive wealthier people as freer to do what they want. At some point, money becomes essential to pursue most dreams.

Therefore, choking people's access to money, most ominously access to their own self-earned money, is a lethal weapon against the right to pursue a dream. Seen from this angle, big, intrusive government is our worst enemy. The founders' gave us the Declaration and the Constitution to protect us against big government but the forces pushing for bigger and more powerful government are also very strong. They must be reckoned with permanently. The temptation to spend somebody else's money is very

great and historically has never disappeared. Politicians succumb to it more frequently than what is good for the country.

If someone can control how much of what we make we can keep, that someone is indeed powerful. Eventually the source of that power engenders not just the ruling political body but also the economic arbiter that controls the ability of individuals to create wealth. Through multiple forms of taxation, governments at all levels control how much the vast majority of us get to keep. It follows that the less we keep, the less powerful we are. Thus, government bestows more power upon itself just by raising taxes, no need to ask for anything else.

Unfortunately, for most of the 20th Century government has accelerated its take from the people at a rate faster than the people have been able to increase their own wealth. For this reason, another purpose of this book is to expose to all its readers our most important battlefield - the choking of liberty by the excessive cost of government. (Examples of applied public policies and anecdotes about excessive government interference by taxing me too much and by over-regulating almost every economic initiative I took are given in detail in Chapter 3 of this book). Taxation has always been a sore subject to the taxpayer. It was one of the causes of our own revolution against the British.

However, man's early efforts to increase his freedoms did not originate only with over-taxation. At the dawn of human history, the common man's labor belonged in full to their masters. One of the earliest stirrings for freedom was not inspired by economic abuse. The first inspiring and successful example of man's early efforts to take power from the kings occurred about twenty-seven and half centuries ago. This watershed event impacted western history at about the time when Classical Greece was shining bright. Some 250 years before Pericles arose in Athens, legend tells us that Aeneas, the sole Trojan leader surviving the fall of Troy, settled in Italy and gave rise to the story of Romulus and Remus and the foundation of Rome. For the next two and half centuries the kings of Rome ruled in absolute power until their abusive ways overflowed the reservoir of acceptance of the growing Roman nobility. Infuriated by the murdering and raping ways of King Tarquin the Proud and his immediate family, his own nephew, Lucius Junius Brutus, not a taxpayer, successfully rebelled against him and dethroned the monarchy. This happened some 530 years before the other Brutus (Marcus Junius) killed Julius Caesar and caused the end of the Roman Republic and beginning of the Empire.

When King Tarquin was exiled, power was not, however, taken by the populace, which at that time lived barely at a level higher than cattle. Power devolved to the aristocracy which immediately took an oath to not ever allow a king to come back, and permanently cast in concrete the term of the new consuls to just one year, without the possibility of returning later for another term.

In time the Roman Republic improved and polished its quasi-democratic system but it seldom abandoned term limits and never class stratification. The former limited government power but the latter deprived all but a few from the possibility of pursuing a dream. The Roman Patricians and Plebeians reserved freedom for themselves. The lesser classes were given patronage, paternalism and slavery. Yet, due to the opening offered to all Roman citizens by the "patron-client" system of social organization that lasted through the Empire and beyond, many artists, philosophers, writers and soldiers were able to rise high and help Rome achieve its astonishing civilization.

In my view one of the key ingredients that makes America the land of opportunity is the lack of a patron-client system. Patronage and paternalism tend to perpetuate class distinctions and slow upward mobility. I began to experience this while, as a freshman student, I worked in the kitchen at Villanova University's cafeteria. Among my co-workers were several Hungarian refugees who had just escaped Hungary following the 1956 failed rebellion against the communists. Some of them had been at the verge of losing their lives when the Soviet tanks rolled in to reinforce Hungary's puppet government.

Like these new immigrants, I was learning a new language and adapting to a new country. We were all glad to have a job, no matter how menial. I think that deep down, in a still very inchoate way, we all realized we had arrived at our final destination and that here we had a chance of pursuing our dreams without fear of being forcibly despoiled. This affinity provided a bond that, in our broken English, allowed me to learn details of Hungary's communist oppression, which I found extremely similar to what was being tried in Bolivia at that time.

Through this personal contact with former foot soldiers of the war against communist tyranny, I saw evidence that the spark of freedom never dies and that there will always be people willing to die rather than live under totalitarian oppression. These relationships reinforced my growing awareness that the fight for freedom could get a lot harsher than what I had so far been exposed to. Yet despite our common abhorrence of communist dictatorship, I sensed that they yearned for the presence of some authority that would give them new directions at every step of the way. I had no such yearnings. Although I wasn't aware of it at the time, I was different from them in my subconscious rejection of the patronage system for myself.

Their mindset had been formed by an implacable education that subordinated individuals' initiatives and rights to the mandates of superiors. Without my specific awareness at the time, our opposing views of opportunity sprouted from roots planted centuries before. About 450 years before I listened to the dreams and tribulations of my Hungarian friends, during the European renaissance after the discovery of the new continent and the appropriation of its never before seen wealth, voices began to be heard about the idea of giving all individuals access to their ultimate power – the power to pursue individual dreams. This concept was still so rare that it applied only to the

privileged few. Spain had discovered America in the midst of the ruthless Spanish Inquisition. Two generations later when thoughts of expanded freedom began to circulate, it was still dangerous to dream dissent and worse to verbalize it. Any new ideas with any hope of acceptance had to be draped in pious clothing.

In my opinion one of the great examples of an individual's dream-come-true brings together an incredible man, Christopher Columbus, and a visionary patron, Queen Isabella of Castile, in the discovery of America. It is, perhaps, the highest point of patronage. It demonstrates how one man's dream changed the course of history despite almost insurmountable odds. The story of how Columbus put together his discovery enterprise is most appealing. One must enter the awakening but still dark world of famished, ignorant and disease-ridden Europe toward the close of the 15th Century. Everyone knows the well-publicized travails of the voyage of discovery itself, but it is interesting to learn how the business plan was finally put together.

Despite the possibility of getting the sponsorship of a lower nobleman to attempt his mission, Columbus realized that the ultimate projections of his enterprise required the backing of no less than one of Europe's main kingdoms. And right he was! From the beginning he had fifth columnists in his top ranks, possibly in league with Portuguese spies, bent in seeing that the expedition would fail. After he struck his deal with Queen Isabella, he proceeded to get things ready with the utmost secrecy. He had formed a joint venture with the savvy Queen where she was sort of a limited partner contributing 1,000,000 maravedis against his contribution of mostly his idea and work, valued at 167,542 maravedis.

The funds were used to pay officers, wages of the crew, maintenance of all the ships, lease of the Santa Maria and to purchase all the supplies needed for the expedition. Ship owners in the town of Palos, port of embarkation, went in as a separate-class limited partner by contributing the lease of the Pinta and the Nina. Their share was valued at 172,800 maravedis. They also supplied the officers for these ships, who, unbeknown to the captain, would later act as subversive limited partners with inside information. Columbus was the modern day general partner in control of all decisions. In return he was named Admiral of the Ocean Sea and was to be Viceroy of any lands he discovered.

Unfortunately it took longer than his four voyages before any of the great riches to be found were discovered. Worse yet, others began looting his rights even before he died. However, it has been estimated that during the century following his discovery in October 1492, Spain received 1,733,000 maravedis for each one invested. By way of comparison, a maravedi was a Spanish copper coin with a purchasing power, at the time of the first voyage, adequate to buy one cheap meal. Columbus kept very good books and it is interesting to note that his crew of about 90 included tradesmen of all crafts, a few amnestied criminals and a couple of Englishmen. He was not only a fearless navigator and an accomplished businessman, above all he was a great and

indefatigable dreamer, smart enough to lure a great patron for the greatest enterprise of the time. He did this in a period where the darkness of dogmatic ignorance pervaded all decision-making. Like Marco Polo before him, he was one of the great predecessors of today's entrepreneurs.

Much is said about how wrong Columbus was in his calculations to figure the size of the earth and determine where he really went. It is necessary to remember that in that epoch most people still believed the earth was flat. There was absolutely no navigational data west of the Azores. Worse yet, the only way to measure time was by sand clocks. They measure the passage of time but are incapable of telling the hour. Thus, it was impossible to accurately measure longitude. It was a time when everyone exploring the Ocean Sea made what later turned out to be navigational mistakes. The Pilgrims who arrived at Plymouth Rock in 1620 missed their destination by half the length of America's Atlantic coast. They were Virginia bound, where they had permission to settle, but they wound up in Massachusetts. And this was 128 years after Columbus found the New World.

The quest for freedom-for-all in the long road of history cast another benchmark one generation after the passing of the Admiral of the Ocean Sea. As the Spanish Empire became the first truly global organization in history, Emperor Charles V (Carlos Quinto) ruled over a domain in whose land there was always sunlight. The Hapsburg grandson of Queen Isabella of Castile and King Ferdinand of Aragon, both of whom carried in their genomes genes from the Galindo kings of Cerdagne, Aragon, and Castile, became, in the eyes of most of Europe, the historical heir of 9th Century Charlemagne. When in 1519 the pope crowned him Holy Roman Emperor, this vision was validated for the last time in history.

Young as he was when he took over Spain (16), and distantly removed by language and customs from his subjects, the youthful king experienced the winds of individual freedom from the beginning. At his coronation in 1516 as King of Spain, the Aragonese noblemen, following their well-established tradition, advised him that he was no better than them and that they accepted him as king and would be loyal to him, only as long as he proved faithful to their laws and customs. Charles did that and much more. He learned some of the various Spanish dialects and the traditions of many areas of his vast domain. He accepted their laws and customs and, due to his natural athletic abilities, even became a skilled bullfighter. As opposed to the Pope who conferred power on a king in the name of God, the Aragonese noblemen ceded some of their self-owned powers to their leaders as an act of calculated mutual convenience.

Carlos Quinto completed the unification of "the Spains" and wound up ruling most of Europe and all of New Spain (the American colonies). Holding on to the power he acquired cost him so much money that not even the riches from the New World were enough to satisfy all the demands he accepted. During his 40-year reign he had to contend with schisms in the church in Germany, Switzerland and England, with war and

plottings from Francis I of France and the Turks in the Balkans, with corsairs in the Mediterranean, with his own Conquistadors and European pirates in America, with the wracking pressure from Vatican mischief and with mounting debt to the Fugger banking family of Germany. No wonder he thought 56 years was a good age for retirement to a monastery.

And yet, before he abdicated in the midst of a suffocating financial crisis, he managed to lift Europe to heights never before expected. His dreams were vast and his sense of liberal acceptance of disagreement unprecedented in a world coming out of the darkness. Although he was near the inception of absolutism and was a hereditary monarch, therefore at the time the highest embodiment of the oppressing class, he actually enlarged the crack that generations later brought in the winds of the enlightenment. Thinking about my Hungarian friends from Villanova, I feel like my ancestors' feelings for freedom escaped through this crack, while theirs did not.

Among many others, three talented advisors of significance to my points provided Carlos V the intellectual thrust to hold back the temptations of nascent absolutism that gripped the world with the birth of nations. Fortunately for the warriors of freedom, most of them born much after him, Carlos V listened to these advisors. Fray Bartolome de las Casas became the champion for rights of the vanquished "Indians" of the new colonies. Conquistadors sailed from Europe under the banner of the three "Gs" – Gold, God and Gospel. Much too frequently, the last two G's were forgotten shortly after departure and only the first energized the rest of the journey. Except for a few monks whose cries for compassion seldom crossed the Atlantic, the Conquistadors cruelly dominated the indigenous population, giving them no freedom at all.

But in Spain, close to the Emperor's ear, Fray Bartolome de las Casas argued, properly draped in official dogma, that these natives were just as human as any Spanish Hidalgo and therefore were worthy of the protection of the law, as the law may be. He was one forerunner of the enlightenment thinkers who two and a half centuries later posited that all men are created equal.

Juan Luis Vives, a former tutor of Charles' niece "Bloody" Mary (daughter of King Henry VIII of England and of Katherine of Aragon and a future English queen herself), preached more opportunity for women and for those not of noble birth. He would not have had a chance of being remembered by history had the crown not protected him and actually embodied some of his thinking in its decrees and promulgations.

At the blossoming University of Salamanca, Fray Francisco de Vitoria, with the help of his colleagues, produced the thinking behind one of the first bodies of law dealing with colonial policy, war and peace. All three advisors helped Carlos Quinto maintain as favorable a climate as possible to soften the retrogression of the inquisition and attract the progress of the renaissance, with the implicit, but unspoken, future promise of the right to pursue individual dreams.

The Italian renaissance is perhaps the richest in examples of dreamers acquiring the ability to pursue dreams. From the great Venetian explorer Marco Polo in the 13th Century through Leonardo da Vinci in the 16th to Galileo in the 17th, Italian history is full of examples of great dreams-come-true. The city-states of Venice, Milan, Genoa and others led the way in advancements in areas from accounting to medicine and engineering. England, France and Germany were right behind. Through them all, one common thread runs strong. All the giants of accomplishment had to be under some superior patronage. Kublai Khan in Mongolia was for Marco Polo what Lodovico Sforza, the Duke of Milan, was for Leonardo da Vinci and Cosimo II (a Medici) Duke of Tuscany, was for Galileo. Even the English Sir Isaac Newton, who fifty years after Galileo developed the latter's mathematics into a complete physical system, had his own patron. It was astronomer Sir Edmund Halley who paid the costs of taking Newton public.

---013---

CONCEPT "AMERICA".

In pre-revolutionary America, as we did with so many other cultural traits, we also inherited the ancient Roman practice of patronage. Freedom and patronage are inversely related – more individual freedom reduces patronage and more patronage reduces individual freedom. Thankfully, our Founding Fathers and their political heirs had the persistent wisdom and vision to understand that relationship and gave us freedom instead of patronage.

The difficulty of finding a sponsor was insurmountable for those without a connection with the powerful and mighty, and often even for those who had a patron-client relationship with a well-established family. In colonial America this was no different. This factor, though not often verbalized as such, was indeed important in casting the dice of the Revolutionary War. Yet, despite the unequivocal statement in the Declaration of Independence that all men are created equal, the status quo remained unchanged for most people until the conundrum created by some aspects of reality and the dreams of the framers was resolved.

Ushered by the winds of European enlightenment, the time for the "American Concept" had finally arrived. The greatest and most successful experiment in human social organization was about to happen. In 1776, the members of the Continental Congress declared that all men are created equal and that all have the unalienable right to life, liberty and the pursuit of happiness. Central to the pursuit of happiness is the right of

each individual to freely choose his or her calling and, in unthreatened freedom, enjoy the benefits of a life's work. The long human quest for a place and time where individuals could find the proper environment to pursue dreams, the environment that in my lifetime I would make my own, was near its end.

The system of freedoms such right demands spans many areas where a clear consensus of public opinion is difficult to achieve. One right inescapably derived from our founding documents and most important to my points is the right of equal opportunity for all. It is part of the proof of my thesis that America's genius is the delivery of an environment where all humans can achieve their dreams and enjoy subsequent benefits. To accomplish this proof, I must expand my views on America's bout with slavery in some detail because it not only affected black people. It affected all of us. It is the center stage that supports the play "America."

At the time of the founding of America, in the rest of the world patronage was an enemy to private initiative and self-reliance, two hallmark virtues of our national character. But in our country this practice affected mostly the intellectually-talented poor, not a majority of the growing population. The lethal enemy to equal freedom for all was slavery.

Debate and compromise among the delegates to the Constitutional Convention about this issue necessarily ensued. If compromise had not been reached, the disarray may have aborted creation of the new country. The delegates wrestled with the incongruence of their love of freedom for themselves and their love of exploiting the labor of other enslaved humans. Not being able to see the future and clearly discern the severity of this unresolved issue, they left it for their heirs to find the final answer. In time, some of their successors tried to frame it as a case of total paternalism, or magnified class distinction. In their proposed system, the ruling elite would compassionately care for its wards - the slaves. Others, called abolitionists, saw it for what it was - outright oppression. They thought slavery was totally opposed to principles stated in the Declaration and the Constitution. Just as the ancient practice of patronage had become a historic burden, in the eyes of generations before the Civil War, total dominance of one race over another became a national curse.

In the summer of 1787, again in Philadelphia, our Founding Fathers, many returning eleven years after signing the Declaration of Independence, wrestled with the great issue of subjugated peoples in their own backyard. The problem was much worse than paternalism Roman style; it was human bondage. Although the records show that this was an issue in which they spent some time, it certainly was just one of many weighty items that could make or break the union. Eventually they agreed, many of them reluctantly, that in reality the American dream was not available to those with the wrong color of skin. Because some thought their superior heritage and personal self-interest set them above non-whites, the delegates could not agree to immediately extend the freedoms of their constitution to all Americans.

The framers could not reach consensus on how to correct the contradiction between their dream and reality, but they prudently opted to not let the disagreement sink the new nation before it was fully born. Wisely, they gave us a principle of law containing the seeds for future correction, though at the time they did not suspect the high cost these corrections would demand.

Trumping all the enlightened thinking distilled in the Declaration of Independence and in the Constitution, the harsh reality of a divided America presented a bi-polar personality to the world and to itself. In time it became a historical necessity to resolve the issue one way or another. Were all men really created equal? Did the founders mean only men of European extraction? Was freedom a right for everyone or for just a privileged few? Was justice exclusively the rule of the strong? Was this a moral or an economic issue? These and other profound questions were the central issues postulated by our founders but left unanswered until future generations could muster the wisdom and courage to resolve them.

Despite the incredibly high cost America paid to work itself out of a long, dark and shameful bout with slavery and the abusive domination of not just black slaves but also of the native Indian population, the Founding Fathers' social compact survived. It preserved for all Americans, no matter their race, color, religion or national origin, the hope to realize individual dreams and to enjoy the attendant benefits of these dreams-come-true. In an allegoric comparison, they gave birth to an infant with a serious tumor, but they also provided the tools to extirpate it –a pre-agreed procedure to amend the Constitution. When one of the parents refused to use the tool, the other had no recourse but to enforce its use.

The Declaration of Independence and the Constitution survived to become entrenched in the popular consciousness of the country and ultimately to guarantee their preservation and application, in all their significance, into the body of our laws. In time, the unflinching acceptance of the constitution by all the people propelled the United States to an inescapable role as a world leader. We have the best tool of government and it seems most of us, the governed, like it well enough to accept and defend it. But this was not so at the beginning. Tests of its universal acceptance were not long in coming. Allegorically, the tumor in the child had to be excised and nobody could fathom the consequences.

At its inception, the dream of an America with equal opportunity for all was not yet true. In less than a lifetime after the founding of the nation the great test came. Octogenarians during the Civil War had been children at George Washington's inaugural and many actually had memories of their parents' battles to throw the English out. But was the country now ready to live up to its promises? In 1861 the Southern states seceded from the Union determined to prove the dream would never be.

As many others willing to risk all to find out, Abraham Lincoln, with great good judgment in my opinion, adopted the conviction that the United States were one nation, that this nation was conceived in liberty and dedicated to the proposition that all men are created equal. He understood that the Constitution's first written purpose was to form a more perfect union. It said nothing about breaking the union by secession or other means. Thus, the challenge was answered and the fate of man's right to dream freely went on the balance.

The South wanted more territory for the expansion of slavery. The North just wanted to enforce the laws of the Congress; it sought no territorial expansion. In human history, no other country before or since has pitted brother against brother, region against region, not for loot, territorial conquest or military occupation, but to give equal rights to oppressed people, to give the same protection of the law to one and all, to allow everyone the opportunity to pursue individual dreams in a framework of freedom under the rule of law.

The world was blessed by the triumph of the North. Indeed, you my dear reader, I, and even those who ignore this episode of history, were very blessed. The 13th Amendment to the Constitution outlawing slavery was ratified December 6, 1865. Complemented by the 14th and 15th Amendments they are the crowning achievements of the Civil war. By removing the contradiction of theory with practice, they made the concept of America consequent with its founding propositions. The bi-polar disease of our national infancy was cured, but there was still much post-surgery rehabilitation to do.

The progression from Constitution to Civil War in 73 years is such a momentous saga, and so fundamental to my proof of the thesis that America is the safe harbor of the world for any human to live out a dream, that I believe it is important, at least with a broad brush, to understand how it occurred. Equal opportunity for all is critical to me. Its review is important to my points about our present state of affairs. It is also an example of how historical events evolve into social results and culminate in public policies that ultimately affect our lives on a daily basis.

In 1787 slavery was no doubt an important issue, but the founders, many of them slave-owning southerners, saw the existence of the new country as more critical than the eternal preservation of slavery. The northerners shared the all-powerful vision of an American union and, as the price of the first political compromise of our history, conceded to their southern neighbors control of their human chattel. They both settled on three conditions to preserve the southerners' peculiar institution in their states.

The first was not to prohibit the importation of new slaves for another twenty years, until 1808. In effect, no prohibition was ever issued although some slave-owning southerners wanted it because they wished to protect the homegrown stock of slaves they were breeding. New imports only decreased the value of their plantation-bred Blacks. By emancipation time, the homegrown stock of slaves exceeded four million. Breeding

slaves was one of the South's biggest industries. Following secession, to protect their breeding operations, the Confederate States of America cast a permanent slave importation prohibition into their own constitution.

Their policy of protecting one of their main industries with a total and eternal tariff was another dichotomy of their socio-economic life. While in the Union, southern states continuously complained about the restraint of trade imposed upon them by the tariffs of the federal government. They thought that the imports they liked in return for their export of tobacco, cotton and other products of slave labor should receive preferential treatment. Yet, when free to write their own law devoid of barriers to trade, they constitutionally imposed total protectionism for slave breeding. Thus, they proved that their real objection was not to tariffs but to competition for their products.

The second condition referred to the fugitive slave clause (that I discuss in Chapter 4's section The Grand Design) as a moral issue. It was probably the most proximate cause to rally northern determination to stop the creeping pressure of slavery's expansionism and to fan the fires for war.

The third concession related to counting slaves toward the election of representatives. Though the southerners didn't want to give their slaves any legal rights and certainly not the right to vote, much less to hold office, they wanted them to count when deciding how many representatives each state could send to Congress. Both parties agreed that each slave was equal to 60 % of a white for this purpose only. After the Civil War, blacks were given the full right to vote and thus were able to elect legislators favorable to their causes. After Reconstruction stopped and the federal military presence was discontinued, southern states restricted black vote again with franchise requirements and other discriminatory practices. A gigantic step had taken place but its results were still muddled. Civil rights were not yet equal. I am glad I was not yet born.

When first written in 1787, the Constitution, carrying these three compromises, was submitted to the states for ratification. None of the amendments submitted, known as the Bill of Rights, touched upon them. After the War of 1812, a new generation of leaders was already in control of the new country and the question of slavery started to gain momentum. The admission of Missouri as a slave state in 1820 was the first crisis brought by the immovable determination of slaveholders to expand their system into new territories. Henry Clay's compromise saved the Union but pretty well doomed the new territories west of Missouri and south of its southern boundary (Mason-Dixon line) to suffer legalized slavery. History would later have it that from the seven sons of Mr. Clay, four would don the Confederate uniform and three would fight for the Union, literally pitting brother against brother.

After its separation from Mexico in 1836, Texas' population and economy continued to grow with southerners who brought their slaves with them. The 1845 admission of Texas into the Union was another crisis. By annexing a sovereign state carrying its own

customs and laws directly as a state, as opposed to creating a new state from a territory with no laws of its own, Clay and others found a new compromise. Texas would have slavery and Oregon would not. Thus an internecine war was avoided but a huge slave area was added. The South's quest for supremacy marched on. In case more weight in congress would be needed, Texas was admitted in the union with the right to subdivide itself into five states.

Despite this, the slave owners would not relent. They continued to try all sorts of schemes, including one to encircle the whole Caribbean Sea with a ring of slave states, by capturing countries in Mexico, Central America, Northern South America, the Antilles and Cuba. Southern filibusters frequently engaged in these missions, with less than grand success. All the overt and covert efforts to purchase or steal Cuba also failed.

The central engine of the South's economy was the un-remunerated labor of human chattel. Their geopolitical strategy to maintain this machine of wealth under their uncontested possession and control aimed at two objectives. The first was to ensure expansion of un-encumbered slavery into every new territory near them. The second was to create a ring of border-states where, though slavery may have been banned, hiding and offering refuge to fugitive slaves would be a federal crime.

In the years preceding the Civil War, the backlash from their failed efforts to amend the United States' Constitution to make slavery legal in the whole country and the oppressive Supreme Court decision that reinforced their right to own and retrieve humans as common property was very detrimental to the southerners' goals. Their efforts totally backfired.

England had emancipated slaves in its Caribbean colonies in 1833, soon followed by France and Denmark. England, as in atonement for its previous sins, also became active in interdicting ocean-going traffic of slave carrying ships. These events isolated slaveholders in the South and added to their sense of confinement. Following the Mexican American War, the Compromise of 1850 brought California in as a free state and limited Texas to its present size. It also created New Mexico and Utah as Indian territories with no slaves. Slaveholders made a play to expand Texas' boundaries, and slavery with them, to include New Mexico but failed. The U.S. commander in Santa Fe unceremoniously returned the troops sent by Texas to take possession of New Mexico. The South saw this as another blow to its expansionist drive. The reversal made slaveholders more aggressive in their search for ultimate control of Washington's government apparatus. In a stroke of favor to the South, the 1850 compromise did, however, made it almost impossible for a fugitive slave to find refuge anywhere.

When in 1854 it became clear that Kansas was becoming ripe for statehood, southerners forced the leadership of the ruling Democratic Party to nullify the application of the Missouri Compromise line and, through the Kansas-Nebraska Compact, opened those territories to popular sovereignty. In an all out effort to win the

referendum, the slaveholders sent squatters, packed ballots, cheated, lied, stole and murdered so blatantly that even their supporters in the federal government could not defend them. Criticism prevailed despite the fact that in response to these abuses some extreme abolitionists resorted to violence themselves. Events in the next five years destroyed the Democratic and Whig parties, the latter forever. The public was so enraged that a new political party, the Republican Party, became the largest party practically overnight. The old leaders faded away. In 1860 Abraham Lincoln was elected president and the south refused to accept the established election rules and the results they yielded, deciding instead to secede. War ensued.

It must be noted that the sketchy summary I made above of the South's counterproductive push for expansion in an "all or nothing" gamble for supremacy occurred under the friendly umbrella of a federal government sympathetic to the South. Despite this soto-voce protection, their system was so odious that it continued to lose acceptance. The more isolated the slaveholders became, the more compulsive they grew in their push for growth.

How the southerners justified their 1776 rebellion against English oppression and in 1861 fought to preserve their abominable dominance over their slaves is one of the greatest contradictions of history. Their obdurate determination to consider blacks as sub-humans had long been rejected by most of the western world. In my opinion their selfish economic interest over-rode any moral, religious or social concern. Their taste of control of the instruments of power made them ever more arrogant and demanding. From 1789 to 1860, a 71-year period, a slaveholder had been president for forty-nine years, which is 70 % of the time. Slave owners had always controlled the Supreme Court; twenty-four out of thirty-six House Speakers had owned slaves, as well as twenty-five out of thirty-seven Vice Presidents. In my view it is almost a miracle how the Declaration of Independence and the Constitution survived for all the people.

Much is said about the incongruence of Lincoln's policy that on the one hand denied the southern states the right to secede and on the other paid homage to the need for consent of the governed as a prerequisite for any valid law. My interpretation is that he saw the consent of the governed implicit in the ratification of the constitution by all the states. He also read and understood the clear statement of the Declaration of Independence that unequivocally states, "All men are created equal," and took seriously the first written purpose of the Constitution, "to make a more perfect union." Thus, he saw instead an incongruence in the Confederate position that wanted to continue existing in supremacy over non-whites without granting the suppressed the right to consent to their suppression. This position was opposed to both "All men are created equal" and to "consent of the governed." He also, rightly in my opinion, found that the union could not be more perfect by destroying it.

I perceive the success consolidated through the Civil War as a historical accomplishment of the first magnitude, unequalled in human history. Comparable in

principle, and remotely at that, to the revolution of Lucius Junius Brutus in early Rome, to the Magna Carta, the Lutheran reformation and the anti-colonial movements of the 19th and 20th Centuries. They also pursued individual freedom, but their cost in human suffering is not comparable. These movements were for the most part, as in India and South Africa, resolved without an all-out war. Ours affected every person in the country and exacted an uncountable price from every person then living in the U.S. It laid out the best grounds for the pursuit of my own happiness.

Today, as a society, and many of us as individuals, we are still experiencing the ripples of the 1860s convulsion. Its after-effects continue to ensure that every American has equal access to our constitutional rights. Awareness of the importance to all people on the planet of America's role in the preservation of the right to pursue personal dreams should be permanently present in the front page of every statesman's philosophy. This awareness drives many, including me, to continued involvement in the American process and to understanding how the framework of law principles has shifted and is still shifting. The price of the right to dream is by no means just a night's sleep. In fact, dreams of self-improvement invariably cut down on sleep time.

The concept "America", the greatest promise of men to mankind, survived thanks to the sacrifices of untold Americans. Generation after generation countless heroes have preserved for us the right to freely pursue a dream. Thanks to these heroes I, like millions all over our land, am here today turning my dreams into reality. When modern advocates of racial equality complain about the lack of equal rights for everyone, they need to take a historical look at the path that has brought them to a point where they can voice such complaints. The progress, though excruciatingly slow on an individual's time scale, is really breathtaking on a historical time scale. The question in America today is not whether there are equal rights available for everyone but rather, is everyone using available equal rights? Just like opportunity is easier to find when one looks for it, equal rights are easier to use when one pursues a dream.

Martin Luther King's legacy, as far as I am concerned, is to have handed all impoverished minorities an ember with which to fire their quest for a dream and to remind the anti-American racial supremacists that the Declaration of Independence and the Constitution apply to all. This courage cost him his life. He was a great American and a great dreamer felled by the forces of would-be tyranny.

Although many politicians and pundits often use him as leverage for more and bigger government programs, I don't read his intent as a demand for a government guaranty of personal realization to everybody and anybody. Of all people, Dr. King was well aware of the dangers of an all-powerful government. He knew America didn't want tyranny or the patronage it spawns. When Dr. King announced that he had a dream, he put all Americans regardless of race, on notice that everyone in America has the right to pursue a dream. His courage, like a magnified ripple from the Civil War, highlighted again the message of freedom and equal opportunity for all.

Ripples from that long-passed Civil War are still lapping at the political shores of our generation. One of them, the policy of Affirmative Action, put in place mostly by the descendents of anti-slavery whites who carried no guilt for the oppression of blacks, is a sort of atonement on behalf of the white oppressors to the descendents of not just enslaved blacks, but also of other minorities that may not have been treated fairly in the past. I dwell in this program only as an example of many other programs that have resulted from the re-interpretation of the Constitution that emerged from the Franklin D. Roosevelt (FDR) administration. To keep my story in focus, examples from other post-FDR government programs will be extremely abbreviated if they appear at all. It would not be practical to review them all, even in other contexts within this book. Yet their existence and importance to pursue personal dreams is comparably questionable.

As I see it, there are basic reasons why open-ended Affirmative Action is bad public policy. One is that the majority of whites were not oppressors. In fact, by far most of the freedom fighters immolated in the anti-slavery holocaust were white. If reparations are to be exacted, in fairness they should come from former slaveholding states only. After all, Black Americans were liberated by the unselfish sacrifices of the majority of White Americans. And if descendents of former slaves are to be paid, descendents of white union soldiers ought to be paid as well. Both propositions run counter to America's historic position of dictating constructive terms, as opposed to exhausting reparations, upon the end of wars. To me, they are wrong and ill advised.

Many economists have studied the economic effects of slavery. It appears that the monetary present value of such abuse could be the subject of calculations, debate and eventual agreement. If the balance sheet really still shows a remainder owed to the descendents of former slaves, its payment ought to be quantified and refunded. Reparations could be accomplished through Affirmative Action legislation within a finite period of time, not with unlimited amounts and undefined times of collection.

Also, open-ended Affirmative Action is really a form of patronage and therefore it is lethal to the individual's right to pursue a dream. It can be argued that by itself this program is not very expensive to the nation, but when added into the column containing so many other special interest programs, together they become suffocating. It would be much better to just provide for everybody a totally color blind system where no government, regardless of its level, levies taxes to support programs benefiting just a few. In my opinion each individual must be allowed to keep a larger part of his creations, and be able to use them as only he or she considers it best. We must also remember that in America, more than in other countries, utter poverty for able bodies is mostly a matter of choice. Yet, I believe that establishing a minimum safety net for people in short-term distress is a desirable function of government.

Affirmative Action programs aimed at Native Americans are just as applicable as for the descendents of former slaves. Violent usurpation of the land from so-called American

Indians who had settled on it for perhaps millennia before Europeans appeared was also cruelly abusive. Following the reasoning of the previous paragraph, perhaps it should also be quantified and a bill for a pre-determined amount and for a pre-fixed period of time handed to all taxpayers. But in my opinion, the best solution is to fling open the doors of equal opportunity for self-reliant progress through minimum taxation for everyone. Our national heritage shows that it is far better to limit government and to free individuals.

The promises of equal opportunity and the right to enjoy the benefit of our creations are not promises of big government ensuring that all “voters” fulfill their dream. Allegorically, they are not an assurance that all runners will finish the race at the same time. To proclaim that is a travesty pandered by politicians and interest groups deforming the American system. The promise of equal rights speaks of access to equal educational opportunities, equal public services, equal protection of the law, equal enjoyment of the benefits of one’s creations and equal opportunities and responsibilities.

The promise to protect our lawfully earned property speaks of a government that does not despoil or loot us through excessive taxation. If we are to decide as individuals what competition to enter, where to compete and when to do our best, we must count on the fact that the government will live up to our expectations of keeping the reward for ourselves. We enter every competition of life realizing that there always are few winners and many losers. But we also remember that there is always another competition! Understanding this makes life a lot more fun and productive and it eliminates the need to legislate redress for past abuses of a continually developing society.

While the attempt to even old scores is laudable, establishing quotas or mandated set-asides for minorities only are invitations to abuse, as proven by recent experience. They add to the cost of government in a dubiously productive way. Two wrongs don’t make a right. In the long run intrusive big government has never been, and will never be, the individual’s protector. A just, democratic and limited government is and will continue to be a guarantor of freedom. Propagating the concept of self-realization through the pursuit of a dream is the best way politicians and bureaucrats can bring redress to the descendants of formerly abused people.

When the practice of minority set-asides under the doctrine of Affirmative Action was first adopted in government contracts in the 1970’s, I had established a branch of my consulting engineering company in Bryan, Texas. I was approached by several larger companies competing for these contracts to present joint proposals, mine being the “minority” firm. I thought this might be a bona-fide new marketing channel for my company’s services and I agreed to participate. Soon I realized that the main contractor was not really planning on handing me any work, much less any responsibility, and therefore not fulfilling the purported object of the law. I wanted to create a value, not just collect an empty fee.

The use of my company's name was a ruse for the bigger players to improve their bidding chances. I suspended this practice very quickly, preferring to limit my bidding horizon than to debase my professional practice. It is possible that if I had continued applying for minority work on my own, my engineering company may have grown bigger, as other "minority" owned firms have.

My experience, however, demonstrates that no sooner a well-intentioned social-engineering law is made ingenious ways to exploit it in unforeseen ways arise faster. In the 1980's after my brother Chris took over the firm and I was in a position to alert him to Affirmative Action opportunities, he would not even hear of them. He came to this conclusion independently and before me, demonstrating again his superior understanding of the concept of limited government. My brother's and my example weigh on the side that proves the futility of this kind of social-engineering laws. We would much rather be able to keep more of our income than be offered government help to benefit without work. I am sad to say that the principal gainers are the bureaucrats managing programs such as Affirmative Action.

---014---

DREAMS PLANTED, DREAMS HARVESTED.

Our pyramid of progress has inched upwards, inexorably driving toward "Concept America," thanks to the visionary perseverance of a few great men who were able to find sponsors for their great enterprises and their strategic thinking patrons who sought to benefit from their protégé's labors. In America, we have now come to an evolutionary point in our social development where what matters most to each of us is to pursue our happiness as individuals without having to find a sponsor first. However, many in our own time and place, still believe that government must continue extending a protective hand through programs such as Affirmative Action, Bi-lingual Education and other minority-oriented initiatives. The nature of these efforts is too close to paternalism and in my opinion their cost is not justifiable.

When it comes to making a living, most of us are happy with just having a good job. Some of us prefer to be self-employed. Very few of us are engaged in earth-shaking enterprises for which we want to assume ultimate responsibilities from the beginning. For the great majority of self-starters, risk sharing with other parties, whether the risk is financial, intellectual or physical, is today's way of quick-starting a dream. By and large the greatest majority of individual's dreams, if they entail financial risk, can be pursued

within the private sector of the economy by also offering a share of the possible rewards.

Some believe, and I agree, that government sponsorship should be reserved only for the greatest efforts of national defense, enhancement of the common welfare, or massive exploration of the unknown. Though simple to state, this is a most difficult prescription to translate into public policy. I must admit that in practice, too many people continue to hold on to the ages-old “security blanket” of having to have a sponsor before they can succeed, not understanding that, constitutionally, the government should only enter when the “public good” is at stake.

“Public good” does not refer to “group interest,” no matter how powerful the group may be. “Public good” entails, as directly as possible, all of the population, not a few. It does not mean politicians, labor unions, corporations or groups bound by common denominators such as race, origin, sexual orientation, religion, etc. The hankering for a sponsor who will minimize, if not remove risk, constitutes a relentless grass roots pressure for continued government growth. Also, we humans find it a lot easier to justify failure if it can be placed on the lack or inadequacy of a sponsor. In my experience, recognizing the mutual exclusion of big government and my desire to pursue my dreams was a crucial lesson in my road to self-realization.

As I went along in my personal development, internalizing the knowledge that there is never a reward without a preceding risk was essential to successful entrepreneurship. The United States offered me the place to dream and to risk in an environment of freedom framed by a body of universally accepted law. Here I could justly enjoy the personal benefit of my creations.

For most young men growing up in a third-world country the difference between the European systems of government, all heavily laden with socialist ideology during most of the 20th century, and the American system, is about as undiscernible as telling the difference between water and ethyl alcohol just by looking. Unfortunately, this is also true for most normal Americans with less than a college education and, I hate to admit, in frequent instances even to those with a higher education. An example I lived brought this difference home to me with stark clarity.

The mother of my three children was a Danish young lady from Copenhagen, born in a well-to-do self-made businessman’s family. Although living half a world away and initially not accepted as a son-in-law at all, I slowly got to know her father and admire his vision, tenacity and integrity in the pursuit of his dream. Over the years he built a small trading empire by buying bulk plastic products overseas and selling them to manufacturers all over Europe. In time he accumulated enough profits to start living several cuts above most Danish citizens, fact that became the millstone around his neck.

In Denmark all Danes are guaranteed a comfortable existence, but unless the fortunes were made before the advent of the socialist state, no newcomers are easily allowed to advance to the wealthy class. Further, Denmark's government policies, like economic entropy, tend to pull all those in that class down to the great mediocrity of socialism where everyone must live equally, regardless of merit. The teeth of the law are taxes, and the taxman sees to it that the law is applied. No sooner had my former father-in-law reached his zenith, his own government despoiled him of everything he had created. With his wife dead and his son psychologically broken, he was sent to live in a public retirement home as a ward of the state. Several years later in April 1984, I last saw him there. We finally made an unspoken connection that seemed to say volumes about the ultimate tragedy of his destiny. It was my living proof that the place chosen to pursue a dream makes a world of difference on whether the effort is worthwhile or not.

Lest it be conjectured that this was an isolated instance, the story of my daughter's student-host family in Copenhagen is valid corroboration. My daughter Kim, after graduating from high school in Texas and wishing to find a bit of her Danish roots, in 1983 elected to do one year of prep school in Denmark. She found a wonderfully fine Danish family willing to "adopt" her while she attended school. As opposed to her maternal grandfather's self-made fortune, her "adopted" father was building up a business inherited from his own father. He had a successful heavy equipment distributorship with a significant export component. His cousin was also in business with him.

The company, or companies, provided significant profits but the heavy taxation to which they were subjected left just enough for them to live at a level not much higher than most of his employees, who were not at any risk. The cousin, being a bit more of a free spirit than her "father," found out that by residing out of the country most of the time he could avoid some of the taxes. This he did, but he had to put up with the inconvenience of being an absentee owner, which wasn't good for business. Ultimately, the family was taxed so heavily that the incentive to continue the struggle was not proportional to the difficulties.

Despite the fact that Kim's host "siblings" would have made great next-generation managers, they chose not to preserve the company in the family. I believe that this was another truncated dream. The principal cause for this disappointing end result was the withering effect of accumulated frustrations with excessive government rules and taxes. The dream of two generations of family work is now gone - courtesy of the hyper-taxation of the socialist state.

The fact is that the causes standing in the way of a successful pursuit of dreams may come from totally unexpected angles. My good friend Saba Halaby, born in a well-to-do Christian family of Jerusalem (The Holy Land), makes a good example of the destructive consequences of what in the view of both parties to the Israel - Palestine conflict is institutionalized terrorism. At the height of their business career, his parents

had begun their children's education in the port city of Haifa, Palestine. When trouble started contemporaneously with the creation of the State of Israel in the late 1940's, Saba and his brother were sent to school in Beirut, Lebanon. In their mind this was to be a temporary duty that would only last until the Israeli presence was legally defined. After their education, they would come back better qualified to run the family's business, thus realizing their parents' dream. As now can be seen in retrospect, this turned out to be wishful thinking, for more than fifty years later the Israeli take-over is still going on.

Saba's father was not only unable to bring his boys home, but he also was despoiled without compensation of everything he had worked for all his life. Mr. Halaby, Sr. and his brother were the British Land Rover and the Firestone Tire dealers for Palestine. They operated a thriving and growing enterprise. When in the early 1950's Saba's parents left Haifa to see their children in Beirut, their home, including the furniture, fixtures and even toiletries and linens was confiscated. Their business with the entire inventory and even the bank accounts was closed down without compensation. Not only did they lose every material thing, but worst of all, they lost their chance to pursue a lifetime dream. Having never been allowed to return to Haifa and after his wife's death, Saba's father took voluntary exile in Greece.

A few years before his death, he was eventually able to see Saba as a successful real estate entrepreneur in Killeen, Texas. Saba, much like me, had decided to adopt the United States of America as his new country and here pursue his dreams. The fear of looting by a heavy-handed government apparatus was gone. He was able to unleash his creative efforts and successfully risk his future to provide housing in markets where he thought there was a demand that he could help abate. His story is another example of how important America becomes in the search for the best place to pursue dreams!

In June 2000, while taking bids for a real estate project my company was building, I met Mingshan Zhu, a hard-working Chinese who, taking advantage of some of the recent freedoms allowed in parts of China, decided that his future belonged to America, not to China. At age 40, with wife and daughter, he decided to learn English and move to Houston, Texas, to import granite and marbles from his native China. Somehow in the inscrutable ways of today's Chinese economy, he had managed to put away some savings. Abandoning his then favorable position and a better life than most Chinese residents of Shanghai, he is now in Houston struggling, and succeeding, like the proverbial new immigrant.

The difficulties for an English speaker in learning another Romanic language where the letters are the same and most words have a common root pale in comparison with the difficulties in going from a pictogram-based language where there are no letters or even common sounds. From my personal experience, I can testify that as an adult it is very difficult to enunciate new sounds in a way not learned as a child. Yet Ming is trying, getting better by the day. After four years in America, his daughter already sounds like a native and has become a scholarship concert pianist.

Ming's difficulty is not only with language. By listening to him, coming to America was really like arriving in an alien world. He had to learn as a middle-aged man all the things that most of us have known since childhood. Yet, Ming is establishing a successful rock supply and installation business able to compete with anyone else in town. The homes he builds in the expensive Galleria district of Houston are highly sought after. He is an inspiring example of how America can unleash the creative powers of individuals by giving them the promise of the just and guaranteed enjoyment of the product from their work. As he says, he never would have been able to accomplish this in China without bribing half his Chinese city government first.

---015---

UNTETHERED DREAMS.

Creation of an environment where an individual can freely pursue dreams must be framed within the context of a universally accepted rule of law. Though far from perfect, in America we have the best environment for individual development that humanity has been able to create. But we should never forget the darker side of the power of dreams not framed by the rule of law. The danger of untethered freedom to pursue any dream is clearly evident throughout history.

A visit to the great pyramids and other ancient ruins of the Egyptian world shockingly demonstrates the total and lasting abuse of whole nations for centuries upon centuries by a very small cadre of people. Under the guise of religion, the Pharaohs' ensconced themselves as gods or the direct link to the gods. Compared to their subjects, they surely lived like we think pagan gods are supposed to live. They even died like mortal gods.

This phenomenon is not unique to ancient Egypt. It has prevailed throughout history in many civilizations. But in my humble observations, Christianity, more than other religions, has had its share of dreamers who abused the element of religion to seek their own gain. It seems that our pyramid of progress may contain more examples of abusive despots possessed of over-arching dreams than dedicated leaders who really contributed to our welfare. Yet, progress to benefit us all was somehow distilled throughout history.

Especially in the early stages of recorded human history, abusive leaders seem to have connected their source of power to religion. The rise to predominance of the Christian

Church offers a good example. A proposal made by the Roman Caesar Constantine to his co-emperor Licinius Augustus in AD 313 culminated in a pact that recognized Christianity as an official state religion. From that start the Christian hierarchy proved itself very adept at consolidating its power by controlling public money.

The bishops of the time, starting under the leadership of Pope Sylvester I, were a heavy influence in convincing the then co-emperor (but future sole emperor) that their new religion would be the source of his uncontested power. The successful outcome of his struggles, first with Maxentius and later with Licinius, his main rivals for the overlordship of the empire, were attributed to the bishops' close contact with the one and only true God. The bishops tried to convince him that he should also accept their God as his own. After he defeated Maxentius at the battle of Milvian Bridge, just north of Rome, Constantine took the high-level connection of his Christian friends with their God very seriously. It is said he fought that battle under the Christian cross and became a convert thereafter.

No sooner had Constantine consolidated a firm grip on power, than the bishops began taking control of the treasure of the pagan Roman temples and the wealth that they controlled. The first round of great church building started right away but it didn't last very long. The Western Empire continued its decline and Constantine moved its new capital to the east. At that time the center of power of the empire shifted to Constantinople, where great Christian churches were built. Thus Christian temples did not outnumber pagan temples in the ancient City of Rome. But the Christian's takeover of Roman temples throughout other cities of the empire continued. This was confirmed after World War II when foundations of old cathedrals destroyed by bombardment were dug to rebuild them. This work, as learned by tourists traveling through Europe, uncovered remnants of the underlying ancient temples to pagan gods.

The rise to power of the Christian hierarchy unleashed an internal struggle for domination within the church. The winners ultimately decided what dogma everyone should believe and what material should go into the Bible that they labeled the word of God. The Emperor's blessing of these decisions gave them the human authority they needed to become divine.

As the western world begun to emerge from the dark ages that prevailed between the demise of Rome and the European renaissance, the Christian church, Catholic (universal) at that time, was the only institutionalized custodian of knowledge in the non-Islamic part of the continent. The Christian clergy also discovered what at the time was the most effective way to raise revenue – to sell insurance, they called it indulgences, for an eternal place in heaven. The revenues from the sale of these indulgences were used not just to support the often-expensive life style of the prelates but also to build great monuments where they could fulfill their dreams and display their power. The justification was, of course, that they were for the glory of God. They were more

effective to remind the mortal kings and princes who the real holders of power were, and therefore secure ultimate suzerainty for the priestly class.

The great cathedrals were built in times when most people lived in utter misery, ignorance and disease. Very few people ever imagined that they could have dreams of their own. For the masses the only acceptable dream was to find a way to buy themselves, their relatives and ancestors a place in heaven. Modern-day TV, radio and tent evangelists often use the same ruse of Christian devotion, sometimes illegally, to provide themselves with all the comforts and pleasures of life. They are not a good example for the rest of us who want to pursue truly value-creating dreams.

The same pattern of exploitation of the masses but under the guise of temporal, rather than eternal, utopia continues to create problems in contemporary times. During the 20th Century alone the Russians, Germans and Chinese produced leaders who, after mystifying their countrymen, became the scourge of the earth. They accomplished this, first with the hypnotic articulation of a vast and sweeping dream, often rooted in a desire for revenge, and then by imposing it through the most brutal tactics of intimidation, terror and abuse. These events took place in the face of universally accepted codes of international conduct and domestic laws. During my lifetime these dictators oppressed millions upon millions of free individuals. Let no one underestimate the strength of a dream.

The world had to pay the unfathomable costs of World War II and the Cold War to restore sanity to human dreams. The history of every nation, large or small, primitive or advanced, contains sagas of the deeds of despots possessed of a dream. They are always eloquently articulated by the authors as benefiting “the people” in an unselfish and altruistic way, but they never fail to provide the best of everything for their proponents first and foremost. This is indeed true, perhaps especially so, among the most pathetic. Has Fidel Castro lived at the level of poverty his countrymen do? The unsavory Saddam Hussein?, the leaders of North Korea?, some of the dictators of the developing countries? The answer is a resounding negative, but the worst part is that their dreams don’t go away until the despots do and the victims are uncountable and mostly silent.

During the Cold War it was disgusting to me to watch the coverage given to some of these dictators by sympathetic media. It came in daily doses, not only of slanted news, but also of profusely biased news commentary. It was easy to get confused and accept them as underdogs fighting for the poor and dispossessed. With the end of communism’s threat, this disinformation technique has abated significantly, except for the Castro regime in Cuba that still has many big-media sympathizers. However, the deft manipulation of the media during that period has clearly demonstrated its inherent power, not just in a dictatorship such as Hitler’s or Stalin’s but also in a free country such as ours.

Before the fall of the Soviet Empire the pro-communist bias of the big media was never challenged on a grand scale. However, in the new order that emerged after the Cold War, new radical pundits have appeared at the other end of the political spectrum. They have taken to the air in TV and radio news programs and analyses, and pen in hand in the press, to champion causes that in my view are too extreme at the conservative end of the socio-political spectrum. To counter this constant onslaught of biased information from both ends is one of the missions of many libertarian-leaning groups with which I sympathize. Fortunately, many great Americans who have lived the American dream on a scale that I can only admire, have formed foundations, think tanks, policy institutes, forum magazines, web pages, and have opened other media sources to counteract the misinformation and outright propaganda from both sides of the political spectrum often carried by extremist talk-radio hosts and by the national press.

I exclude from this category some of the larger, older and more famous foundations no longer under the watchful eye of their original grantors. As if working in an axis of power with the bureaucracy or other interest groups, frequently they now support mostly government initiatives. The work of the newer, small organizations and thought-entrepreneurs is akin to the minutemen of our revolution. Their intellectual firepower is accurate and lethal, albeit not widespread. But the war against oppression cannot ultimately be won without better ideas, as the demise of the Soviet Union has proven so eloquently. When they refrain from seeking government action to impose their moral views on the private choices people make (which is an evident contradiction in their otherwise pro-limited government stance) and they stick to economic issues only, I consider them the guardians of our freedom and I support them as I can.

As a result of my involvement in Texas politics, I became acquainted with many very remarkable Texans. One of them is particularly noteworthy to my points. Among the many good things he has privately done for the state, Jim Leininger founded the Texas Public Policy Foundation (TPPF). This is a think tank created for the purpose of helping elected officials and candidates to office understand the significance and effect of some of the proposed policies. Agreeing with the usefulness of this idea, many other great Texans came to the support of TPPF and have helped it become successful in its mission. Environmental, consumer, labor union and other interest groups are well armed with similar centers that promote their views. I believe Texas needs a credible think-tank oriented toward economic issues to present the views of the value-creators that bring wealth to the state.

By hiring scholars specialized in the issues under consideration at its own cost, TPPF is frequently able to provide a well researched point of view that sometimes would be glossed over by the policy makers considering them. As I describe in greater detail in Governance (Chapter 5), TPPF has served the state well in the debate over education, transportation, environment, growth and public spending. In this manner people with my same libertarian philosophical orientation are able to distill their ideas and views into

elements of policy that public officials can apply to our body of law, thus helping preserve the basic economic elements of our system.

While it is the right of the founders, owners or members of these new organizations to promote their own points of view, I find that some of them are too heavily influenced by what is contemporaneously known as the "Religious Right." Extreme views that call for bigger rather than leaner government are equally bad from both ends of the political spectrum. Proposals from the extreme right are usually intrusive of our personal freedom to decide private issues. Their one-sided moral judgment is implicit in their suggested policies. Their implementation would undoubtedly require more intrusive government guidelines and would be injurious of some individual freedoms. These policies would drive the formation of new bureaucracies and add to the cost of government. They can become threatening to the liberties enunciated by the Declaration of Independence and guaranteed by the Constitution. Without alluding to the validity of their so-called constitutionality, oppression and greater cost to the taxpayer could be the consequences of accepting some of these suggestions. I wonder how these same people attack liberals for wanting bigger government.

The exchange of opinions, pressures and even intimidations that accompany the work of these moralistic "entrepreneurs of thought", is possible only because of our cherished freedom of speech. The benefit is that in these debates, some conclusions gain majority support and they eventually congeal into public policy. Fortunately for our future, some issues of personal choice seem to escape collegiality and remain points of discord. The fact that no side gains common acceptance in the public's mind is, to me, the best evidence that the government should adopt no public policy on these issues.

An example of the desire to impose their morality into government regulations or laws is a step-by-step crawl to erase the line between separation of church and state. It could undermine the total secularity of our government at all levels. Another example of imposing personal morality into individual decisions deals with overthrowing the Supreme Court decision that allows women to decide in their heart of hearts if abortion is the best future for the embryo and for them. Letting a general law make the decision in each case, no matter how different the conditions may be from one instance to another, would be personally and socially detrimental. Denying couples use of the "morning after" pill harks back to the obscurantism of the Middle Ages and is very counterproductive to society.

Constant attempts to censor the right of an adult person to access controversial literature and to make private behavior among consenting adults illegal if it doesn't suit their religious tastes are Orwellian. Scientific learning may at some point prove that sexual preference could well be determined by each individual's human genome. Thus dictating by fiat that same sex preferences are illegal may be akin to trying to direct the economy with traffic policemen. Even worse is the attempt to limit scientific research on

the basis of religious beliefs. It seems that some of these proponents are not aware of the similarity of their positions with the darkness of the Middle Ages.

The debate at the public policy level on issues about personal choices translates itself into action very readily and with more frequency than we realize. The instinctive desire we humans seem to have to impose our morals and/or standards on the rest of us arises from the fear we all have to mingle with unknown people. We would like to make everyone as close to us as we can. Most of us experience this on a daily basis.

In my college days I attended functions at the Catholic Student Center at Texas A&M where I met a few young ladies from families resident in the area. In response to my invitations, I was told by more than one that her parents would not allow her to go out with me because I was from a strange country. I had to chalk up the negative to prejudice, but it really was fear of the unknown. Unprovoked mistrust is a danger if left unchecked. To institutionalize it by writing it into law would be utterly destructive. History is full of precedents of worst fears becoming reality, but the opposite examples are far more numerous, albeit less publicized. Solidarity among strangers is really one of the essences of America.

However, blind acceptance of an unknown person's promises is also foolhardy. While I personally like to give every newcomer the benefit of early credibility, my judgment is open until I can assess his, or her, adherence to performance on promises made. I hold this attitude independent of factors such as sex, race, national origin or religion. I try not to suspect any individual just by his or her social profile.

Just as each of us sets standards for the acceptability or rejection of new personal acquaintances until we understand their dreams and driving forces, I also reserve my opinion of national leaders until I understand their positions better. Unfortunately, politicians often change their stances and are usually more inscrutable. Sometimes their dreams can be very dangerous to us all. Based on my personal knowledge of some of them, I proclaim herein that the possibility of transforming dreams into action for the wrong purposes is clearly one of the great threats to mankind.

Going in reverse, from personal predilections or individual views of society, as these factors affect our ability to create and accumulate, to the shaping of public policy, renders a clearer focus on the cumulative wisdom of our political leaders. The founders of our country and their legislative heirs, gave us key ingredients to harness the power of dreaming - the rule of law and a free market system where one force checks another. They did not invent this concept. They wisely studied, debated and wrote a set of rules grounded in natural law and past human experience that had been, and would continue to be, universally accepted. They saw this as the most important prerequisite to create stability in their new country. Stability, based on freedom and justice, yields predictability and trust. And these were the key ingredients necessary to create a large middle class that in time became both the foundation rock and the magnet of America.

As a first requirement to be universally accepted, the founders would have to have the consent of the governed. What better way to ensure popular consent than, after making the laws, to quickly become part of the governed themselves! Thus, the majority of them soon returned to their private occupations, leaving the chores of government mostly to a new wave of citizens. Most of the signatories of the constitution soon became “the governed.” And even though they had printing presses everywhere (one of them was even in the business - Benjamin Franklin was the publisher of “The Pennsylvania Gazette”), they crafted a short enough code to create a government only to preserve the right of all citizens to pursue their dreams equally. Everything else derived from what I now feebly refer to as a simple concept – a short document putting forth basic principles of law capable of universal acceptance by its users.

The trend of a sizeable sector of our modern day political elite is to drift away from the concept of retiring back to private citizenship after a stint as a lawmaker. Most of our politicians like the job so much they become addicted. They practice the art of re-election with gusto, offering all kinds of specious reasons why their uninterrupted presence is good for the country. The lobbyists like it even more, for it makes their job easier and cheaper not to have to deal with mostly uncorrupted, idealistic newcomers every 2, 4, 6, or 8 years. In my opinion, as I argued in The Power of a Dream, the more we abandon the system of “citizen legislators” the closer we get to a clear sign of internal decay of the system.

The right to petition is the insurance the people have against the accretion of tyrannical power in the hands of long-term office holders. As I see it, we must get back to a more profuse application of the right to petition given to us by our founders. Efforts at the State of Texas level, in which I played a tiny part, to force the legislature to pass a bill allowing the people to propose laws that the legislature refuses to consider have so far failed. Clearly, the law that career politicians at all levels fear most is term limits. Unavoidably, term limits will be immediately proposed as soon as the right to petition is granted to the people, and almost certainly, they will be passed. Consequently, politicians debate on this important issue by alleging that it would destroy representative government and lead us into an uncontrolled demagogic democracy. No such danger exists.

Twenty-four states in the union have given their people the right to petition and none has given up representative government. Most states that have it acquired it in the early 20th Century, and they have proven to be at the vanguard of desirable legislation. By using their constitutional right of popular initiative, one thing Californians did in 1990 was to pass term limits for their state office holders. Californians also rescinded the privileged special retirement plan their legislators had adopted for themselves. The citizens made the legislators enter the universal social security system imposed on other Americans.

One of the heroes of this effort in California was Mike Ford, a great American. He has since moved to Austin, Texas, and is fighting to advance the cause of the right to initiative and referendum for all Texans. He is one of America's silent heroes for having turned 100 % of his attention, time and effort to this worthy cause, thereby abandoning the fertile grounds of Silicon Valley in California, where he had made his now diminished fortune. The right to petition is one of the great tools our founders gave us to keep government in check. Because I think that Texans should have this right, I joined forces with him, giving him mostly moral and a little fund raising support in this worthy effort.

The law for Initiative and Referendum creates a right that provides everyone, including extremists at both ends of the political spectrum, the opportunity to air their views when legislators decline to pay attention. It allows the people to decide and provides the forum for a very public debate to educate the voters. Without a doubt it is a tool that cuts with both edges, but experience in 24 states for almost 100 years of statutory life prove that many good causes have been adopted because of it. Some of these are the right for women to vote, tax limitations, term limits, English-only education, growth of government within pre-established indexes and many more.

I believe Texas needs to grant its citizens the right to petition their government not just because of the ample good derived from any of the individual examples listed above, or from others not listed. In my view it is an invaluable tool to keep elected officials from becoming complacent and disconnected from the people. In an analogy to human physiology, it is the anti-oxidant that keeps the cell walls from decaying.

---015---

AMERICA, A STATE OF AFFAIRS.

My full definition of a universally accepted law requires not only consent of the governed at the time the law is made, but also its continued and deliberate acceptance through several tests. The law must continue to be accepted by generations of citizens after rigors brought by major events such as wars, economic collapses, natural disasters and changing demographics have passed. Our system survived them all with flying colors. The land of opportunity was established. America began its era as the shining beacon of hope and pilgrims from all corners of the world began beating paths to its doors. The world had its first safe harbor for all dreamers seeking to improve themselves. The longer our universal acceptance of our principles of law lasts, the stronger the United States of America becomes. Our middleclass grows ever larger and its social inertia provides the allegoric Rocky Mountain Chain of our social stability.

In my view, the dreamers that contributed most to our present comfort and affluency are those who dreamed about improving their own lives without specious claims of altruistic purposes. They had the common dream of improving themselves with their own efforts, at their own risk and for their own benefit. I was lucky to be among those who could enter this state of affairs while young enough to help myself. There is no doubt that my lot and the lot of my family and close associates were greatly improved by the pursuit of my dreams in the United States of America. This improvement extended also, indirectly, to the lots of all those I touched in my efforts to develop my dreams, whether here or abroad. My experience is but a straw in the haystack of dreams-come-true in this country.

The Olympic games hold a hypnotizing interest to me. They epitomize what to me is best in a person and best in society. Myself being a “would-like-to-be-an-athlete” kind of person even in my mature years, I have a very keen appreciation for the desire, discipline, sacrifice, tenacity, integrity, stamina, talent and strength of body and character Olympians have to have. Every Olympian is an inspiration to me and our American champions are my heroes. I have not had the privilege to meet many Olympic champs but, through a closer contact with their coaches, I have shared the realization of the dreams of two of them. At a very personal level, they are the archetype of individual dreamers who in open competition lift society on their shoulders like Atlas lifted the world.

As a student at Texas A&M, I came to know a totally dedicated teacher in the Phys Ed department by the name of Emil Mamaliga; he was my diving coach when I represented the university in that sport. “Mami”, as we called him, was really involved in the life of his boys. His specialties were wrestling and weight training, although over the years he taught just about any sport under his department’s roof. A few years later he became a key coach to inspire and encourage the great Randy Matson to go after the gold medal in the shot put. As a freshman in college the towering Matson won the silver medal in the 1964 Olympics at Tokyo, but many of us who knew him were sure his superior abilities could be developed even further. He dreamed big and inspired us all to dream with him.

Mami tracked Randy’s progress with the accuracy of an accountant, the perseverance of a detective, and the loyalty of a father. By the time Randy won the Olympic gold in Mexico City in 1968, Mami had filled several books of statistics on every thing from Randy’s throws, to the perimeter of all his limbs, his body composition, his diet, his injuries, his schedules, even his moods. He shared some of these records with me and demonstrated plainly that the road to the top is not just natural ability and determination. The pursuit of a dream at that level is a complicated and long journey full of logistic nightmares. Realizing his dream took the better part of 8 years of his life!

My second exposure to Olympic gold was more within my sports. Shortly after the Los Angeles Olympics of 1984, I had inaugurated, in Bryan, Texas, a health fitness complex called Aerofit, the development of which was, to me, the realization of a dream in itself. A good part of the emphasis was dedicated to the sport of gymnastics, which Bella Karoly had just made so popular with the golden performance of a team of young girls he trained in his North Houston gym. Bella was a Romanian defector who, after taking Romanian girls to the top of world gymnastics, decided his destiny was in the U.S.

Most of us who watch world-class gymnastics competitions on TV have seen the burly Bella coaxing and pushing the little gymnasts like a bear moving cubs. His wife and he worked the little champs as merciless taskmasters, but at the end the girls loved the Karolys and kept flocking to the Karoly gym from all over the country. He could produce champions! In 1984, the stars of the US team were many but the superstar was a precious little girl named Mary Lou Retton, from Houston, Texas. Bella brought his whole team to Aerofit to teach clinics and put on a show for the people of my hometown in November 1984. It was an unforgettable day! We learned the history of his own life, the sacrifices of the families of the athletes, the hardships of the training and the passion needed to live out the dreams of that exemplary and unassuming elite of tiny girls he brought with him. Most in the audience had tears welling in their eyes as the performance unfolded and we understood the depth of what it takes to pursue an Olympic dream. We had in front of us another example of how much good comes to this country from new immigrants.

Shortly after the 2000 Sydney Olympics, the *Wall Street Journal* ran an editorial about the subject of immigrants in the US Olympic team. It was very revealing to learn that almost 50 % of our medal winners were immigrant Americans who came here to pursue their dreams because they had the freedom to do so on their own terms. The lift that immigration gives us in sports is repeated in the sciences, the arts, business entrepreneurship and every day life. Few opinion makers disagree that the vitality of our bloodline comes from the continued mixing of diverse ethnicities and backgrounds in one giant boiling pot. Put in terms of public policy, the issue is to see that all these new waves of would-be-Americans get assimilated into the main stream as soon as possible. Programs that tend to keep the new arrivals in segregated pools will only help Balkanize the country and build up pressures to diverge away from the social compact that has served us so well for so long.

One of my experiences with language integration makes this concept clear. At the start of my junior year in college, it was my brother Christian's turn to begin his higher education studies. No one in my family even thought about the possibility of him going anywhere except where I was. Chris had always been the smartest of all the children at home and the best student in his class. My parents were sending him to school in the U.S. and he wanted to come where I was. I was very proud that he got accepted at Texas A&M and decided to seek an engineering degree. The problem was that he did not speak English. Undeterred, he arrived at Houston the summer of 1958. Hours after I

picked him up at the airport, he was moving in with a roommate who spoke not a word of Spanish. I made it a point to speak to him only in English and not once did he ask for mercy. As a result, before the end of his first year he could speak flawless English and make me sound like the newcomer.

In my experience, programs such as bilingual education are not only a waste of taxpayer money; they could be a hidden virus set to attack the fiber of our system. The longer people are kept isolated through inadequate communication skills, the more possible it becomes to find enemies within, or, in the best of cases, to create a new class of dependents of the state.

The unfortunate thing is that the bureaucracies already built around the “compassionate handling” of non-English speakers in America have by now acquired a critical mass with significant lobbying power to which many politicians pander in the pursuit of office. These same politicians hope to continue the isolation of their constituencies to ensure continued re-election. Immigration is of utmost importance to the country, but isolationist policies as applied to new immigrants are very bad for them and for the rest of us. The first step in becoming a successful American is to learn the English language. As in learning to swim, the best way to learn is to jump in the pool and begin swimming; the best way to learn English is to go to school and begin listening and talking. Although they wouldn’t be needed if the teachers were good and dedicated, transition classes, as opposed to completely structured multi-year bi-lingual programs, have, in the past, been useful and productive. Unfortunately, in Texas, such initiatives were seized by hungry bureaucrats, union organizers and politicians as harbingers for new power bases and were soon escalated into growing taxpayer-supported programs.

Independent of special language programs, I see the aggregate effect of the dreams transformed to reality by the thousands of new immigrants coming to our soil every year as the practical proof of two of my basic propositions – the American system is a machine of hope and prosperity and America is the safe-harbor for dreamers the world over. The effect of these propositions, superimposed onto the social inertia of our law-abiding, massive, homegrown middleclass provide the anchors for my opening statement and major thesis – “the genius of America is to provide the environment where any person can pursue a dream and enjoy the benefits thereof.”

President Reagan began to speak of America not just as a political state but also as a state of mind capable of spawning the virtues of our social compact among any willing people. I firmly believe that. With the globalization of information, the abundance of transportation and instantaneous communications, almost everyone in the world now is exposed to vignettes of America on a daily basis. Even in Beijing, China, while watching TV on a Chinese channel, I saw a map of the U.S. and heard the word America on a daily basis. I have no idea what they were saying, but they were saying something about us. Anyone with a dream, wherever he may be, understands, perhaps confusedly,

what is needed to develop the dream. Not everyone can move to America, but the concepts of America can be moved to anywhere, if the conditions are right.

The conditions needed to graft the “concept America” in other societies are not easy to come by. It was mostly French and English Enlightenment thinkers who articulated much of the theory behind the principle of consent of the governed as prerequisite for universal acceptance of the law, but only American statesmen were able to use it in reality. A mere five years before the French did away with their monarchy, our Founding Fathers created a nation anchored on written principles rather than hatred administered with a guillotine. Their basic law was ratified by the people, rather than an emperor. Their country survived as one free union of former colonies rather than as a new empire a-la-Bonaparte followed by five republics and still counting. It funded its war of independence debt primarily with domestically secured bonds, rather than with loans from foreign banking houses. It elected its own leaders, not appointed them by heredity or peerage or by coups d’etat. Most important of all, its government apparatus was small enough to leave its citizens alone in their quest to make their dreams come true. It respected their accomplishments and guaranteed their right to enjoy the benefits of their creations. These virtues remain the soul of America and can be adopted by any willing people.

At the end of World War II, Gen. Douglas MacArthur infused these American principles into the Japanese soul. Witness Japan today. As restricted as immigration to Japan is, the abundance of Koreans, Philipinos and Chinese is noticeable. Many wish to get there, not many wish to leave. The Marshall Plan to rebuild Europe contained the same American seeds, witness Europe today. Slowly but surely many of its nations have adopted parts of the American model and the process is still going on.

Japan and Europe, but not as acutely as India and China, carry the social baggage of class distinction, which no government has yet been able to fully eradicate. Perhaps in time education and the example of America can be the saving agents to free them from heavy constraints to individual dreaming. The most prosperous developing countries are those somewhat patterned after our principles; witness Taiwan, South Korea, Singapore, Australia, Brazil, Chile. They are importing America rather than exporting would-be-Americans. In my view, equilibrium in the movements of population will be achieved when most countries take the “concept America” to their own shores. Our foreign policy makers should consider this view.

I contend that America’s prosperity doesn’t derive from the fact that Americans are more intelligent, or more industrious, or have more natural resources, or are more dexterous or of better countenance. All these traits fall uniformly on a bell distribution curve no matter the population or the area. My answer is that the reason for our prosperity is our social compact. I by no means want to project the impression that I advocate a coercive or imperialist imposition of our system of government over people anywhere. I propose no such idea and in fact I reject it as non-American. I do propose, however, open

exchange and abundant opportunity of cooperation for countries that on their own volition want to adopt all or parts of our system. Such actions would be, in my view, quite within the constitutional duties of the federal government of providing for our external defense and fostering trade.

Considering that there are limits to our own growth, albeit still unknown to us, the idea of helping people establish a “concept America” in their own countries would abate the pressure to immigrate to America. At a time when our open spaces, cities, suburbs and natural resources are under heavy stress due to exploding wealth and expanding population, it is becoming ever more difficult to strike a harmonious balance between nature and mankind. Growth is good for business but as in health, unchecked cancerous growth will kill the host. I submit that it is time to focus on franchising, free of charge, the “concept America” and making the rest of the world our trading partners.

Referring to the future of the world after the impending demise of the Soviet Empire, then Texas Senator Phil Gramm encapsulated a lot of wisdom when he once told me, “trade, not war”. I think one of America’s greatest exports to those willingly wanting to import it should be the “concept America.” Then dreamers will be able to pursue their dreams wherever they have them, without having to move to America. A new, worldwide tsunami of prosperity based on dreams-come-true everywhere would bring incalculable returns to such a policy.

A very significant observation about the essence of America is gleaned from the peace pacts at the end of World War II. Historically in armed conflicts among kings, tribes or nations, the victors extracted either loot, slaves or heavy reparations from the vanquished. This was the “natural” result of war and it was expected. Humanity was used to it. In Roman times, the looting, raping, sacking, burning, razing and enslavement of the losers was more feared than the war itself. Over and over again, this has been an effective but savage way to discourage opposition.

The world’s behavior did not improve very much over the next 2,000 years. Two examples, one thousand years apart, prove this point. Soldiers of Christ, in the name of Christ, committed most barbarous acts during the Crusades. This unprovoked invasion, allegedly to evict the Arab infidels from their homes near the Holy Land, in actuality was mounted to take their wealth and also to open new trade routes with the Orient, even to sack and plunder the Christian city of Byzantium (Constantinople). This was more than a century of warfare dedicated to mobilizing the European economy and reorganizing its nations by conquering the wealth of the Levant.

The second example I want to highlight occurred this century. After World War I ended with the Peace of Versailles, the reparations imposed on Germany by the European victors were so onerous as to create one of the worst economic debacles in modern history. The hyperinflation and financial collapse that followed in Germany from exacting such burdensome payments created the conditions for the rise of Adolph Hitler and the

advent of Nazism. They also made a mockery of the victors' ability to collect these funds and to keep Germany from re-arming itself.

In contrast, after World War II, it was the United States' prerogative to give the terms of defeat. What did the U.S. do? Instead of following millennia of human precedents, it decided to give help and money to its defeated enemies and weakened allies! What an earth-shattering break from past human behavior! Unprecedented! Historically it was amazing! Our political leaders of the time proved themselves worthy inheritors of their Founding Fathers.

This wise and visionary decision created, in a relative short time, strong trading partners at the ends of the oceans at both our shores. We were positioned to help the devastated nations develop and exploit their natural and human resources for the benefit of all. The decades that followed brought incalculable prosperity to the world. Undeniably, more people live better now than at any time in human history. Leadership of this visionary quality generation after generation is what made possible the development of the New York that impressed me so much as a youngster. It gives me part of the answer to my original question of how the Big Apple came about. It is part of the proof of my thesis that America is the best place on earth to carry out a dream.

This crucial strategic decision for the benefit of mankind emanated from American statesmen. They made it possible for many millions of people the world over to foster personal dreams with at least some hope of realization. I cringe when I hear current national political leaders rant against open trade and open frontiers. To me, they have no understanding of history or of the damage that they would bring to us all if their views were adopted. A great part of the ethos of America that the world admires stems from the foresight that prevailed when the United States settled peace terms at the end of World War II. It is an important part of the "concept America." The world needs this import.

While considering the benefits of the proposed export, it is opportune to glance at how the nature and the rights of ownership of the product to be exported developed. America was created essentially on the basis of two documents, the Declaration of Independence and the Constitution, complemented with an explanation to posterity of why the first was written. Then they were implemented with great courage and without hesitation. Since then the country has evolved greatly, but with relatively little change to its founding compact. Most of the amendments to the Constitution, known as the Bill of Rights, were made concurrently with its ratification. Three major amendments followed the Civil War.

Continuing the allegory of the infant born with a tumor and operated on as child, the excision radically changed her anatomy and physiology. A nation that started essentially as a pioneering society, where almost total self-reliance was the predominant virtue, now needed force to make its original law accepted by the renegades. The effects of its

own growth changed the nation. Future massive actions required to face the common defense (wars) would again provide the impetus for most government growth and consequent social change.

As America began to develop, it had to establish a stronger central government to face events greater than any individual's power to resolve. The first push for growth was provided by demands for territorial expansion known as Manifest Destiny. No great army or navy was needed. Motivated by their own self-sufficiency and personal benefit, pioneers did all the work. However, following Andrew Jackson's defeat of the British in New Orleans in 1793, some in the federal government gave more attention to national defense. Since no international armed conflagrations occurred until the war of 1812, again against the British, the impetus for a great army was not yet apparent. As measured by almost any yardstick, the mid years of the 18th Century had similar rates of growth for the country and for its government.

The war against Mexico following Texas' annexation spurred significant expenses in armed forces procurement, but caused no tidal-wave changes on the apparatus of government. Then, during the Civil War, the federal government grew at an exponential rate, not only in cost but also in a socio-political dimension. The resolution of our crippling social bipolarity demanded totally new views and understandings of humanity. The principles of the Constitution and the Declaration of Independence had to be made applicable to every new American citizen created by the 14th Amendment. The 15th Amendment completed this process by giving emancipated slaves the right to vote and to hold office. In view of entrenched opposition in southern society, a bigger government was inevitably necessary for this purpose.

The next period of rapid growth was seeded in the period preceding World War I. It came with the winds that swept Woodrow Wilson to the presidency. However, cognizant of the fact that most of those new initiatives did not have constitutional groundings, the country's leaders at the time submitted them to the people. With the peoples' approval, the Constitution was amended radically. Through the 16th Amendment the people granted the federal government the right to tax the product of their industry. Through the 17th Amendment, the states' ruling bodies surrendered their privilege to name senators in favor of letting the people in their states elect them. Both represented great gains in power by the federal government at the expense of state politicians.

The full impact of these changes toward bigger federal government didn't become apparent until Franklin D. Roosevelt's (FDR) presidency. His adherents credit the New Deal as saving America from economic disaster but the long-term evidence could be just the opposite. The New Deal not only enlarged government exponentially at a time when the private economy was contracting, it reordered the private sector in a way similar to Mussolini's or Hitler's economies. Production was planned mostly by the government, or at least in response to government requirements. However, at least

after World War II started, there may not have been other way to face as massive an enterprise as arming the Free World.

The worst, most pervasive, and most regrettable after-effect of FDR's administration was, in my opinion, the alliance that he made with the Supreme Court. By packing it with his adherents, he subjugated the Court to his opinions. In practice, he diminished the all-important checks and balances of the division of powers between the Executive, Legislative and Judicial branches inherent in our system. Fanned by the president and un-opposed by Congress, in 1937 the Supreme Court essentially began doing his bidding. Since then it has seldom declared anything unconstitutional. As a result of penumbral interpretations of what some Justices have guessed was the thinking of the Founders, very few new amendments to the Constitution were necessary.

Since FDR's days, all that is needed to make almost anything constitutional is congressional legislation signed by the president. Under his newly found power, Roosevelt was able to start the expensive cycle of entitlements that raised our taxes and ruined national budgets generation after generation. His Keynesian pump priming radically affected the character of the limited government envisioned by our Founders. It added many new features to the "concept America." President Roosevelt may have made it easier for everyone to find a bit more security, but he went a long ways toward reducing our ability to fully decide by ourselves how we want to enjoy the benefits of individual dreams we choose to pursue.

On the wake of FDR's example, only magnified, Lyndon Johnson's Great Society programs and Peace with Butter policies culminated with new laws that soon became very intrusive and expensive. Continuing the pattern from the New Deal's time, a sympathetic Supreme Court didn't raise any objections. The most worrisome congressional acts that have passed into law on Johnson's watch have accelerated the rate of government growth above the rate of growth of the private sector. For example, acts presented as tools for saving the environment, improving safety in the work place or at home or protecting the consumer were also very threatening to private property and therefore blunted a person's drive for self-reliance. In time, compromises on their application are making them useful.

Some of Lyndon Johnson's initiatives were motivated by festering inequities revealed by the Los Angeles Watt's riots and other racial disturbances around the country in the mid 1960s. While I am the first to agree that the movements led by the Rev. Martin Luther King were well conceived and produced positive results, I am not sure that President Johnson's programs were as well conceived. He created huge bureaucracies that in time have made his programs inefficient, unwieldy and prone to corruption. However, in his Civil Rights laws, President Johnson embodied remedial controls needed over state and local governments to guarantee equal rights for all. He obviously averted the all-out racial war so feared by Dr. King.

I support with glee a government apparatus large and strong enough to enforce the rule of law as it is written in the Declaration of Independence and the amended Constitution and to carry out the purposes therein stated. Some historical interpretations by the Supreme Court based on penumbral assumptions convenient to isolated interest groups may be of dubious value. Yet, as I believe most Americans are, I am willing to accept and support rulings with which I may disagree but that in my own and sole judgment are not terminally injurious to the underlying principles of our basic documents. After the FDR take-over of the Supreme Court, it began to act more as an adjunct, rather than a controller of the executive power. Consequently it lost much of its previous weight on the broad-stroke direction of America. After Lyndon Johnson, successive presidents have made the weight of unnecessarily big government even more suffocating.

As a result, now Congress at times reacts by investing itself with more power than I think the Constitution gives it continuing to oppress the Supreme Court. Weakened as its original powers are, I am nevertheless very glad for the Supreme Court's remaining willingness and leftover clout to rectify missteps from Congress. I believe the understanding that the genius of America is to provide the environment where individual dreams come true is still implicit in the Court's role. I still see it, perhaps too optimistically, as a check to a dictatorial executive or legislative power. The preceding is an encapsulation of how I see the growth and development of the "concept America" and how we acquired its ownership rights that now enable us to export it.

My narratives, theses, propositions and anecdotes are intended to paint a picture of the conception, gestation, growth, re-orientation and evolution of our social system. As I state in the preface, it is by no means a scholarly treatise, but it sets the framework for the story of my life. Throughout the remainder of this book I will attempt to weave more detailed actions of my personal experience within the envelope of individual growth that emanated from the American concept. The thread of my experience woven into the American socio-economic fabric formed my views and continues to do so even as I write this book. No doubt it is a replica of millions of other American lives.

I began publicly sharing my views shortly I moved back to Texas in 1974. Although I was still in the process of informing myself about the historical groundings of my beliefs, I wrote down my thoughts on freedom, enterprise and government in a document that I gave away, well framed, to a few friends and acquaintances. It was picked up and printed by my new hometown newspaper, the Bryan Daily Eagle, on July 13, 1977. It read:

MY CREED

**I choose to be a free man,
I believe opportunity breeds success,
therefore I seek opportunity, not security.**

**I want the freedom of choice to select my options.
I prefer the beckoning of challenge to a
guaranteed existence.
It is my heritage to rely on my god and myself, to
be an individual in my thoughts, decisions and
actions.
I find satisfaction in the thrill of accomplishment
and too many restrictive burdens in the socialist
system.
I want to take the calculated risk, to dream and to
build, to attempt and to succeed.
If in trying I fail, I ask for the chance to try again.
I refuse to exchange my right to exercise my
initiative for a promise of state supplied
security.
I believe in a social system which allows me to
face new challenges, to develop opportunities
for myself and others, and to justly enjoy the
benefits of my creations.
I find no substitute for freedom.**

As I tell later, I moved to Texas from Bolivia, a country on one of the front lines where the cold war was raging - communism vs. freedom. I could see the effects of both ideologies right in front of my eyes. I could feel the methods the combatants were using to defeat each other. It is important to my story that the political environment where these thoughts were congealed be understood.

The period of foreign policy paralysis ushered by the Lyndon Johnson administration handling of Viet Nam in the late 1960's, gripped America not only in the theater of operations, but it also set it up for even greater failures in the next decade. President Nixon managed to steer us away from the shoals and President Ford kept us floating, but not with much steam. Using Cuba's Castro as its surrogate, the Soviet Union launched wars of liberation throughout Africa and South America. The map of the world was turning red in Southeast Asia, Africa, Central and South America. In the Western Hemisphere Nicaragua was virtually lost. Chile was Castro's favorite stop in his Latin America lecturing circuit. El Salvador was besieged. Bolivia was fighting "Che" Guevara's invasion.

The communist pressure was on and the response from the U.S. was erratic at best. In my eyes Jimmy Carter was not just a bad steward of the fight against communism; he was close to incompetent. I am sure that in the eyes of Shah Reza Pahlavi of Iran and Anastacio Somoza of Nicaragua, he was a traitor. These two heads of state, frail with defects as they might have been, were staunch defenders of our country and our way of

life. When we called on them to help contain communism, they risked their power and their future place in history to do our bidding. Their writings indicate they never suspected we would repay with betrayal. When their usefulness was worn out, President Carter coldly discarded them as cumbersome ballast. They are not the only allies that felt betrayed!

A visitor to Tierra del Fuego in Southern Argentina can observe around Cape Horn the gargantuan turbulence of the waters where Atlantic meets Pacific in a never-ending battle for supremacy. That view is the best description I can give of how it felt to be a protagonist in the hot fronts of the Cold War. In the early 1970's my brothers, immediate friends and I started to feel like fish in Cape Horn waters. The push of totalitarian communism to eradicate the hope of democratic freedom took on faces. It became personal and violent. It resorted to threats, terrorism and brutality. Our thirst for freedom did not diminish with Washington's languishing enthusiasm to support our cause. We experienced a feeling akin to Luke Skywalker's fighting the Empire in the movie *Starwars*, except we didn't have a Yoda. It was one of America's weakest foreign policy periods. It was in this climate of near despair that, while living in Bolivia, I began to formulate my thoughts and conceive my dreams. This book is my personal testament to the power of a dream.

CHAPTER 2**NO SUBSTITUTE FOR FREEDOM**

---021---

SEEDING GROUNDS.

One of the many attributes of youth is idealism. No doubt we all experience it. Reading specific utopian ideas from Thomas Moore, Tommaso Campanella, Francis Bacon or Karl Marx at age 20 will produce different reactions than reading them at 40. Many of us have lived through the truism of "Show me a liberal at 20 and I'll show you a conservative at 40." While young, one can become so embroiled in idealistic movements as to lose sense of reality. This is a phenomenon well exploited by older leaders who know how to wrap their plans in idealistic paper. Some do so for their own twisted and often cruel but always self-serving purposes, others to advance what the majority honestly sees as more liberty and opportunity for all. With the system of checks and balances in our political system, our national experience has demonstrated that it would be most difficult for a Hitler or a Stalin to rise in America. However, the door is wide open for a vigorous, eloquent idealist with adequate financial backing. Such was the case of John F. Kennedy.

A few years after he had begun to capture the nation with his message and persona, I was doing my graduate work at Texas A&M University. Along with my studies in engineering, I had a part time job and was involved in the varsity gymnastics team. However, I still managed to find time for other preoccupations. Perhaps a bit in the shadow of Cervantes' Don Quixote, I yearned to help right some of the wrongs I saw. I neither had the hubris nor the abundance of causes of the famous Spanish Knight Errant, but I shared his love for the underdog and for doing what I perceived was right.

One of the societal issues that grated me ever since I arrived in the South was the institutionalized discrimination against Blacks and Hispanics I saw. In my mind, I always offset this weakness by the openness and friendliness of the people I came to know personally. The few times I encountered prejudice and dismissal as a "Mexican," though making me mad, actually gave me a sense of superiority above the unfortunate fellows who, only because of their skin color, felt themselves better than me. They did, however, put me on notice on how destructive this attitude can be when applied relentlessly over a lifetime.

On my second trip to the United States at age 18, I landed at Miami International Airport in August 1957 and proceeded to take a bus to College Station, Texas. I was shocked to discover at the bus stations that colored people weren't allowed to drink out of the same water fountains the rest of us could, eat at the same counters or ride the bus in the front seats. My previous contact with America had been in New York and Philadelphia where I don't remember being confronted with discrimination on the basis of color, race or national origin.

College is the period of time when most people begin to pay attention to the surrounding world. My awareness exploded with the message of the soon-to-be President Kennedy. In the 1961-62 school year, as in many years before and decades afterward, Texas A&M sponsored a student club involved in facilitating the understanding of national affairs (SCONA). Faculty and students injected with this curiosity congregated around this program. I did too. There I met a group willing to confront the college's establishment to force the gates of the basketball arena open to Black spectators. I was irate that Blacks were good enough to entertain the crowd by playing on the court but were not good enough to sit on the bleachers as spectators. Texas A&M had no Black players at the time, though several visiting teams had stars who were of African descent. I had attended school at Texas A&M for four years and had not realized that Black people were being treated this way. This was indeed a great lagoon on my awareness. In retrospect I can now point to the fact that there were few Black students, if any, in the campus and that I had not met any yet.

As I describe in several parts of this book, my social environment growing up as a child had been isolated and I had not had a chance to develop any likes or dislikes toward Black people. I had never even seen a Black person until my family took me on a trip to Brazil when I was eleven years old. My relative isolation continued at Texas A&M. At the time, the lack of a car confined a student to the campus. Without transportation, it was difficult to go into town where I might have seen and met Black residents. And the few Black students in campus were not easy to find among eight or nine thousand men. When the reality of this inequity finally dawned upon me, it went against my instincts. I could not be aware of such a deplorable practice at my own alma mater and not rebel against it. In ancient Rome, even Christians were allowed to watch other Christians be killed by lions. I felt strongly that Black persons, any person, should have the right to buy any ticket they could afford to watch a game.

The faculty leaders of our little rebel group selected the game against the University of Texas at Austin for the test case. This team was A&M's greatest rival. The popularity of the game was sure to provide some media exposure. We reasoned that if we wound up being charged, this publicity might provide some public sympathy to our cause. On game night about ten or fifteen of us were ready to force the gatekeepers to let the Black spectators in. We knew the police might take us and/or that we may have to fight with other racist students who felt this was a second round of the civil war. Fortunately,

not many Black students from Austin showed up, and to the credit of the powers that be, those that did were allowed to sit together with us. Uneventfully, we opened one little gate toward social progress in Texas.

This was my one and only fight for freedom during my college years, but it undoubtedly left me with a keen recognition of the human need for equal opportunity and the price that it had. As I narrate in greater detail later in this book, I nursed the essence of freedom and its related responsibilities as a child at home. However, as it is for most youngsters in America's climbing classes, I was just an observer of what my adult protectors actually had to endure. It was necessary for me to return to the country of my birth to be pressed into service of the fight for liberty again. Ten years after contributing my grain of sand to integrate A&M's basketball arena, I would engage in another effort to help secure freedom, this time for myself, my family, and for the land where I was born.

My first memories of how it feels not to be free go back to Cochabamba, Bolivia in 1952. As I relate later, this was the place of my birth. One of the most remote and mountain-locked lands in the South American continent, Bolivia's Andean high plateau, where most of its mineral wealth was found, was generally inhospitable and difficult to access, uninviting to large waves of new immigrants. Until the late 1960s, its rich green forests and lowlands were virtually inaccessible. Since the Spanish colonial days, the High Andes remained a source of raw minerals for the industrial nations. Historically, its main exports were silver metal and tin ores. It is said that enough silver was taken out of the prolific Cerro Rico de Potosi during the second half of the 16th, and all of the 17th and 18th centuries, to literally build a solid precious metal bridge from that magnificent mine to Madrid. The story of how such riches were extracted from the bowels of completely isolated mountaintops is really the story of Bolivia. And Bolivia's story, no doubt, unavoidably helped shape the views I hold today.

Bolivia's mineral saga, then known as Alto Peru, grows larger with the discovery of silver in its mountaintops. Recorded stories from the time tell us about a windy night in 1545 when a native shepherd by the name of Gualca was camping on the mountainside of what later became Cerro Rico, and accidentally found a pure silver vein. Careful not to share the location of his discovery with anyone, he nevertheless showed his new wealth to his companion, named Huanca, causing his jealousy and anger. Feeling himself rejected, Huanca went to their Spanish patron and enviously revealed the discovery. In true Colonialist form, the mentioned Spaniard (a soldier by the name of Villarreal) registered the portentous find as his own mineral claim on April 25, 1545. He thus deprived the true finder of any benefits, perpetuating only his name and story to pass into documented history as another proof of the great power of the Iberian conquerors.

Almost immediately after the Potosi discovery, the largest precious mineral rush in the world ascended to the mountain with a fury and longevity not equaled in Cortez' Mexico,

California in 1849, Klondike Alaska or anywhere else. The city of Potosi, at the foot of the mountain at an average elevation of 14,000 feet, counted more than 150,000 people in the census of AD 1611. At this time the Pilgrims had not even began thinking about moving to North America. Potosi had a population comparable to London or Paris at the time. European cities then were no more than large aggregations of miserably poor people living in shantytowns usually around a castle or monastery. The hearts of these cities were muddy, dirty, narrow streets fetid with the stench of human and animal waste. It is said that at the time Potosi had an even denser population than the European capitals. But Potosi was high in the mountains, and although it was bathed with bright sunlight heavy with ultraviolet radiation it was always cold. These natural conditions were a protective shield from the frequent plagues that ravaged Europe at the time.

More importantly as a magnet for newcomers, most of Potosi's European population was very rich by continental standards. In the thirty year period between 1545 and 1574 alone, calculations based on the 1/5 or 1/10 cut the royal crown took from measured mineral, and allowing for a suspected ¼ of the total that escaped measurement, show that production added up to a then never before seen 1.69 billion pesos. By way of comparison, a typical yearly salary for a criollo supervisor in 1570 was in the order of 100 pesos (about \$40,000 in 2002 dollars). Using this conversion factor, the mines at Potosi produced about 676 billion dollars (2002) during that thirty-year period alone. This river of silver continued to flow out of the Cerro Rico, albeit with diminishing strength, until about the War of Independence from Spain in the early 19th Century. That is the big reason why the Alto Peru, Bolivia today, acquired its reputation as the most important silver producer in the world and one of the great mining countries anywhere.

Silver production was virtually exhausted by the end of the 18th century. The advent of the republic significantly slowed even more any mining exploitation still active. New immigration, except for a few soldiers that had come down with Simon Bolivar's expeditionary army of liberation, ended as well. My first Bolivian ancestor, from whom my family name comes, was one of those soldiers whose swords and arms brought independence to the Alto Peru. Since then descendents of the same families, both indigenous and expatriate, residing in the area at the time have made up the bulk of the population. Class stratification remained strong, always giving the European stock favorable access to land, education and other means of production. The descendents of the former Conquistadors also had use of the semi-vassal labor of the subjugated population. Among the ancestral traditions of Inca society, from whom the peasants descended, subservience to their masters had become innate. The new Spanish patrones found this feature very useful to establish and perpetuate their own dominance.

The Republic, brought about in 1825, did not change the status of this social system. Fifty years after its foundation, the main natural resource exploited in Bolivia was guano, (bird dung) from the seemingly infinite bands of pelicans, cormorants and other birds

that roosted on its Pacific littoral shores. Chilean, English and Spanish companies interested only in the fertilizing power of the guano deposits controlled the business. Before the advent of carbohydrate derived fertilizers, European farmers found guano of critical importance to their industry. The European powers of the time used the military might of their armed forces to open and maintain commodity sources for the benefit of privately chartered companies. This arrangement was known as an expression of mercantilist economic policy. These companies employed the native population under very harsh conditions and did not bring permanent new residents to the country. Bolivia was disconnected, isolated, mismanaged and impoverished. Its riches were an easy temptation to mercantilist exploiters who found no advantage in working with its authorities.

Significant numbers of new people did not come to the hinterland until the end of the 19th century and beginning of the 20th when tin mining became important in the Andes Mountains and rubber harvesting boomed on the plains of the Amazon headwaters. Both were strategic raw materials for mechanized manufacturing but were more prized for war making purposes. The industrial nations needed them. The financial stakes exacerbated the weakness of a country wrought by the isolationism that had prevailed for more than one hundred years. An enfeebled Bolivia, in the last quarter of the 19th century, suffered two devastating territorial dismemberments, one to its neighbor to the southwest, Chile, losing its seacoast, guano deposits, and rich mining districts. The other loss was to its neighbor to the north, Brazil, losing the fertile grounds where rubber, cinchona and other bountiful plants from the rainforest grew.

The discovery of quinine in the second quarter of the 19th Century, a medicine extracted from the cinchona tree, also produced some immigration and economic activity. This tree, native to the Bolivian eastern plains of the Amazon River headwaters, was the only effective medicine against malaria. However, in a relative short time, first quinine and then rubber lost their importance in Bolivia and all South America. Reaching the naturally existing trees that supplied quinine and rubber through impenetrable and infested swampy jungles, and then retrieving the harvest, was difficult, dangerous and expensive. It caused extreme human suffering among the dispossessed native populations enlisted for this work.

No Bolivian, or for that fact, no South American person or institution either sponsored by government or as a private entrepreneur, sought a solution that could solve these problems. In time they lost the initiative, lost the monopoly, and lost what I think could have been a valid opportunity to establish another large corporation such as Mr. Simon I. Patino did with tin. One remarkable Bolivian tycoon, Nicolas Suarez, in the early 20th century organized a successful trading company but was not able to permanently resolve the difficult logistics of rubber exploitation and the vagrancies of the commodities market.

Motivated by the allure of easier access and industrial plantations, English agents at the service of their Crown, spirited away, against the law, enough saplings and seeds, first of cinchona and then of rubber trees, to cultivate them very successfully in their colonial plantations of Southeast Asia. The Malayan peninsula became the main center of production. With the advent of this competition, which ultimately was improved to offer better strains, Bolivia's importance as a quinine and rubber supplier passed to history in the second decade of the 20th century without leaving a significant lasting trace.

---022---

THE FIRST SPARKS.

Through no merit of my own, I was blessed to have been born in what I selfishly consider the best family anyone could have chosen. It happened that my family was a member of the patron class. In shrouded memories from my infancy, I seem to remember my paternal grandmother having indentured clients for servants who would, coming from her farm in the countryside, rotate in her house in two week shifts three or four times a year. Although this is a practice I never saw in my own house, I was aware it still existed in some landowning families' homes during my early childhood.

My parents, who owned no agrarian land, abhorred it as much as I did from the minute I became aware of it. The advancement of the cause of freedom for all in Bolivia was indeed held back by this practice of semi-vassal servitude. The attempt to dismantle it was traumatic, nay, destructive. It simply substituted the old class patrons for a new harsh dictatorship that imposed its will cruelly and shamelessly. For more than one generation, the effort brought freedom to no one who did not yet have it but brought fear, oppression, poverty and servitude to those who had known freedom before. As in any dictatorship, the only beneficiaries were the party intelligentsia and those in the control mechanism.

Following a movement partly inspired by National Socialists (Nazis) and partly by communists of all stripes, a new group under the leadership of a politician named Victor Paz Estensoro took control of the country by violent revolution in 1952. In the elections just preceding this takeover, my father, not a sympathizer of this group, had been elected Senator to a congress that never convened as a result of this revolution. In the years immediately preceding and following this convulsion, many prominent leaders of the country lost their fortunes and lives. Because my father had never been party to any plans of counterrevolution, his life was spared but his livelihood was destroyed. His construction company was forced to close and his every move watched. All his life he

had been a true value-creator and had not, until his election as senator, ever involved himself in politics.

The block commissar in our neighborhood kept track of who came to the house, who my dad or my mother talked with, where they got the money to buy things with, and what their whereabouts were. My father was a man who had done nothing but good for his country and for everyone he touched. He had created industries and built cities, and was now condemned to stand in line for hours to beg for coupons to buy a few groceries for his family. His sin was not to be a socialist. This sad image is still with me now and it reminds me of the evils of the dictatorship of the proletariat. All along the new bosses were educating the public on the well-known Marxist oratory of “from each according to his abilities and to each according to his needs.” They “expropriated” whatever little wealth there was and lived as lords while the people starved. I never saw one of them standing in line for anything, but I did see the country sink into misery, famine and terror. This state of socioeconomic affairs outlined the framework of my high school years.

Spurred by a not-delivered prize promised by my maternal grandfather, when I finished grammar school I tested out of the first year of high school, which at the time was a six-year program, equal in duration to the previous six years of grammar school. This made me, if not the youngest, one of the youngest of the class with which I eventually graduated from high school. My senior year, 1955, was at the apex of the socialist revolution of 1952.

As it happens everywhere, it seems that in my class we also had a couple of bullies who liked to take advantage of their bigger size and age. On more than one occasion I found myself on the winning side of some quick fistfights, in self-defense, I might add. By the time school let out at the end of the day, the bullies were ready to take their revenge. Since most of the students walked to school, it was very easy to get ambushed on the way home. I often feared the closing bell and the walk home. I was very fortunate that an upperclassman, who was also the strongest weight lifter of the school, lived near me and was my friend. Guido Quiroga became my protector by walking home with me. I owe to him the fact that no bully ever carried out promises to break my nose or beat the tar out of me. Ever since, and for all years afterwards, the bond of our friendship continued to grow and we now share the joy of a very warm and loyal relationship. Run out of the country during the first purges of the Bolivian Army where he had gone to train for an officer's career after high school, Guido became a successful hydrologist in Brazil. He now splits his time between Brazil and Bolivia. But despite the fact that we seldom see each other, our friendship and mutual respect have continued to increase through the years, and I have never forgotten the value of a powerful protector.

I attended a Catholic school run by Spanish La Salle Christian Brothers in Cochabamba, the city of my birth. The clerics were quite prudent about not taking antagonistic positions against the new secular authorities, which surreptitiously

harassed the private schools. It seemed to me that with some predictable periodicity, students from public schools properly spurred and covertly sent by the new authorities, would raid our school throwing rocks and epithets and handing all kinds of abuse and wreckage. At the time I thought the main motivation was class envy but I now realize that the top ruling intelligentsia contrived this pattern for the purpose of scaring all private school operators into leaving the country.

Under the leadership of the senior class council, we, the students, decided to make a stand at the next raid. The president of the class was my best friend Ramon (Ray) Rivero who years later also got a masters degree from Texas A&M and rose up to be worldwide chief geologist for Occidental Petroleum. (He was also the one who met me at New York's airport when I first arrived to the U.S.) We, cleverly it appeared at the time, moved buckets of rocks to the flat roof of our three-story building facing the street from which we were raided. When the aggressors arrived we received them with a rain of rocks, but we had not stored enough to repel them.

The attackers eventually breached the doors and, for the first time, invaded our premises. Soon the police entered also, purportedly to restore order, but really to scare us even more. None of us got captured, but instead, the next day, four of us seniors were publicly expelled by the good Christian Brothers in a specially called meeting of the whole student body. They needed to prove to the authorities that the battle was not their creation. Through the intercession of our parents, who convened several emergency meetings at my house, the four of us were allowed to complete school and leave quietly at the end of the school year. This was my first direct brush with authoritarian socialism and became a sample of the price of freedom that we all must be prepared to pay. In July of 1956 I left for New York and then to Villanova University on Philadelphia's Main Line.

The state of affairs set by socialist policies in Bolivia evolved into an untenable situation by the early 1960s. The misery brought about by the nationalization of all large mines, confiscation of farms, government takeover of all foreign commerce, corrupt re-industrialization, price controls, purges in the armed forces, elimination of most civil liberties and other typical socialist measures, drained the country of all savings and hope. Nevertheless, in the early 60s some improvements in the social climate started to become apparent. Transferring title of the expropriated lands to the peasants that resided on them had helped eliminate their semi-vassal state. The effort to connect the small enclaves in the rain forest to the rest of the country also helped.

However, the corruption endemic to a socialist system had already rotted the party's and the government's organizations to the core. Though improving, agricultural production was still insufficient because the illiterate peasants were not prepared to run the farms. Productivity in the tin mines plummeted but production had to continue because export of the ore was Bolivia's only source of hard currency and because the miner's leadership was in league with the politicians. The mining leaders simply would

not consider any measures that reduced employment in any way or form. Thus, although at the cost of impoverishing the nation even more, the nationalized mines remained open and operating.

In return for officially keeping Bolivia out of the Soviet orbit, first Dwight Eisenhower and later, on a larger scale, John Kennedy, followed by Lyndon Johnson, through the foreign aid program known as "The Alliance for Progress", sent enough help to keep the socialists in power. The aid came despite, or perhaps because of, the blatant anti-American domestic bent of the government. Its agents were permanently instigating marches to throw rocks at the U.S. embassy, burn the Stars and Stripes and hang Uncle Sam in effigy. One of the government's purposes was to intimidate any domestic sympathizers who saw America as the hope for freedom. As in Cuba a few years later, in the 1950s everyone who could flee Bolivia did so. Even my own parents temporarily moved the family to Peru in 1957, where my father led a small group of entrepreneurs to establish a nylon hosiery plant and remained there for about four years.

---023---

HOT FRONT IN A COLD WAR.

It was to this climate of poverty and despair that I came back to Bolivia in November 1963, still inspired by then President Kennedy's vision. Deep inside me I already knew then that my true allegiances belonged to the United States of America, but I felt a strong drive to fulfill my parents' call to return to their land and an obligation to give back to Bolivia at least some years of my life. Events during the following decade reinforced my identification with the American system even more and prepared me better to be an appreciative citizen of the United States. By the time I returned to Bolivia, in the pattern of mid 20th century underdeveloped socialist states, all semblance of political opposition had been eradicated. The only institution coherent enough to exercise any resistance was the armed forces, which, although it had been "cleansed," was not yet totally subservient to the political apparatus.

On November 4, 1964, a popular general by the name of Rene Barrientos staged an armed but essentially bloodless coup. The despots left in a hurry. Civil liberties were restored and economic activity was opened to all. But, together with Haiti, Bolivia still remained the poorest country in the continent. By the time Barrientos ran for election in a democratically staged contest and easily won the presidency in August 1966, the country had built significant forward momentum in its economy, social balance and exercise of civil liberties. The good parts of the 1952 revolution, such as land ownership

for the peasants and efforts to open the rich lowlands of the country for agricultural exploitation and oil and gas exploration were beginning to pay off.

The Cuban communist revolution reached its apogee in 1965 with the success of its expeditionary forces in Africa, especially in Angola and Ethiopia. Central and South America were Castro's backyard. Among the band of revolutionaries that took to the Sierra Maestra with Castro during the Batista regime, was an Argentinian-born leader known as Ernesto Che Guevara. As a triumphant strategist, he had been the commander of the Cuban expeditionary forces to Africa and did not like being anybody's lieutenant when he came back. He had acquired world fame and was hailed as a savior by the international media. He now acted upon his conviction that Cuba was not big enough for both him and the Castro brothers.

Guevara decided that he needed his own fiefdom, resigned his Cuban affiliations and looked for a new target where he could fulfill his dream. In the days before Barrientos, Bolivia had grown very significant communist enclaves that were now in disfavor with the government. They were itching for a new chance to take over the country. Bolivia was still poor, heavily illiterate and forgotten by most of the world. Guevara selected it as the cradle for his continental revolution. Castro was happy to help him go. In early 1966 Castro and Guevara secretly presented their plan to the Soviets as the first stage in their mission to "free" the whole continent. They were going to embroil the United States in another Viet Nam and from Bolivia, de-stabilize its surrounding neighbors. Bolivia is the only country in South America that has common borders with five different nations. It lies in the heart of the continent. It offered many strategic advantages for a continental seedbed of revolution!

With the Soviet's connivance, a disguised Guevara arrived in Bolivia on November 7, 1966. Before this new adventure, in a speech at the United Nations upon his return from Africa, Guevara, in the eyes of his sponsors, had had the temerity to publicly compare Soviet trade practices with American imperialism. This proclamation not only made the Soviets mad, but embarrassed Castro as well. It appears that both, the Soviets and Castro, thought that Bolivia was a good place to send him to for rehabilitation, or if he lost, to get rid of him. If he was successful, he could be a hero on his own turf and saddle the United States with a South American Viet Nam. The adventure offered no down side but a great up side to the Soviets. They had nothing to lose.

At the head of a three-person vanguard of his guerrilla invasion core, he took to the mountains and set up his base in a Southeastern area of the department of Santa Cruz known as Nanchahuazu, named after a river that runs through that canyon. Following his own handbook on guerrilla warfare, he was trying to repeat the saga of the Cuban revolution, where the leaders ensconced themselves in the mountains of the Sierra Maestra and enlarged their initially small group into a popular insurrection. In Bolivia, in a few days the invaders swelled to seventeen Cuban army officers, three Peruvians, one East German and 29 Bolivian foot soldiers, but never went past these numbers.

The East German was a beautiful woman and Guevara's lover, but she was also a Soviet spy, spying not only on her lover but also on all "the unpredictable Cubans," as documented by the East German secret police (for whom she worked on assignment to the KGB for this mission). She arrived in Bolivia months ahead of Guevara and was able to infiltrate the highest levels of Barrientos' government before she joined the guerilla. Guevara was the communists' most acclaimed master guerrilla fighter. Terrorist organizations throughout the world used his book on guerrilla warfare as a bible, but now he had disappeared. Skillfully manipulated by Soviet misinformation tactics, the world press added to the mystery by spreading rumors that he was dead.

On March 23, 1967, he let the world know that he was alive and well. The first sign of his presence was when his band ambushed and killed seven Bolivian army officers and soldiers and wounded six in cold blood. Their military detachment was assigned to peacefully build roads for farmers of the area. Immediately following this attack, the Bolivian Army began to mobilize and put the whole area under military control. Sometimes the revolutionaries would enter a small town and buy every supply they could, overpay the merchants and in general try to leave a good impression. Other times, if they thought they had been betrayed, they would abuse and intimidate the population to the point of terror. In Guevara's own words, the locals were the sacrificial lambs needed to accomplish his plan. In fact, all of Bolivia was his sacrificial lamb. His dream of leading a continental revolution called for innocent victims.

The general area of his operations included the town of Valle Grande. It happened that at that time my engineering company had been engaged to study the feasibility of building a small water supply dam for this town. The normal drive time by jeep from the split of the main highway to Valle Grande town was two hours. The dirt road was narrow, curvy and bordered by precipices. After these bandits went public, the fear of being caught by them inspired me to make the trip in just over one hour. Everyone, including me, was terrorized by their cold-blooded determination.

Another project in which my engineering company was engaged was a preliminary reconnoitering of possible sites for hydroelectric dam development for the Bolivian Power Agency (ENDE). This work entailed the need of helicopter transportation in and out of inaccessible canyons in the general area of Guevara's operations. The only entity from which we could rent helicopters was the Bolivian Army, which eventually let us have one. On one occasion, while in flight at a good altitude, we could see plumes of smoke from guns aimed in our direction and hear the sonic boom of the bullets as they sped past us. Apparently the guerrillas were shooting at our helicopter. Prudently, our pilot climbed higher and left the area as quickly as he could.

Fortunately, I never came in contact with these foreign guerrillas; for as much as I despised them, no doubt I would have been one of their sacrificial lambs. It was a saga of unbridled arrogance, international subversion, large media propaganda and

communist terror blended in one adventure. But in a relative short time, the Bolivian Army captured and killed most of the invaders and no new Viet Nams in America ever developed. Guevara himself fell on October 9, 1967, just over 11 months after he arrived.

Che Guevara was a dangerous dreamer who had tasted unlimited power in Havana immediately after his band's takeover. As an example, he started to acquire international fame when he administered "justice" to anybody who had committed the crime of owning a telephone line and being listed in the phone book. To have that much "capital" in a poor country was a crime against the people and his band was not going to gloss over that. He used this and other tactics to scare every thinking Cuban into an exodus mentality. Non-compliant prominent Cuban citizens, whether involved in politics or not, were put to death, banished to prison, harassed and persecuted or sent to "re-education camps" just because they had owned property and were not "comrades." At the very least, their children were taken, by one means or another, into the custody of the state. These actions of the "Sierra Maestra" elite were carefully concealed by the international media but were experienced directly by many sources that personally related them to me.

Why Guevara failed so miserably in Bolivia has been the subject of many essays and no more about him belongs here, but the after-effects of his attempt forced all Bolivians onto a new battlefield. It happened that Gen. Barrientos, the victor of Nanchahuazu and by general consensus the most popular president Bolivia ever had, was killed in a helicopter accident not long after his triumph. During his tenure, besides repelling the international invaders, he had even managed to restore commercial methods to the nationalized mines. As I state in The Mining Country, Chapter 3, mines that had created untold fortunes for their private owners before they were nationalized had become mired in a deficit-ridden, vicious spiral of political demagoguery and financial chaos since they were taken by the socialist government of Paz Estensoro.

Under Barrientos, the country's economic activity had revived, principally due to restructuring the nationalized mines and to his effective promotion of a search for oil and gas by foreign companies. Also, peasants in the countryside were getting more practical and less political education and began to improve their agricultural production. Independent citizens were becoming entrepreneurs and a feeling of renewed hope pervaded the public mood. Yet, these improvements were not to last. His sudden death on April 29, 1969 cast a pale of gloom over the resurgent nation as the military took control.

As I said before, the Bolivian Army had undergone some severe purges during the socialist days in the 1950s and many officers with leftist tendencies were now approaching high command positions. After Barrientos' death it didn't take long before the foreign oil companies were nationalized, the mines reverted to management by

cadres and the rising entrepreneurs put out of business. In this climate of uncertainty and fear a new wave of urban terrorism hit the country.

---024---

FREEDOM FIGHTERS.

This time the aggressor was not a foreign guerrilla, although many individual terrorists were recent foreign arrivals. The aggressors were the native communists organized in myriad splinter groups with acronyms such as FLIN, ELN, MIR, PRIN, PCB and others to identify their own tendencies. Some were Trotskyites, others Maoists, Stalinists, Lenninists, Ho-Chi-Minists, etc. Many of these fanatic militants were children of the small Bolivian bourgeoisie. Some of them had even been my schoolmates and, on one occasion, because their families and mine had been friends for generations, attended a party at my parents' home when I was present. A group of them began singing communists hymns, in a not-so-disguised but unsuccessful attempt to start trouble.

Their models were the terrorists of their European counterparts in the Red Brigades in Italy, the Baader-Meinhoff Gang and the Red Army Faction in Germany and other similar terrorist groups, all with upper class connections in European society. These misguided petty-bourgeoisie were ashamed of their origins and concluded that turning against their own kind was the only way to atone for what they saw as the institutionalized violence directed by their parents. Blood and destruction were a common currency in their hands. Once inducted into more radical groups, the only way for a person to resign was to disappear, lest old comrades themselves make the weakening member an example – a dead example. Terror is always an effective way to keep discipline in the ranks.

These people, some of whom I knew personally, had no significant means of income but yet they were always on the go. Traveling to Eastern Europe, China and even Viet Nam was common to them. Going to Cuba was a short trip for some. Without a doubt they had more foreign funding for their political purposes than we, the freedom fighters, ever had. The Soviet and Cuban embassies in Bolivia's capital of La Paz were the sites of national decision-making. Every government department had Cuban, Nicaraguan or Salvadoran advisors. But the Bolivian armed forces still had officers who didn't toe the Soviet line.

I am the oldest male of the five surviving children my parents had. By 1967 the oldest four (my sister Toqui, myself and my brothers Chris and Chuso) had already returned to Cochabamba after our education in the United States. The youngest sibling, my sister

Vivian, was attending the University of San Simon in Cochabamba, a veritable rat hole of violent communist ideologues and executioners. Providentially, my whole family shared a love of freedom and was sick with the current state of affairs. At the expense of his fledgling new business and risking his personal safety, my brother Chuso formed his own secret society and began to clandestinely offer public signs of displeasure with the heavy communist presence. Soon, we all joined him in his efforts in one way or another.

Anyone who ever traveled through underdeveloped countries has seen streets covered with graffiti. They are the most read medium available, more than newspapers. They are cheap to print, unavoidable to read, and because they are almost indelible they carry the message for a long time. During the 1950s and 60s Bolivia excelled in anti-American and pro-communist graffiti. One morning in 1970, the city of Cochabamba awakened to a rush of never before seen anti-communist graffiti. Soon the authorities found out who was responsible. From that day on my brother Chuso became a marked man to the Bolivian secret police but his political star was born among friends of liberty.

After Barrientos' death, the country went into a series of short-term military governments marked by assassinations, coups and counter-coups. One time, in October 1970, I recall a general head-of-government was replaced by a triumvirate of other generals and before the end of the day the triumvirate was replaced by yet another general - five presidents in one day! As the immediate result of this fiasco, an openly leftist general by the name of Juan J. Torres took control of the country with the backing of all the acronymic communists. His regime was born beholden to them for civilian support. Their payday started immediately.

It was during the build-up to this point that all my siblings and I simultaneously and independently decided that we could no longer be just observers of the drama. Since we had no economic support from anybody, we were all self-reliant in the care of our families. This activity took up all of our time. In 1967, Chuso had established a rudimentary bicycle factory to fill a well-developed market need and, like all new entrepreneurs, was trying to build his business. In the process he met a remarkable Brazilian father-son team who had come to Bolivia in the Barrientos days to form a plastics' extrusion company. They were just as anti-communist as we were but they had a far wider knowledge of weapons, munitions, tactics and military organization. We had none.

Giuseppi Betti (Bepi), the son, Luigi Betti (Luigi) the father, and Lucy Betti (Lucy), Bepi's wife, were to become critical for the salvation of Bolivia. At the time my brother Chris and I were trying to keep afloat our own consulting engineering business. We had lost significant clients with the departure of the oil companies and mining prospectors and with the sudden disappearance of the ephemeral entrepreneurs that we had been helping. Chuso and Bepi pretty well abandoned their business and went almost full time into forming alliances with non-leftist armed forces officers and anti-communist militias

they helped organize or were already in existence. They were our leaders. My role was mainly in fund raising to help pay direct costs and provide transportation for their efforts; Chris' role extended to recruiting, coordinating and/or joining and bringing other opinion makers and educated individuals to our cause. Even my young sister Vivian was a marked non-communist at the university and had to endure a lot of danger, harassment and abuse. She had to walk around with a concealed revolver that she had learned to shoot.

We used to hold late night meetings in my recently built house in Cochabamba where we exchanged information and planned new moves. Later my home was also used to store rifles and automatic guns that a courier from La Paz brought concealed in mattresses. Not that we thought a civilian revolution had any chance of succeeding by itself; we wanted to provide the spark for the military to act. Before the 1952 socialist revolution there was no restriction on gun ownership or, if there was, it was not enforced. As a youngster I had learned how to use rifles under my father's watchful eyes.

I clearly recall the day in 1955 when the secret police raided my house, searched every nook and cranny and "confiscated" an old World War I German Mouser, a pistol, four .22 rifles and all our bullets. From the time of the socialists' takeover, gun ownership was treated as illegal. Those who broke the rule were subject to severe penalties. The guns and ammo we hid in my house in 1971 were relatively few and clearly could not be effective in major combat. However, we took the risks because they gave us a sense of progress in our self-defense. Many years later, when I looked back at those days, I understood better the advocacy of the 2nd Amendment guardians in America. The Founding Fathers felt the sense of protection that one gets from having even piddling arms.

The armed forces were the only entity that literally had firepower and were in full control of the country; we could only help by persuasion, friendly or not. Our little cache of weapons was to be used only as a detonator for their armory. Bolivia's destiny was unquestionably in their hands. People in La Paz and the mining districts carried a lot more importance than we, but Chuso and Bepi began to establish some effective contacts and plant some new seeds. They also became key players on the national scene of resistance to communism.

By natural affinity I had made many acquaintances with mid-level personnel at the U.S. Embassy in La Paz and, although I kept some of my contacts generally informed about our efforts, their clear directive from above was to leave us to swim or sink on our own. Among these friends was David Dewhurst, at the time working for the CIA. He, my brother Chris and I were about the only crazy people who went running for fun in La Paz' s high altitude streets. Years later David and I found new common ground in our political efforts in Texas. He has had an extremely successful business and public

service career. As I write this book, he is running for the position of Lieutenant Governor, the second most powerful post in our state.

General Torres, more than any of his predecessors, allowed the acronymical communists pretty much a free rein to do what they could to intimidate any opposition from the right. I received threatening midnight phone calls with promises to beat me up, kidnap my children, rape my wife and/or kill us all. Chuso's house was bombed, fortunately when everyone was at the back and no personal damage was inflicted. Luckily, the threats against my family and me never became reality.

Barrientos was not the only high ranking officer who had lost his life after the defeat of Guevara. General Zenteno, the field commander of the operation when Che fell, was assassinated point blank in the streets of Paris, France shortly thereafter. Other junior officers who had fought in that campaign and remained steadfast in their beliefs were shunted away from the command of troops, including my cousin, Lt. Eduardo Galindo whose battalion covered Guevara's possible escape route. Most of the officers who had fought well in the field quickly either became scared or effectively admitted that they fought Guevara because he was a foreign invader and not because they disagreed with his views. Even Gen. Torres was later assassinated in Buenos Aires, probably for having failed to keep Bolivia in the communist orbit.

Despite all these fears, nay, because of them, the rumor mill was always full of hatching plots under the direction of one general or another. Not many of the officers with significant commands were willing to break with Army discipline and show an overt inclination to fight against a total communist take-over that was obviously in the making. We didn't know with certainty who could be trusted.

Eventually an anticommunist coup was secretly scheduled for January 11, 1971. The leaders were a general by the name of Valencia and one by the name of Banzer. Both commanded the loyalty of important officers in the armed forces. Bolivia's three main cities are La Paz, Cochabamba and Santa Cruz. The operation was coordinated to start simultaneously in all three towns. Chuso and Bepi's group was at the command center in Cochabamba.

On the appointed morning Lucy appeared at the guardhouse of Cochabamba's air base before dawn to deliver the signals to the officer inside allied with us. In order to persuade the guards at the gate that her intentions were not political, she dressed as a very attractive vamp. She was a head-turning blue-eyed blonde with a great body anyway, but when she was dressed as she did that morning nobody could think of anything else but her. She had no difficulty drawing our contact to her jeep where she passed on the adopted codes and schedules. Following the instructions thus delivered, our officers controlled the air base without firing a shot and Chuso and Bepi and their people took over the political prison and police headquarters, also without any bloodshed.

Unfortunately, the operations didn't go as decisively in La Paz and Santa Cruz and after a few hours everyone had to find a hiding place. Through the intercession of a sympathetic tire manufacturer, Mr. Zimeri, Lucy found refuge in a convent for nuns. A few weeks' later, wearing a nun's habit, she was smuggled out to Brazil. Chuso and Bepi were hiding in different places every night but the secret police was on to them. On January 17, 1971, the trench-coated political police entered my house and found my brother hiding in the attic. He was immediately taken to national police headquarters in La Paz. After a few weeks spent in cold, dark and damp prisons, thanks to the energetic use of every contact we had, my father, mother and brother Chris were able to have his punishment commuted to banishment abroad. He left for Houston, Texas. After weeks of a mortal game of hide and seek, Bepi was taken prisoner in Cochabamba, but in an incredible show of courage and bluff, worthy of a little novel by itself, his father spirited him out of jail in broad daylight. They also left for Brazil. We had lost the first round but were not completely out. Many good Bolivians were still committed to stopping the communists.

During 1970 the Brazilian government saw with worrisome preoccupation the political developments in neighboring Bolivia. The Bettis had some contacts in the Brazilian military and were able to persuade the high command to send an observer. The task fell upon a recently retired high-ranking officer, Gen. Bethlem, who came to have a look-see without the pomp of an official visit. Among others, I am sure, I personally briefed this gentleman on the languishing hopes for freedom in Bolivia. Upon their return to Brazil, Bepi and his father sought the Bethlem connection further, and with decisive help of other interested parties, they were able to secure promises of guns and ammunition. Chuso, from his Texas exile, stayed in close contact with Bepi.

Meantime, in Bolivia the whiplash from the failed action made things worse for us all. It happened that at the time I was serving as elected president of the American School Board in Cochabamba. American expatriates in the late 1940s had founded this school to educate their children under U.S. standards. Through the years it managed to survive due mainly to the dogged perseverance of a few individuals. By the time my children were old enough to attend, the school had grown to a point that required new quarters. In the mid 1960s we re-incorporated the school as an educational cooperative and accepted a subsidy from the U.S. Embassy to hire American teachers and textbooks. From various sources we raised enough money to buy a tract of land and build the first building of what we envisioned would be a new campus. We completed the building just at the time when the shaky edifice of freedom built under Barrientos was tumbling down.

Our daring to build in this environment was not to the liking of the communist teaching union and its acronymic allies. They unequivocally indicated their displeasure by letting us know that they were ready to take it over by force. Fortunately the site was fairly out of town and not easily accessible. Nevertheless, the duty to defend it fell mostly upon the members of the board of directors of the cooperative. Although our teaching staff

had as much a stake in it as we did, the principal refused to help out. This event took place several months before we had started to procure weapons, but we were still able to gather a few guns, pistols, .22 rifles, shotguns and even knives and cameras. We camped overnight in the classrooms during the critical week of this threat.

Later I was told that the governor of the State of Cochabamba (Department) had discouraged the union leaders from attempting a takeover because he knew we were there and he felt the time wasn't ripe yet for a confrontation of that sort. I remember the courageous support of my friends Orlando Joffre, an electrical engineer who managed the local Power Company, and Modesto Sejas, a bootstrapping local entrepreneur driven to improve himself, who helped me organize the resistance. One of Orlando's sons later graduated from Texas A&M. By no means were they the only freedom fighters on the board or in the community. We were all afraid but some hadn't even started to fight yet.

Unfortunately, my experience with our expatriate teaching staff was quite disappointing. With funds and recruiting help from the U. S. Embassy in La Paz, after reviewing resumes from several candidates, we selected a gentleman from New York by the name of Yehuda Hershowitz as the new school principal. One of his charges was to hire some fourteen teachers in the U.S. and send them to Bolivia as our main educational staff. A few months after he took over, I was surprised to learn that my children had been returned home from school because Mr. Hershowitz had declared a religious holiday. In curt response to my inquiry he informed me that twelve other teachers and himself were of the Jewish faith, that the day was a Jewish day of observance and that they wanted to have the same consideration as Catholic religious holidays.

One difference, which he chose to ignore, was that Bolivia has an official state religion, and it is Catholicism. Consequently, the holidays are dictated by the state and not by the church. Another regrettable act was that he declared the holiday on his own recognizance, snubbing the authority of the board. Yet, he insisted on his position based on the religious make up of the teaching staff. Rather than fire him, the board had no choice but to let him finish his year because there was no way of replacing twelve American teachers in Cochabamba if they decided to support their principal, which it appeared they would do.

As a consequence of this conflict, he disdained our predicament with the threatened takeover of the school by the leftist teachers union and denied us his and the teaching staff's support to defend our premises. In his political calculations, he preferred to shift all the risks of losing the institution to the local parents. Needless to say that he left a very poor impression not only of himself but also of the high-handed way with which he forced upon us his Jewish majority determinations. He imposed his religious beliefs on the rest of us and gave us a lesson on how to avoid risks that could be passed on to someone else. In retrospect I see this example as a possible outcome of public policy that mixes church and state and disregard of local authority by foreign hires. First, it

reinforces my persuasion that church and state ought to be clearly separate, lest one religion try to control all others. Second, if public grants are given to hire teachers, the grants ought to be clearly given to the boards hiring the teachers and never to the teachers themselves.

Following the failed attempt under Generals Banzer and Valencia, under the presidency of Gen. Torres, the communist acronyms achieved greater preponderance in everyday life. The media (TV was still in the hands of the state) was overrun with information about the doings and undoings of these various factions in their efforts to gain control of the government. The internecine war raging within them and between them clearly demonstrated their disrespect for human life and the cruelty of their methods. Persons who changed their minds after joining one or another of these groups were often found summarily executed in caves, tunnels or ravines. I was glad they were purging themselves out in true Kremlin form, but I was scared that they would eventually turn against us. We were in a race against time.

During that period Richard Nixon was consumed by Viet Nam and with problems at home. The Soviets were on the offensive not only in Southeast Asia but everywhere they could. They felt they were close to getting the upper hand in a permanent way. As an example, in September 1970 alone, Nixon had to deal with the Palestinian Liberation Organization invading Jordan with the connivance of Syria, both sent by Moscow, and with the Soviets building a nuclear submarine base in the port of Cienfuegos in Cuba in defiance of the policy of detente. Domestically, his advisors, understandably so in the opinion of many, were more concerned in securing his re-election as insurance against another Lyndon Johnson, or worse. South America, and particularly Bolivia, was not even on his radar screen. We could expect no help from him. The State Department was of no help either because its on-going feud with the White House on the larger issues consumed its attention.

With the election of Salvador Allende as president of Chile, Castro gained the ally that Guevara was not able to provide in South America. Their axis became the vector through which they exerted their power. It was later revealed publicly that the Central Intelligence Agency had supported Gen. Augusto Pinochet on his successful coup against Allende. I can say with certainty that Allende's fall went a long way to keep Bolivia, and probably Peru, from becoming entrenched Soviet assets in the heart of the South American continent. I can also say with certainty that without Pinochet, Chileans would not have advanced to the state of economic development in which they are now. But neither the State Department nor the CIA was willing to give us any help.

In early 1971 my group could find some hope only in our Brazilian connection and not very confidently at that. At the time of Chilean Gen. Augusto Pinochet's coup against Allende, it was only a rumor that the Company (CIA) had made its success possible. True or not, we realized that such an undertaking needed outside help. Thus, the simple thought that this might have in fact happened reinforced my evolving conviction that the

cold war had to be won or lost from Washington, the power center itself. While being a front-line soldier in the trenches was at the time inescapable and redeeming, it was not the foot soldiers alone, no matter how courageous, who could win it. I became more convinced that my efforts to preserve all people's right to pursue a dream could be more effective if applied in the United States itself.

After the January 1971 defeat, Gen. Banzer contrived to survive to try again. With a view to begin preparing my return to the United States, I attended some graduate engineering courses at Texas A&M in the summer of that same year. I was also actively soliciting financial help for our freedom fighters from parties with commercial interests in Bolivia that I thought might be responsive to our plight. I had even set up an underground connection with an American priest friend who would become the contact for a would-be visitor during my absence. Frustratingly to me, I was not even close to success, but I had my first experience in fund raising in the U.S. Toward the end of my stay in Texas, I heard a new army revolt had detonated in Bolivia. As we were preparing to board the plane back, a most desired and long-in-coming news bulletin came through. Banzer's second try had achieved success.

With Chuso and Bepi gone, the military leadership of our small group went to a childhood friend of ours who by then was a former U. S. Special Forces member named Fernando "Nano" Canelas. He told us, and I chose to believe him, that he had actually disembarked in Havana Bay with an advanced reconnaissance unit during the October missile crisis of 1962. In the period of my acquaintance with him, he certainly displayed the tactical knowledge and courage to have been able to do that.

For Banzer's second try in August 11, 1971, Nano was the victor of Cochabamba. On the appointed night a band of about 20 friends gathered under Nano's command to shame the Army base commander to join the coup. Before dawn they telephoned him, and with appropriately raucous patriotic screams on the background, made him believe that they were a large band of desperados ready to shoot or be shot. In truth some of them didn't even have weapons, but the ruse worked and when in the darkness they began their march to the base, the commander declared his troops loyal to Banzer, and by so doing, all other forces in the district fell behind him.

In actuality what probably really happened is that the base commander was waiting for just such a catalyst as a sign that the coup had started nationwide and that it had enough civilian support to merit his attention. Then, as soon as he was able to verify the events from Gen. Banzer's headquarters, he made his decision to join him. This time the coup had started in Santa Cruz, where Banzer had surreptitiously gone after he re-entered the country from his earlier exile in Argentina. He worked incognito recruiting sympathetic officers until the political police found him and took him prisoner to La Paz. This was the spark that two days later ignited the coup. The army commanders of Santa Cruz issued the call for revolt and the whole department (state) accepted it.

Cochabamba fell without firing a shot, as did other departments (states) around the country.

In La Paz however, the garrisons didn't fall that easy. Some leftist officers distributed weapons and ammunition to the acronyms, miners and others with a stake in the complete control of an openly communist government. Live-fire battles ensued around the city for a couple of days but ultimately Banzer's faction got the upper hand, mostly through some accurate strafing by friendly Air Force pilots. At this point however, although Banzer had won control of the government, weapons and ammunition remained in the hands of the leftist acronyms that, fortunately, were not an organized fighting force. In fact, when under fire some of them opted to give up, the others shot them in the back as they were leaving. In their eyes this was a good way to cleanse their splinter groups from the weaker members. This is how a school friend of mine by the name of Vasquez Machicado Viana, whose brother had been a foot soldier for Che Guevara, was killed by his own comrades.

The Braniff Airlines airplane bringing my family and me to La Paz on August 16, 1971, was the first flight to land after the Banzer coup. Minutes later, while I was still on the tarmac, a second plane arrived. It was a familiar DC-4 aircraft owned by a pilot friend of mine that had been dispatched from Santa Cruz to Brazil a couple of days earlier. It taxied to a nearby apron and I went to see what he was up to. My surprise was immense to see Bepi getting out. He looked haggard and tired but he had a plane full of weapons and ammunition that he had gotten in Brazil. Our Brazilian friends fulfilled their promise! The cargo was quickly delivered to the most trusted units and word went out that a lot more had arrived than what actually did. Bullet fighting ended quickly after that. Bolivia entered almost a decade of stability and predictability but the going was by no means easy. We had done much to secure the blessings of liberty for ourselves, but, as many of my ancestors before me, I still had lessons to learn about the fickleness of their permanence and the unwillingness of dictators to give up power.

My two brothers and my sister Toqui have spent a lot of time researching our South American family tree, and they, as well as the extended family, agree that the main root-trunk is a freedom fighter of the early 1800s named Leon Galindo. Born June 28, 1795 in the town of Velez (of what is now Colombia) by age 14 he could not remain just an observer of the exhilarating campaign Simon Bolivar, the South American Liberator, had begun to wage in northern South America against Spanish oppression. He joined the ranks of the rebels in 1809 and never returned home.

The last great battle for independence fought in a war that started before he joined the freedom fighters took place on the plains of Ayacucho, now in the Peruvian Andes, on December 9, 1824. By this time, the young man had become one of the most decorated members of the Army of Liberation and, as a result of his heroism during this battle, Bolivar promoted him to a level that we would now compare with the Chief of Staff. On August 6, 1825, the Republic of Bolivia was officially established with Simon Bolivar at

its head, though not with Bolivia as first priority in Bolivar's head. By 1826, Bolivar returned to Colombia and Gen. Jose Antonio Sucre, his first lieutenant, took his place in Bolivia.

During this period both the Republics of Colombia and Bolivia elevated Leon Galindo to the rank of general and he was appointed in the new nation to what would now be Chief of the Joint Chiefs in our armed forces. By then he had decided to stay in this new republic and adopt it as his permanent home. An anecdote registered in the letters that he interchanged with Bolivia's president, Marshal Jose Antonio de Sucre, reveals the un-impeachable honesty and honor with which they conducted themselves. Leon Galindo, at age 30, had been promoted to his ultimate rank of head of the Bolivian armed forces and decided to marry his young bride, Antonia Arguelles. In response to his request for several months of back pay, which he now needed to buy himself a new uniform for this special occasion, Marshal Sucre sent him his own expressing hope that it would fit him "as we are both about the same size and the treasury has more important obligations than salaries to the leadership".

For the rest of his life Leon Galindo continued to be active in the affairs of his adopted country holding major political and military posts and imbuing in his children the same love of freedom and honor that had driven his career. He led his new country's armed forces in a successful effort to maintain its independence from Peru, served as governor of the state of Potosi, and held other positions of trust and power. But he died stricken by the weight of lost freedom, betrayed by wily politicians and overwhelmed by the specter of a return to oppression. Ultimately his descendents settled in the valleys of Cochabamba, in the central Bolivian Andes, where they grew and multiplied. To this day his memory is greatly revered as one of the founding fathers of the country.

General Galindo had many descendents who later shined in their own fights against tyranny and oppression, including his first-born son who was summarily executed for standing up to one of Bolivia's many dictators. Among the mementos left from his glorious days as a freedom fighter is a gold medal called the "Ayacucho Medal", given to him by a special act of the Peruvian Congress as a Victor of Ayacucho. Through a sequence of bequeathals carefully directed by every generation, it came to lie in my father's hands. By written document my father charged me with the care of this family icon and its continued preservation as a symbol of my family's undying dedication to the cause of freedom. His instructions are to pass it to my own son Cid for his continued care. To me it also serves as a reminder of the price my family has paid for generations to enjoy the right to pursue its dreams.

EVERY PERSON COUNTS.

After moving back to Texas to establish my own home, I became ever more aware of the importance of each individual in the course of world business. Sen. Gramm was fond of reminding his audiences that each individual listening to him may be the reason why Soviet Russia lost the cold war. He explains that several of the critical laws passed by the Senate during President Reagan's years were passed by one vote, his vote. He would not have been elected Senator had he not won an earlier election as a Congressman by just a few votes. Reminding his audience that the absence of just a few of the present might have caused his defeat, and thus, perhaps caused America's defeat, he makes the point of the importance each one of us has in the preservation of freedom. It is sobering how much truth there is to the importance of each individual!

As promptly as it was statutorily possible after my return to the U. S., I applied and was sworn-in as a citizen of the United States of America on May 30, 1978. This was the culmination of a process that I had started eighteen years earlier on August 28, 1960, when, after my graduation from college I applied for, and was granted, permanent residency in this country. Soon thereafter, on October 21, 1960, I continued the process by filing a declaration of my intent to become a citizen and by registering for the Selective Service Board under No. 41 61 38 299. My board repeatedly determined that my occupation as an engineer with critical skills was more important to the country than drafting me for the October 1962 Cuban missile crisis or sending me to Viet Nam, and therefore I was never called to active duty. Naturalization gave official sanction to a process of ideological identification that had been taking place in my mind for longer than eighteen years, and without which, no matter how legal, these papers now would only be superficial. However, in the eyes of those who didn't know me I had just earned the merits to allow my full participation in the political process, which I was eager to try.

One of the issues that our Founding Fathers debated somewhat acrimoniously in the summer of 1787, was the one related to qualifications required to hold federal elective office. One of the most distinguished delegates, Alexander Hamilton, had accumulated a great record as a soldier during the Revolutionary War, was very well educated and perhaps one of the smartest of them all. His keen understanding of the principle that power emanates from wealth and that therefore wealth is needed to maintain order led him to create what more than a century later, in 1913, became the Federal Reserve Bank. It made him a true precursor of modern day monetary economists.

However, to a good many delegates, Hamilton appeared a little bit too sympathetic to groups and individuals bent on using the new opportunities of debt repayment, foreign trade and land speculation for extraneous greedy purposes. Hamilton was also seen as too friendly to the recently displaced British interests still willing to trade with America. These same groups appeared to be implicated in the precursor events that ultimately

led Great Britain to make attempts to re-conquer the colonies first in 1803 and later in 1812. It appears that though he undoubtedly and clearly was a total patriot and a model freedom fighter, his possible ascent to the presidency scared some delegates. Some of them thought it was important that they find a way to avoid this possibility.

Hamilton, as opposed to the rest of the delegates, had been born outside the American colonies. As a young man inspired by the American Revolution, he came to New York from the British West Indies, where he had been born and was working as a bookkeeper. He joined Washington's army and quickly rose through the ranks, falling under the General's eyes, and getting important staff responsibilities. Knowing the circumstances of his birth and time of residency in the former colonies, cautious delegates pushed for a qualification of U.S. birth for the office of the presidency for future candidates and at least fourteen years of residency for those present then but born abroad.

They found the presidential requirement of native birth preferable to just a period of residency, as they had stipulated for representatives and senators. In one sweeping stroke the delegates disqualified Hamilton for quite sometime yet, and every other person in the world not born in the U.S.A. forever. The true merit of this rule is still a matter of conjecture. History shows us time and again how one of the strengths of America is its population diversity and how immigration lifts our standards of living. One cannot wonder if a period of assimilation of perhaps thirty years to qualify any candidate for the presidency may not have been preferable in lieu of the birth requirement. (The fourteen-year requirement spelled out in the Constitution was only for those foreign born who at that time had already been naturalized Americans.) This requirement would have opened the door for the job to the most qualified person among billions of people, instead of just 280 million.

This discussion underscores the supreme importance of the requirement of total loyalty that is implied in the qualifications set for presidential office holding. Given the potential widespread use of planting long-term moles used by Germany and Japan during World War II and the Soviet Union during the Cold War, and now apparently resurrected by the new faceless enemies we are confronting in the early 21st century, the "born-in-America" requirement may have been the most prudent course of action. Occasions may arise when our Chief Freedom Fighter may not be the best of the best, but his basic loyalty must be unimpeachable. Nobody else, whether elected or appointed, need be American born. These jobs are open to the best candidates wherever they may have been born. There is a pool of over six billion possible candidates.

As I settled down in my new home in Bryan, Texas, my disenchantment with our national leadership came to a head with the performance of Jimmy Carter. After a misguided Nixon presidency and a mediocre Ford performance, the world was full of hope with the promises of Jimmy Carter. However, before long his limitations were overrun by events and the country floundered. He soon admitted that America was in a

malaise but didn't recognize that he and his policies were the principal cause of the problem. My awareness of where the battlefronts in the fight for freedom were continued to evolve. The war had to be waged not only in Washington and the hot fronts of the cold war, but also right in my new hometown as well – in everyone's hometown. Blessedly though, in America by and large the war is still a war of ideas, in peace and in order, within the rule of a universally accepted law.

I began taking a high profile in supporting candidates who saw the new president under the same light I did and were prepared to confront his side if elected. In my view Carter clearly was bad for America. Here was the proof that the "born in America" qualification to hold the office of President was of ambivalent wisdom. However, even though I thought the president was excessively flawed, I was comforted by the belief that he saw himself acting in good faith. The big-city liberal media were very sympathetic to him, dressing his misguided foreign policy and confusing domestic leadership in a robe of coexistence with totalitarian communism necessary to avoid nuclear Armageddon. Domestically, actions such as deregulating an industry (airlines) while over-regulating another (oil and gas) didn't do much to foster credibility, an essential ingredient for business development.

Later events demonstrated that Carter perceived America as militarily dangerous to his evangelical view of how the world should be. He thought we should not be so strong as to cower the Soviet Union into submission, for fear the world would become lopsided and be overrun by a ruthless military-industrial power elite. In his view, the presence of a strong adversary, not a mortal enemy, would be good for humanity. His distorted sense of fair play drove him to willingly give up any advantage he perceived we had, in the process sacrificing allies and friends at home and abroad. It appears to me that he naively thought he could bring the communists from the self-declared rank of mortal enemy to the level of fair-playing adversary. To induce this change he needed to make us weaker, not stronger. He was convinced that appeasement was the best route.

I believed that strength induces respect and that if America was to be respected and the world saved from tyranny we needed to get stronger, not weaker, but never abusive and never over-confident. One of his disarming moves was to eradicate from the Central Intelligence Agency most of the "human spy" programs it had, yielding an incalculable advantage to the Soviets and unwittingly sacrificing many of our agents. He vetoed the construction and deployment of the neutron bomb in Europe. At the time the Warsaw Pact had more than 20,500 tanks in the European Theater and NATO had fewer than 7,000. Contrary to what the press promoted, the neutron bomb is not a weapon of unmeasured mass destruction. This weapon can kill life within restricted areas, such as in a battlefield, without reducing everything to rubble and without long-term after effects. It could neutralize Moscow's tanks. We had this bomb. The Soviets did not yet. At least we could have extracted many concessions in other parts of the world in exchange for not deploying it. Even the Christian Socialists in Germany were astonished at this decision, which finally evolved into making the neutron artillery but not deploying it. All

he accomplished was to fuel the fires of aggression with more strength and to discourage freedom fighters the world over.

Eventually President Reagan ordered the deployment of intermediate ballistic missiles to Europe and armed them with neutron bomb artillery. He thus began breaking Soviet momentum. In a show of how President Carter's policy was a failure, as contrasted to the perceived strength projected by Mr. Reagan, the Iranians, after confirming this perception through their Algerian Embassy intermediaries, realized that his administration was not going to display Carter's weakness that had allowed them to keep their 52 hostages for 444 days. Wisely, they released them on the first day of Reagan's new administration. They even released an American writer who had also been taken after the fall of the Embassy. My opinion that strength induces peace was vindicated again.

During Jimmy Carter's tenure, I believed, as I do now, that inflation was the cruelest tax because it stealthily attacked everyone, especially people on fixed incomes. I believed that hyper-high interest rates discouraged all business undertakings and that a 70 % marginal tax rate was outright looting. In my view we were on the verge of losing sight of our foundation stones cast in the late 1700s. The prime lending interest rate was at 21.5 % p.a., the highest since the Civil War. The misery index (the sum of prime lending rates plus inflation) was unprecedentedly high. The economy was careening into a recession. Banks were making very few loans. Our self-esteem as a nation of entrepreneurs was in danger of suffering a big blow.

Though asked by friends and acquaintances to run for political office, I believed that there were vastly superior candidates who could do the job well. Therefore I never chose to run. Instead, I sought to find economic support to help my favorite candidates gain office. Texas had brilliant and courageous leaders who had read the Declaration of Independence and the Constitution and understood that the overriding purpose of government in domestic affairs is to defend the people from government itself. They also understood that our foreign policy should be rooted on strength, not on appeasement.

Echoing the stimulating leadership of Ronald Reagan, these messages were being delivered by many candidates, principally affiliated with the Republican Party. Some of my new Texan friends called themselves Democrats but really were de-facto Reaganites. They would later courageously admit this and, following the lead of then Congressman Phil Gramm, several changed parties despite the retribution they received from the Democratic establishment. Regardless of their party affiliation, however, I added my economic support to these committed volunteers who wanted to go to Washington or to Austin. Their mission was to return America to limited government and to its position as the world's bulwark of liberty.

My interest in raising funds to help elect the right kind of candidates brought me in contact with many other similarly motivated Americans who were orders of magnitude above me in knowledge, contacts and means. It soon became clear that my own pay-off was not just seeing the helm of our government passed to the best hands available, but it was also the lessons I received by just being near some of the titans of entrepreneurship. The years preceding Ronald Reagan's second inauguration were particularly exhilarating in that some results of his leadership were already becoming clear.

I did not have the financial ability to help comfortably everyone deserving help, but I strained myself in the effort perhaps more than others. Whatever economic price I could pay to help secure freedom for America and its allies was a bargain. During Reagan's reelection campaign I had the honor of being asked by the voters of my county (Brazos County in Texas) Republican party to represent them as a delegate to the national convention. Up to this point I had never actually been in the arena of political operations to observe all the jealousies and petty interests that frequently arise. After that eye-opening experience I have attended many State of Texas Republican conventions, and most of the national ones, and have been witness to the never-ending struggle for freedom that takes place even in these conventions.

One thing has become apparent to me, and that is that there should not be greater regulation of the rights of an individual to contribute to the candidate, party or message of his or her choice. The price of limited government and a strong national defense is invaluable and is paid only by those who, being aware of its importance, are willing to step up to the plate to help elect the right candidates. Any attempt to limit this ability strips the right to dispose of the fruits of one's creations and puts in the hands of the government, or a government appointed board, the privilege of determining who gets campaign money and how much. This clearly smacks of the tyranny against which the American Revolution was fought. If anything, any new rules ought to include a prohibition of using somebody else's money to give to candidates or political causes without the express consent of the donors, such as labor unions and publicly owned corporations do today. No one should be allowed to use someone else's money to give away to the politician of choice. So called "campaign reform" initiatives, brought to the fore from time to time by politicians unable to stir significant numbers of Americans with their message, appear to me as nothing more than a ruse to usurp funds that they cannot get on their own.

When I personally met President Reagan, I was so impressed by him that all my fears of America faltering were dispelled. Reagan redefined America as a country of vigorous and optimistic people imbued with a self-reliant can-do attitude, willing to stand-up for their freedoms and to help others protect theirs. He was the quintessential freedom fighter. Due to his extraordinary leadership and to the support across the oceans from Margaret Thatcher in England, Pope John Paul II in the Vatican and Japanese allies in the Pacific Rim, the cold war ended under his watch.

On a more personal level, what to me was even more impressive of my acquaintance with President Reagan was the opportunity I created for myself to meet some of America's great entrepreneurs who supported him. As a result I had a chance to consult with Trammell Crow, the great real estate developer, for some guidance on my own small projects. A person who left deep tracks in my wall of role models was Michel Halbouty, who at the time was serving in a commission advising the President on oil and gas issues. Mr. Halbouty is widely recognized as the father of hydrocarbon geology, not only because of the very significant discoveries he made himself, but also because of the technical books he authored, and for his extremely generous support of this science at his alma matter, Texas A&M University. He honored me with his friendship and the warmth of a more intimate contact that allowed me to get a close-up view of this great man.

The constructive examples provided by the acquaintance of great men such as these more than made up for the cost of my involvement in trying to get President Reagan re-elected. I eventually came to see Mr. Reagan's economic policies as the expression of the creative forces that had launched these men in their successful careers. This confirmed my belief that each and every one of us is responsible to help pay the cost of electing the best candidates.

No one knows what would have happened with more of Carter's type leadership, but Hollywood was already preparing us with movies about the aftermath of a nuclear war won by the communists. Hollywood was not, however, doing this to bring Carterites to their senses; it was trying to scare Americans about the likely result of Reagan's policies if he were elected. The Hollywood-Big Media axis was sending signals that it would have preferred to see America capitulate without firing a shot. It is clear to me that a cabal of powerful, unprincipled operators, no matter their original ideology, could share world domination under one imperial regime easier than under a democratic system. These "one-world" trilateralists were preparing themselves to remain on top no matter who ultimately won. It appears to me, though, that in their self-admitted wisdom, they had forgotten how in tyrannical regimes purges always manage to eventually concentrate power in the hands of one supreme leader - the most ruthless.

Under President Reagan, for the first time in world history, the doors of an expansionist great world tyranny turned on their hinges and shut the tyrants down without a convulsive holocaust. America saved the world again and in the process wrote new historical prescriptions for future generations.

The price we paid was essentially only financial – not even comparable to the blood, suffering, destruction and economic dislocation it took to bring down the Third Reich and the Empire of the Rising Sun. Ultimately, I am convinced, history will treat Reagan as the greatest freedom fighter of the second half of the 20th Century, mostly because we won without engaging in any major conflagration during his two terms. His policies

have set new lessons for public policy practitioners and have enhanced the right of all peoples to continue pursuing dreams. His policies reflect in a pragmatic way the theoretical environment that I would like to have created in my own hypothetical term of office.

---026---

EMBERS OF FREEDOM.

While the growth of freedom took gigantic strides in the 1980s in most of the world, in parts of the Middle East largely populated by Moslems, the power of governments over individuals actually began growing. This was a consequence of Britain and France's abandonment of their imperial policies after World War II and of the Soviet Union's interest in this region. Because many of the liberated Middle Eastern states combined secular with religious law, personal rights of individuals were severely curtailed. Individual rights that we take for granted were set back by the official imposition of Moslem Fundamentalism, which experienced a resurgence with the fall of the Shah of Iran and the Soviet support of states such as Libya Iraq and Syria.

Our support of Israel's theocracy exacerbated latent religious conflict in the area. During the cold war these Arab countries were united by their alliance with the Soviet dictators, by their socialist tendencies and by the hatred of their former colonial masters, with whom they associated the United States. Now that the Soviet block is gone, sectors of the Islamic population appear to be united by their contempt for us. This reality produces consequences of such gravity that I believe we should be compelled to look widely and deeply into its causes. When the question of why some of these people hate America so much as to declare it its public enemy is asked, we must try to find the answers honestly.

One inescapable problem to be resolved under America's leadership is the Palestinian issue. The failure of peace pact after peace pact proves to me that this is a problem that will never be settled by the warring parties themselves, regardless of how much pious expressions of hope are expressed by U.S. government officials. First, the Israelis and the Palestinians alone did not create it, and second, the entanglements of that war reach up to the highest political and economic circles in Washington, New York, Tel Aviv and many other centers of power. These interests have too much at stake for any settlement to occur in the vacuum of their presence. Only the United States government has enough clout to catalyze a lasting accord among all these groups. An enduring and necessary way to reduce this hatred, and the inevitable terrorism that it spawns, is to stop the massive abuse to which the Palestinians are subjected, or if not within our means to do so, at least to not be an accomplice to its perpetuation. To stand idle while

this situation goes unchanged is very bad policy and, as all bad policies do, it will come back to haunt us. A personal anecdote I witnessed serves to illustrate my point.

In the early 1960s, David Amad was a classmate of mine in undergraduate engineering school at Texas A&M. As a teenager he had been adopted by a Baptist missionary couple in Palestine and moved to Texas at the end of their mission. His blood father, mother and some siblings had been killed in one of the many terror-inducing confrontations with Israeli hooligans. He was left with nothing and lived on the streets, by his wits, until he was mercifully adopted. David would cry every time he talked to me about his bad fortune and sufferings. After graduation David went to work for Harry Bovay, owner of a large consulting engineering firm in Houston, Texas.

A few years later I was running my own consulting engineering firm in Bolivia and needed technical support in David's specialty. I contracted with Bovay Engineering for David's services and he went to Bolivia to work for me on temporary duty. My recollection of the many heart to heart conversations I had with David does not include any expressions of hatred or bottled-up desires for bloody revenge, although the love for his homeland was intense. Years later he became a successful Houston restaurateur and accumulated a good bit of money, which he used to move back to Amman, Jordan, in pursuit of his dream to help his people. A dream such as his could only be achieved in America, and he knew it. This is another example of a freedom fighter who does not have to blow innocent people up to fight for freedom and of how our government could be so influential in helping solve the Palestinian-Israeli conflict.

In the aftermath of World War II, the allied victors endorsed the creation of the State of Israel, an undertaking that at the time offered the most attractive solutions to the plight of displaced European Jewish people and served best the domestic purposes of the Anglo-European political leadership. The return of the Jewish nation to their ancestral home was a good idea; the Zionist movement had started it toward the end of the 19th Century. And though its socialist bent championed collective farms called kibutz, they paid for the land they bought.

Immediately after the founding of the State of Israel in 1948, the new immigrants began to push its borders by armed and other violent means; no longer by contractual acquisition of legal titles as the earlier Zionist settlers had done under the rule of the Ottoman Empire. Armed resistance was reduced by bribing the established monarchies of the region and by intimidation with the lurking danger of the communist menace to make the bribe justifiable. Insightful witnesses of these events attribute the failure of unified Arab opposition in all the wars surrounding this conflict to these causes.

When Menachem Begin and his military commander Ariel Sharon invaded Lebanon on June 6, 1982, inflicting upon Beirut's citizens some of the most inhuman shelling since World War II, they justified their action on the grounds that they were pursuing terrorists. Mr. Begin glossed over the fact that 25 years earlier he had been classified as a terrorist

in his fight to take over Palestinian properties in Israel, another case where a terrorist for one is a freedom fighter for the other.

Had it not been for President Reagan's clear determination to force all the warring factions out of Beirut, the Israeli leadership would have taken over that country too, as it was feared was their covert desire. An era of even greater violence would have ensued. Presently, we, as a nation, are standing semi-idle while Israel infers in the word Palestinian the same meaning as in the word terrorist. This exacerbates our already tenuous posture in the Moslem world and is a main cause to draw hate upon us.

Over the years, not necessarily because it was a bad concept, but because of the heavily flawed way in which it was accomplished, the Israeli-Palestinian relationship has become the most de-stabilizing event in the fragile Middle East. Seen from the Palestinian point of view, where many of the seeds of wailing discontent originate, after three consecutive generations of continued hopeless misery outside their former homes, life is not worth living. For many of them and their Islamic brothers elsewhere, it has become preferable to die seeking revenge.

Once endless despair becomes the prevalent sense of the people, it does not matter what arguments those outside the circle of despair can advance, even if they are logical and historically correct. Reason no longer works, only feelings; in this case the feeling of absolute hatred of the usurper-oppressor (Israel) and his accomplice godfather (USA). In Palestinian eyes we are the unrepentant suppliers of the instruments of torture and methods of oppression used against them. A terrorist to us is a freedom fighter to them. This is a case where bad policy, or better-said, badly executed policy, has begotten bedlam at its worst.

The sad historical truth is that if the heads of all terrorist organizations and all of their minions were miraculously stamped out from the earth, within one generation their scourge would re-appear in full force, for whatever reason. If the source of despair were left untouched, the return of terrorism wouldn't take a generation, it would never go away. Ireland is an example worth considering, the so-called "oppression" of Catholics in Northern Ireland is non-existent compared with the plight of the Palestinians, and yet terrorism is intractable in the British Isles.

I agree now, I agreed when Che Guevara terrorized Bolivia, and I will always agree that a legitimate role of government is to find and destroy the perpetrators of uncontrolled fear on an innocent population. It should also be self-evident that the root-sources that may have caused such actions be eliminated as soon as possible, as we have done in America for our minorities.

Cooler-head politicians and other opinion makers, including more than one Jewish friend, have privately recognized that to forestall Moslem terrorists in America, our government must force Israel to change its policies toward Palestinians. Once the

Palestinians openly and formally agreed to recognize the right of the state of Israel to exist as a sovereign nation, the fairness equation requires that Israel do likewise with the Palestinians to obtain peace and balance. Just as pacts between individuals are more lasting and agreeable when they are made under no compulsion on either side, pacts among groups of people who think of themselves as equal are also more trustworthy when they are made freely. In my view, Palestinians deserve the right to pursue their dreams of self-improvement under the rule of their own law just as the Israelis do.

American federal policy makers are elected and operate in a world heavily influenced by the pro-Israel lobby, contemporaneously the most powerful lobby in Washington. This lobby can make or destroy the political life of most elected and high-ranking officials, and both, the lobbyists and the politicians, know it. This is a fact that unfortunately skews the pronouncements coming out of Washington. Even President Reagan had great difficulty navigating his policies for this region when they did not coincide with Israel's wishes.

Ideally, the suggestion of granting the Palestinians their basic nation-rights on soil they can call their own, should be promoted by these powerful lobbyists. Smart as they are known to be, some I am sure, could support initiatives from within our government to move toward eliminating one of the root-causes of Islamic hatred. To grant the oppressed Palestinians the right to pursue their dreams in their own sovereign nation would be the act of true freedom fighters in Washington.

As then President Reagan told the European parliament in June 1982, "Freedom is not the sole prerogative a lucky few, but the inalienable and universal right of all human beings...." It is my hopeful opinion that this view will become a vector of President George W. Bush and his Secretary of State Collin Powell's policy in the Middle East, to the benefit of the great majority of the people involved in this mire and of all Americans. By so doing they will eliminate one of the root sources of terrorism emanating from that area.

Though the red menace still exists in Mainland China, it appears to me that as long as we remain strong and vigilant around Taiwan and South Korea, it does not pose a clear and immediate danger to world peace. There appears to be some constraint in its past expansionist policies, and I think this is due to budding capitalism in certain parts of the country, which is slowly turning communism into socialism. Because of this, there is a good chance that the prevailing internal corruption endemic to socialist systems will destroy the body politic from within and a new, less paranoid and more market-oriented country will emerge. Signals that emanate from China make me hopeful that the occurrence of this transformation is in an accelerating path toward freedom and democracy.

Thus, after the Berlin wall came down in 1989 and the Soviet Empire disintegrated shortly thereafter, the opportunity for a new world order based on free enterprise and open trade, that even includes all of Asia, was opened. Greatly satisfied by these events, I took a respite from fighting oppressors; there were none in my neighborhood.

---027---

PAYING FOR GOOD GOVERNMENT.

By 1993, as will be seen later, I had paid all my debts from the economically disastrous last five years of the 1980s and was ready to start creating values again. My nose was on the grindstone and my resolve to rebuild my future was firm. President Bush had secured the western world's oil supplies with the defeat of Iraq and then lost his bid for re-election.

I didn't know much about his successor, who had a likable TV image, and I was just an occasional observer of the political landscape. But when I saw the way his wife, Hillary Clinton, attempted to run medical care policy I realized that complacency was dangerous, even in this new and safe world. Her actions galvanized me back to my former position of attention. I followed with interest the Republican take-over of the House of Representatives in 1994, but did not become heavily involved in any political campaign.

In mid 1994 my old friend and senator from Texas, Phil Gramm, indicated his decision to run for president and asked for my support. As two of the hundreds of volunteers that rose to his call, my close friend and like-minded supporter of good candidates, Phil Adams, and I went to work on a national scale soliciting money and endorsements to strengthen his announcement. By this time Phil was acquiring statewide fame as an adroit political fund raiser. Under his leadership, Brazos County, Gramm's hometown, became part of the embryonic fund raising effort. By late 1994 the campaign had accumulated enough money and picked up the political momentum needed to run a very credible race.

The official announcement of Gramm's presidential bid was made at a rally in Bryan/College Station, (Brazos County) Texas, on February 24, 1995. It followed a very large and successful banquet in Dallas the night before during which I was invited to sit at the head table to reflect the importance of the work Gramm's hometown was doing for the campaign. At \$4,350,822 we set the record for funds raised in one night for any political event at that time.

I agreed with practically all the broad-stroke descriptions of Gramm's policies and with his vision for America and the world. It was a thrilling discovery to actually participate on the outer fringes of the inner circles of a presidential campaign. Gramm was one of the famous political fundraisers in America, and he had accumulated an impressive war chest for the campaign. Despite successful funding, his indefatigable vigor and, to me, the excellence of his message, he could not reach a large enough swath of the public to catch national prominence. His message, I think, was perceived as too technical and confined to economic issues. It was also criticized as lacking charisma in its delivery.

Our effort failed when we lost the Louisiana caucuses. The winner, Pat Buchanan, won because of the militant "go vote" fervor of the religious right that, in an unholy alliance with the segregationist followers of a former Ku Klux Klan leader named David Duke, supported him. I was actually a first hand witness to this activity, as it happened right at the precinct I worked as a Gramm observer in a New Orleans suburb. At the end of the day when volunteers compared notes, this observation turned out to be common in all the precincts we had worked. The Louisiana win temporarily inflated the sails of Buchanan's narrow policies that at times evoked faint tunes of dogmatic Islamic isolationism heard in the Middle East. This defeat killed Gramm's wider vision of open trade and greater role for the individual in society. It was, in my view, a loss for America and the world.

During George W. Bush first campaign for Governor of Texas, I was once more heavily engaged in political funding, meriting the inclusion of my name among his most significant supporters in an article of the Dallas Morning News dated September 26, 1995. Since the first time I met him, I realized his leadership qualities, which added to his easy disposition and engaging personality, made him, in my eyes, a great candidate for the job.

On April 25, 1994, he called on me at my office, which was in the Aerofit building. Aerofit is a health fitness center that I then owned. We celebrated our mutual friendship by going out for a run and then, after a quick shower, we were off to shake hands with laborers at a construction site my company had at the time. He was totally at ease with the workers and everyone else. The funny thing was that many laborers wouldn't believe it was him, for they could not imagine that such an important candidate would actually take the time to go see them. When later they finally believed that they had just shaken hands with the governor-to-be, they became his avid supporters even though most had never voted before.

A few months after his inauguration as Governor I thought that the unending spiral of receptions and political events might have gotten him a bit out of shape, but much to my elated surprise I was wrong. The Governor had actually improved in his running and now could easily beat me in training runs at Memorial Stadium in Austin at noon on summer days. When after two and a half miles he was still going at 6'30" pace and I could no longer keep up with him, he would run another half mile and start talking about

his tax reduction plan or other legislative initiative important to him. I found that his mind was just as tough as his body and that he knows how to drive both to their best performance.

Later, when he became president in the closest and most contentious election in recent history, his impeccable record and balanced free-enterprise vision proved to me again that a key to a successful America lies in the election of the best candidates available. Judging by his popularity in his home state, my view was obviously shared by many Texans. I think most Americans now also share it. Governor Bush had many able and dedicated close advisors, including the uniquely savvy and smooth Karl Rove. A man of impressive intellect who started his fame as Texas' foremost political architect under Texas Governor Bill Clements, Karl went on to continue his role as the President's intimate adviser in Washington D.C. Another friend of the President's who moved to Washington with him was Clay Johnson, his appointments director. Together with other capable members of the former governor's staff, they continue to be at the core of a reliable and trusted group of advisers.

Obviously America was lucky to have George W. Bush as president during the trying days following the September 11, 2001, terrorist attacks in New York (two passenger planes were crashed by terrorists at the World Trade Center towers) and in Washington, D.C. (one passenger plane was crashed into the Pentagon). Those of us who want limited government to guarantee our freedom but are not willing to get sweaty, muddled and beat-up in the arena of public scrutiny must at least support the good candidates who do. Yet, helping them get elected is not enough.

The right to pursue a dream, like most other significant rights, is high-maintenance. We must all help and not just with money and/or time; we must stay engaged and participate in public policy formation by driving the political agenda with our opinions. An individual opinion, unless issued by a renowned authority, needs a lot of heavy lobbying before it is even heard, much less considered, by politicians. Opinions expressed frequently by diverse constituents in the right forums are listened to with more attention. That is why it is important to participate in associations, think tanks, and other organizations that compound the value of one opinion to a viable suggestion for legislative action. The fight for freedom takes many forms but it never ends. It costs a lot of money. Therefore, making money is very important to the preservation of our system, as is having the freedom to use it as its maker sees fit. The next chapter of my book is dedicated to recounting my work on these endeavors, which have absorbed much of my life.

CHAPTER 3**TO MAKE AND TO KEEP**

---031---

CREATION.

Almost singularly among all nations, the bases of America are not so much territory, race, religion, history, language or even a common culture. The United States of America is a country founded on propositions that carry through territory, races, religions, history and even cultures. Among these propositions is the tenet that all men have the inalienable right to life liberty and the pursuit of happiness. If this proposition is to hold true, the right to own property is essential, for a key ingredient to happiness is the enjoyment of one's creations. In tacit recognition of this relationship, the Fifth Amendment of the Constitution unequivocally states that no person shall be deprived of property without due process of law and that private property shall not be taken for public use without just compensation. Thus, the right to own property and the freedom to do with it as it best suits its owner is intrinsic to our social compact and to our right to pursue happiness.

The constructive dream that lights the lives of most individuals and propels them to patience, discipline and sacrifice is, in every case, one of self-improvement. The dream may take many forms, from breaking a sports record, becoming an artist, teacher, scientist, entrepreneur or statesman, or just being a good parent, but the underlying substrata is always self-improvement. In every case the objective is to lift the standard of living. The reality is that it takes money to achieve a higher standard of living. Thus, at one level or another, everyone seeks to make money.

Thankfully, because of the strong influence of Calvinist morality, where making money to improve one's life was a great virtue, in America it is still virtuous to make money. And mostly, although seemingly always in a declining trend line, those who make it honestly may still keep it. Therefore many persons with a dream of self-improvement who are not already here want to come to America.

Great athletes have figured out how to transform their prowess into money; so have singers, musicians, dancers, painters, writers, actors and all kinds of people with the determination to excel at their own skill. The right of people to accumulate wealth and dispose of it in any way they see fit is basic to the pursuit of human happiness. This

right is the fuel that runs the engines of progress. I believe this statement is true despite the epithets thrown by those who don't understand it or, in their self-granted greater wisdom, try to regulate it, or worse, deny it. As I discuss later in this chapter, this does not argue against other forms of compensation for values created. It simply states that of all imaginable forms of compensation money is the most basic and it must be received in enough quantity to provide personal dignity, comfort and security before it can be substituted for self-satisfaction, recognition, honor, fame, glory or power.

When I ask young people why they want to get an education I hope to hear that they want to improve themselves. My opinion of those who answer that way goes up immediately. They will never be a burden to society, and therefore to me. However, I often hear altruistic purposes such as righting life's wrongs, helping the less privileged, curing the sick, cleaning the environment, building a better society or many such selfless goals. In these cases I know that unless they get realistic fairly soon, they will eventually be mooching from those of us who are trying to take care of ourselves first. They do this through the punishment-free system of despoliation called taxation.

Over taxation flowed from the usurpation by the federal government of the right to tax production. The 16th Amendment to the Constitution, depriving individuals of their original right to keep all their income, in my view is an infringement on the basic principles of this nation. Just as we repealed the 23rd Amendment depriving the people of their right to consume liquor, the 16th Amendment should be repealed as a permanent source of government revenue. Perhaps it could be strictly limited to properly defined circumstances of national emergency, as it was during the Civil War. Study after study reveals that raising public revenue through the taxation of consumption would be less threatening to the engines of self-reliance and free enterprise that created America.

Redeemingly, my experience suggests that the young idealists who scare me with their answer, and we, who are looked at as their source of funds, have hope. I don't necessarily consider their lofty visions incompatible with making money. In fact at one point or another we all have such wishes. Mine were the sparks that ultimately turned on my light of understanding. The understanding that if I could first take care of me and my family without mooching from somebody else was subsequent to experiencing those idealistic impulses. It was a great step toward understanding the American compact and then participating in it. Self-sufficiency required that I learn to be a good and steady provider for my dependents. But then, the corollary question was: how does one make money?

Finding this answer within the framework of morality that I learned at home and within our country's laws was the key to finding my place in the economy. I realized that money is the common denominator of value. Money is not created. Value is created. Making money is reaping the harvest of value. To make money, one must pursue value, not money. The marketplace puts an invisible price tag on every piece of creation. We

create the value. We let the marketplace define the price in a sometimes-unidentified negotiation. This transaction transforms the value into money. Money stores the value. That's how money is made.

I realized that the more unique the creation the more valuable it was. I also realized that, potentially, the most risky creations brought in the highest rewards, and also the highest losses. This taught me to understand the concept of "calculated risk." These are trite and well-known facts that are not even worthy of writing down, but I think most people don't really understand them, or at least haven't figured out how to apply them.

For many it is a lot easier and preferable to become a line item in the payroll of some public bureaucracy or private monopoly and not worry about value creation. Without more effort than showing up for work everyday, they are given secure employment, benefits that a small employer cannot afford, and very attractive retirement terms. These are the voters whose vote can be bought and used to distort and confuse our system of value creation and the honesty of our democracy. Politicians of both parties pander to these groups and entrench their importance in the electoral process, making reform highly unlikely. In fact, it is to their interest to continually enlarge government bureaucracies to ensure their votes of support. And we, the people, have difficulty reining in their power.

The veracity of this assertion is borne out by recent history. After 1937, when the Supreme Court virtually divested itself of its role as a check and balance to the executive and legislative bodies, the brakes on government growth became very weak. The court stopped considering the constitutionality of almost every action passed by Congress and signed by the President. Since then, the explosion of new programs has caused public employment to grow at a much faster rate than private employment. As I have often pointed out before, the Founding Fathers wrote and passed the Constitution to secure the blessings of liberty for themselves and their posterity. For this purpose they asked the people, and the people granted their request, to delegate only certain enumerated powers to the government.

Some of the delegated powers are very clear, but others are subject to construction. Following a clear mandate of the Constitution, Lincoln had to fight an internecine war to make our country a more perfect union, ensure domestic tranquility and establish justice. A few presidents have acquitted themselves well discharging their constitutional duty to provide for our common defense, others have not done so well. It is the delegation of "promoting the general welfare" that has been most abused by those in office. In [America a State of Affairs](#) (Chapter 1) of this book, I give a high-speed review of how this mandate has actually been turned upside down, resulting in a constant and endless taking of the people's rightfully earned property and earnings. This situation affects all of us but it is seldom looked at from its constitutional point of view. Politicians and their symbiotic lobbies only speak about it from an economic point of view, and always in their favor.

To be sure, the practice of taxing the people for purposes of dubious constitutional justification does not fall exclusively on the Democratic Party, as Republicans are fond of declaring. The record of the 20th Century shows without a doubt that government has grown under Democratic administrations at rates not matched by Republicans and that we, the people, have suffered the greatest depredations to our constitutional right to keep the benefits of our creations under Democrats. The winds that ushered the greatest leaps in open-ended interpretation of the “general welfare” clause were steered to new heights by Democratic Presidents Woodrow Wilson, Franklin Roosevelt and Lyndon Johnson. Not denying that they did many good and necessary things, in my mind they did more to destroy the virtue of self-reliance in America than other presidents of the 20th Century.

But Republicans are not free of guilt. For example, mostly under the “general welfare” clause, Herbert Hoover increased federal spending by 38 % in his administration, Dwight Eisenhower by 30 %, and Richard Nixon, a big sinner, by 70 %. Nixon also went against a basic rule of value-creating capitalism by imposing price controls on the economy. George Bush (41st president) added a 12 % increase. In just the four years of his administration our money lost 13 % of its value through inflation and he gave us the litigious American with Disabilities Act. He also passed a huge tax increase despite his pledge of no new taxes. This is the kind of record that hurts my ability to pursue happiness and has contributed to my decision to write this book. Like everyone, I feel happiness becomes elusive when I cannot hold on to what I make. The thrill of accomplishment is not complete without control of the rewards it creates.

BUDDING ENTREPRENEUR.

I remember well the classroom and teacher I had in the fifth grade of grammar school. In 1948 Cochabamba, books and teaching aids were not abundant. Taking notes in class and doing homework at home was how we made our books. In the process I discovered I had a certain ability to draw comic book characters. My parents would not give my brothers or me an allowance to buy snacks at school. In my family’s petty-cash allotment there was no line item for snacks at school. We had to earn the pennies we wanted for extraordinary expenses.

As I said before, in the town of my birth mostly everything was in walking or biking distance. School let out for two hours at noon so we all could go home for lunch. Consequently, allowances for children were not known in my home. At the time I wished I had those pennies to buy me snacks, but later I learned to thank my parents for

teaching us thriftiness at an early age. It was just one of many ways through which they taught us the value of money. So, to have a little spending cash I decided to create my own comic book. Since I couldn't print it, I figured I would charge my classmates to read it. Obviously I didn't make a fortune with it; I couldn't even buy a snack with the proceeds. But I was very proud of my work and I spent a lot of time improving it.

Totally ignorant of my realizations in later life, I was having my first experiments at value creation and at negotiating prices with the marketplace. No doubt this and other similar little lessons are at the base of my later entrepreneurial bend and, I am sure, are no different than what uncountable children experience in their young lives.

To be sure, value is not created at the snap of a finger, no matter how brilliant the underlying concept may be. In fact, as common wisdom correctly asserts, success is 90 % perspiration and 10 % inspiration. The titans of entrepreneurial success have passed on to us their own stories. From Carnegie to Gates, and all in between, we learn that this ratio of perspiration to inspiration is about right. Thus, the desire and capacity to work become key ingredients of value creation. Another ingredient, capital, as I discussed before, can usually be found if the proper formula is presented to the potential investors.

While working on my Master of Engineering degree at Texas A&M in 1962, I ran into a mathematics teacher by the appropriate name of Cube Root Kent. He was thusly baptized by waves of students who through personal experience found out that he never gave As to more than the cube root of the number of students in his class. I was taking a course in partial differential equations with about 11 other students. Since humans cannot be split into fractions and we were closer to eight than to twenty-seven, only two would get an A. I worked in detail every problem in the textbook and learned every hidden principle. It took me a disproportionate number of hours to do so, but at the end of the semester I was rewarded with the coveted A. I figured that all that work had a value to future students and that I may as well get some benefit from it.

I had the manuscript, but now I needed copies and a marketing system. I needed capital to produce and deliver my product. I didn't have it and therefore couldn't do it alone. I needed an investor. I enlisted as my partner one of the most brilliant students I saw frequently at the time. His capital contribution came by means of sweat equity. Juan Dominguez was my brother Chris' roommate and a straight A Physics major. We got hold of a blue-line duplicating machine and lists of students who followed me taking the differential equations course. We marketed one-on-one and set the price by trial and error but we raised enough revenue to eat for a good part of the next semester. The answers booklet was such a good teaching help that we were able to repeat the offer two more semesters, even after I graduated.

Eventually the math department became suspicious because all students were turning in their homework as if copying from each other. The teachers changed the book. The

disturbing later-life event is that Juan, who was from a well-to-do family of Mexico City and uncannily smart, went back home and became hypnotized by Cuba's Castro oratory and became an avid Marxist. That is the last time I heard from him. I never understood what value he was creating by joining the extreme left.

Following my graduation with a bachelor of civil engineering from Texas A&M in May 1960, I accepted a job with the Texas Highway Department as an urban bridge design engineer in Houston, Texas. This was my first exposure to organized production work and team effort at solving technical problems. I learned how to be microscopically correct about my work. The experience reinforced my belief, bred by my father, that my education would not be complete until I received at least a master's degree. Consequently, after a year in the work force, I applied and was accepted at Texas A&M as a graduate engineering student. My two brothers and many friends were still attending TAMC, so it was like coming back home. I received a lab assistantship, which added to my savings and other part time jobs I had on an ongoing basis, allowed me to cover all my expenses and even save a bit. A review of my bookkeeping ledgers from my college days proves that frugality was a virtue my parents had taught me well.

In the late 1950s, during my undergraduate years, Texas A&M was essentially a military college of approximately 9,000 cadets and less than 1,000 civilian students. The campus was literally in the middle of nowhere. The only residents of the town of College Station were the college's teachers and other employees. The college itself provided all the necessities of life, such as utilities, dorms, meals, post office, and exchange store. The only walking-distance commercial establishments were a few bars and bookstores in the "North Gate."

The college would cease operations for many days at a time in between fall and spring semesters (at least a month), spring break, before each summer session, before the fall semester and during Thanksgiving week. During these periods the dorms and the mess hall closed, the power plant would go on idle and many of the "North Gate" establishments would close also. The foreign students and others who didn't have a place to go to would be allowed to move into rooms in one floor of a dorm that remained open. These periods also provided opportunities to do part time work substituting for students on home leave. Places such as the animal farms the college kept needed continued manpower to maintain the facilities. The livestock had to be cared for even during Christmas. This is how I got my first exposure to farm work - driving tractors, moving hay, shoveling manure and cleaning barns.

In one of those holidays, spring break of 1958, an invitation from the Houston Former Students Club came for any stranded Aggie, as students from Texas A&M are known, to spend the week with a host family. I eagerly volunteered and was warmly received by W. Scott Potter and his family. It was the beginning of a friendship that would last a lifetime and would have a very marked impact in my future. The Potters lived in one of Houston's exclusive subdivisions on Memorial Drive, and I met and became lifetime

friends with many of their neighbors as well. Over the years, Scott and his neighbor, Kay Dobelman, became my investors and partners in various businesses I put together, including numerous real estate investments, a bank and a municipal district.

Several years after graduation from college and following Scott's attraction for the Texas Hill Country where he had a ranch, I decided to make the first real estate purchase of my life. In one of my yearly trips to Texas I took with my family in the summer of 1967, Scott helped me find something I could afford. On July 25, 1967, I bought a small run-down cabin on the banks of the beautiful Guadalupe River near Ingram, Texas. We used it as our home during our yearly trips from Bolivia. In fact, my youngest daughter Lis was born there. There I re-established my acquaintance with West Texas critters such as scorpions, daddy-long-legs, rattlesnakes, wild turkeys, coyotes, friendly deer, skunks, armadillos and other creatures that shared my land. Less than four years later I sold this beautiful tract for a small profit, thus beginning to learn the real estate business. At the time of this writing Scott is no longer with us but Kay continues to shine a light on my path and set standards that I strive to uphold.

The lessons I learned through these relationships go to the heart of my understanding of our economic system. Scott became significant in my life in my senior year. This was the time I was buying into the unrealistic idealism of the promises of unlimited government and the supremacy of society over individuals. He became sort of a surrogate father and patiently educated me in the realities of the world. Not ever antagonizing me, he took me to evening "investment" classes where the education was 90% about free-enterprise economics and 10 % about stock markets. Slowly I began to absorb it all and, subconsciously I believe, started to build up the intellectual foundations of my professional future.

The essential lessons were that government does not create values; it only redistributes the money that represents them. And those who get to be the judges of how this redistribution is made become very powerful. Therefore, once in that position they seldom want to give it up. It is the mission of each producing citizen to be vigilant against the gobbling voracity of this redistribution machine operated by power hungry politicians. My life experiences confirmed these early lessons.

Although intellectually I was beginning to understand these points of view, I didn't really feel the impact of their meaning until after I went to work for the construction firm of Brown & Root, Inc., in Houston, Texas. I took this job in August of 1962, upon my graduation from Texas A&M with a master of engineering degree. I had the good fortune to be hired by an elite group within the engineering team that was usually assigned to the most difficult civil engineering problems the company encountered. I was heavily challenged with some of the studies we tackled, but that was the part of the job that I liked and kept me interested enough to go back to the office on weekends and sometimes on holidays.

My department at Brown & Root was, in my judgment, the best “graduate engineering business” school I could have attended. The beauty was that instead of me paying for my education, I was getting paid. My two immediate bosses, John Mackin and Delbert Johnson, were about as smart as any one I had ever met, and they often talked about establishing their own consulting firm. That talk interested me and I offered my support. As time went on and their plans never materialized, I began to dream about creating my own engineering firm. All this time my parents, but my mother more vocally, kept expressing their wish that I go back to Cochabamba, where they had recently returned from their Peruvian sojourn.

Although I was well paid as an engineer, recently married and now expecting my first child, I felt that I still had some evenings free when I could generate extra income. In college I had been a member of the gymnastics team and now missed the sport. Always seeking the highest efficiency, I was looking for an opportunity that would allow me to practice gymnastics and at the same time generate some revenue. After some searching, I found a job at the Downtown Houston YMCA to run its gymnastics program. In a short time I built up a team of wonderful teenagers with whom I developed great friendships and for whom I became a role model. I felt that the value I was creating with them surpassed the monetary compensation I was receiving, but since I was already fulfilling my material needs, their respect and thankfulness were a significant added satisfaction to me.

By the time I left to seek my new venture in South America, those kids had become an integral part of my life. My wife and brand new son would go to workouts with me and my team members would help us baby-sit. I experienced a non-monetary form of compensation for value created that, in my circumstances, became more important than money itself. I believe that seeing other human beings improve under our personal influence is an irreplaceable reward. It is the reward good teachers crave and the fuel that drives their superior achievements.

While at Texas A&M, I made friendships with a range of school buddies that destiny threw my way. Two of them impacted my life for the rest of my years because it was with them that I would later combine forces to launch some of my value-creation efforts. One, Joseph A. Elliott, had a double major - electrical engineering and English. He was on the fencing team and I was, depending on the season, either on the diving or gymnastics team. As a way to help students that competed in varsity sports, the college provided us with the last meal of the day for free. Eating at “late tables,” many of us became good friends. Within a dozen years after graduation, Joe had become the national epee champion and was traveling all over the world representing the United States, including tournaments in Moscow and Havana during the height of the cold war. But, ignorant of the future at those late tables of 1960, we talked of adventure, travel and exploration. From the time I met him, I was inspired by Joe’s natural self-reliance, a quality that later would become supremely important to both our destinies.

The other was Lee L. Lowery. I met Lee as a sophomore when, as part of our engineering education, we were both doing surveying field practices in the west Texas town of Junction, where I first encountered the critters I wrote about earlier. During the regular school year Lee earned his living as a waiter in the same student mess hall in which I ate. Lee and I had many classes together since we were both studying civil engineering. What impressed me most about Lee was his steadfastness at work and at school. I don't think he ever missed a day on either one; nor do I think he had confused priorities for the use of his hard-earned money. After finishing undergraduate school he went right-on to get master and Ph.D. degrees in civil engineering, eventually becoming one of the most decorated professors in this department at his alma matter. Fifteen years later Lee would be the catalyst for my first real estate development project in Texas.

As time passed, my work at Brown & Root continued to be exciting and challenging, but I was getting more and more impatient with the caution my admired bosses displayed at making a move to go on their own, with me in their wake. In the third quarter of 1963, my father suggested I apply for employment with a New York based consulting engineering company then under contract with the Bolivian government to design a system of roads throughout the country. It was funded by the U.S. government as part of President Kennedy's "Partners of the Alliance" program. I was promptly offered a job and was told I would be the highest paid Bolivian engineer on their staff.

Joe Elliott and I had talked about adventure for many months now and I thought this might be a good opportunity to start. By this time he was working in California for an aerospace company but was single and therefore easy to convince. Together we concocted a land trip from Houston, Texas, to Cochabamba, Bolivia. We sold everything we couldn't pack and shared the purchase of a brand new International "Scout", which I drove with my wife and baby son from Houston to Mexico City. Joe flew in from Los Angeles to meet me there. The next day Kirsten (my then wife and mother of all my children) and Cid (my first born and only son), left by air to Cochabamba, Bolivia, where my parents met them.

When loaded with all our belongings, the Scout still had room to spare. Joe and I immediately continued by land on a 35-day trip worthy of a book by itself. Although not as extensively as it would be in a separate story, I make further comments about this odyssey in Adventure (Chapter 4 of this autobiography). We conceived a plan to document our trip with a diary and plenty of pictures prominently featuring the Scout, which was a brand new vehicle manufactured by International Harvester (IH). It was intended as competition to the Jeep, and to its manufacturer it represented a daring effort to stay in business. We thought that at the end of the trip we might be able to sell the rights to our saga to market the very reliable Scout. It was our hope to recoup some of our trip expenses.

Although I still think the idea had merit, IH turned us down explaining that we should have contacted them before we started and that they didn't work with free-lancers. Those were lessons to learn for the future, indicating first that the contacts should have included IH's Madison Ave. marketing advisor at conception and, second, that we probably didn't reach the right person at the IH company. Years later, when all the complexities involved in value creation dawned on me, this was an example I often recalled in my own mind and appropriately applied to the quests at hand.

---032---

PROFESSIONAL PRACTICE.

Upon reporting to work in Cochabamba in December 1963, I soon found out that the company I had taken a job with was paying me less than one fourth of what I was making at Brown & Root. Worse, it put me under the supervision of a stateside expatriate who did not even have an engineering degree but made six times what I was paid. Needless to say I was not only unhappy with the compensation but it also hurt my professional pride.

Properly angry, I sent a letter of resignation to the company's manager and distributed it not only among my co-workers but to the local newspaper as well. It was published and caused a small furor in the community. I was immediately accused of communist tendencies by my former managers and by their Bolivian government supervisors. What I didn't realize at the time is that the salaries were set by the Bolivian government, which must be recalled, at the time was anchored on socialist principles. The government leaders classified wage earners, not part of the inner circles, in broad groups ensconced in narrowly defined salary brackets. It was important to their system that all people comply with these strictures. Not only did I not comply but I actually challenged them publicly. I became a marked man, but, as will soon be seen, a lucky one.

Having lost my source of income, the problem of feeding my family became paramount. I was blessed that my parents were providing an apartment next to their home for my family and me. Thus, our monetary needs were greatly alleviated. Kirsten, who had received her bachelor's degree in elementary education from the University of St. Thomas in Houston, cheerfully took a job as a teacher at the American School for a salary of \$50 a month, the going rate for local hires. With these funds and a few savings, she courageously carried our household expenses until I was able to start my own professional practice. Then she continued working as the bookkeeper for our new company.

Since we arrived, Joe Elliott had been busy learning Spanish and getting to know the town. But, always at my side, he recognized that this was the entrepreneurial opportunity we had been longing for. He told me it was time to start our own business. Time to act. Time to prove our mettle. Time to take control of our means of production. Neither one of us realized how nearly impossible that was in a socialist environment. In this case, as in many others, ignorance was bliss. Joe and I decided that our edge was in applying technologies not yet common anywhere, much less in Cochabamba. Although I was a good civil engineer, there was no one to hire my services except the government, and the government was very mad at me.

Joe still had the handicap, though quickly vanishing, of a newcomer's command of the Spanish language. Through his own father he had, however, access to a new planning tool recently developed for the Navy called Project Evaluation and Review Technique (PERT), which with a little imagination could be applied to just about any commercial undertaking. We decided that was our ticket to get started. His dad sent us what now I would say was very primitive software to get us going and we promptly learned its use. In April 1964 I incorporated Consultores Galindo Ltda. It was the first firm in Bolivia to dedicate itself to the modern practice of consulting engineering.

Despite the fact that I was the first Bolivian born engineer to graduate and gain bachelor's and master's degrees at Texas A&M, I could not practice my profession without ratification of my academic credentials by Bolivian authorities. Under the socialist regime academic accreditation was almost conditioned to swearing allegiance to their party. In mid 1964 I was received by the Secretary of Public Works and asked by him to join the party as a prerequisite to any work opportunities. I politely declined. Fortunately, a few months later he and his party were expelled by a coup d'etat and processing my degree's ratification became easier, and work opportunities increased.

As in every difficult financial point in my life before and after, my father was there to help me. Upon his return in 1960 from about four years of self-exile in Peru, one of the few surviving private businesses in Cochabamba, a brewery known as "Taquina" was at the verge of closing down. In recognition of his organizational talents and his latest industrial experience, the company's stockholders offered him the position of chief executive of the company. This is the job he was in when Joe and I arrived in Cochabamba. By this time he had begun to turn the company around and was looking to implement new approaches to his work. Joe and I presented to him a vision of how we could help evaluate the small projects he was considering. He immediately asked us for a proposal and became our first client. Our fees were not enough to cover expenses, but allowed us to say that we were working as management consultants. In time he became one of our important clients as he set about to expand the brewery substantially.

Concurrently with this work, I found some contractors who were building government projects and needed engineering services but were reluctant to pay any fees. I offered

to do the work free on the condition that if, after they received it and decided that it was useful, they would put the word out among other possible clients that I had done a good job and saved them money. This we did for six months. Then we began getting our first remunerated projects. That is how Joe and I created the initial values that allowed us to grow Consultores Galindo Ltda., Ingenieria y Administracion, into what eventually became the powerhouse of Bolivian engineering companies. I consider this period my seminal work of significant value creation.

As I recounted in Hot Front in a Cold War (Chapter 2), the political climate in Bolivia at this time had become so destructive and corruption was so obtrusive that the people's discontent was no longer bearable. On November 4, 1964, General Rene Barrientos staged a successful coup and a new order of things, more propitious to private initiatives, was established. As it was for most Bolivians, it was my lucky break. Buoyed by this tide, our little company began to grow.

I never personally met Gen. Barrientos but one of his most able and trusted collaborators was my first cousin Marcel Galindo, who over the "Barrientos" years was cabinet secretary of several government departments. Marcel was also a visionary known to think outside the box and courageous enough to try modern approaches to old problems. Having many opportunities to do so, he never asked for any unbecoming contributions for his boss, himself or anybody else, nor did I ever make any. It was a pleasure to work purely on the basis of an arms-length, open-to-scrutiny relationship. He trusted me and, on the face of strong competition, provided the first significant opportunities for my little company to undertake larger responsibilities.

With this break we progressed quickly and by 1967 we had over 120 engineers and technicians working in CGL, as Consultores Galindo came to be known. In late 1964, due to a bad case of hepatitis, Joe returned to California but with the arrival of my brother Chris in February 1966 our organization acquired more managerial depth and was able to perform successfully all its contractual responsibilities. By this time the consulting engineering field had become quite competitive but by presenting good proposals and delivering the results as promised, Chris and I were able to grow the company at a rate fast enough to keep CGL among the top performers.

Just as we were beginning our first large job, we suffered a most unfortunate accident when a truck carrying one of our survey crews fell down a 1,000 foot deep precipice killing all five employees. Overcoming this disaster, we hired some experienced engineers and also began training recent graduates who later became mainstays of the company. Kirsten provided very capable bookkeeping services and handled all the bank accounts without a hitch. All along the value of the stock appreciated steadily and we were able to start distributing dividends in 1968. CGL was my first significant value-creating initiative and provided my family with, for Bolivian standards of the time, a very good living with great savings capacity.

The scope of operations of the company was truly national. We had work all over the country, The most freewheeling opportunities came in the city of Santa Cruz, located on the eastern plains of Bolivia. This was the frontier territory of the 1960s. By 1965 the city itself still didn't have potable water, sewers, or pavement. With the royalty income from newly found oil and gas fields, enough funds became available to build this infrastructure. I jumped to be part of the action and my firm became well known and busy in the area. The work we obtained demanded my weekly presence there, which also helped in getting more assignments.

The fame acquired by the well-known "Aggie Network" is well deserved. One really hot afternoon in the Southern Hemisphere summer of 1967, I was doing some work in the still un-opened jungle area north of the city of Santa Cruz. Dehydrated and exhausted by working all day through cattle trails in this sparsely populated area, I passed by a wall-less thatched roof shack with a sign proclaiming cold drinks inside. I went in and met a burly oilman having a cold beer. We started talking and I found out he was a Texan by the name of Dusty Peebles. He was a former Texas A&M student who now worked for Gulf Oil Co. in a newly discovered oil field in the area. We quickly started a friendship that gave me an opening to do consulting engineering work for his office, mostly in soil mechanics. Without such an opening, Gulf Oil Co. would have hired this service from somewhere in the U.S. and we would not have enhanced our services.

The US Embassy also had a significant presence in Santa Cruz due to the financing of many projects under its portfolio. My good luck had it that the person who ran these operations was also an Aggie, Sanford "Sandy" White. Red-headed Sandy was the archetypical Aggie who opened his doors to anybody who had gone to A&M. He and his family were comfortable in a sprawling house in an otherwise primitive jungle setting and knew how to make the best of everything. His easy going and super friendly manner made my relationship with him a most enjoyable one. I looked forward to my trips to the area as much to accomplish my work as to see him.

Knowing that I was the first Bolivian-born Aggie to ever graduate from Texas A&M, Sandy took a personal interest in me. He often went along with me in drives through jungle roads we were helping the US Department of Defense build to relocate displaced Okinawans who were being resettled in the area. Had it not been for him, I doubt my firm would ever have been awarded the engineering contracts for those roads. During one of those trips, I recall an instance where we had to stop his jeep to rescue a large but very cute sloth that had fallen off a tree and was trapped in a side ditch. The Aggie connection and interest in animal life works even in the depths of the jungle.

Between Sandy and Dusty and my two brothers, we quickly attracted a few more Aggies working in the country and formed the unincorporated Bolivia A&M Club. We held a yearly Aggie Muster every April 21st and invited the entire American colony and other sympathizers in whatever town we celebrated. We had the only Bolivian alumni club of all American universities. Our group must have acquired a good reputation

because many Bolivian families heeded my advice and example and began sending their children to school at Texas A&M. In time the number of returning Bolivian Aggies grew considerably and they kept the tradition after the Galindo brothers left the country.

One of them, Jorge Quiroga Ramirez, a distant cousin of mine, became president of Bolivia in 2001. I saw him in May 2002 at a lunch hosted by Texas Gov. Perry at The Governor's Mansion and learned that he had eleven Aggies on his top staff. Aggies were running Bolivia! The 1998 A&M Former Students directory lists ninety-two Bolivians in its roster. I know of at least thirty more who no longer have a Bolivian address. I don't think I would be too far from reality to claim that around two hundred Bolivian students have attended A&M since I first "discovered" it. Just between my siblings and our children we count thirteen, with twelve bachelor's, four master's and two doctoral degrees earned at the College Station campus. This is living proof of the worldwide success of TAMU's quality education, the strength of its traditions and its contribution to international progress. I am very proud to have been the instrument to extend its reach into Bolivia.

In 1969 my firm was retained by the Bolivian Airport Authority (AASANA) to design improvements to the country's main four airports. The jet age had finally arrived and the airports needed to be made ready. One of the projects was to build a new paved landing runway in the city of Trinidad, Beni Department, in the lowlands of Northeastern Bolivia. This area was cutoff from the rest of the country by its geography and distance. An overland trip from Trinidad to Cochabamba was a life risking experience that could easily last a month.

The major problems we confronted in Trinidad were caused by its almost complete isolation. It was nearly impossible to deliver and operate heavy construction equipment, and since there was a total lack of rock or stone quarries for hundreds of miles around, there were no native rocky materials to use. Although it is certainly not the only one I survived, the anecdote that follows is intended to illustrate the adventurous nature of my professional practice in Bolivia. My brother Chris and my other colleagues at the firm experienced many similar life-risking adventures in connection with our work. It should never be said that the life of an engineer in a developing country is not interesting.

Small planes able to land on grass strips had been the lifeline of Trinidad since German entrepreneurs brought them to the country in the mid 1920s. The area was excellent for cattle raising and by the time I became involved, it had become the principal meat supplier to the Andean population. In the late 1950s World War II vintage aircraft with heavier cargo capacity were added to the fleet. Coordinating the timing of the slaughter and transportation operations solved the refrigeration problem. The plane arrived with the last rays of dusk, by which time the cattle were already penned up in corrals next to the runway. Slaughtering took place by campfire all through the night and the plane was loaded at dawn with the fresh carcasses. At cruising altitude the non-insulated plane

was like a refrigerator. The meat was unloaded safely upon landing in the high and cold cities of the Andes.

Cochabamba was the main base of operations for these planes. By the late 1960s they were literally decrepit. They flew only because of the uncanny improvising ability of their mechanics. New spare parts were virtually unknown but every plane that went down, if found, was totally cannibalized. The pilots flew them entirely by the seat of their pants and took great pride in their almost suicidal efforts. In fact, in the mid-fiftys their life expectancy as pilots was counted in months. By 1970 the flying climate was safer, but the fly-boy culture was still common among the adventurous meat-plane pilots.

Cochabamba's bountiful land and superb climate have always made this sunny valley-town the preferred living area of Bolivia. The town is built in a very large valley ringed by mountains of the Tunari range of the Andes. The airport is located very near the center of town and, since the Germans' time, it houses most of the airplane maintenance facilities of the country. The view on take-off or landing is astonishing. The mountain ring rises all around like a gigantic fence containing a green valley within. The twin Tunari peaks soar well above 16,500 feet above sea level while the mean elevation of the valley bowl is 8,600 feet.

One day in 1970 my Trinidad office radioed advising me of a problem that required my urgent attention. It related to the sinking of a barge containing critical electric generators our contractor was shipping in. Scheduled commercial flights operated only two or three times a week and I had to get there right then. The meat planes waited to take-off until the last minute of the day that would still provide daylight for landing at their destination. I found one that would leave that evening and was willing to take me as a "passenger." It was an overloaded Curtis C46 carrying kerosene refrigerators tied to the ribs of the frame. I stood up holding on to the door opening in the bulkhead separating the pilot's cabin from the cargo compartment. The poorly secured refrigerators were rattling on my back. The stench of dead meat and dried blood was sickening. It was even worse when I noticed that I was stepping on pieces of rotting cow flesh.

The pilot, an acquaintance, reminded me that he had been flying for more than eight years and that he was the oldest surviving captain of this rag-tag fleet. His safety record was enviable! When the underpowered engines finally stopped spewing fire and began droning comfortably, he announced that we were ready for take-off. I then noticed that most of the instruments didn't work and that many had a red light on. When I pointed this out to him he alleviated my discomfort by turning them off completely. As we started to taxi, the vibrations caused some of the gages to fall off their openings and dangle by their electric wires. He stopped any questions by quickly pushing them back in place and tightening them with paper shimmies. The bare aluminum interior of the plane was not very comfortable, to say the least. Later in the flight I realized that loose rivets in the skin allowed cold wind and sunlight to come in. Ultraviolet rays and cold air were helpful

to sweep away the stench and to sort of sterilize the raw meat. At the time I was not able to reason that far.

Just months before I had personally designed the runway from which we were now trying to takeoff. I knew precisely when the plane should be aloft. We passed the point and were still trying to get to rotation velocity. At this point my sense of smell had faded away completely but my sense of distance was very keen. As we ran out of pavement my daring captain retracted the landing gear and the plane flew. Amazing experience!

We circled inside the valley trying to reach enough altitude to handle the mountain pass that opened the route to the Beni. I had always enjoyed the view of the Cochabamba valley from the air but as my captain aimed toward the pass while we were still visibly too low, I became more interested in making sure that those overworked engines could lift us high enough. He assured me that we would soon hit some convection currents that would push us up the rest of the way. Obviously he knew what he was talking about because we cleared the mountain pass by what he labeled a comfortable one hundred feet. I thought I must have had extraordinarily strong vision that day because I could see cacti flopping around under our propellers wind.

The pass was the highest point in our flight path, but unbeknown to me, by this time the engines had burned out their lubricating oil. I became aware of this circumstance because I overheard my safety-oriented captain instructing his co-pilot to go put oil in the engines. I didn't think I heard him right but the co-pilot got up from his chair and asked me to move away from the door threshold. I had been grasping the bulkhead so hard I could barely open my hands to get out of the way. The co-pilot walked over to a nearby window. I then noticed a hand pump connected to an oilcan with a hose that extended to the engine outside through a hole in the aluminum skin. It terminated somewhere under the cowling. The pilot feathered the propeller and momentarily sustained flight with the other engine alone while the co-pilot energetically pumped oil with his hand crank. Then they repeated the operation on the other side. When the co-pilot completed his pumping on both engines he proudly announced that we were ready for another hour's flight.

No doubt that the oil was ingeniously delivered wherever it was supposed to go. Their re-assurances indicated that this was standard operating procedure. I dearly wanted to share their level of confidence and kept complimenting them on their safe practices while silently hoping that we would soon arrive and land safely. We had now begun our descent and had plenty of lubricating oil in the engines. I was about to settle down to an aerial inspection of the jungle features we were beginning to fly over when the fearless captain informed me that now it was time to save some gas.

It happened that at the time of year of this flight, the ranchers of the Beni burn thousands of acres at a time, creating dense smog that lingers for days. Sure enough, after a few minutes of flight, all I could see below us was a cloud of smoke. Upon

reaching a certain landmark just before the haze line, my valiant captain set his chronometer to zero, trimmed down the gas feed to the engines and announced that we would enter a glide slope at a certain bearing for 45 minutes after which time we should be at our destination. I knew we were flying over completely inaccessible and unexplored territory in total blindness. But my thoughts were absorbed by the stories the two pilots were telling me about the close calls they had had and the possible locations of other planes that had disappeared while attempting the same feat we were now accomplishing. They were very comforting!

At the appointed time he began to drop below the pre-set glide slope and soon we were able to see the green pastures and trees below through the darkening haze. After about five minutes of circling, we found the town of Trinidad and landed safely under the last rays of sunlight near the makeshift slaughterhouse. Suddenly I recuperated my sense of smell and realized I had stood up at the threshold of the bulkhead the entire flight. I unlocked my hands with difficulty and effusively thanked the good pilots for their expert flying but silently promised myself not to use them again. That night I was able to accomplish my mission regarding the sinking barge.

Several years later, my younger colleague and friend, Luis de la Reza, another civil engineer graduated from Texas A&M who had gone back to Bolivia and worked for Consultores Galindo Ltda. was repeating the adventure. He was actually returning from the Beni in another "meat plane" with destination Cochabamba. Tragically, the plane had to attempt a forced landing just after entering the valley. In the crash that ensued, Luis, who apparently was standing at the same bulkhead threshold, was crushed to death by the stocked carcasses. No doubt that I had, and still have, a special star shining over my head.

In his autobiography, "Memorias de un Ingeniero," my father describes in great detail the work he did to build Bolivia's infrastructure and how he formed the pre-eminent locally-owned construction company in the country. When I look back at the Herculean tasks he undertook to accomplish his goals, I am forced to draw a parallel, albeit in a minuscule scale, at the early efforts of Ferdinand De Lesseps starting the Panama Canal. In logistics, De Lesseps had an advantage, in that Panama had a choice of ports while nothing could arrive easily in Bolivia, since it was landlocked and had very little infrastructure of any kind. Just to build sewer lines, my father had to import from the U.S. not only the cement, but the rock crushers, the centrifuges, molds and even the picks and shovels, anything made of steel. The hard part began after the shipments were unloaded at a Pacific port. The climb up the Andes was no easy feat.

Instead of training Chinese laborers imported for the job, he had to train indigenous people, often starting by teaching them to read and write. Somewhat like De Lesseps also, in broad strokes, my father suffered deep disenchantment with the ultimate pay-off he received for his works of creation, which in many ways were my inspiration. A paragraph from his book, courageously written against what clearly was the common

wisdom of his time, is greatly valid in retrospect and sums up one of the causes of his disillusionment. In referring to the instability wrought by frequent changes of rules imposed by changing presidents, which by itself was bad enough, of one of these changes he writes:

“The new Bolivian constitution promulgated under President German Busch recognized the need for private property as long as it fulfilled a social function. But it left in the hands of the government the right to interpret what an acceptable social function was. Herein, was the seed for the demise of wealth creation in the country.”

Although his book had not yet been written at the time I established my business, I was aware of these circumstances just by being around him. These reflections early on reinforced the sense that my inclination to return to the U.S. after some years in Bolivia was correct.

I began to craft a value creating strategy that would be good for the country, good for my employees, good for the company and good for me. First I decided that I would minimize investments in hard assets that could be “nationalized” by a future despot. This ruled out trying to re-start my father’s construction company. It meant our activity would be limited to intellectual services only. The challenge of solving significant engineering problems allowed us to repatriate bright Bolivian students who returned home to work at CGL, among them several engineering graduates of Texas A&M, and many from other countries, thus benefiting Bolivia.

I also believed that every person should be entitled to an opportunity of owning his/her means of production. Consequently, I started a system of paying bonuses and allowing the vested employees to use this windfall to buy some of my shares in the company at market value. I included in this plan not only engineers but mid-level technicians as well. A couple of them, Luis Villegas and Jaime Verastegui, changed the condition of their lives totally as a result, and became my lifetime loyal friends. In the 1970s the former came to Texas for a few months a couple of times as part of the engineering work I commissioned CGL to do for my new Texas land development company.

This policy was great for employee morale and loyalty and institutionalized the company’s business life by placing its ownership among a larger leadership group. Also, importantly, it would give me an exit path when I decided it was time to return to the States. This strategy worked very well. It accomplished all my purposes. Today, 37 years later, CGL still operates under the principal leadership of two Texas A&M former students. It is the oldest, most reliable and now venerable consulting company in the nation. Juan Fossati and Eduardo Valdivia are also powerful leaders in the community. CGL has become an important depository of Bolivia’s technical information.

I left Bolivia in January 1974 to return to Texas. My brother Chris ran the company with even greater success until he returned to Texas in January 1979. During the 10 years of my management, and obviously even more so afterwards, CGL participated in various stages of planning engineering projects, from conceptual definitions through feasibility studies and final designs to construction inspection. We were involved in highway work, electric power development, urban utilities, structural designs for buildings, bridges, dams and other structures, investment analysis, industrial plants, potable water supply, sewage treatment plants, irrigation systems, airport design, hotels, hospitals, stadiums and in many other fields. We had specialists in many areas and for most projects we were able to assemble multidisciplinary teams.

When needed, we entered joint ventures with foreign-based companies. This practice was usually necessary when financing for the project originated with a foreign government or a multinational agency. As common practice, these organizations pretty much require the involvement of a country-of-source vendor as part of the program. With this requirement they provide export opportunities for their domestic companies and reinforce their comfort level with local providers. Mostly we worked with American, Italian, French and German companies. These relationships demanded a lot of international travel, acquainting me with countries and organizations who financed Third World development projects, and with their staffs. Unfortunately, in many cases the expatriates they sent to Bolivia could not carry their own weight and became a burden rather than a help to us.

CGL's scope acquired wide breath and deep reach. In time its story, of importance to Bolivia, should be told in a separate book. To me now, it is a subject of pride. Although at the end I only kept a token piece of ownership, the fact that the company still carries my name and continues to play an important role evokes whispers of a virtue not common in Bolivia – permanence. Permanence and stability are virtues needed for the creation of a healthy business climate. CGL's example provides a sample of these virtues and causes its customers to have a sense of confidence in its work. Unfortunately, although I am now far removed by time, my perception is that government agencies needing those services are still heavily moved by factors other than capacity and track record.

In Chapter 2 I discussed in some detail the rigors to business imposed by anti-free enterprise governments and by the uncertainty that political instability creates. An environment where existing laws that ruled human interactions yesterday are no longer valid today but may come back tomorrow, modified to suit the tastes of the passing authority, is very detrimental to value creation. The impossibility to predict the duration of the new rules every time they are changed, even under generally market oriented governments is detrimental to investment. The large human involvement by rotating authorities in the application of the rules works against value creation. Under these conditions it is very difficult to have the confidence necessary to undertake long-term projects of any kind.

Business uncertainty was the worst deterrent that undermined my work at CGL and it limited our ability to entrench and build the operation steadily. Personal long term planning was rendered captive to sociopolitical events beyond most people's control. It affected not just me but every other person in Bolivia involved in value creation. It is one explanation of why I said at the outset of this book that it matters very much where the person with a dream sets out to pursue it. It is undoubtedly difficult for people who have not had the experience of dealing with business environments as unpredictable as Bolivia's to understand how just staying open is a triumph. To have survived all these years as one continuous entity is a great tribute to the superb leadership of my brother Chris and subsequent CGL management teams.

---033---

THE MINING COUNTRY.

Over the years I have found out that a key ingredient in human personal development is the presence of role models for our endeavors. My son Cid, since an early age, has become a model as I see him progress through life. I admire both my brothers for their accomplishments. My father was always my main example. In addition to my admiration for him, while in Bolivia I began to pay attention to another overshadowing business hero whose life's achievements impressed me deeply.

Picking up with my statements on Chapter 2 about Bolivia's fame as a world-class mining country and the decline of the precious metals boom at the turn of the 18th Century, it must be noted that the search for valuable metals never totally ended. Since the American Civil War the industrial revolution created an ever-increasing demand for non-ferrous metals that heretofore had not had a large commercial market. Late in the 19th and early in the 20th Century, wars in Europe and in the Far East accelerated the demand for new metals. Some of these, such as copper, tin, zinc, antimony, wolfram and lead were known to exist in Bolivia.

The lure of mineral riches was a powerful force attracting prospectors from many different places. Following this attraction in the late 1880s, a young man from the Cochabamba valleys went to the mining town of Oruro, high in the Andes, in search of a job and his destiny. His name was Simon I. Patino. After a few years of self-taught apprenticeship in the mining logistics business, he found employment as a clerk in a supply house owned by a German merchant named Hermann Fricke. In the course of buying minerals and selling supplies, he became well acquainted with a miner by the name of Sergio Oporto, who was one of Mr. Fricke's customers. Mr. Oporto, now well known to Mr. Patino, ran out of credit because of the poor performance of his mine.

By 1896, still working at the Fricke store, Simon Patino bought half interest in Mr. Oporto's mine, which at more than 15,000 feet elevation, was situated on top of an ominous mountain where howling winds, ice flows, and mudslides terrified all living things. Nature allowed permanent residency only to rocks heavy enough not to be lifted by the constant frigid gales that blew most of the year or could not be carried down by the frightening frequent mudslides. Two years later Mr. Oporto had had enough of eking out a miserable living in such an inhumanly harsh environment. At that altitude, even breathing becomes a difficult task. Mr. Patino, now also in debt up to his eyeballs, risked even more. He bought Oporto's remaining half interest and moved to the mine himself. Soon he also ran out of credit. As he was about to abandon his dream, his young bride, who had stayed behind in Oruro, came to the mine with some \$4,000 that she had acquired by selling all her possessions, including pots and pans. On the verge of total failure, late in 1899 they struck a vein of tin so pure that most people thought it was silver.

Some miners at the time would have been discouraged by this event, for it was silver that they preferred. Patino, however, though lacking formal education was a dreamer who had kept himself informed about world affairs. He immediately saw the huge value of his discovery and moved to develop it. After claim-jumpers sieged his camp and after he defended it with live bullets and man-made avalanches, fought-off many legal counter-claims and defended his possessions from other attacks about which books have been written, Mr. Patino consolidated his ownership and transformed this area into the world's largest tin mining complex. Landlocked in one of the world's remotest mountains, he built dams, power plants, railroads, ore-processing mills with the latest industrial technology, housing, schools, hospitals, and other support facilities. He was a rare native son who worked his own discovery, rather than selling it for a quick gain. The record shows that he declined to accept all of the many Chilean and English offers he received to purchase the mine. In the midst of the paralyzing isolation of the mining country, he educated himself in the arts and sciences of shaft and tunnel mining, mineralogy, transportation, power generation, personnel management, law, finances, politics and international relations. In the process he acquired an over-arching understanding of the interrelationships of capital, labor and government that soon allowed him to re-invigorate the sluggish Bolivian economy and later to form a global empire.

As a preamble to understanding Mr. Patino's work, it is important to remember that by the 1780s Anglo-Chilean companies had achieved control of the large guano and salt deposits lying in what is now northern Chile, which at the time was Bolivia's littoral. When Bolivia attempted to bring these companies' under its laws, Chile declared war, militarily invaded the territory and annexed it. This uneven conflagration, that also involved Peru on Bolivia's side, was won by Chile and is known as the War of the Pacific. It was not legally ended until the peace treaty of 1904 by which time most of the tin mines in inner Bolivia still belonged to Chilean companies and remained so after the

pact. The power of ownership-by-rota of such important assets gave Chile a sort of suzerainty in the mining regions of Bolivia. Even in the decade of World War I, Bolivian authorities had to accept counsel from the Chilean embassy to settle significant labor disputes in the mines. I remember my 1950's childhood history and government classes still dwelled on the fear of Chile's expansionist policies. This sentiment was used by the socialist government of the time to deflect the sufferings of the people and rally them behind their leadership.

By the end of World War I, in an effort that preserved Bolivia's territorial integrity and perhaps its survival as a sovereign nation, Mr. Patino had bought a good part of all Bolivian tin mines, including those owned by his powerful Chilean rivals. He accomplished this in a secretive game of international stock trading legerdemain. Ultimately he acquired control of tin mines in the Malaysian Straits and tin smelters in Europe, thus becoming the true Tin King. He was the only person powerful enough to bring about the signature of the International Tin Agreement among the major producers and consumers of the world, which, by establishing a stockpile, was able to moderate the wild swings in price that had previously buffeted both the producers and consumers of this mineral. He convinced everyone to set the floor price based on Bolivia's mining costs. This move saved the Bolivian tin industry, whose extraction costs were significantly higher than the Malaysian Strait's. In the absence of this pact, Bolivian tin production would have disappeared just as its rubber and quinine production did a generation before. Thus Mr. Patino, in two different but equally significant ways was the savior of his beloved Bolivia. To preserve the value of its own strategic tin reserve, the United States government finally joined this organization under President Gerald Ford, thus validating the wisdom of Mr. Patino's initiative.

As an employee of Mr. Fricke's mining store, Mr. Patino had grown to know many virtues displayed by this German trader. When he was in need of, and able to pay for, he preferred to purchase German technology and supplies. Despite his early admiration for the German character, before the middle of the 20th Century's second decade, Mr. Patino had made Paris his headquarters. First German Kaiser Wilhelm II before World War I, and then Fuehrer Adolph Hitler before World War II, courted and lobbied him in high-pressure efforts to secure a source of tin for their military industries, to no avail.

A twist of fortune gave me the opportunity to be more familiar with Simon Patino. My mother and his daughters had been acquainted with each other as pre-teens. From about 1914 to early 1925, my mother's father served as a diplomatic officer in the Bolivian legation, first in Switzerland and then in France, working closely with Mr. Patino, who was the "*Plenipotentiary Envoy*" (Ambassador). Through this relationship my mother developed a friendship with his three daughters, about her age, and through them she learned much about Mr. Patino as a family man. In 1967 I was honored to meet one of his daughters, Mrs. Graciela Patino Ortiz Linares, during one of her rare visits to Cochabamba. During a private dinner at my parent's home, the reminiscing of their childhood years and the answers to the probing questions I made, gave me an

even closer insight of this great man. Following World War I, Mr. Patino was one of the wealthiest men on the planet, and therefore one of the most powerful. His decision to trade with the western allies only was of great importance for the cause of freedom but, in my view, historians have not given him the proper credit for such critical decision.

Tin became to the food industry almost as important an ingredient as agricultural implements, for produce could not be canned and preserved without tin cans. Tin was used in all sorts of industrial applications to manufacture machinery, engines, vehicles, home appliances, plumbing systems and even consumer products such as pewter, toothpaste tubes and buttons. Tin made the construction of large borehole weapons possible, as well as axles for howitzers and other moving equipment where the heat of friction needed to be abated. Mr. Patino provided it in the voracious quantities the world demanded. His dream, constancy, ingenuity and dynamic energy made the production of these improvements possible on a large scale. Here was a man who knew how to serve liberty with his creations. The week after Christmas of 1926, he crowned his financial achievements when the stock of Patino Mines Enterprises Consolidated, Inc. (PMECI) began trading in the New York Stock Exchange. His tin empire circled the earth from the U. S. to Europe, to Bolivia, to Malaysia. He is history's only South American sole-proprietor capable of listing a globe spanning organization in the world's main stock exchanges.

In what to me is an aberration, and a living expression of Bolivia's frequent negative reaction toward its outstanding citizens, he was treated by the authorities as a scourge to his land of birth. During the socialist period of the 1950s and early '60s his name was maligned everywhere. The official press constantly demonized him. School children were taught he was bad. Even before the socialists, precursor governments abused his patriotism by foisting onerous foreign exchange rules against him and other important miners and by borrowing from him in times of need and then overtaxing him and paying their debts with devaluated currency. In 1952 all his Bolivian investments were nationalized. For the Bolivian leadership of the day, his sins were not to be a socialist, to have uncommon vision and abilities and to understand business on an international scale.

The taxes his companies paid provided much of the country's revenue and his businesses were Bolivia's largest employers and consumers of other industrial goods. Several times in his career he offered to invest in other productive enterprises that would benefit the country but was turned down or given a chilly reception, in my opinion to the detriment of the public. Yet, when Bolivia, in a dispute over potentially rich oil-bearing lands, went to war against neighboring Paraguay in the mid 1930s, it was Mr. Patino who funded a good part of Bolivia's military needs.

To me he was a genius, who showed by example how a little mountain boy from the crevices of the Andes with a big dream could become, through his uncommon vision and the dint of his hard work, one of the world's most powerful men. He was the

ultimate value creator, on a par with Andrew Carnegie, John D. Rockefeller, Henry Ford, Alexander Bell and other industrial titans of the early 20th Century. He did for the tin industry what the Guggenheim family did for copper, except that the latter didn't keep their sight focused in their native Switzerland, and therefore their empire became a permanent American dynasty. Mr. Patino's dynasty remained homeless and dwindled away, its remnants now centered in Switzerland.

The ravages of the 1952 takeover of the mines were abating by 1968, and President Barrientos was pushing to build a tin smelter in Bolivia. Heretofore tin had been exported as ore and smelted in Europe, mostly in England. After Barrientos' death the plant was finally finished and activated. For the first time pure tin ingots were available in the country in reliable industrial quantity and quality.

During the pre-Barrientos days the socialists did not brook dissent to their policies, but risking their ire I engaged them in verbal contests on every occasion I found. Receptions within the expatriate community and civic meetings were my usual battlegrounds. I was always dismissed as a selfish cruel capitalist, an enemy of the people. They thought that a dangerous creature such as me had to be carefully watched. When Barrientos became president, they were mostly pushed out of government power but certainly not out of Soviet favor. The intellectual war continued in the same forums but now there was a little more opportunity to translate words into action. I wanted to give my words practical value that would help both the community and me. Inspired by my brother Chuso's example in the bicycle business, I saw the availability of pure tin as a great opportunity to develop an industry that would use it as a raw material.

Thinking about Mr. Patino's unappreciated legacy, I contacted a friend I had made after my return to Cochabamba who was in the shoe business and had a very good manufacturing experience. As a teenager from Croatia, Boris Zorotovic had arrived at the mining town of Oruro with his parents, escaping the German invasion of the Balkans during World War II. After his father's death, he and his mother moved to Cochabamba where he went to school and became integrated in the mainstream of the country. By the time I met him, he was a high-level manager at the Bata Shoe Company of Cochabamba.

He accepted my idea to find an industrial use for tin and agreed to a 50-50 partnership. We sealed our understanding with a handshake in Sao Paolo, Brazil, where he was on temporary duty. Boris and I, until his passing, never needed anything more than a handshake to signify our commitments to each other. We commissioned CGL to prepare a feasibility study and suggest machine purchase requirements. We learned that by now plastics, aluminum, ball bearings and other materials had replaced tin for the uses for which it had been so necessary before.

Our best opportunity resided now in manufacturing solder wire for the electronics industry. At the time we had no idea that by the late 1980s the extreme miniaturization of computer chips would also eliminate this application. However, if we had, we would probably have proceeded anyway because of our desire to create new values and our youthful confidence that new uses would be found. After an international bid, we selected a German machine works manufacturer from whom we bought our custom-made heavy equipment. To fund the project we used all our savings and borrowed money from a bank by pledging as guaranties most of our possessions.

By mid 1972 the smelting pots, draw presses, spooling machines, heating devices and all ancillary equipment arrived. The company, "Aleaciones de Bolivia Ltda." (Albol), was born. Soon we realized that although we could learn to manufacture good quality solder bars and wire, we had no real access to the international market where demand was high. In 1966 I had been named Denmark's Honorary Consul for Eastern Bolivia. From this position I learned about a Danish company that was very active in the non-ferrous metals market in Brazil and the countries of Northern South America. It operated under the name of Bera followed by the country of its presence, such as, for example, Bera de Colombia. We negotiated the formation of Bera de Bolivia, S.A., which acquired all the assets of Albol, but not its liabilities, in return for some cash and 25% of the new, much larger, corporation.

I remember well the day we sealed this pact in Copenhagen, Denmark, because it was the same day the U.S. Embassy in Saigon was overrun by the communists and an announcement was made in the middle of our meeting. The date was April 25, 1975. Our neo-socialist Danish friends could not conceive a transaction without shifting their risks to Her Majesty's government and in return giving it a big piece of the revenues and ownership. Their policy was the same in Bolivia, where the government also wound up owning a piece of the company in return for certain export incentives. I felt like a lone wolf in holding out for at least a few residual rights of ownership under the scenarios foreseen in their participation agreements.

With the advent to power of Gen. Hugo Banzer in August 1972, a period of relative stability dawned in Bolivia. By 1975 the outlook for our little company had already began to improve. Starting with our agreement, the Danish partners took management control and Bera de Bolivia began growing quickly. By 1980 we had moved the factory from Cochabamba to La Paz and added a modern, environmentally clean, lead recycling plant that provided a market for old batteries and other heavy lead content waste in the country, and even in neighboring Peru. This was a significant ecological contribution to the region.

The attraction of tin solder is its low eutectic point. This is the temperature at which tin mixed with another metal such as lead melts. It is significantly lower than the melting temperature for either of the metals alone. Thus, it can be applied as an easily flowing liquid that fuses with bed-frame metals, such as treated steel, at temperatures not high

enough to damage the components, like copper or silver wires or other alloys in an assembly. It binds them together without changing their electric conductivity and almost as firmly as if they were welded. Because of its relatively low energy requirement, the process is fairly cheap.

During the military rebuilding of our defenses in the early 1980s Bera de Bolivia, via Canadian, British and other intermediaries, supplied a good part of the solder wire needed by U.S. industries for electronics work. This was our small contribution to the restoration of the arsenals of freedom. We also increased the value added by Bolivian production to tin, lead and antimony. We provided new sources of employment and commerce and, not least, with the generous royalties that we paid our Danish partners, originated a new source of hard currency for Denmark. On a personal level, the friendship and mutual respect that grew between Boris and me was another form of non-monetary compensation that I greatly appreciated until his death in December 1999. In another example of the strength of parental bonds so ingrained in my family, my father represented me as chairman of the board of Bera de Bolivia when I couldn't attend, which was most of the time since I already lived in Texas by then.

Swept by the conservative wave spreading from across the Atlantic, by 1985 the Danish government had begun to somewhat turn away from the most expensive corporate welfare policies of its socialist zenith. Without special subsidies, some of the so-called private companies were not able to survive. Such was the case of our initial partner - Paul Bergsoe A.S. The other partner - the East Asiatic Company, could not, or would not, go at it alone. Perhaps due to their pressing solvency problems, or perhaps due to the decline of our market, in a move not consonant with either the partnership agreement or solid business ethics, our Danish partners, without consulting us, sold their controlling interest in the company to a consortium of our local factory employees.

Boris and I were left as minority partners in an organization that had suddenly lost the support of the Danish and Bolivian governments, had become disconnected from its former markets and had undergone new management. In the minds of the new managers, the *raison d'être* of the company was to become their permanent source of employment as opposed to also giving a return to its stockholders. It was November 1987 before we could sell our shares to the new managers. This was possible only as a result of my extended efforts during a couple of trips I made to La Paz. It was an unexpected exit from our enterprise; but all in all my experience with the tin alloys initiative turned out to be very economically and personally rewarding. When it was all said and done, as it happened when I sold CGL, I also wound up selling this company to my former employees.

Following the death of President Barrientos, Bolivia nationalized the oil companies in 1969. I decided to visit Ecuador and Argentina, the re-assigned destinations of their former executives. I did not want to move there personally. My plan was to establish a joint venture with a local engineer and set up a project office in each country. I realized

this would be difficult to accomplish while operating as a Bolivian company. My friend Sandy White had also been transferred to Paraguay, and I went there too in search of new opportunities.

To facilitate international expansion, I decided to position my base of operations in an offshore haven. From there, I could offer consulting engineering services in other South American countries. To acquire an international aura and for tax reasons, on March 17, 1970, I incorporated Galco Engineering Co. in Nassau, Bahamas. Despite several trips to these South American countries to offer engineering services, my efforts in this respect did not pan out. However, I realized that because of contemporaneous U.S. tax laws, Galco was the perfect vehicle to make passive investments in the U.S. I would re-focus the purpose of Galco Engineering from a South American engineering services provider to a U.S. real estate investment firm. Thus, after a couple of disappointing meetings with President Banzer in 1972, in which I respectfully informed him of bribing demands made to me by his Secretary of Public Works, with whose department we had some consulting engineering work pending, I decided that the time to return to the United States had arrived. By mid 1973 I had been able to put aside some \$ 53,000 in cash, which I decided I would use as the base for my new adventure. With the help of a major law firm in Houston, I completed my research to make my investment there.

---034---

TEXAS REAL ESTATE.

My experience as an owner-engineer had introduced me, as a very interested observer, to the topside view of the person in charge, in whose world the engineering part becomes only a narrow and time-limited component of the whole. I dreamed that some day I would attempt to move up from engineering to project ownership. I now considered it was the time to try. I could not fathom how I could own a dam, or highway or an airport, but I had learned how to develop land when my father retained CGL to subdivide his suburban orchard in Cochabamba (See Give to Receive, Chapter 5). My friend Jaime Pero, who at the time was the lead engineer for Boyle Engineering's office in Bolivia, gave me valuable lessons in land usage when I tackled this project. Thus, armed with what I perfunctorily thought were sterling credentials and with an open mind to learn, I opted to become a real estate developer. In time I captured the essence of my work when I wrote the introduction to one of my company's brochures:

Of all natural resources God has put on this earth, land is perhaps the most valuable. Therefore, responsible use of the land for Real Estate purposes is the developer's underlying basic responsibility. At R. A. Galindo, Inc. real estate development begins, proceeds and

is completed with this responsibility in mind. The challenge is to produce pride-instilling places for people to live, work, and play in an efficient and imaginative manner. Land users must consider the fact that their actions today will affect living and transportation patterns of generations to come, perhaps even for centuries, as we see in Europe now.

In the summer of 1973, I came to Texas to consider a land acquisition either in Houston or in the Bryan/College Station area, the home of Texas A&M. I was fairly familiar with both of them. I selected a site in four weeks, during which I worked and slept in a bunk bed at the very hot intramural gym then still standing from my college days (DeWare Field House). Jean and Charles Szabuniewicz were students at TAMU and worked as lifeguards at the university's pool when I was there in 1971 and had become my friends then. At that time they had also sold me a small fourplex in the "North Gate" area, which they managed for me. They were now the night watchmen for the gym and had access to a room in which they kindly let me stay. Jean and Charles had arrived in Texas in their pre-teen years from what was then the Belgian Congo, now Zaire. They are two remarkable persons about whom we will hear more later. With Charles' help I selected a 75.87-acre tract on the south side of Bryan, west of the college, met with the realtors, and submitted a contract to purchase it. I agreed to buy it for \$110,000. I would pay \$51,000 in cash and assume a note for the remaining \$59,000. Upon the offer's acceptance I returned to Bolivia to prepare for the move.

My family and I arrived at College Station on January 6, 1974. I had committed all our money to the land purchase except for a couple of thousand dollars that would have to be stretched until I could generate revenues from the project I had envisioned. I rented an unfurnished place to live in and bought a used car for transportation. January, being the height of winter, was a little cruel for us because, due to the uncertainty of my ability to generate early funds, I didn't hook up electricity or gas to our little apartment. My wife and children valiantly stood by me until some thirty days later when I was able to commit to such an obligation. Doing homework by candlelight and sleeping and eating on the floor was an experience that I think helped form the enviable character all my children display today.

On the appointed hour of the closing date, Jan 17 1974, I went to the title company to pay for and to take possession of the land. All my liquidity was gone. In the intervening days I had contacted my old classmate Lee Lowery, who after receiving his Ph. D. degree in civil engineering, was now one of the shining young stars of the university's engineering faculty. After listening to my plan, he told me that so far his life's savings were \$10,000 and that he would give them all to me if I could raise the rest of the money. My plan was to form a Texas company to purchase the land I had just acquired and use it to develop a housing subdivision to serve the growth I expected would occur around the university. I envisioned this growth to occur as a result of the far-reaching changes made by the college's regents in the mid-sixties. Enlarging the mission of the

institution from a mere college to a far-flung university and research center demanded other changes such as making military training optional and admitting women to the student body. I thought that the new Texas A&M offered a sea of new opportunities. Lee agreed and we went to work in high gear.

We needed \$120,000 to buy the land and give me some survival money; we also agreed that the new company would assume the outstanding note. In fact, it was Lee who raised the remaining funds, for they came from his teaching colleagues at the university plus \$5,000 from Frank Thurmond, the gentleman who sold me the land and later would become a lifelong friend and business associate. I wanted to retain control, so I subscribed 51% of the capital. Six others and myself formed the Brazos River Corp., Inc., known as The Braver Corp., and received our charter papers on March 26, 1974. I was set to become a real estate developer.

The first wake-up punch occurred when the City of Bryan turned down our request to extend any utilities to our site or to help with the construction of access roads. Having the university in mind as the nucleus of growth, I had chosen the closest available tract to its campus I could buy with the funds available. Texas A&M University is centered between the twin cities of Bryan and College Station, creating a triumvirate of power bases with very delicate political interactions. Our tract was adjacent to the university's properties and to the City of College Station but it fell under the City of Bryan's extraterritorial jurisdiction. Although Bryan's downtown was some six miles away, we had to meet its development requirements.

In early 1974, Bryan was still a rural community guided by a city council somewhat mistrustful of newcomers and new development. Its economy was based on agricultural production, mostly cotton, grain and cattle. The last wave of immigration had been around the turn of the century when a number of Italian farmers settled in the neighboring Brazos River valley. Although the Air Force operated a base until the early 1960s, not many newcomers had settled in the area after that. Though certainly not the first one, I was part of a surge of arrivals who were going to bring great change to the community. Despite the fact that my group could prove adequate financing through a loan we had arranged from a local bank to develop our tract, we could not convince the city council that our side of town had the potential we saw. Without adequate access and connecting lines for water and sewer services we could not get started. It seemed that we had just buried our savings for a long time.

I had never heard of a Municipal Utility District but Frank Thurmond suggested I look into it, for he knew it was a very popular development tool in the Houston area. Before long I had a contract with Cyril Smith, a remarkable older attorney in Houston whose firm specialized in helping developers organize these districts (MUDs). A MUD is a political subdivision of the state empowered to issue public debt for sharing the cost of building potable water, sewerage and drainage systems. To pay the bondholders, it can levy unlimited taxes on the property owners within its boundaries. Therefore, the

estimated tax receipts, calculated at a reasonable rate that the market could bear, determine the amount of investment possible.

This is a fair way of paying for these improvements because it removes the risk of a potential subdivision failure from the taxpayers within the city and puts it all on the backs of the property owners within the MUD, who also stand to be the main beneficiaries. The lawyers taught me the many legal, political, financial and physical tests that had to be fulfilled before I could form such a district, but the most daunting was the minimum size of development that could justify the economics of a bond issue. It turned out that our measly 76 acres was not enough to merit attention. We had to enlarge our holdings by a factor of at least five. My dream of owning a complicated multidisciplinary project and to have a view from the top was at hand, but now it left me dumbfounded.

Faced with no other alternative, we set about buying adjoining land. Bill Adkins, PhD, a partner in Braver, was also a teacher of real estate economics at Texas A&M and had been involved in land syndications in the past. He put together a couple of investment groups and acquired control of additional acreage. We also needed a few voters in the district so that they could elect a board of directors empowered to prepare and pass the bond issue. Our solution was to buy left over acreage and some remaining lots of an adjoining rural subdivision and to bring in three adjacent homeowners as the first residents of our MUD. While we were working single mindedly to put the basics in place, our bank began to feel jittery and announced its intent to revoke its loan commitment. We already owed significant amounts to lawyers, consulting engineers, surveyors, market analysts, testing laboratories, financial advisors and other professionals. Fortunately most of them had agreed to contracts making our obligation to pay them contingent on the bonds being floated.

Some of the engineering needed by Braver was bought from CGL who, in a rare reversal of the usual flow of technical support, sent us designers and surveyors from Bolivia. Through the new MUD, we built our own sewage treatment plant but did not drill any water wells. As part of our feasibility plan, we negotiated a contract with the City of Bryan to buy bulk water at a delivery point about 2.5 miles away. We agreed to build the main line at our cost and let the city tap into it for intermediary users. We also agreed to pay for the water at 1.5 times the in-city rates. This was a pretty good and immediate demonstration of the added value we were bringing to the city.

Finally by January 1975, a year after I arrived, we were able to fulfill all the requirements - economic, financial, legal, technical, social, political and institutional that were necessary to be a viable MUD. On February 25, 1975, the State of Texas officially created Brazos County Municipal District #1, (BCMUD1) comprising 360 acres and having six voters (three couples) within its boundaries. My good friend Vaughn Bryant, Ph.D., a professor at TAMU and prolific anthropology researcher and writer had, to do me a favor, bought one of the neighboring lots that we had included in the MUD. As a property owner he was qualified to hold office. He was elected president, a non-

remunerated position, and continued his voluntary support of my activities by accepting the job. Under his leadership the MUD began to crank up and gave me an irreplaceable tool to achieve my objectives. By this time our bank also decided to stick with us after all and provided the funds we needed to cover our share of the underground utilities, build streets and other improvements not touched by the MUD, and for other administration expenses.

Funding of the underground infrastructure was not the only difficulty we confronted. Although our property was adjacent to TAMU's property, it was landlocked. The existing access was a horse carriage trail along the A&M border, totally inadequate for a housing subdivision. About that time, I was fortunate that my county precinct commissioner, under whose jurisdiction our future road fell, changed. The newly elected commissioner was Randy Sims, a forward-looking former A&M football star who was beginning his political career. He was able to persuade the chairman of the board of the university's regents that cooperating with me would also be good for TAMU. Through this effort, we gained sufficient right-of-way to build an adequate entrance.

The Braver Corp. was finally ready. We began by developing our original 76 acres under the name of Westwood Estates. To the disbelief of many listeners of my remarks on inauguration day, March 30, 1976, I predicted that in a span of ten years the population around the BCMUD1 nucleus would surpass that of Navasota, a neighboring town of about 8,000 people. My prediction was slightly conservative, for demographic estimates attributed this number of residents to my general area by 1984. The man-made boundary of my developments with the older parts of the city was then, and continues to be today, the railroad track serving Bryan-College Station. Without a grade separation and with more than 24 trains a day running on it, it becomes a clear and living barrier to the continued development of my side of town.

Yet, as I write this book, the area is still growing despite its continued treatment by the city's elite as the literal "wrong side of the tracks". In a citywide referendum in 1984, the voters overwhelmingly approved a bond issue to build a through-traffic railroad crossing, but successive city administrations proved their bias by ignoring this mandate. Recent internecine fights among the interested power groups currently active in the city continue to reflect the skewed view of progress held by significant parts of Bryan's leadership. A 1999 effort of the city government to finally help growth in my area stalled in 2001. The '99 council decided to facilitate the construction of a championship golf course and conference center but the initiative drew opposition from powerful interests not used to seeing any tax money reinvested in areas other than theirs. They also saw this effort as conflicting with competing initiatives launched across town. In the hotly contested city council election of 2001, a new mayor and some councilmen gained office. With their presence, the interests of the competing developments across town easily prevailed. Under their instructions, construction on the golf course and conference center in my side of town ground to a stop. Very recently the golf course construction was re-activated and promises to be one of the best such facilities around.

My insertion above of 1999 to 2002 happenings in Bryan in the midst of a historical recollection serves also to help me shine some light on the little exposed issue of property tax-revenue allocation. In rough numbers, since its annexation in 1981, the City of Bryan alone has extracted more than fourteen million dollars from property owners in the area of my developments. When a train takes its maximum fifteen minutes allowed by ordinance to block our thoroughfare entrance street, a house could burn down, a heart attack victim could die for lack of an ambulance, a mother in labor could miss the hospital and/or a robbery could be consummated. The city has no stations on our side of the tracks to provide these services. It is failing in its charter obligation to do so in return for the taxes it levies. Even if it did, the cost of supplying them is only a fraction of the property taxes collected. Until the year 2000, the balance of these revenues have gone into the city's general fund and used by its handlers to serve and improve other parts of town with capital investments, usually as local contributions to secure other funds. This situation has a strong smell of effete neo-colonialism.

The lack of awareness among the public about the power of the leadership to redistribute funds at its whim is a major problem. If only a few are aware of this privilege and they have the power to affect the decision, they can benefit their favorite neighborhoods at the expense of others, as happened in Bryan. I am sure the example of my own experience is not unique. An amelioration of this situation, I believe, derives from having borough representation in city councils. In this manner, every part of town has its own watchdog and the possibility of large abuses by one borough over another is diminished. In my opinion however, a city would still need peacemakers and overall spokesmen. Thus I think a combination of a majority of precinct with a minority of at-large councilmen and mayor is a good solution. My thanks for this improvement to democratic representation go to the Federal Voting Rights Act, courtesy of a Democratic administration. The 1999 golf course initiative for my side of town came about only after Bryan's adoption of this type of government representation in 1995.

While today, due to diversified interests, I am more an observer than a committed player in the happenings of Bryan, twenty-five years ago I was scrambling to win every little local battle that faced me, and I needed all the help I could get. In 1978, Joe Elliott left his aerospace job in California once more and came back to Texas to help me found the domestic branch of CGL and to accelerate our development pace. When my brother Chris returned to Texas in January 1979, he took over the engineering company and brilliantly tested for his professional engineer and land surveyor's licenses, even though his academic training and early professional experience had been in petroleum engineering. He later formed his own company known as Galindo Engineers and Planners and supplied much of the subsequent engineering services that my developments required.

But all was not negative; I was fortunate to have a few supporters and allies in my local battles. One of them was very powerful. Ford D. Albritton was at the time the most

successful industrial entrepreneur to have ever lived in Bryan and reigned supreme in the financial community. He was also on the board of regents of Texas A&M. In this position, he had seen the benefit to the university in cooperating with Randy Sims to provide right-of-way for access to Westwood Estates. Among many other possessions, Ford owned some 160 acres separating BCMUD1 from the inner city of Bryan. Being a man of extraordinary vision and a great risk taker himself, he agreed to add this acreage to our district, thus providing his land with utilities and allowing us to be an even more viable entity. This annexation took place just as BCMUD1 sold its first \$845,000 bond issue on July 13, 1975. Eventually Galco Engineering bought his land at a price already improved by the existence of utilities and sold it to Braver, who in turn subdivided it and retailed it for substantial gain. As a Texas A&M regent, Ford also understood the significance of Braver's developments on the western side of the university's properties and facilitated opening access to Westwood Estates. From the time I met him, Ford became an exemplary figure and enriched my life with his insights and friendship.

Shortly after I went into business, it was necessary to engage the services of a local attorney to handle my numerous non-MUD transactions. I was introduced to Don Mauro, a young Bryan native who was just trying to start his law practice. I was impressed by his interest and commitment to see me successful. He was a rare lawyer in that he was more concerned with creating values than in loading transactions with legal fees, often not submitting any. I quickly acquired great respect for his abilities, honesty and his modus operandi. He did much to help me conceive sub-projects and find buyers for them; at least one time chasing me across the oceans all the way to Cochabamba to get my signature on needed papers.

Don Mauro complemented our team very well. With his ample legal knowledge and entrepreneurial bent, he helped both BCMUD1 and my companies achieve our goals with minimum legal costs. His assistance in my dealings with City of Bryan councilmen was also very important. In 1980, we fought back an effort by uninformed new residents of Westwood Estates to annex the BCMUD1 into the city before we had completed another bond issue needed for the development. Councilmen Wayne Gibson, Henry Seal and Peyton Waller, demonstrating that political honesty was still alive and well, convinced a majority of their colleagues to vote against annexation. Thus, they kept the unwritten covenant into which the city had entered when it forced my group to find its own ways to fund its developments. By 1981, we had completed our second bond issue, our bonded indebtedness was lower than the city's, and the purchasers of Braver had no objection to annexation. Thus, the BCMUD1 became a part of Bryan as of that year. I still treasure the memories of my relationship with Don.

In a complicated transaction that finally closed on June 4, 1981, Don and a partner bought The Braver Corp., Inc., and liquidated the company. My professor friends and I did very well. Through dividends that Braver began paying after 1976, the original partners received profit distributions amounting to about 5.3 times the original equity. At closing we received another amount about 10 times our investment. In addition we are,

even today, still receiving royalties from oil and gas exploitation from under our former lands. We were pleased not only with the results we created for ourselves but also with the opportunities we created for so many other people who benefited from our risk taking. Once again, the practice of letting my immediate associates share in the benefits of my work proved very practical and gave the shareholders an exit strategy.

Ultimately, Galco Engineering bought not only the Albritton tract but also all of Bill Adkins' syndications within the MUD. In all cases, Galco transferred the properties to Braver who subdivided them and retailed the lots. After the sale of Braver, I purchased another 338 acres contiguous to the former BCMUD1. And together with Lee Lowery and Boris Zorotovic, we bought 123 acres more. Thus, by 1983 I had completed control of nearly 1,000 acres of prime development land on the west side of TAMU's property. The last two purchases were to be reserves for future growth but prevailing macro-economic conditions in the mid 1980s caused me to lose 298 acres of my personal reserve.

While I was negotiating the sale of Braver, a well-known local architect/developer named JW Wood visited me with a proposal to develop a project in College Station. It was located slightly over a mile from the east side of the University's campus. I accepted the idea although interest rates at the time were more than 20 % p.a. The economics were alluring enough to justify the risk and there was a bank willing to advance the money if I entered in the deal. With my agreement to participate in hand, the bank extended the commitment letter. Following the sale of Braver Corp., one of the auxiliary companies I had formed to build houses and assist BCMUD1 in delivering its utility services ended its useful life cycle. I decided to use this corporate shell as the home for the new company I was about to start. On April 16, 1981, we changed its name to Galindo Wood, Inc., paid in a capital of \$200,000 and signed a bank note for \$4,088,376. We bought 124.53 acres from a testamentary will with more than 20 heirs. This was my first exposure to multiple and diverging interests among the sellers. We found out that the unifying factor was to walk in their meeting with a \$2,000,000 cashiers check in hand. We obtained unanimity and were able to close a transaction that was proving otherwise impossible. In addition, later we bought an adjacent 8.35-acre tract that gave us an important corner frontage. I subscribed 53 % of the stock, including 2 % that were for my brother Chris. The partnership retained R.A. Galindo, Inc., as the managing agent for the development.

It was obvious that at lofty interest rates above 20 % p.a. we couldn't warehouse the land for very long. Thus our plan was extremely time sensitive. We moved with alacrity. By mid-1982, we had already realized more than a third of the profits the company was capable of producing, which allowed us to sell its stock as a capital asset, rather than the subdivided lots as inventory. Taking advantage of this favorable tax treatment, we closed the sale of the company on October 30, 1982, for the net sum of \$2,104,000 free of any debt. On March 11, 1985, I received my last payment. In less than four years we had multiplied our money by a factor of 10.5, not counting interim distributions.

The only way we were able to generate such an attractive rate of return so quickly was by being very lucky. But we also zeroed in with surgical accuracy on what was the highest and best use for the land and concentrated on executing the game plan as efficiently as we could. We counted on providing off-campus housing for students in a non-apartment setting, such as fourplexes and duplexes, and on developing the main street frontage for commercial uses. We called our subdivision University Park. The cornerstone of our commercial plan was two twin medium-rise towers. One was a full service hotel, which at the time was direly needed in the area, and the other an office building.

Events proved that the demand for all these facilities was there. In fact, we sold the hotel and office-building tracts based on our feasibility studies, even before we had completed final plans to start constructing them. Galindo Wood Inc.'s buyer was a pair of end-of-stream developers who had previously bought some lots from us in the same subdivision. Mack Randolph and Burl McAllister were commercial developers from Abilene, Texas. We had established a relationship that allowed them to see that I did business guided by two hallmarks. They synthesize my business life. One is to always do what I say I am going to do. The other is to leave enough profit on the table for both parties to be happy. To me this was further proof that mutual respect and dependability in contractual relationships are mandatory for successful long-term value creation.

Prior to the sale of Braver Corp., on February 24, 1978, I had chartered R. A. Galindo, Inc. I capitalized it on July 27, 1981. It became my wholly owned new operating company. Later the Galindo Interests (GIL) limited partnership purchased all the common stock for 90 % of the ownership and mine became the preferred voting stock for 10 % of the ownership, with a total paid capital of \$140,000. GIL was a limited partnership between me and three trusts I had created, one for each of my children. R.A. Galindo Inc. acquired several lots from Galindo Wood, Inc. and I began to establish single asset limited partnerships to purchase the fourplexes I was building for student housing. The process moved fairly successfully until the federal government decided to change the rules of the game.

Keeping in mind that I am describing my personal experience as a study of the effect of public policies in the lives of individuals, all along this book I make commentaries on the history of how these policies came about, and how they affected my business life. To get a sense of the full impact of changes made by government on the macro-economic business plans of full industries, that is to say on the legal rules of the game, it is necessary to quickly review some examples. In my case, the industry is real estate and the changes government made, to correct its prior errors, cost all taxpayers vast amounts of money but it devastated many innocent citizens.

During the Franklin Roosevelt administration, the government decided to insure up to \$40,000 of deposits in any account at a U.S. bank or savings and loan that subscribed

to the federal deposit insurance system. Jimmy Carter upped that ceiling to \$100,000 per account. A person could have an account alone, another with a spouse, another with each of the children, etc., so that the U.S. government could always insure all the savings. During the Carter administration financial institutions known as Savings & Loan (S&L), originally created to give homeowners widespread access to mortgage loans, were in need of more funds to make home ownership even more accessible. The S&L's weak financial model needed improvement, for as long as their only source of revenue was the rather low interest they received from mortgage loans, their ability to compete for depositors' money was limited. The first step authorized was to create a more comfortable spread between their cost of money and the return from their loans. To achieve this, S&Ls were empowered to invest in real estate projects as partners with private developers, thus benefiting not just from fixed interest rates but also from the upside developers seek.

The opportunity to achieve high returns in short periods of time activated a demand for more funds, which could only be met by offering depositors a higher interest for their money, which increased their cost of funds, which in turn pushed the S&Ls to enter ever more risky projects. Often the S&Ls were injudicious with the way they managed the expenses of their operations. However since the insurance limit had also been raised, depositors were now guaranteed up to \$100,000 on each account by the full faith and credit of the U.S. government. They didn't particularly care which S&L held their money and they moved it around following the highest bidder. The race for deposits among S&Ls was on. It turned out to be their death race.

The second step was to change the model for income producing real estate investments themselves. This was achieved by allowing generous capital recovery periods much shorter than the life of the buildings themselves, with the consequent high non-cash expenses that produced accelerated depreciation expenses to investors in these types of real estate. The resulting paper losses allowed affected taxpayers to shelter an equal amount of other income from federal income tax. Investors benefited from inflowing cash, capital appreciation, and tax shelter for other earnings. The problem was that all the pent-up housing and commercial demand had disappeared long ago and by mid-1986 the Texas real estate market was full of empty buildings without prospect of significant occupancy. Only very few could meet their loan obligations. By 1987, the problem had reached national scope and the federal government had to intervene at a cost to the taxpayers never fully disclosed but estimated, on its sum total, in the order of close to half a trillion 1994 dollars.

All these social engineering moves, akin to the more disjointed but equally detrimental changes I had experienced in Bolivia, turned out, nevertheless, to be similarly disruptive. Investors were making decisions based on the tax angles of each deal rather than on its basic economics. By mid-1986 the Reagan administration eliminated the so-called accelerated depreciation methods of investment recovery and with the stroke of a pen destroyed the tax advantage based on which so many projects had been financed.

Investors walked away on any outstanding and future obligations, making it impossible to pay real estate debts to banks and S&Ls. As a consequence, S&Ls, most of whom had been playing a triple role of depository, lender, and investor, couldn't return the principal to their depositors. A financial debacle without equal in our history descended upon the real estate and banking industries. It is my fervent hope that politicians never forget the unexpected consequences that frequently are attached to what at the time seems to be good social legislation. And I hope those who read this book, if they are not aware of this sad chapter in our economic history, will learn and become wary of heavy government interference in any aspect of our lives.

In keeping with the laws of nature as applied to a capitalist market and in the absence of protective regulation, no doubt investors will continue to suffer future losses. Perhaps some day some bright economist may calculate the cumulative cost to society of losses wrought on investors by our present semi-open capitalistic system and compare them with the known costs caused by the unintended consequences of government rules and regulations. My opinion is that Adam Smith's invisible hand produces lesser losses to the economy than the Soviet's Gosplan approach.

Needless to say that, inexorably drawn by the forces buffeting the economy, I lost heavily in the various limited partnerships I had formed to build student housing at Spring Heights, as I called my housing project in the University Park subdivision. My investors lost as well, but I think they understood their loss was caused by actions of powers above our control, which was a poor consolation because for many it had been all they had. My lenders foreclosed on the loans, which, as general partner, I had personally guaranteed. I assumed responsibility for the loans and negotiated terms of repayment for the deficiencies left after foreclosure with the lenders, and satisfied them as promised. Almost eight years later, by the second quarter of 1993 I had cleared them all.

At the time of this debacle, which in Texas lasted from late 1984 to late 1989, I suffered other real estate losses in various other projects I had been involved in, such as a large single-family subdivision and a raw land tract. My lenders calculated the extent of my exposure and I calculated mine, in most cases we came to uncomplicated agreements. Solving the single-family subdivision problem required lawyers and several years. The difficulty was that while the federal government mounted the machinery of the Resolution Trust Corporation to assume the obligations of the disappearing S&Ls not many settlements took place. The Federal Deposit Insurance Corporation (FDIC) carried out the bank rescue operation. The lenders themselves didn't act without previous clearance from these two supervising entities. Therefore it took many years to resolve all the disagreements. But I am very proud to say that, although I lost a good part of my assets, and definitely all my momentum, eventually I paid all my creditors as I agreed I would do. In later years this conduct was remembered by many bankers who showed eagerness to do business with me again.

In the midst of this confusion and uncertainty, I had one bright real estate spot. Earlier in this chapter I introduced Jean Szabuniewicz, my friend from the A&M swimming pool. One day in the summer of 1985 he visited me to invite me to participate in a development he had become involved with in the west Texas town of San Angelo, near its airport and fronting Lake Nasworthy. With his help, I was able to demonstrate that the basics were there not for just one project but for two. I accepted the invitation and proceeded to find lenders and organize the projects. Before my arrival the projects had been given the names of Lake Nasworthy Estates II and III. These names didn't conjure up the marketing image I wanted and they sort of became a nightmare for our advertising themes.

The investor was the Charles Ducote family who owned the project's land. I found two separate S&Ls that had the money and liked my projects. We even built a new sewage treatment plant for the city of San Angelo to serve the area where our residential developments were located. In about a year and half I made enough of a profit to justify my time and efforts and Jean managed to stay in business and save some of the land. Those funds went directly to reduce my debt. The main residential project in this development was dedicated to provide housing for personnel assigned to the nearby U.S. Air Force.

After the San Angelo project, the pace of development that I had grown accustomed to came to a screeching halt due to the escalation of the S&L and banking debacles. Except for a few small transactions, it would be 1993 before I had paid all my debt and could begin to muster new resources to begin again. All told, my assets had suffered a market value loss between their peak in 1984 and their nadir in 1989 of about eight million dollars. In practical terms, the loss of momentum was just as bad.

---035---

SMALL TOWN BANKING.

While building the University Park subdivision I became extremely aware of how much money I was paying my lender for the use of its depositors' money. I literally measured my interest ticker at about \$100 (1981) per hour whether I was awake or asleep. It was an experience I wasn't quite used to yet, but I saw an opportunity in it.

In the fall of 1977, Frank Thurmond approached me to buy a 5 % interest in a new local bank. I did so and was elected to the board of directors of Citizens Bank of Bryan. There I was exposed to the travails of bank management and ownership, as well as to their potential. In view of the large amounts of money I was paying the lender while doing the University Park project, I began thinking about having my own bank; not only to act as a

source and as a recipient of cash and credit, but also to provide the growing area of the BCMUD1 with needed banking services.

I queried the main owners of Citizens about their interest in expanding to the area of my developments but did not find a positive response. Frank, on the other hand, agreed to go along with me. Both of us terminated our association with Citizens Bank on June 1981. On April 16, 1986, former state senator Bill Moore, the original founder and present chairman of the board, bought my stock in that bank at double the price I had paid. The FDIC closed Citizens Bank nine months later. The suddenness of the decline and fall of this financial institution exemplifies the brutality of the economic crisis that gripped Texas in the late 1980s.

During the next several months of 1981, Frank and I brought three other community leaders as major partners of our new bank and constituted the organizing board. Each of the five organizers subscribed 13 % of the stock. We sold the remaining 35 % of the stock to other investors, including my friends Scott Potter and Kay Dobelman. Our charter as a national bank was received February 5, 1982. On November 15 of the same year we dedicated our new building and opened for business. Western National Bank N. A. of Bryan, Texas (Western) was now another dream turned reality. I was very happy that both my parents were with me for the occasion and were able to attend the inauguration ceremony.

The senior member and chairman of our board was W. W. Callan, a very well known businessman in central Texas. He brought to our bank not only respectable deposits and industry connections but also invaluable experience and banking savvy. Starting with our own capital of \$ 2,000,000, which included our brand new building in late 1982, we grew the deposit base to about \$ 40,000,000 by the fall of 1987, when the bank failed. In the build-up years it was exhilarating to see how we were helping other individuals make their dreams come true. We helped set-up practices for dentists, lawyers and other professionals. Businesses ran the spectrum from food catering to oil well services. We had merchants, traders, wholesalers, house builders, contractors, retailers and every kind of tradesmen. Most of our depositors lived in the new areas I was developing. Our loan portfolio was well diversified and, when needed, properly shared with upstream banks. Mr. Callan was a significant stockholder in other banks in the central Texas area that worked with us quite well. Our success at obtaining deposits provided the funds needed to make the loans. Very importantly to me, the area formerly known as BCMUD1 finally had a financial entity fueling its growth and, with its presence, made it more convenient for people to live in the neighborhood.

Way before my banking forays in Texas, I had some exposure to international financial transactions. While representing the Kingdom of Denmark in Bolivia, I learned in 1967 about a market existing in the royal domain for first and second lien mortgages (pantebreve) on private homes. Specialized banks would actually sell the collateral of their home loans to private investors and then administer the paperwork. Although this

seemed like very difficult work to keep straight on account of the thousands of individual loans placed, it seemed that their system worked quite well. Through this practice of selling loans to the public one at a time, the banks were able to replenish their funds to make new loans. Even so, Denmark was still short of cash to fuel the growing demand for new housing.

In an effort to supplement funds from foreign sources, the government passed a law making any returns on these investments by a foreign person or organization free of all taxes. The krona (Danish currency) was fairly stable and the interest rates offered were higher than in the United States. After looking into this opportunity, I decided that my savings would be safer there than in Bolivia, and began to invest in that market. The main danger to me was the fluctuating rate of exchange between the dollar and the krona. By being careful to buy when the Krona was low (many kronas per dollar sold) and selling when it was high (fewer kronas for each dollar bought) over the years I did quite well with this novel financial instrument. While I resisted the temptation to hedge against currency fluctuations, the experience opened my eyes to the potential of the banking business.

This activity introduced me to the wide world of banking and financial operations and showed me that the imagination can be the limit to myriad ways of hedging, currency trading, asset swapping, upstream participations, credit on a plastic card, and in general all the functions that banks perform unseen by the common user of their services. Attached to my experience with the 1980s crisis, this also demonstrates to me, on the one hand that due to wide-open opportunities for abuse, regulation of these activities is in line with protection of the common good. Therefore, it can be seen as a valid function of government. On the other hand, history shows that the banking crisis occurred as a direct result of government intervention in the economy with well-meaning regulations that nevertheless are subject to the law of unintended consequences.

Thus, when we set out to form Western National Bank we wanted to have an experienced and knowledgeable helmsman who understood all these intricacies, but finding the right person was more difficult than I had envisioned. Ultimately we hired a president but, although we gave him stock set-asides, he did not last very long. Over my tenure as a director we changed more presidents than I wished. I have often wondered if a stronger leader right from the beginning would have avoided the undesirable end result Western suffered.

The other internal factor that weakened Western Bank toward the end was Mr. Callan's health. On a business trip we took together in 1986 he mentioned to me that he had cancer of the bone as casually as if he were talking about the weather. He recommended I keep this information to myself because he didn't want special consideration from anybody although he visibly was in great pain. Immediately following that statement he plunged with gusto into our discussions about obtaining new financing for our holding company, which by now was in difficulty with its debt. Unfortunately the

disease became terminal and in a few months he passed away. I personally believe that, had he survived into the 1990s, he would have managed to keep Western from closing down.

Woody Callan, as he was called, was an inspiration to me. When I approached him in 1981 to inquire about his interest in forming a bank with me, I had not even met him before. He attentively listened to my presentation for half an hour without even moving an eyelid. He was 78 years young at the time, had recently married a bride not much younger and moved to Bryan, her home, from his boyhood town of Waco, his previous home. At the end of my talk his only words were - "when do we start?" In reality he was the most enthusiastic, savvy and dynamic member of our group. He left deep tracks on my consciousness with the attitude he radiated and his dedication to always doing what he said he would do.

It will always be a matter of conjecture whether Woody could have saved the bank or not. The real forces gravitating against our continued solvency were the bank and S&L crisis I have described and the crude oil price drop. When President Reagan took office many of the restrictions that kept oil companies hamstrung were removed. A flurry of exploration ensued not only in Texas but also throughout the world. Oil became more plentiful and OPEC (the cartel of oil producing countries) decided it could not afford to curtail production among its members to support the price. The result was that in the course of a few months in 1986 the price of crude went from a high of \$36 a barrel to almost \$6, a towering example of the power released when government gets out of the way and lets private initiative work. This sudden drop in the cost of energy was good for the country, but bad for banks, especially Texas banks. It was deadly for young Bryan College Station banks, where at least four fairly new and two old institutions went down.

At about the time we were founding Western, the local economy had been greatly enriched by newly discovered oil. Just before 1980, an oil-bearing sandstone called Woodbine was proven to be productive in a deep section whose surface was occupied by the City of Bryan. The gentleman who hit the discovery well called his company "Dreamers Oil", for, like Mr. Patino in the mountains, he had had a long-held, strong belief that there was oil where he was looking. He persevered until he found his gusher. The high price of oil then prevailing caused a mini-boom of oil drillers in our area. Many surface owners who had their mineral rights turned millionaires overnight. People from all over the country moved to Brazos County. We became part of the oil patch. By far the majority of the loans granted by Western during the early 1980s were based either on real estate subject to the artificial support of banking and tax legislation or on oil reserves calculated at high oil prices. In 1985 nobody even considered the possibility that oil prices would take such a dramatic drop. In 1986 both of these macroeconomic piers swung out from under our foundations and our loan portfolio began to collapse.

At the time we founded Western we educated ourselves about the advantages of establishing a one-bank holding company. As soon as the viability of Western permitted

it, we incorporated Brazos Valley Bancshares (BVB), owned by the founding directors. We were more interested in forming a stronger bank capable of doing more for the community than in paying dividends. Thus, we plowed all the earnings right into the capital account. Mr. Callan found a bank willing to lend BVB, with our personal guaranties, 58 % of the capital we had invested in Western and with these funds purchase from the five of us a prorated share of our ownership in the bank. Thus BVB became the principal owner of Western and we released some of the direct debt we had incurred to capitalize the bank. The transaction closed May 1, 1985, in total ignorance of what changes were lurking ahead in real estate legislation and OPEC's attitude regarding production rates in its member countries.

When these new factors collided with the economy, Western began to feel the strain. Real estate assets that were in high demand in January 1986 couldn't be given away by November of the same year. Oil and gas based properties worth \$360,000 in February went down to \$60,000 by December. Suddenly loans that just a few weeks before had been amply collateralized were now classified as inadequate. The borrowers themselves lost their income and therefore went in default. Despite all the scrambling and imaginative ways to maintain solvency employed by our management, by the end of 1986 our capital base was becoming marginal.

In 1984, I borrowed from Western a significant loan to develop a single-family subdivision in the former BCMUD1 area. In early 1986 I sold the whole project to a Houston developer who assumed the liabilities without releasing my guaranty on the loan. When in the fall of 1986, he failed to make his payments I resigned to my seat on the board of Western to let events take their legal course. Former good loans in former safe industries given to former stout borrowers were now too frequently in default. My loan fell in these three categories. Following the insolvency of many borrowers, we, the owners of Western, lost all our capital in the bank and could not find funds to inject more equity to offset the losses. The Federal Deposit Insurance Corporation (FDIC) ultimately closed the bank down on October 23, 1987, before the matter related to my guaranty of the Houston developer was settled.

All the investors in Western lost all their money and the directors were left with additional deficiency liabilities. This event left each director with the obligation to pursue the best solution that could be carved out for his own settlement. Rather than blaming management, especially our latest president, Jim Keller, the Callan estate and I chose to take our lumps and settled on a plan to pay our debts. In the 1960s, Jim Keller had been one of the athletic superstars of Texas A&M and as a result had a high profile in the community. He came to us as a business promotion officer and climbed the ranks until he became president of the bank. Jim was always outstanding in his performance, honesty and dedication. In my eyes, his fault in the bank's misfortunes, if any, was no greater than the directors'. I couldn't see why he should be the sacrificial lamb. I settled with the federal officials who had closed the bank and began paying on my stock debt and my share of the holding company's debt to the creditor bank. It would be August 19,

1992, before I finished paying these obligations. Payment of the guaranty on the loan to the Houston developer would not be complete until October 16, 1992.

For some time before the advent of BVB, as we pleasantly watched Western outperform its competitors, we had been turning our attention to other banks in central Texas. We wanted to acquire another bank or banks that could meet our needs. Our goal was to form a bigger and stronger banking institution that could handle larger loans, and thus become a significant force in the development of our area. We were looking for a good fit to accomplish this and also benefit all stakeholders involved. With the added personal liquidity that ensued in mid-1985 by the assumption of part of our debt by BVB, we were now in a position to effectively pursue some of these opportunities. A bank with significantly more deposits than loans fitted our purpose. This scenario existed in some of the rural communities surrounding Bryan-College Station, but was especially true in the areas where farmers had become suddenly rich with royalties from oil and gas exploitation in their lands.

The town of Caldwell, 25 miles to the west, fitted our requirements. Under the leadership of Woody Callan, we acquired the well-run First State Bank in Caldwell (FSBC) on June 6, 1986. It had a good depository base and low loan demand, ideal for our purpose. We paid a premium of 1.34 times its capital, which was a smaller mark-up than the market rate at the time. Woody led the formation of a new one-bank holding company, Caldwell Capital Corporation (CCC), and found financing with a Houston bank. The Federal Reserve Bank of Dallas cleared the transaction although it was a 100 % leveraged buyout. To provide the necessary capital, the holding company borrowed 73 % of the purchase price and some of the shareholders borrowed their share of the remaining 27 %. We each guaranteed our share of the CCC's debt. Several of the Western shareholders entered into the purchase of FSBC, though we didn't constitute a majority. I took 5 % of the total ownership.

When the FDIC asked for bids to take over the failed Western in October 1987, FSBC was the winner and it re-opened for business on the next working day under the name of Villa Maria Branch of FSBC. In a roundabout way my involvement in the ownership group continued although I was never a member of the new decision making group.

After Woody's death and my departure from the Western board, the macro-economic forces that were battering all banks continued to rattle FSBC. Soon it became necessary to inject more capital and shortly thereafter the holding company became insolvent because the bank was not producing enough earnings to keep the holding company's debt current. Eventually the Callan estate assumed all the owners' obligations to the Houston bank and I paid my share of these obligations directly to the estate. It was June 12, 1992, before I finally finished paying for the consequences of my bank ownership adventures. All in all it was a worthwhile experience. Bottom line - I lost plenty of money, but I enjoyed every minute of it because I learned so much, met many fine people, helped more go in business by themselves, provided a bank for the

principal area of my developments in Brazos County, and fueled other lines of activity for myself, such as my incursion in the health fitness industry. If I ever go back into the banking business I will be much better prepared and will not lose sight of the fact that there are hidden consequences in most government regulations.

---036---

HEALTHY MIND IN HEALTHY BODY.

During a business trip to Washington, D.C. in 1972, I bought a little book by the catchy name of "Aerobics." I thought its subject matter was in the realm of aeronautics, one of my hobbies. As I read it, I became enthralled by the conclusions its author reached. Dr. Kenneth Cooper advanced the scientific correlation between exercise and good health in a compelling and well-documented form. He devised a system of points earned by physical exercise and correlated them to cardiovascular fitness. He postulated that running was the best, although not the only way to gain these points. I took the book to my brother Chris and we both adopted its methodology in a way that changed our lifestyles for the rest of our years. I believe that Chris, being the more methodical of the two of us, still logs his daily workouts even today. We became conscientious runners and, by example, inspired many young people in Bolivia to also adopt a vigorous and healthy life of exercise. We were at the early stages of the running revolution that gripped the world in the 1980s.

By way of a self-discovered therapy program to heal my broken heart when the mother of my children decided she wanted a new life with a new man in October 1978, I intensified my daily runs to a level previously beyond my horizon. Helped by a very significant and precipitous loss of weight induced by my depression, I began to discover that long distance running was something I enjoyed. In 1979, I started running marathon races for which I had to train a good ten hours a week, not counting time on weekends. Soon I took-up triathlon competition as well, with the result that my time allocated to workouts was the equivalent of a day and half of work time each week. I had to squeeze these workouts between job and parenting, for I had become a single father taking care of three children. This situation called for greater than common efficiency, so I decided that my exercise time had to become productive time. During my long hours of running, I envisioned developing a health fitness facility that would be like something never seen in my hometown before.

This concept was also complementary to the developments I was making in the area of the BCMUD1, for, as I said before, the city fathers could not bring themselves even after they had annexed the former municipal district, to invest a penny in the area. I pointed

out to them that reinvesting some of the tax money they were now receiving from ad-valorem taxes from the area would help me maintain the growth momentum. This, in turn, would be beneficial to the city. A large recreational area would have been nice to complement the private neighborhood park I built at Westwood Estates. They would not budge. Finally, in the late 1990s, an attempt to equalize this neo-colonial relationship between the area of the former BCMUD1 and the inner city was made. A decision to seed the development of a championship-style golf course in my area of town was announced. Considering that during the first twenty years after annexation the city collected about fourteen million dollars in property taxes and returned nothing or very little in capital investments, any municipal funds invested in this area would improve fiscal balance. As I described in Texas Real Estate (in this chapter), the police and fire protection services the city provided were hampered by an at-grade railroad crossing at the only street that provides direct access to the area.

Prodded by the lack of cooperation from the city fathers, in 1983 I decided to provide an amenity to my developments that would help attract and retain residents and be a profit oriented business at the same time. The match with my vision of the health fitness facility was the solution!

At the time personal computers were just becoming powerful enough to be useful in running uncountable “what if” scenarios of different feasibility assumptions. Lee Lowery was on the cutting edge of computer applications. He ran study after study to ascertain the viability of the idea. With his help, I was able to come up with a sensible proposal based on comparisons with other pioneer health fitness centers that preceded us in other cities of central Texas and which I had carefully visited. A Waco bank owned by Woody Callan and a partner agreed to finance 70 % of the construction costs. I came up with the remaining 30 %, except for a small piece taken by Lee Lowery. Shortly after, Galco Engineering bought about 45 % of the Waco bank’s loan and Western added more financing.

Few people believed that we could put such a unique plan together, but thanks to my willingness to risk my earlier profits and my access to a friendly bank, we did what most considered impossible. As a complementary note to my preceding recollections on my banking adventures, I should point out that this was one of the Waco bank’s largest loans and caused them many worries, but at the time the note was fully paid, they stated that it had also been one of the better loans they had ever had.

On September 2, 1983, I incorporated Aerofit, Inc. I came up with the name in an attempt to capture the meaning of Dr. Cooper’s new “aerobic” approach to exercise and the high level of “fitness” needed by man or machine to perform at their best. Thus I coined the word “aerofit” to denote a person who is cardiovascularly and muscularly healthy. I also used the word as a name for the new facility. We broke ground on January 6 1984. It was a special occasion highlighted by the presence of my parents, my brother Chris and my three children.

Throughout the construction period I had employed a couple of Phys Ed teachers from Texas A&M to prepare them for the direction of the company. The building was a monument to exercise, beautifully but functionally laid-out and wrapped with a glass curtain wall that brought the outdoors in. Sunlight bathes the swimming pool and grand court areas and allows trees and sky to be seen from the inside while being totally climate controlled. At night passersby can look into the building past the ample and wooded perimeter yards and through the two-way mirrored curtain walls see people engaged in all sorts of physical activities, from basketball, running, swimming or weightlifting to gymnastics and other coached sports.

On opening day, September 24, 1984, the university professors got cold feet and were nowhere to be found. I was left with all the challenges of receiving new members and operating the facility without any trained managers. At the time Dawn Suehs was working as my business manager. Upon seeing the bad fix I was in, she valiantly volunteered to fill the void. Dawn had to contend not only with the problem of learning what the service was all about, but also with implementing a business model that experience began showing was significantly flawed. She presided for a one-year period of heavy financial hemorrhaging that forced me to pour in monthly subsidies at a rate I could barely afford. She kept the company and me going but at the end of the first year she felt she had done all she could. And she certainly did more than the highly paid university professors ever did. We hired a new manager but his tenure was more detrimental than helpful. It was providential that at just about this time my son Cid was completing his undergraduate college education and that he took notice of my bad straits.

Cid Alfredo Galindo is the oldest of my three children. He started working for a family company when he was eleven years old as a machete-man in a survey crew at Westwood Estates. He learned early to deal with heat, thirst, briars, poison ivy, ticks, snakes and other varmints. He now jokes that, under current laws, I could be accused of child abuse, but I think he will do the same with his own children, for experience has demonstrated that I could not have asked for, or received, a better son. By the time he was in junior high school, he started managing the first residential rental properties I had began building. On more than one occasion I remember receiving calls from skeptic would-be renters who wanted reassurance that the kid who was trying to sign a lease with them was empowered to do so.

Bryan high school is a 5A facility with a large student enrollment. Cid finished as valedictorian of the class of 1981. He was also captain of the gymnastics team and was involved in many student activities. He was heavily recruited by many universities throughout the country with offers of generous scholarships, but decided to attend Texas A&M. He never told me this but I am convinced he did so in solidarity with his younger sisters and me, as we were all struggling to adjust to the rigors of a one-parent family.

During his college years Cid continued to take an interest in my business activities and in addition to learning about development, in his junior and senior years he became resident manager of a 148-unit apartment complex I had developed. While doing this, he created employment for a few more Aggies who went to school with him and assisted him in management duties. Upon graduation, his academic standing, among the highest in the university, coupled with his extra-curricular activities and his business experience with me, again made him the object of heavy recruiting by some nationally recognized graduate business schools.

Among the remarkable accomplishments he achieved at A&M was the top leadership of the organization SCONA whose functions I had attended as a graduate student myself, and where I became inspired to participate in the desegregation of the school's basketball arena (see Seeding Grounds, Chapter 2). Prior to his graduation he told me that he had decided to postpone graduate school and that he would attempt to turn Aerofit around. This, to me and to him, was a momentous decision. He justified it by stating that he saw it as his duty to attempt to rescue the family's fortune. I think he mostly felt sorry for me but didn't want to tell me so. In any case, I was tremendously happy and moved by his decision.

In a period of two years, from September 1986 to August 1988, I saw him working twelve-hour days seven days a week for weeks at a time, Cid stopped the hemorrhaging and stabilized the business. He did this by radically changing the business model, developing a new marketing program, building a strong esprit-de-corps in the personnel, obtaining credibility among the vendors, re-negotiating payment terms on the bank note and striving for greater client satisfaction. I will always remember the day he came into my office to announce that he needed one more capital contribution from me but that it would be the last. I was skeptical but he was right. From that day on I never had to advance another penny to Aerofit. His tenure as manager was the turning point for the company. When he departed, the company had taken off and was climbing toward a successful maturity. Having accomplished his purpose, he finally was able to pursue graduate studies. He went on to the University of Texas at Austin where he simultaneously completed master of business administration and master of Latin American studies degrees.

Cid was not the only member of the family who contributed to the success of Aerofit. Both his sisters helped. My second child and first daughter, Kim, was, for a while, a receptionist and part of her duties were to open the doors at 5:30 a.m. every morning. In four years of work as a college student, Lis became the top sales person in the organization and helped cover her university education expenses with her salary.

Three years after Cid left the manager's position, in late 1991 Lis came back as a brand new college graduate to run the business. She also worked tireless hours, sometimes from sunrise to sunrise, week in and week out. The stress of the job took a toll on her

and after a couple of years she decided to work outside a family company, as Kim had done earlier. However, she did not take this step before positioning Aerofit for the short opportunity the marketplace would offer to achieve real financial success; success that we experienced between 1991 and 1997.

Aerofit represented to me the one bright spot in an otherwise dismal period of the late 1980s. After Cid stabilized it, it was not making large profits but at least it was holding its own. Conversely, my real estate and banking ventures were losing most of what I had accumulated. Above all, Aerofit gave me the instrument to hold and grow my family together, a place to work out and have fun while working, a healthy environment to unwind and meet like-minded fit friends, office space for me and jobs for my children, and eventually a small but predictable cash flow. At the community level I reveled at the sight of how many people beamed about what Aerofit had done for them. I saw customers curing themselves from many sedentary-life induced diseases just by becoming active; gaining self-confidence with their new looks after some weight loss and muscle gain; starting new relationships that often cured broken hearts and sometimes ended in new marriages; fighting back degenerative maladies with great doses of will power and some exercise; training for athletic competition; participating in sports events held at the club; and many more worthwhile goals, each important to each person.

In 1989, one of our members, Dr. Jessie Coon, a retired physics professor from Texas A&M, went so far as to give Aerofit a \$10,000 dollar gift as a token of what Aerofit meant to him. We promptly set up a trust under his name and used the funds to improve aquatic programs. Today, at age 91, Jessie, who barely looks 65, continues to break world records for age-swimming championships. In another example, in memory of a member who used to run with us and was killed by cancer, my brother Chris took it upon himself to organize a yearly community-wide 5K race based at Aerofit to raise funds for the fight against that disease. Over a period of thirteen years he raised close to \$70,000 for the Cancer Foundation. Aerofit holds events such as racquetball, tennis, swimming, triathlons, weight lifting, basketball and other tournaments. It was, and still is, a real joy to see the effect that Aerofit caused in the community. Without a doubt we had raised the quality of life of not just the Bryan-College Station area but also of a larger sector of the Brazos River valley, as we had many members from every neighboring town.

On August 24, 1991, the Galindo Group of companies held a "Vision Horizon" conference to look at vistas of what we could do in the next five years, which I perceived would be a period of opportunity. The Aerofit staff and board, led by Cid, came up with an expansion plan into other cities. In pursuit of that plan we opened a satellite facility in College Station and purchased two gyms in Austin that had fallen onto hard times. The College Station unit performed very well until TAMU drove it out of business. But, despite our efforts and a good infusion of money, we were not able to turn the Austin gyms around. Events demonstrated that a lot more capital was needed to reposition

them in the market. We decided that it would have been a case of pouring good money after bad and decided to close them down. In less than two years we were out at a considerable loss, which was ultimately subsidized by Aerofit. It was another lesson to be learned in the sui generis market of health fitness clubs. The most significant gain we obtained from this adventure was the business experience accumulated by Dr. Kathy Langlotz PhD, who had been with us practically since Aerofit opened and by Larry Isham, who had just graduated from TAMU but had been working with us since his student days.

The darkest threat to Aerofit was gathering in Austin. The Texas Legislature meets for about five months every two years, which appears to be a short time for lawmakers to pass their laws, but in reality is long enough to be dangerous for the economy of the state and the population at large. Before its 1991 session convened, I received warnings that the Legislature would be considering a bill submitted by Texas A&M to provide for construction of a health fitness center that would be bigger and better than similar facilities in the country. TAMU's administration claimed that such an attraction was needed because, although it was not directly related to its constitutionally mandated core functions of higher education and basic research, it would help the university recruit more students and better faculty.

As is often the case for small businesses into which TAMU decides to enter, the consequences for Bryan-College Station health fitness clubs were not taken into account. The principal users of Aerofit and of six other competing clubs in the community were students and faculty. Without them our businesses were not viable. Consequently, I swung into an energetic effort to limit the damages. It took me four years of almost constant presentations to lawmakers at state and national levels, Texas A&M regents, university administrators and to public opinion media such as newspapers and magazines to wage the war. My efforts earned me the distinction of having my picture on the front cover and be the lead story of the January 1995 issue of the international magazine for the industry, called CBI (Club Business International) with global distribution, as well as in several articles by The Eagle newspaper from Bryan.

I must sadly admit that none of the self-styled stalwarts of free enterprise that I had supported as candidates found the inner fortitude to keep a tax-exempt government agency from trampling on small businesses. They all commiserated with me but, to my knowledge, not one clearly and unequivocally expressed this position to the decision makers at TAMU. The biggest concessions I could extract were that the University would not sell memberships to non-students, although visitors could use it at will; that it would limit membership sales to a set number of faculty and staff; and that it would make these sales at a price at least equal to what students paid, which was much lower than our own rates. TAMU's heavily subsidized palace of fitness finally opened in August 1995. The university adopted a policy to force every student who enrolled for the semester to buy a membership, whether or not he or she ever used the facility.

I was glad the students had good facilities in which to work out; I wished I had had them when I was at school. My objection was, and continues to be, the compulsory nature of marketing the facility. If one is to be a student at TAMU, one must first buy a membership in the so-called recreational center. I submit that exercise is a personal choice, like eating. On a given day one may exercise in the garage, run on the streets, play ball at the park, go to the gym or not exercise at all. To force all students to buy a membership as a condition of enrollment is anti-competitive, expensive to the students and detrimental to the local governments that lose tax base. It is also a great tool for bureaucratic empire building, for it gives administrators a new excuse to hire more people and increase their budget requests to the state, thereby entrenching another constituency.

It is embarrassing that not one so-called "fiscal conservative" politician had the courage to find a more equitable solution. Having served on public agency boards with more than local responsibilities, somewhat akin to a state university board, I understand the duty of these organizations to improve and institutionalize the area-wide services they provide. In my view, the responsibility of a good steward is to temper these requirements with the interests of the economy at large, such as the effect unfair tax-exempt competition has on small business.

The main reason any concessions were granted was not my effort but the fact that the then chairman of the board of the university, Ross Margraves, and one of his top administrators, Robert Smith, were convicted of corruption. After exhausting their appeals, both were given probation and the former was disbarred. The power intrinsic in their jobs was great, but in their greed they wanted even more. In their search for more, they made somebody angry enough to blow the whistle on their wrong doings and the district attorney called them to justice. A good precedent was set. Fearing more scrutiny, the new replacements and the leftover executives demonstrated a little more flexibility in settling pending issues with me and others.

Needless to say that when TAMU opened its "Rec Center," membership in the private clubs evaporated overnight. As a result, five out of the seven clubs in the community went out of business in less than a year. Aerofit, being the larger, most diversified and economically more stable, survived largely by cannibalizing the non-student membership and some equipment of the failing clubs. The losers were not just the club owners and their employees and users. All local governments such as the school districts, cities and county lost a steady source of revenue from lost property taxes. The state and the cities lost their share of sales taxes. Neither was replaced by TAMU.

I am still taken aback by the overwhelming lobbying power a state institution such as Texas A&M, which lives off taxpayer funds, applies in Austin and even in Washington, to grab even more of the people's money, distorting the good judgment and diluting the courage of otherwise sensible pro-business politicians. Until this unfortunate experience, as I relate in other parts of this book, I had been a very committed and

active former student. It pains me to admit that my hurt was so deep that my enthusiasm to continue bolstering TAMU diminished greatly afterwards.

The question of tax exemption to favored organizations that claim altruistic purposes related to church, education, civic, research or charity work often vexes the efforts of tax paying small businesses that have to compete with them. I think a majority of taxpayers would support with glee tax exemptions that benefit the truly needed if a clear definition of true need were available. Reality shows that most of these so-called public purpose organizations wind up spending the majority of their revenues in advertising their mission, which covertly aims at paying their staffs salaries and benefits that small business cannot afford. Savings in property, sales, franchise, severance and income taxes in Texas represent approximately a 35 % cost advantage, which is partly used to provide enhanced personnel benefits. Such affluency allows these privileged organizations to hire very well qualified personnel who in turn increase their competitive edge even more. Thus, the gap between them and struggling small businesses widens further. I provide more evidence for these statements in Tax Favoritism (Chapter 5).

Tax exemptions are one of the major unpredicted fallouts of the 16th Amendment authorizing the federal government to tax incomes. The imbalances they create have to be dealt with practically one at a time. This makes the judgment of the arbiter of the day subject to second-guessing by other parties and therefore no final understanding can be easily achieved. The surest way to eliminate this vexing imbalance would be to repeal the 16th Amendment and fund all governments principally by taxing consumption, not production. This is just one more argument to support the cause of important initiatives to repeal the income tax that are floated from time to time but seldom given serious consideration by elected politicians and the establishment's lobby.

While some truly great Americans are spending their money and efforts to show politicians and public opinion the advantages of consumption-based taxation, the rest of us, unable to help at their level, must continue the struggle for survival. Unfortunately, this struggle sometimes includes the partition of dying businesses killed by lopsided competition. I had to taste the bitter flavor of such an experience.

One of the affected health fitness clubs that could not continue operations in the wake of the opening of Texas A&M's gigantic Rec Center was Royal Oaks Racquet Club, in Bryan. It owned significant real estate assets. This unproductive capital investment exacerbated the loss. The owner approached us with an attractive lease-purchase contract for the business that included the attached real estate and adjacent flood-prone tract. We signed a contract on March 1, 1996, providing for a two-year trial period before any options were triggered. After a successful two-year management effort, on March 1, 1998, Cid and I exercised the option to buy the club with the real estate it occupied. The seller provided all the financing for the purchase but we agreed to make a cash investment for additional improvements.

With the additional investments we made and with the new management skills we brought, we were able to turn the business around. Thus, we decided to exercise the option to buy the club outright, which required full payment of the note to the owner. We also decided to exercise the option we had acquired for the adjacent tract of land, which was a heavily wooded 14.192-acre parcel in the floodplain behind the club. On July 7, 1998, I did a sophisticated multi-property like-asset exchange making the club and the floodplain lot part of the trade. In this manner Cid and I paid the seller off and traded the property to a related family partnership for a significant gain. Simultaneously with this transaction we separated the health fitness business from the real estate and thus created two separate assets. Since our capital was mostly sweat-equity, when we sold both properties our profit was very attractive. Our exit strategy proved fortunate for us and for the seller.

By early 1999, Cid was consumed by his new company in Austin and I was again very focused in the real estate business. Neither of us had enough time to dedicate solid periods of attention to the fitness business. Thus, we began considering the idea of getting out of the business of health club management. While it was always possible to sell to a third party operator, we preferred to create an opportunity for our employees, who by this time also began expressing some interest in purchasing their own means of production.

Cid and I had another incentive to sell to the management team – we wanted to help a new family member. While working at Aerofit as a sales agent, my daughter Lis met Ricky Soto in 1993. He was a student at A&M to whom she had sold a membership. Their friendship resulted in a job for Ricky at Aerofit Villa Maria, as we began calling this facility after we opened Aerofit clubs in other locations. By 1996, Ricky was already my son-in-law and was very involved in the business. He eventually became the head accountant for the whole system of Aerofit clubs. In mid-1999 Kathy Langlotz, Larry Isham, Ricky Soto and two other outstanding managers with shorter tenures, approached us about buying the clubs. One of the new participants was Darren Busby, manager of the Aerofit Royal Oaks facility and the other was Julie Odell, who worked at Villa Maria.

Cid and I helped them set up their new corporate structure and became two of several investors they recruited. We provided subordinated capital in the form of debenture holders, not as stockholders. In addition, with a generous dose of significant owner financing that we also provided, we allowed them to get a convenient bank loan. Thus, we sold the assets of both clubs to them in a transaction that finally closed December 21, 1999. With this conveyance I repeated an already familiar exit strategy of selling to my own management in a deal that was good for both parties.

This was a few months after Cid and I exercised our option to buy the Royal Oaks club and its adjacent land. Immediately, we also began hatching a new project that would allow us to fund the option for the floodplain land. The Aerofit Royal Oaks purchase was

a complicated but totally leveraged buy-out and its later sale produced very lucrative results for Cid and me, especially when attached to the use we made of the floodplain land. This transaction, because of its unique value-creating character, is discussed in more detail in the following section, Reconstruction.

An umbrella view of the financial results achieved by my incursion in the health fitness industry must combine all the offshoots of Aerofit Villa Maria. If one doesn't integrate the Royal Oaks deal into the Aerofit Villa Maria enterprise, the financial results of the latter were spotty compared to other transactions in which I have been involved. Although the financial arrangements surrounding Aerofit's existence have been very fluid and sophisticated, I have been able to calculate that over a period of fifteen years I comfortably beat inflation by eventually getting about 1.75 times my invested capital, which is a low but still positive result. I must clarify that this result includes the losses we sustained in our Austin venture.

The main satisfactions I derived from my incursion in the health fitness business are intangible. These ventures provided my children a crucible where they were exposed to higher responsibilities and possible rewards before most other youngsters their age could dream of experiencing. It introduced me to a totally new business and a new world of activities that I would have never intimately known had I stayed aligned exclusively with my engineering background. Aerofit Villa Maria truly became a magnet for residential growth in the southwest area of Bryan, where I also lived, and significantly elevated the quality of life in the community. All my initial objectives were amply met. I would do it again in a heartbeat.

While engaged in the battle for survival against Texas A&M's Rec Center, I received the visit of Fred Brownson, a University of Chicago Ph.D. economist who owns an investment advising firm with an impressive roster of clients. One of the assets in his portfolio was a health fitness club in Kerrville, Texas. He would soon become one of the pillars of the effort we were about to undertake. He urged me to follow up with the idea of networking with other people in the business. I contacted other health fitness club owners in Texas to see if they had the same concerns about unfair competition.

Seven other club owners and I held our first meeting on February 17, 1995, in Houston, and continued meeting at various locations throughout the state, including such famous venues as The Houstonian in Houston and the Cooper Aerobics Center in Dallas. After almost two years of defining our goals, getting to know each other better, understanding our modus operandi, enlarging our contacts and searching for a manager, on May 2, 1996, we officially founded the Texas Health and Racquet Sports Association (THRSA). Governance (Chapter 5) contains more elaborate information about the strategic effort of forming an industry group.

THRSA was the Texas-wide group that brought together private tax-paying clubs and their vendors and which had as its purpose the establishment and improvement of the

health fitness industry. I was elected its first chairman of the board and remained in that job until my term expired on July 1999. Cid A. Galindo, Inc. (CAG) was retained as manager of the association and under its able direction THRSA progressed to be an effective voice for the industry, a source of educational seminars for its member clubs, a trading forum for vendors, and a networking circle for owners. CAG continues to be the executive arm of THRSA even today.

It was an inspiring experience to work with entrepreneurs and managers in the creation of a substantially new industry with such great implications for the health of Texans. All of them were pioneering captains who created a whole new genre of business activity. Among them was Kenneth Cooper, the author of the book who gave form to my exercise habits, and whom THRSA honored with its first lifetime achievement award in 1966. My former colleagues on the board also honored me with the same award as I departed my functions at the statewide convention of July 1999 in San Antonio.

Honor, fame and glory can reward accomplishment but, if terminated as such, they are ephemeral and devoid of the link needed to improve one's station in life. If these rewards are not transmuted to a material elevation of one's standard of living, at least to a threshold of acceptable family security, comfort and affluency, they may actually eventually embitter the persons who, having obtained them, are unable to materially improve the quality of their lives. I have seen many worthy people who performed long and short-term deeds that resulted in great honor and temporary fame and, at least in their eyes, lasting glory, but who never permutated them into a better standard of living. Over some period of time, far from being happy, they carried a chip on their shoulders that made them sour to the world. I was fortunate to overcome the blows of the late 1980s and survive to try again. My incursion into the fitness business was one of my salvations. It provided me more intangible rewards and recognition than I deserved and it also helped me financially. Above all, it gave me an instrument to hold my family together and to provide us with a common focus.

Glory and public honor are more important to persons who have already fulfilled their material goals for security and comfort, such as capitalist captains of industry, government leaders in democratic countries and communist despots or other dictatorial tyrants whose ultimate purpose becomes wielding power. If someone has gone past the stage of fulfilling material needs and is now at the helm of an organization through which power is exerted, whether in a capitalist organization or a government position, then glory and honor are the only incentives left. Without money, however, no one has power. The Chinese leader Mao Tse-Tung was fond of saying that power emanated from the barrel of a gun. But before he could buy guns he had to have money. Corrupting the great American invention of money making, he took all the money in China for this purpose, even though the vast majority of his subjects had none, and were not permitted to even think about it. He claimed that most of his subjects agreed to "better Mao than the Japanese or English," but he never ran a poll. The fact is that fame and glory in most cases are an expression of power, and power does not exist without

significant wealth behind. Thus the human drive for power, under any system, is based on the accumulation of property, which combined with labor are the sources of wealth.

Making money is the ultimate work objective of all creative people and, in America, taxation at all levels is the worst obstacle to that objective. In my view the current of the rivers of legislation that emanate from governments, local to national, should always flow in the direction productive citizens move, not against them. The unfortunate reality is that the imperative of preservation of power by government officials often leads them to redistribute not just wealth but also the tools to create wealth. Often these tools go into the hands of groups who would rather enjoy the benefit of other's creations than to create themselves. Thus, opportunities for long-term value creation thrown their way are usually wasted and funds given to them are consumed without a trace. Eventually these groups become large and powerful enough to dictate behavior to their elected representatives in exchange for their votes. It then becomes impossible to determine if the politician is buying the votes by pandering to his or her electors or the electors are buying the politician. In either case, government becomes an instrument to benefit a few at the expense of the whole. The corruption of our constitutional principles and of our system takes hold and another root of possible decadence begins growing.

---037---

RECONSTRUCTION.

As in preparation for the new opportunities that I hoped would reappear in the future, in the late summer of 1990, Jean Szabuniewicz, now from San Angelo, visited me again, this time in the company of Laura Ducote, a member of the family whose land I had helped develop a few years before. They laid out a proposal that essentially said that if I rescued her family's coffee company I could determine my own compensation. DeCoty Coffee Company was the only roaster, grinder, blender and distributor of coffee and allied products in West Texas. With the help of a couple of his brothers, Laura's father founded it in 1929 on the banks of the Concho River. He started by serving coffee to the soldiers stationed at Fort Concho, the predecessor of today's City of San Angelo. By 1987, Mr. Ducote Sr. wanted to transfer ownership to his son Charles and daughter Laura, action that required purchasing the interest that one of his brothers still had in the company. In 1988 the company was free of debt and was grossing a predictable revenue of about eleven million dollars per year, leaving an after tax profit of nearly \$400,000, after having paid sometimes generous salaries to the family members on its payroll.

To accomplish the purchase, Charles and his father contracted a company bank loan guaranteed by them personally, the proceeds of which were split between the two senior Ducotes. The part received by Charles' father became an unsecured loan from the corporation to him. He used it to settle pressing personal and family loans. While the guarantee to the lender was from the buying Ducotes, the remainder of the loan went to the buyers' uncle. It was used to buy some of his stock. The company signed a separate long-term note, also guaranteed by Charles and his father, to the selling brother for the rest of his stock. From the very start the note owed by Charles' father to his company was the single largest asset the corporation owned. It soon became non-performing, which added to a precipitous fall in the volume of business and the loss of the departing brother's management talent sent the company into a tailspin.

Despite the daunting nature of the problems and the distance at which they were located, I decided to accept the offer. In October 1990, R. A. Galindo, Inc. signed a management contract and I was designated as the executive in charge. For the next two years I flew to San Angelo twice a month and stayed in daily telephone contact with my managers at the plant.

As a business saga it was thrilling to me and of magnetic interest only to a turn-around expert or specialized public accountant. Over the next two years I brought the company back to profitability. In the process I totally renewed the executive team, reducing it from six to three and cutting the salaries of the remaining managers by one third. All employment went from 125 to 63. Both Charles and his father were overburdened with other debt and bad real estate investments and had to take bankruptcy. This caused me to write off Mr. Ducote's note, thereby producing a negative net worth, event that served as a deterrent to vendor creditors who otherwise might have forced it into involuntary bankruptcy. I renegotiated the note to the selling family member. I also renegotiated the bank loan and came up with valid catch-up payment plans with all the suppliers who were on the verge of cutting off their continued business. We redoubled our marketing efforts, trying to secure new clients and hold on to the old ones. We sold the less profitable routes in far west Texas but continued supplying product to the new route owner. We sold every stranded asset the company had, and I found more than I cared to find. I revamped some accounting procedures and instituted a daily cash management system that I controlled directly. I established internal communications channels so that everyone knew my directions and what everyone else was doing in the company. We bolstered morale by providing incentives to the more successful employees. We adopted a system of "just in time" feedstock purchase that produced significant savings in warehousing expenses and inventory financing. In addition, we put in place many other cost saving actions that also helped compensate for the drop in sales volume.

By early 1992 I was ready to hire a new fulltime chief executive officer, and did so. At the end of 1992 the company was back to profitability, smaller, leaner and hungrier. Because of my own need for funds, in mid-1993 I opted to get paid in cash, rather than

stock in the revamped company. Charles Ducote is now a good friend. He recently sold his company and is well set for the rest of his life.

As I mentioned earlier, by late 1992 I had finished paying off all my debt from the real estate and banking debacles of the late 1980s. In the Vision Horizons conference of August 1991 referred to above, I began to outline in my mind new opportunities in the multihousing field that had been paralyzed in most of Texas since 1986. In mid-1993, an Austin broker who was selling land repossessed by the FDIC approached me to query my interest in buying back some of the land in Brazos County that I had given up to pay part of my obligations to creditor banks. Since my record was impeccable, the selling authorities in charge of disposing of those assets zeroed in on me as the perfect candidate to buy them back. Eager to accept the opportunity, I knocked on many doors to raise all the funds I could to buy some of these assets that were so familiar to me. I was able to purchase some tracts to develop single-family residential areas contiguous to Aerofit and other commercial tracts in the same neighborhood. I also bought a number of foreclosed fourplexes in the University Park subdivision in College Station, giving a re-birth to my earlier project known as Spring Heights Fourplexes. I was back in business.

Another tract was an ideal location for the multifamily project I had envisioned. I contacted John Krog, a polyfaceted, very successful engineer with whom I had had next-door offices in the early 1980's and who, with the help of his two young sons, had done some framing subcontracting for me. In that experience I learned to appreciate their superb work ethic and dedication to excellence. In 1983 they bought a fourplex from me in the University Park subdivision. Now John and Karl, one of his sons, agreed to participate in the new project. Kay Dobelman also agreed to come on board. Together we raised the necessary equity to secure a bank loan and construct West University Gardens (WUG), a 104-unit apartment community. On December 15, 1993, we formed a single asset limited partnership to build and own the complex. Though small, this was the first apartment project built in the Bryan-College Station area since the mid 1980s. Due to pent-up demand and its enviable location, it opened with 100 % occupancy and it practically has stayed there since it went on full stream in September 1994. The timing proved very well chosen.

Wishing to spread my activities to areas that could offer alternative opportunities, I began looking at other regions of Texas. In late 1995, JW Wood showed me a 28.97-acre tract of land in the City of Cedar Park, a suburb I northwest Austin. Again I called on Kay Dobelman and she agreed to participate, but I needed more investors to raise the down payment, which was about 30 % of the total price; the seller would finance the rest. Finally Hank DeShazer, a Houston industrialist, decided to enter the venture. With the down payment we released enough land (11.45 Ac.) to build an apartment complex and pledge it as collateral for a construction loan that I secured. However, the bank required more equity from the owners. Fortunately, John and Karl Krog agreed to join forces with me once more. John Krog, Jr., Karl's brother, became the construction

manager and the site-work subcontractor. We broke ground in December 1996 and had the first units ready for occupancy in December 1997. The entire project was not finished until August 1998. With 200 living units, it was almost double the size of West University Gardens. We called this beautiful complex Middle Brook Gardens 1 (MBG1), to reflect the fact that a stream crosses right through the middle and to honor the owner from whom we bought the land, F. E. Middlebrook.

Following the July 7, 1998, like-asset tax-free exchange mentioned above, I traded an apartment complex that over the last five years I had managed to piece together in College Station called Spring Heights Fourplexes for other properties, including the land left from the Middlebrook purchase after MBG1. This trade allowed me to fully cancel the seller's note and pay my investors a handsome profit for their risk in buying raw land and, at the same time, provide one of my family partnerships with good, paid-for, prime land. With the occupancy goals finally met, in mid 1999, just before Russia defaulted on its debt and sent the bond market to the bottom, I was able to refinance the construction debt with an excellent mortgage loan. This allowed me to refund a substantial part of the equity my investors had advanced for the construction of the project. It was the same formula I had used on the WUG project and I would use again in future projects. MBG1 became the flagship of the new multifamily-housing business unit I was beginning to put together under the name of "Garden Properties."

As I mentioned in Healthy Mind in Healthy Body in relation to the like-asset exchange I had done, the other replacement property in lieu of the Spring Heights Fourplexes was Aerofit Royal Oaks, Bryan. The tax deferral gained from the exchange left us with the cash required to pay all the outstanding debt to its seller and refund the equity we had invested, leaving only a debt to Cid and me for our work in that project. My information revealed that in the Bryan-College Station community there was still unsatisfied demand for non-student apartment housing. However, the margins were thin and there were rumors of other projects in the planning stage. Whatever project we chose had to be done with great alacrity. Cid and I bought the option for the flood plain land from our own family partnership that now owned it and lunged into the development of an upper-end apartment community. We designed it as a campus-like layout with Aerofit Royal Oaks, saving as many of the truly magnificent trees as possible.

On October 5, 1999, I put together another single asset limited partnership with Kay Dobelman and Hank DeShazer as core investors. Hank brought in his son Mike and I brought other investors to complete the ownership roster. We secured a bank construction loan and broke ground October 15, 1999. I had replatted the land and the partnership bought two lots on which the project was built. The first units were ready for occupancy in May 2000 and the whole project was completed by September of the same year. Royal Oaks Gardens (ROG), at 168 dwelling units, was our newest and largest project in Bryan. We were not as lucky as in the previous projects with the leasing ramp-up or with the refinancing of the mortgage loan, but the project is still set to provide a good return for the investors.

As we were finishing up construction of ROG, I began putting together Middle Brook Gardens 2 (MBG2), the complementary second phase to MBG1. This project was to be built on about 12.11 acres contiguous to the first phase and as a twin to it. After the purchase of Aerofit by the management team, my son-in-law, Ricky Soto, a member of that group, decided to leave the organization as part of an effort to cut back on payroll expenses. He came to assist me in the construction of ROG and began to learn the building trade. His accounting knowledge was of great use. I now asked him to go run the MBG2 job, and he, together with Lis and my grandchildren Miana and Cassie, moved to Austin the first week of January 2001.

Again, I put together another single asset partnership built around the Krogs and the DeShazers. Since my family partnership had already acquired the land in 1998, and we wanted to keep the same percentages among the owners, this time the fund raising was a little easier. The first units opened for lease in January 2002 and the whole project, 216 units, was finished by the summer of the same year. When the 2001-2002 recession hit, due to Austin's almost total reliance on the high-tech industry, leasing the complex and rolling the debt into a mortgage loan became a very difficult problem. As I write this, my ability to weather this storm is still to be tested.

As I have candidly related above, the rebuilding of my financial affairs starting in 1993, had several cornerstones. First and foremost was, of course, the long lasting period of prosperity that followed the fall of the Soviet Union, the Reagan tax-cuts and the re-ordination of significant parts of the economy, such as real estate, banking, transportation, energy and defense, to name a few. Although the measures adopted to face difficulties in all those sectors were economically harsh, the system of free enterprise under the rule of law emerged even stronger. America became the model for almost every country in the world. The "concept America" became an export item. It was functioning well for me here.

President Bush followed up by avoiding an oil supply world crisis. When Saddam Hussein, the leader of Iraq, without provocation invaded Kuwait in 1990, Mr. Bush sent our troops to repel the invaders and restore order to that area of the world, as well as to ensure normal production in its oil fields. Finally, during the 1990s, Republicans in Congress foiled efforts by Mrs. Clinton, the then president's wife, to nationalize the nation's health care industry and other initiatives dangerous to individual liberties that were proposed during his administration. The prosperity that ensued created opportunities in many fields. Having long anchors in real estate, I gravitated toward income-producing multifamily housing development as the keystone for my value-creating reconstruction.

At the micro-economic level in which my own actions had direct effect, there were four foundation piers that supported my reconstruction efforts. The fact that I fulfilled all my obligations with all my creditors was undoubtedly one of the underpinning supports. It

allowed me to act directly as myself, and not through surrogates, as many others less lucky than me had to do. I think this was of great comfort to my associates and especially to my lenders. I made a good subject for credit, a most important condition, for without funds nothing would have happened. In the eyes of my investors, it gave me credibility, which accounted for their satisfaction and continued confidence in my operations.

The glue that held together my ability to raise funds to seek opportunities in multifamily was the evolution of an effective business plan. It became the second foundation pier. I was able to achieve full vertical integration of the development, construction and management stages of all the projects that eventually constituted the "Gardens Properties" unit of my business. After I identified a desirable tract of land, I would form a general partnership to acquire it. The development division of R. A. Galindo, Inc. would be charged with the responsibility of producing a land use plan, obtaining all the entitlements from local, state and federal regulators necessary to obtain the required permits to build the project, to arrange for access and utilities and to find financing. We would then subdivide it and form a limited partnership (L.P.) to build and operate an apartment complex on one or more of the lots therein. The other lots would be for sale to third parties. The L.P. would engage the construction division of R. A. Galindo, Inc. to build the apartment project, and when finished, it would contract with its management division to operate the complex. I personally guaranteed the development and construction loans, reducing my investors' exposure to only invested capital. Thus I was able to retain complete control, and responsibility, for the full business cycle. Cid's piercing views and sage advice in these steps have been of great benefit to me. The only excuse for failure was exterior macro-economic events beyond my control. The amount of risk I was willing to take, in comparison to no risk to them, gave my investors a healthy comfort level. But sometimes, in an effort to keep their costs from escalating, it caused me personally to work at break-even levels or below.

The third foundation pier was the team of employees I was able to assemble. One of the greatest challenges small business has is to find, attract, and retain qualified employees out of the same pool of talent where large corporations and government agencies hire. Instinctively, I knew I could not compete for the ready-made talent floating around. I decided that it was better to train my own helpers while the operation was still small enough to allow my direct involvement with them. In 1996 I was very lucky to find Claus Wagner, a German administrator who happened to move to Bryan-College Station following his daughter who was pursuing a degree at TAMU. With his help, accented by his total dedication to work, exemplary honesty and "German" reliability, my office became a very dependable institution. As I write this section, I am contemplating having to get additional senior help, but the work of new executives will be based on that done by those who have been part of my organization since the mid-1990s. The interest and dedication this group displays is, indeed, one of the main reasons why my business is moving forth again.

The old adage that in real estate everything is “location, location, location” is incomplete. Location is no doubt important, whether we speak about a primary development such as BCMUD1, or an end of stream development such as a hotel in a bustling area of town. But location alone does not ensure success and some exceptionally good projects, like Aerofit Villa Maria, are successful even in non-prime locations. Other factors such as adequate capitalization and credibility, the quality of the business plan and the people in charge of executing it are of great importance as I have shown above. But even their combined sum does not ensure success either.

The key factor is timing, and this is probably the hardest to control because it is too dependent on macroeconomic factors. Although an entrepreneur can try to accelerate or delay some decisions to fit the movements of the economy, the adjustments under his or her control are on a vernier scale only, affecting just a small band of the timeline. Ultimately it appears that the luck factor, more sophisticated scholars call it randomness of nature, comes into play. Throughout my career I have been visited by very good luck and by bad business luck. The one force that weaves through both situations is optimism. So, I have learned to be an inveterate optimist and I pervade all my business deals with an aura of cautious optimism. It is the fourth foundation pier of my recovery. As I said on My Creed (Chapter 1), – “If in trying I fail, I ask for the chance to try again.” I did. America gave me the chance.

Continuing to connect my experiences to the cloth of America, I must comment on related lessons learned. One observation worthy of discussion at the public policy level relates to development criteria adopted by some cities. In some cases, such as the City of Austin and its peripheral suburbs, as the residents’ affluency increases, the initiatives of the environmentalist community are adopted for application to new construction, always making sure that those already there are exempted from these new obligations. These initiatives translate into building ordinances usually derived from penumbral interpretations of federal laws such as the endangered species act, the wetlands act, the clean waters act and other similar outreaches of the Washington bureaucracy.

Specific instances that have escalated my construction costs from one project to the next are in the realm of storm water filtering, tree replacement, buffer zone treatments, disturbed land restoration and wild life reserves. The bottom line is that the income necessary to qualify as a renter in a new apartment, which is not any different than one two years older, is significantly higher. This higher income requirement automatically disqualifies the poorer people from living in the community, thereby producing clearer lines of socioeconomic segregation. The wealthier residents of the city still want the benefit of cheaper labor, but are unwilling to let them live in their neighborhoods. Thus, the poorer people must move further out to unregulated communities, with consequent problems of transportation, education, medical care and other social services magnified again.

Liberal politicians in Washington realized this phenomenon long ago and concocted corrective legislation in the form of tax credits for developers who were willing to vie for them. In return, the grantees of this federal largesse, funded at the expense of those of us who don't seek special favors, must agree to disregard income qualifications for a portion of their residents for a limited period of time. On its face, it appears to be a working answer to the problem I described above. In reality, every time a favorite player must be selected, no matter how carefully the criteria for selection is written, a human must assume the power to select him. As Ludwig von Mises says referring to the abilities of government to act as a substitute for the market place, "A government can no more determine prices than a goose can lay hen's eggs."

As experience shows over and over again, this is a recipe for certain malfunction. First the recipients become addicted to this extraneous development subsidy and try their dead level best to keep the field inclined in their favor. Second, the grantors get tempted to benefit illegally from the sudden power this system puts in their hands. At some point collusion, whether direct or through the lobbying power of influential public figures seeking their share of the public pie, often former politicians from both political parties, who passed the rules themselves, comes into play. Such experience overcame a friend of mine, Florita Griffin, a Ph.D. graduate from Texas A&M and a most effective city planner when I met her working for the city of Bryan. Once appointed to a position where she could select the beneficiaries of this program, she succumbed to the built-in temptations of that job. Right or wrong, she was found guilty and sent to prison. This is another example of how new social engineering programs invented to correct problems created by previous social engineering laws eventually subverts human nature and produces unintended results that can be worse than the evil they attempted to correct. For that reason, I opted not to participate in any such government program.

I recently received a new lesson confirming a known result of bad public policy. With a view to seeking more geographical diversification for the Gardens Properties, on January 28, 2002, I held a meeting in which I gathered all investors that were part of our operation and also a few prospective ones. The purpose was to identify sources of capital for a new stage in our business plan growth. The counterpart benefit for the attendants was to learn about opportunities where their savings could be invested. My market search was directed to the Houston area, where for the first time I proposed consideration of acquiring an existing apartment complex. In the search for an attractive investment I bumped into problems related to the effect of property taxes. Added to other government interference by special subsidies as described above, the emerging picture demolished any interest on my investors' part. High property taxes are destructive for the real estate industry.

My observation relates to the devaluation of real estate investments by ad valorem taxes. A sensible and commonly accepted way to value an investment is by calculating the present value of the cash flow that it produces. Once total yearly gross revenues and operating expenses are known, the remaining cash is available to pay lenders and

investors for the use of their money. Payments to the lender are usually fixed so they are predictable, periodical and senior to the investors'. The funds left after all those deductions are made from revenue are the income stream that gives owners reason to invest their savings. The present value of this future income stream is what determines how much a buyer is willing to pay for it.

Of all the deductions made to arrive at this income stream the single most important one is property (ad-valorem) tax. An increment in taxes of just one dollar per one hundred dollars of appraised value may rob a given property, say a 250 unit apartment complex, of almost a couple of million dollars of market value. If we take an example of a project where the aggregate property tax rate is raised to 3.7 % from 2.7 %, suddenly an apartment complex that was worth \$16,000,000 before the tax rate increase is now worth only \$14,000,000 in the market. The extra 1 % siphoned off by local governments hurts the cash return to investors by reducing their hoped for annual distributions by \$160,000. On a \$3,000,000 investment this amount represent a drop in the yield of their money of 5.3 %, enough to discourage many investors.

But more insidiously, it robs the corpus of their savings. Starting with an estimated market value of \$16,000,000, a realistic mortgage loan against such a project could be \$13,000,000, meaning that the owners had to invest \$3,000,000 of their savings to build the project. If, because of higher property taxes the cash throw-off for the owners is now smaller, the project appraises for only \$14,000,000 instead of the original \$16,000,000. Since, as said above, the loan is for \$13,000,000, the owners' equity has been cut down to only \$1,000,000. Thus, without a recession, without a natural disaster, without any action of the economy, but simply by the action of a school board, city government or other taxing authority, their investment is immediately devalued to one third of what was paid in. This subtle and legal looting of investor's savings is one of the greatest pitfalls of real estate investments.

While the loss of value caused by high taxes is the worst effect of tax increments, public decision makers should not forget its more obvious and immediate result. In the example above a 1 % tax increase represents \$160,000 a year reduction of return to the owners. In all cases savers who invest their funds with the expectation of a return suffer great damages when returns don't materialize. Such an infringement by taxing authorities is known to have destroyed the lives of honest investors who could not draw a return or recuperate their original corpus. I think it's very important that this grave dislocation to the real estate industry be better understood by local government officials as well as by lawmakers who should consider it in formulating public policy.

Despite all my misgivings about governmental abuse through excessive taxation, I remain committed to the terms of My Creed, as given in Chapter 1. As I write this book, I am in full swing preparing to build new headquarters for the Galindo Group of Companies. This will be a landmark, albeit small, four level, granite and glass building next to Aerofit Villa Maria, Bryan. In addition to my office, it will house a bank (which I

might have to organize), medical and other professional services. I envision that the plaza formed by the two structures will be one of the most attractive developments in town. It will be a worthy addition to my neighborhood and to the whole community. I also envision a personally significant involvement in the bank that I want to attract to this future location.

Keeping my nose to the grindstone in an effort to stage a reconstruction of my financial affairs consumes most of my time and energies, but I have not given up my habits of physical fitness and reading. In the company of my old friend and CPA, Stan Cloud, I continue to train for triathlons, marathons and other competitive events, often in the company of my wife Susan. The absence of a parent's time-consuming duties to young children make it especially easy to revel in the joy of my grandchildren, inspiring me to recollections about family and filial love, the subject of the next chapter.

CHAPTER 4

FAMILY

---041---

THE GRAND DESIGN

Much as the cell is the basic unit of a living organism, family is the basic unit of a social organization. If the cells are healthy and vigorous, the body they form will also be healthy and vigorous. The more powerful, interlaced, redundant and capable the cells are, the more successful the organism they form will be. Likewise, America's strength and success as a leading nation is based on the quality of the principles and virtues we display in our lives and pass on to our children at home. Our homes are the cells of America.

Thus, it is critically important to our national success to be a nation of successful families. The virtues and mores, as well as the prejudices and fears that we display as adults, most often came to us in our formative years. The scale of values that we learned as children become the principles upon which we build our own understandings of the world as adults. Through an undeniable process of social evolution, each generation improves upon the teachings of the previous one. My life's journey toward becoming an American indeed began in my family, perhaps longer than a thousand years before I was born.

Casting light from an angle that illuminates the importance of family values to my identification with America, forced me to trace the origins of these values to their very beginnings. As I explored the historical and geopolitical origins of the "American Concept" and weaved my personal experience of the resulting social compact in the first three chapters of this book, I also must explore the biological and moral origins of why I became so identified with it. To understand the forces that produce family, I went to creation itself. I did this with a very broad stroke, but in the process I encountered many revealing nuances with which most of us will find affinity.

From times immemorial humanity has built the pyramid of progress driven by one primordial, unrelenting force. This force flows from the mandate, called instinct, that all living things carry within to have and protect their progeny. It was imprinted at their most elemental level by still obscure bioelectric processes. The more advanced the life form, the more sophisticated the instinct becomes. Among humans this basic instinct is

refined even further by our desire to give our issue a better life than we ourselves had. However, we are free to pursue this, or to ignore it, as individuals in our private lives and as members of society in our public lives. Admittedly, our much-valued freedom of choice can supersede the instinct if we so choose. Clearly, some of us follow the calling to improve the lot of our children more vigorously than others. A few don't even seem to heed it.

Drawing on my career's work as a real estate developer who makes things such as subdivisions, buildings and houses come out of the ground, I often make an analogy with the works of divine creation. The Supreme Developer, known to humanity as God, mandated our instinct for survival and improvement by including it in our basic design. Making a comparison with my familiar construction practices wherein we have a complete set of drawings and specifications for the whole project in the project manager's office at the construction site, the Supreme Developer also placed the specific instructions needed to construct a living creature in a carefully enclosed "office" (the nucleus) in each and every cell (construction site) that makes up that creature (the project). Within this nucleus, among other items needed to control the operations of the cell, is a set of plans and specs for the whole project (the complete life form's body), not just the cell.

We call this set of plans the genome and the amino acids of which it is made DNA. We know that the genomes for all life on earth, the decoded set of plans, specifications and building materials needed to build each individual, are different from specie to specie only in small percentages of the total, and even less so among individuals in the same species. The majority of the plans and specs are the same for anything that lives, pointing directly to a common creation formula.

An average human is made of around 10 quadrillion cells. All of these cells (except a few such as male sperm and female egg) carry within their nucleus 46 chromosomes, 23 from the mother and 23 from the father. Each of these chromosomes is like a chapter in a book, and the whole book is each person's genome. The genome is the book of materials specifications, labor and procedures needed to assemble the complete living form, but it apparently says nothing about how to operate it.

The chromosomes are laid out in the shape of a double helix spiral incredibly crunched up, some 6 feet if stretched out. (It is easy to calculate that the average human carries 60 quadrillion feet or 1,136,000 miles of it, enough to circle the globe at the equator some 45 times). The upright sides of the double helix are made of a sugar called deoxyribose, and the transverse rungs are made of four different nucleic acids. Thus the name of this magical spiral is deoxyribonucleic acid, or simply, DNA. The book is written with an alphabet that only has four letters (the base rungs). Most of the text in this book has no apparent meaning. About 3 % is intelligible writing. These parts are what scientists call "coding DNA" and constitute the genes that trigger most of the cells' reproduction and repair instructions. The astounding part is that DNA likes to split right

through its longitudinal middle and manufacture a new half for each original half in a never-resting process of replications, and it does so in less than 3 seconds. Given the quasi-perfection of the duplication occurring among an almost infinite number of possible combinations and the hunger and speed with which it takes place, it reveals itself as the primordial force that drives life – an enigmatic bioelectric phenomenon. To make the riddle even more uncanny, the DNA molecule, without which no organism can live on earth is so dead that it stays unchanged for hundreds of years, perhaps thousands.

Microbiologists are making breathtaking strides in understanding how life is transmitted and how it can be improved. Understanding the genome, despite answering many questions, has posed many more. It is simply as if we have learned how to assemble the computer, but we know very little about the operating system that makes it useful, and of its program applications. The science that is beginning to develop to consider this enigma is called proteomics, and deals with the contemplation of the astronomical number of combinations that result in protein formation created by the genes interactions. I venture to say that during the lifetime of my grandchildren it will probably be known which gene or interaction of genes among themselves or with noncoding DNA carry the instructions for the instincts of survival and self-improvement that drive our progress. In the eschatology of life, I see these milestones of knowledge as way stations in our journey of discovery.

Our quest will not end when we figure out how life is transmitted and how we can scientifically improve the process. It will continue until we learn what caused our beginning, how we relate to primordial bioelectric processes, whether life is inevitable and why, how we fit in the rest of the cosmos, and finally, who engineered the whole thing. Without a doubt humans are engaged in the search for God, who appears to be little interested in our individual joys and pains. Nevertheless, we are evolving toward Him.

To clearly admit even at the beginning of the 21st century that curiosity is the force that drives our quest for knowledge, may sound agnostic and to some even blasphemous, but it is undeniable. To me we are just answering the call from the Supreme Developer, which seems to be inescapably imprinted in our proteomes. The answers that science provides, as in the past, will force reappraisal of religious dogmas. And, if history is a teacher, the religions that are more dogmatic and claim to be infallibly in contact with God, are the ones that will have to change the most, or perhaps, disappear.

This is not to imply that the undeniable influence that religion has had in driving humanity's destiny will suddenly end. On the contrary, religion is still one of the greatest forces that move humanity today. It is at the root of what most of us learn in the family and therefore can be discussed in the context of how it shapes America.

Driven by another supreme instinct to feel close to God, and in lieu of a rational understanding of how we relate to our creator, mankind has, for millennia, reached out to Him (or Her) by faith alone. Even the most learned theologians who seek to make religion compatible with reason have to start with a leap of faith by admitting that their particular God exists as they propose without proof of its existence. Undoubtedly though, what different populations chose to believe about God and how they chose to relate to their Creator, was a determining factor of their civilizations and cultures. Thus, the roots of morality were planted on the seeding grounds of the relationships adopted by men toward the deities they worshiped. From the earliest of times these religious relationships were transmitted through the family.

In America, the ruling imported religion was Christianity with its many branches, but the Founding Fathers, despite the pressures they were subjected to, or perhaps because of them, held to the wisdom of not adopting any branch, or even a direct cult of Christ himself, as the official state religion. This was another of the great acts of wisdom with which they endowed their country. Countries that do not have an official religion do not start religious wars. In a minuscule scale, even problems such as the one I experienced when I was president of the Cochabamba American School, which I relate in Freedom Fighters (Chapter 2), do not occur in America.

The absence of an official religion removed a large hurdle to enter the playing field for any human who, sharing the values of America, could make a contribution to the country's improvement. Immigrants came here escaping religious persecution, evading religious wars, looking for a safe place to worship in their brand of religion, and seeking to start their own religions. America was at the vanguard among nations legislating separation of church and state. This fact was an essential ingredient of America's genius. In my opinion, people who challenge it in the press or in the courts are very shortsighted and confused, for instead of strengthening America, in the long run they would weaken it. I see the breaching of the barrier between church and state as one sign of the onset of decay.

The absence of an official religion left all Americans with the desirable choice of adopting the most suitable one for their needs. Thus, competition in the market place of religion came about. This openness to meet the spiritual needs of the people created the proliferation of a wide spectrum of splinter so-called fundamentalist Christian religions, gave the opportunity to form innovative ones such as, for example, the Jesus Christ Church of the Latter day Saints and the Church of Scientologists; and offered grounds to replant old ones such as Muslim, Buddhism, Hinduism, Shinto, Bahai and others. Religion has a profound influence on America. Most people attend one church or another. We do this more than in most other western countries where one church enjoys the favor of the state and as a result people get bored with it. In the Middle East many people living in theocracies become fanatic. My observation is that America's even and wide-open playing field leaves religion largely as an unregulated, totally free enterprise able to help set the standards of morality unhindered by the state. While

many observers of religious entrepreneurship would probably agree with me, not many, including me, understand the history of why this activity is so privileged in the eyes of the state.

In tacit admission of my ignorance about church history in America, I have no answer to the question of why churches are not taxed at any level of government. A church employs administrators, parsons or preachers who are engaged in commercial enterprise, much as a nurse, medical doctor, hospital administrator, or for that matter anyone making a living by selling a service. Why should one be automatically exempt from all taxes and the others only upon certain conditions or not at all? Could we, as a country hold on to our moral principles if we taxed our churches? I believe this is an area that, though taboo at present, must and will be explored in the future.

As I said above, I discuss the presence of religion in America and in Americans' lives, in this chapter that deals with family because of the interrelationship that exists between the moral values that shape our actions as individuals and as a society and what we learn at home and at church. Family is the best vehicle to teach virtues and, unfortunately, also prejudices. Every time the state enters these areas, somebody of a different creed, or of no creed, will object. Religion's objections always beget problems, sometimes of the worst and most lasting kind. Therefore the state, in the opinion of many, mine included, is not the vehicle to teach any specific religion, but it does have a role in rooting out the perversity of prejudice.

The Founding Fathers separated church from state, but they very much recognized the value of religion in forming strong individuals and strong nations. In the generations immediately following the foundation of the country, the Northerners adhered to a strong protestant self-reliant work ethic and built their own characters based on what at the time was generally acceptable to glean out of the Ten Commandments of the Old Testament. Killing and stealing were not acceptable, unless they could be draped with the robes of overwhelming self-interest. In cases related to the partition of the American wilderness, pioneers killed and stole but they euphemistically called it self-defense. The process became known as settlement and it became morally acceptable. Because of the predominance of immigrants with similar backgrounds and experiences, the Founders' mores became the allegoric backbone of the American character. Perhaps more properly, they embodied the pioneering spirit that drove the colonization of America.

Southerners worshipped the same Christian God, but in addition to using land usurped from the natives that lived therein, they relied for their welfare on the labor of slave populations. The fact that slavery had a long history of existence made its acceptance easy. But, swept by the intellectual currents of the Enlightenment at the time of the constitutional convention, most of the Founders from the South had to concur that the peculiar institution of slavery would finally have to disappear. They essentially bargained to give slavery another generation to continue unchanged and then, by opening the

door to prohibit the importation of new slaves after 1808, found common ground with the Northerners. However, if the signatories intended to accept an enlightened view of the world, their descendants did not.

How the children of the Southern leaders harmonized their Christian beliefs with their uncompromising oppression of other human beings cannot be acceptably explained. But efforts to rationalize slavery and actually find a moral justification for it were made. After the universal acceptance of Darwin's theory of evolution, many scholars came up with "scientific" data aimed at proving that Northern European white males were indeed superior. Through a methodology called "Recapitulation" they "demonstrated" that it was indeed "natural" for them to rule humanity. Amazingly, variations of this theory lasted well past the Civil War, and Germany's Hitler believed it so strongly as to consume the world in its pursuit. Ultimately it was left to history to eradicate such pernicious beliefs.

In a way, the framers of the constitution were prisoners of the twisted morality of their times. On the one hand everyone proclaimed adherence to Christ's teachings and on the other society lived and prospered by killing Indians and taking their land. In the south the sin was compounded by also using slave labor. Although writings from the period reveal that some of the Founders believed these were wrongs and that they had to end, the pressure of other issues prevented a more humane focus on this problem. The delegates also realized that their limited capacity was no match for the size of these tasks. Time needed to pass before lasting answers to these issues were found.

As they did with the conundrum of slavery, they provided the seeds for future generations to rectify the wrongs inflicted by their predecessors on North America's indigenous population. Indeed, they set out to deal with this problem by tacitly recognizing it in the Constitution. They granted the states the right to count tax-paying Indians in their electoral base, which was discriminatory, but it was a beginning. They gave Congress the responsibility to regulate commerce with Indian tribes as with other sovereign nations. However, in most cases, the lack of enforcement of these treaties made a mockery of the contract. The pressures for free land caused by the homesteading laws made them duplicitous and false.

Among others, Captain Meriwether Lewis, Thomas Jefferson's relative, on behalf of the recently formed country, was commissioned to report on possible future treaties in his famous northwest expedition. However, in the wide-open wilderness of young America, the U.S. government had no means to force its citizens to respect the treaties and the most egregious abuses of the American Indian continued for several generations. In a reflection of the spirit of the times, where the right of conquest was still the final right, we went as far as to buy the Louisiana territories, Florida and Alaska, not from their ancestral dwellers but from European powers that by sheer force had stolen them from their original owners. Southerners particularly wanted Florida because the Seminole Indians who lived there offered safe haven to runaway slaves. They wanted that safe haven closed.

Looking at those events from my comfortable critic's corner 200 years later, I find them abhorrent and abusive. I certainly wouldn't want some superior alien power to sell my house and property without my consent, nor do I think anybody else would like that. Yet, like with everything else as monumental as this task, 227 years later, we are still, in good faith now, trying to correct some of those wrongs and make them more equitable. It is my experience that modern American Indians who held to their ancestral religions share with us the same tenet of "do unto others as you want done to yourself", thus partaking of our national moral backbone. It is time we live by what we preach.

From my armchair view three centuries later, the Europeans' sense of morality vis-a-vis treatment of the indigenous and slave populations was deviant, reprehensible and embarrassing. At the time, it was generally acceptable. Given the ignorance and isolation of the new arrivals, the English Crown Charters that brought pioneers to settle the land, handed to them the unspoken but inevitable mandate to cut a path of blood and theft as they "opened" "new" territories. The colonialist noblemen, whose main motive was the search for riches, just as their Spanish predecessors had done in Central and South America, disregarded God and the Gospel in their vanquishing of the indigenous people of North America. History showed once again that the pull of immeasurable imagined riches could be more powerful than the virtues of love and justice we learn at home and at church.

Just as in Central and South America a century before, the Europeans arriving in North America did not hesitate to steal the native population's land and resources. They did this in direct contradiction to injunctions of the Old Testament and Jesus' message of love that they were so fond of preaching. The Iberians who colonized Central and South America indentured the natives into serfdom while the Anglos who colonized North America killed them. Neither hesitated to import hundreds of thousands of slaves. The southern English colonies of North America became unprecedented in history, in that, around the beginning of the republic, they had bred in captivity a larger population of slaves that had been imported from Africa.

The two dichotomies that we inherited from Europe in our early national character (Indians and slaves), as I have described repeatedly above, were addressed and are still in the process of correction, at incalculable cost to our most recent forebears. As a result of their wisdom and sacrifices, we have gone a long ways, more than any other country in the world's history, to purify our collective moral backbone and extend equal protection of the law to all our citizens, regardless of race, origin, religion or other characteristics. That transformation is the most gigantic improvement in morality the world has ever known. It is an indispensable part of the American character and of the American ethos. It is a tribute to the leaders who followed our Founding Fathers and, applying their elders' principles, steered the country to its present maturity. Their work is America's crown jewel, but some remaining fringe segments of society, such as people with genetic same-sex orientation, must still be given equal protection of the law.

Studying it as a self-standing social compact, several economists, including Thomas Sowell who is himself a descendent of slaves, have published revealing work about the economics of slavery. Their work throws the light of science on what has always been, to me, a sub-human practice eagerly accepted by church-going, self-proclaimed God-loving people who benefited from it. My interpretation of their work simply observes that economic interest will shroud and hide morality, even among people who share religious views but are initially in moral opposition to the oppression of one group by another. In time, the views of the stronger economic interest become the accepted view of moral value. In the Old South, this axiom, added to the human need for a spiritual connection, combined to make so powerful a force that the oppressed populations ultimately accepted their masters' religion as their own. This acceptance is a most remarkable phenomenon given the fact that the slaves understood that in it the masters found moral justification for their oppression.

Obviously, this acceptance of human bondage, driven into our constitution by the southern states of America, is not unique in human history. The southern delegates not only prevailed in enshrining in our constitution the right of one man to own another, but the slave holding South actually made the free North responsible for capturing and returning runaway slaves. A whole generation later this practice was virtually stopped by a Supreme Court decision that, though recognizing that according to the constitution slave owners had the right to recapture their property, the northern states could pass their own laws releasing themselves from any obligation to actively help hunt runaways. A later Supreme Court decision reversed that gain, but by then war was close at hand. How could these decisions emanate from God loving Christians interpreting a constitution completely based on natural law?

Nowhere have abuses of this magnitude happened in modern times without a struggle and without consequences. The larger the abuse, the worse the consequences! In my view, it is not that morality is changing as a result of these corrective struggles. Rather, they are part of our continued evolution toward accepting the implicit morality of what I see as the biggest commandment of all – do unto others as you want done unto yourself.

As I write this book, my understanding of how we attempt to be moral persons is deeply affected by the continued struggle for co-existence in the Holy Land. In a worldwide flaunt of its theocratic roots based on the Ten Commandments of the Old Testament, which so strongly proclaim the immorality of theft and murder, the leadership of Israel, acting with our full support, is presently committed to an armed takeover of the Palestinians' land without a well-defined and limited scope. It appears to me that this is a high-tech re-run of the conquest of our own indigenous population, although much more immoral. In this day of great understanding and widespread information, it seems that, on a much greater scale, economic interests are once again superseding moral principles.

Supporting forcible takeovers is not a good example to help Americans build the moral character of the next generation to whom we want to deliver the work we have accomplished. Applying Sowell's analysis to the Holy Land situation, the parties would find it a lot cheaper, and much more moral, to peaceably negotiate rights as equals. Bringing that about would be consistent with the level of statesmen-like behavior our past actions suggest we are capable of having and would be a great demonstration of our evolution in the search for morality.

In my observation what works as the common element in America's collective morality is the coincidence of personal values that exist among other cultures of the world, past and present. Children in Bolivian schools are taught the finer and most laudable traits of the Inca culture that ruled their country before the Spaniards subjugated it. A lesson that was never lost on me when I attended school in Cochabamba was the easy to remember but hard to keep "Three Commandments" of the Inca – "do not steal, do not lie, and do not be lazy." I also learned that Inca police was very strict about enforcing them, making it clear that morality was to be taken seriously. Our formidable enemies of World War II, Japan and Germany, tended to carry certain moral precepts to the extreme. But individual Japanese and German people I know display the same underlying personal values that we consider so important for good character.

The broad strokes of Islamic morality are essentially the same as Judaism's, for both trace their origin to the same man – Abraham. Paul and the gospel writers who recorded Jesus' sayings tell us that He modified the hard Jewish Law of the Talmud "An eye for an eye, a tooth for a tooth" with a huge dose of divine love, and exalted our personal morality even more. While we see the Law of the Talmud playing out in today's Holy Land crisis, I cannot conceive of a significant culture in America that would object to one of Christ's basic rules of morality – do unto others as you would want done unto you. This rule gives America its collective moral backbone and is as universally accepted now as it has been in the past.

I submit that "do unto others as you want done unto yourself" is an imperative written in our social genome by the Supreme Developer. I believe that as a nation, although frequently caught in a conundrum caused by conflict between economic self-interest and abuse of power, we continue to slowly approach a more advanced moral status. Thus, I conclude that our Founding Fathers were totally correct in not attempting to legislate morality through the designation of an official religion, leaving instead the development of our moral backbone to the force of free religious enterprise and home life, thus leaving to the family the huge responsibility of passing to each generation a desirable scale against which to measure morality.

CHARACTER AT THE NUCLEUS

As stated before, I consider the event of birth into my parents' family the most fortunate accident of my life, for it was at this nucleus where I was lovingly nursed in all the virtues of character forming. I was born in Cochabamba, Bolivia on October 5, 1938. My father, Eudoro Galindo Quiroga, and my mother, Blanca Anze Guzman had three children before me, but the oldest two died as infants. My oldest surviving sister, Maria Consuelo (Toqui) was three when I was born. My brothers Chris and Eudoro (Chuso) came after me two and five years later respectively. My sister Biviana (Vivian) was born when I was eleven. By Spanish custom the children's last name was Galindo Anze, my father's family name followed by my mother's family name.

I don't have many recollections of hearing long speeches from either of my parents about virtue or evil, but since my early years I recall having a desire to seek the former and avoid the latter. In retrospect I realize that the teaching came in the form of example and directed self-education more than in any other way. My father had a library that was always open to us. He subscribed to Argentinian, Spanish and American periodicals, some of which, like National Geographic Magazine, were in English. Though we couldn't fully read them, we still devoured them. His National Geographic Magazine collection, dating back to 1929, is now a treasure in my brother Chuso's library.

I introduced my two brothers and two sisters in the section Freedom Fighters (Chapter 2), and although there were 14 years age difference between the oldest and the youngest (the two girls), my family experience is intimately intertwined with all of them. My earliest recollections of family life date back to the very frequent visits my parents made to my paternal grandmother's house, where I would play not only with my siblings but all my first cousins who would also go there accompanying their own parents. Lessons of solidarity, mutual love and respect were taught to us on a daily basis, not as in a classroom, but by making us part of the clan. It wasn't until I had my own family that I understood the importance of these get-togethers. I believe that the virtues my own children display today were planted in their minds when I repeated the same practice of almost daily visits to my parents' home. That is where they nursed the morality that makes an individual strong, and therefore a family and ultimately a nation. It is never too early to start.

Wake-up time at home was always enforced by school schedules, as were mealtimes. They always were family affairs. During our years at school, the lunch table was the battleground where we would measure our knowledge of diverse subjects, usually not related to specific schoolwork so as to not give any of the five competitors an obvious unfair advantage. My parents seldom missed a meal with us and my father was the instigator and moderator of our games. My brother Chris was usually the winner in

matters related to geography and history. I don't think I ever took the title from him on the subject of world capitals. He knew where every country in the world was and what city was its capital. He also knew the name of the leader of the country and what the country was known for. In addition to history and geography, my sister Toqui knew about math and business questions and she was an expert on music and record players. We had an advantage on my brother Chuso in that he was five years younger than me, and three than Chris. Yet, he held his own, often beating us in some subjects then, and close to always, as a grown up. Vivian was in her first years of school and she already knew some world geography. We grew up accepting the need for knowledge and competition and preparing for both.

The intellectual curiosity that these games aroused in us, coupled with the ability my sister Toqui had to attract truly worthy young men as she was growing up, ignited an interest in my mind about flying and airplanes. As a young teenager, helped by one of my sister's friends, Alberto Pereira, I learned how to build balsa wood model airplanes. The hobby taught me much about structural design, streamlined shapes, and aerodynamics. I learned about specific gravity and other physical attributes of matter. When I finally encountered these subjects in college, I already knew something practical about them. Since my family didn't have the custom of handing out unearned allowances, I didn't have money to buy pre-made airplane model kits. So I bought, or more often, made copies of blueprints and then cut my own sticks from balsa wood that came from the jungle forests near Cochabamba. Thus I learned about preparing drawings in advance of construction and finding cheaper alternatives if there were any.

The mid-1940s up to the mid-1950s were the years of my childhood. Although Cochabamba had a few movie houses, I don't recall going to the movies until I was in my teens. But when I was a child my parents figured out ways to entertain us very well. I almost still sense the excitement we and all the cousins felt when on certain weekends my father, who had an 8 mm. movie projector and some Walt Disney cartoon films, would put on a show for the whole clan. Even though we saw the same cartoons over and over again they were days to remember! During school days we would do our homework before Dad came home, and he would check it thoroughly if we needed help. We then had a couple of hours to play together before bedtime. On weekends we usually got together with cousins and friends and played outdoors, went swimming, hiking and told tall tales to each other.

As soon as I was able to read well enough to follow a story, I ran into a collection of books by the distinguished Brazilian writer, Monteiro Lobato. He wrote about life on Brazilian farms set in the mid to late 19th century, about the time of Portuguese slave emancipation. The hero was a boy about my age with whom I immediately identified. His adventures went from unmasking old terror country tales to bridging the class gap between owners and slaves. As I became a teenager engulfed by my aviation hobby, I took up reading about the adventures of Bill Barnes, a Long Island aviator from whom I learned much about planes. Both collections were, of course, Spanish translations. Both

the authors extolled the virtues of truthfulness, hard work, dedication, loyalty, honor and love of family and friends, in one word, integrity. My parents knew that and made sure I always had money to buy more of those books.

As I continued to grow, every time I had a little money to spend I would go to the only bookstore in town that imported U.S. magazines, and I would buy any that had the picture of an airplane on the cover. This awareness coincided with the escalation of fighting in the Korean War, which made planes very famous. I had more temptations than money. That is how I became acquainted with Popular Mechanics, Newsweek and Time magazines. I made a scrapbook of my own paintings of the planes that I saw in the magazines and added some of my own design. I wanted to increase my understanding of airplanes and pictures alone were not enough. I badgered everyone I could find who knew a bit more English than I to help me understand the text. Since my father had a working knowledge of the English language, eventually my mother decided that all the children and she should catch up and learn it, for she realized that French, her second language, was in decline. She hired a tutor and we all took some classes, but as my first trip to New York demonstrated I had not been very successful.

Given the isolation of life and the political turmoil in Cochabamba in the mid-1950s, interscholastic competitive sports were little known, but I still managed to learn a few skills. My high school phys-ed instructor, Napoleon Araujo, a gifted and handsome athlete, taught us the essentials of physical exercise and introduced us to modern gymnastics. Destiny would have it that he would in later years marry my sister Toqui and become my brother-in-law. It is thanks to his enthusiastic coaching that I acquired a love for that sport, which later also extended to diving. Both gymnastics and diving are individual sports, in which one fails or excels without a teammate's influence. Thus, they are very useful in revealing one's limits and the extent to which practice and willpower can push them. I think sports in this category are extremely important in honing the inner virtues that shape character.

During my last year of high school, as a self-taught diver using a wooden plank, I qualified for the Bolivian national diving championship and then won it. Ten years later, after collegiate coaching at Texas A&M on competitive aluminum diving boards, I entered the Bolivian championship again, and won it once more, still on the same wooden plank of earlier years.

Napo (Napoleon's nickname) also introduced me to the game of basketball, which is purely a team sport. Here I learned the value of group effort and the power of the virtues needed to accept other players and subordinate individual choice to the best interest of the team. In my senior year Napo chose me as a fill-in member of my high school's team. Upon my return to Cochabamba eight years later, I joined his team in the city league and enjoyed playing competitive basketball for another decade. The lessons in character building learned from Napo took the form of perseverance in the presence of

more gifted competitors, discipline, dependability and the yearning to be the best I could be, always playing by the rules and abhorring cheating and laziness.

My focus on sports and my model airplane-building hobby, coupled with the selection of friends, steered me through my teenage years refusing to try smoking or drinking intoxicating beverages. My father, who had already provided us with a tennis court, basketball backboards and a small swimming pool, realizing the benefits of my interest in physical activities had a set of parallel bars built for me. I was indeed a very lucky youngster. The habits I learned through sports proved most useful during my college years and in later life. As a matter of fact, I never took up either smoking or drinking liquor.

As I have described in earlier parts of this book, my father was an entrepreneur of the first magnitude by Bolivian standards. I am amazed at how he was involved in so many activities at the same time and still found time to be our guiding star. Both my parents volunteered their time to worthy community causes such as the orphanage and service clubs like the Lions and Rotarians. He was founder and first president of the former. At one point or another of his busy life he led the politically important Committee for the Improvement of Cochabamba, was president of the Engineering Society, the Geographical and Historical Society, the Hispano-American Society and several other similar organizations, all on a volunteer basis. Additionally, he was the author of several pamphlets and a couple of books, including his own autobiography, *Memorias de un Ingeniero*.

My mother was also involved in civic activities, particularly in relation to the protection of abandoned children. Most of her attention, however, went to us. She was relentless in her pursuit of constant improvement, for us and for herself. Since school left us three months a year of free time, Mom saw that we were engaged in learning activities during this period. One time she talked me into taking typing lessons on the suspicion that it might be a skill I may need in the future. Indeed, I am very thankful for that foresight now. It is sure helping me type this manuscript!

During school periods we lived in an apartment my father bought and remodeled on the old colonial part of Cochabamba, while in the summer we lived in a villa he had built in the outskirts of town. The latter's location was on about 15 acres of the alluvial fans at the foot of the mountain where the valley begins. When he bought it, the land was covered with nothing but rocks and thorn bushes. My parents bought it in 1940 from other descendents of Ubaldo Anze, my mother's paternal grandfather. Close to the turn of the 19th Century, Mr. Anze had purchased more than 240 acres around it from his widowed mother in law. He called his estate Aranjuez, after the beautiful village in Spain where kings went to get away from Madrid. He developed a water source at the mouth of a cascading mountain creek on the high end of his land. Through a hand-made rock and lime lined open channel, he carried these waters down to his productive land to irrigate orchards and vineyards and to supply his canning operations.

Mr. Anze, my great-grandfather, had arrived at Cochabamba in the third quarter of the 19th Century as a pre-teen, barefoot, French orphan in a mule caravan from Peru. My sisters and other descendents who have looked into his past believe that his father and other relatives, if any, had perished in their traverse from Europe. In time he became one of his new city's pillars of the community and purchased a drugstore with fine European imports. His knowledge of pharmacology and business allowed him to build a mansion on the town's main plaza and a winery and a canning plant in his Aranjuez holdings. His accomplishments, as those of one of his sons, Fidel Anze, my grandfather, are still memorialized in what is now the best suburb of Cochabamba. Monuments, streets and parks now carry their likenesses and names. By the time I was able to make memories, my father had transformed his smaller acreage into a veritable garden of paradise. He planted fruit trees, corn, alfalfa, potatoes, flowers, vegetables, pines and eucalyptus trees.

The valley of Cochabamba, at 8,600 ft. elevation, is known for its wonderfully mild climate and long hours of ethereal bright sunlight, which makes it ideal to raise fruit, flowers and vegetables. We had so many bird species in the orchard that, although they enlivened the air with their multicolored plumage and happy chirping, became a problem for Dad's agricultural efforts. He had a .22 rifle that I learned to shoot by aiming at birds. My brothers and I also helped him and his farmhand in their fight against locusts, ants and other plagues that were constantly on the attack. We had a couple of cows, some sheep, chickens, ducks and an occasional turkey or pig. I learned how to milk a cow and shear a sheep, use a sickle and plow by hand.

The enlarged families from both my father and mother's sides would come over on weekends and we would have unforgettable fun by the swimming pool or on the lawn, where we all played croquet. Our games of hide and seek, cops and robbers, and "cachitatumba" have been passed down to my own children and their cousins. When I meet with my brothers and their families we sometimes still play them. La Brisa de Aranjuez, as we called our villa, was the storybook enchanted place where the five siblings grew up and on whose memories the joy of our childhoods still ride. I love the place so much, that when in the year 2000 my new bride, the former Susan Scoggins, suggested we call our new home in Bryan "La Casa de Aranjuez", she gave me one of the most valuable gifts possible.

By the time I decided to leave Bolivia to study in the United States, the idyllic times of my youth were already waning. Three years after their takeover, the new socialist order had succeeded in demolishing the old ways and chaos was beginning to be prevalent. A few years after their revolution of 1952, the authorities tried to confiscate most private property. My parent's Aranjuez' orchard was one of their targets. The confiscation effort took place after they moved to Peru, as I have related previously. My mother had to return quickly to Bolivia and by using legal stratagems and calling all her social chips, she was able to just stave-off the takeover and subdivision of La Brisa de Aranjuez. As

part of the “pardon” she received that allowed them to keep the property intact, my parents had to agree to change the ownership into more names than just theirs. This was the beginning of the end because it made it impossible to add another penny of investment into the land.

Later in 1967, taking advantage of the short peace brought by the Barrientos government but fearing a future return to communistic times, we all decided that it would be safer to actually subdivide the orchard under our direction. We did so and my parents gave five lots to each of their children, though I paid for one of mine. All five of us built a home on them and continued, as married families, the close family bonds that we had developed there as youngsters. Our own young children were able to savor the same early childhood we had enjoyed. My three kids were lucky to form their first memories in this beloved place under the umbrella of my parent’s home. We sold the lots we didn’t build on and La Brisa de Aranjuez became the choice residential area of Cochabamba. Even though I have lived in Texas since 1974, I kept my home there until after my mother passed away in December 1996. Aranjuez is the place where I nursed all the virtues that my siblings, my children and I brought to Texas when we moved here. We all fitted at the vanguard of the American character.

My parents complemented our learning diets with as much travel as possible. Railroad transportation did not arrive in Cochabamba until the second decade of the 20th century. The first paved road linking Cochabamba to another city was built by the US Department of Defense in the mid 1950s. The Germans started an airline in 1925 flying Junkers airplanes until they were expelled in World War II, and the company became Bolivian. With the advent of the socialist revolution of 1952, the airline went into total decline and accumulated the worst safety record of airlines on the continent. Air transport was avoided like the plague. This happened contemporaneously to my nascent interest in flying. My mother put a quick and final stop to any desires of mine to become an aeronautical engineer, my career choice at the time. So, while in my senior year of high school, I decided to follow my father’s footsteps and become a civil engineer.

As a result of these limitations leaving or arriving at Cochabamba was not an easy affair. The massive mountains surrounding the valley kept us well confined and isolated in an idyllic setting, devoid of any large bodies of water. Nevertheless, my parents managed to show us the ocean at the Pacific port of Antofagasta, Chile when I was about six years old. My father rented an entire sleeper railroad car and took not only his immediate family but also his mother, sisters and brothers with their families as well. It was a vacation to remember! It was my first train trip; I still remember running around in the train’s passageways with my cousins, probably making a nuisance of ourselves. When we overnighted in La Paz, it was the first time in my life I saw a larger city and stayed in a hotel.

In Antofagasta, the Chilean port of our destination, my father put the whole clan up in a little waterfront inn. I followed my cousins, most of them older than me, in exploring everything on the rocky ocean shore. I looked at everything, from the fishermen's nets to a pelican's bill, discovering creatures I would never have dreamed existed. It was the first time I smelled the pungent odor of clams and seaweed and felt the salty sea-spray off the rocks. On the rocky shores I saw little monsters scampering about that turned out to be crabs and mollusks and had nightmares at night. In vengeance I started to chase them the next day. At the beach, I waded in the ocean and resisting the waning surge of the waves that crashed on rows of white-capped walls of water I felt shifting sand under my feet. It was a little scary but I loved it. Not to my liking, I tasted fresh fish in the restaurant. For the first time I met people who talked with a different accent. It was a true trip of discovery.

In early 1952, when Dad was in charge of building a railroad through the jungle from Brazil to Bolivia, he took us by plane to a beachfront hotel on the world famous Copacabana Beach, Rio de Janeiro, Brazil. There we stayed for a whole month, and my brothers and I really had fun in the surf. I believe that my serious love affair with the ocean started then. We also spent part of that summer in Corumba, Brazil, a town on the Paraguay River that marks the border between Bolivia and Brazil. It was the railroad's headquarters and Dad's base of operations. The main pastime was piranha fishing but we also did some learning. Dad took us to see a nearby steel smelter, the first industrial installation I had ever seen. Air conditioning was unknown in Corumba, but life for we children was enjoyable despite the fact that most of the year the heat and humidity there make Houston in the summer feel like spring in New England.

On another occasion in 1954, we went to the Pacific port of Arica, as a reception committee for my sister Toqui who was returning by ship with my father after attending prep school in Pennsylvania. Although my parents believed correctly that traveling opened up the world to us, I now think that the main lesson we learned was the dedicated filial love that they had for their children. They shared everything they could in the most exemplary way, establishing a pattern of generosity that we would all follow with our own families in our adult lives. We formed our characters on their image and passed them on to our own children.

Another environment that without a doubt was very instrumental in forming my character was the school I attended. As I mentioned in Chapter 2 of this book, I went through the complete cycles of elementary and secondary education in a Catholic school operated by the LaSalle Christian Brothers of Spain. It was a boys-only school that excelled in the quality of its graduates. We learned stuff that, unbeknown to me at the time, was of college level, as I discovered at Villanova University. We didn't have labs or fancy textbooks but we took ample notes and were given a lot of homework, which we did. Anyone who consistently did not do homework was kicked out.

As I stated before, athletics were not an important part of our training, but there were other activities encouraged by the system. The school had a marching band and I played the drums at the frequent civic parades we were obligated to attend. We were expected to visit the chapel daily and were forced to go to Sunday mass, lest we go straight to hell. Probably because the school was not free and those who attended had parents who made sure their children got their money's worth, and also because non-achievers were expelled, by and large the quality of kids was of superior grade, and the brothers made us compete fiercely for the top honors. I hovered among the top five out of a class of fewer than 50. My brother Chris was the perennial first of his class, so we appeared to be smart, but in fact I don't think we were above the norm. We did have a father who made us do all the homework, helping us as necessary. My parents hammered into us the importance of choosing the right friends, for they said that those around us ultimately define our character. How right they were and how thankful I am for that zealously enforced counsel!

Given the remoteness and inaccessibility of Cochabamba, it is remarkable that among the school graduates with whom I am still acquainted, so many have succeeded. To make the point of my little school's contribution to America I can name a few who have added their grain of sand to our pyramid of progress.

Ray Rivero achieved the highest levels of corporate America in the oil business at Atlantic Richfield and Occidental Petroleum. So did David Benadoff at Tenneco Oil and Fernando Soria at Warner Lambert. Jaime Pero, after developing the international business branch for Boyle Engineering from California, built up his own coal exporting business in Chicago and is now a real estate entrepreneur in that city. Gaston Schwartz, J. Carlos Ramirez and Carlos Mitre have famous medical offices in Canada, Spain and various states of the Union. Juan Carlos d'Avis rose up to chief surgeon of Walter Reed hospital in Bethesda, MD. My own brother Chris runs an engineering practice in Texas with such a reputation that he selects his clients rather than the other way around. My youngest brother Chuso, as the intellectual author, creator of its charter and spokesman for the political party Alianza Democratica Nacional (ADN), was elected vice president of Bolivia in 1985. He unsuccessfully ran for the presidency in 1997, after being a member of the Bolivian House of Representatives and a Senator in the intervening years. Based in Tokyo, he is currently Bolivia's ambassador to the Pacific Rim countries. The little Cochabamba LaSalle School, with graduating classes of fewer than fifty, indeed made a few sand-grain contributions to the greatness of America and the improvement of the world. Clearly the virtues learned at that small nucleus were well applied in the outlying sphere.

---043---

HOME

While a senior in college I met the young Kirsten Madsen from Denmark, who was visiting relatives in College Station. In 1960 the presence of an attractive, eligible girl was not common around Texas A&M, which was a men-only military school set in the isolated forests of the Brazos River Valley. As our friendship grew her host family, afraid that it might get too serious for them to control, decided to send her back to Denmark. I decided to accept her invitation to visit Europe with her, and after graduation I flew to Copenhagen. Through a newspaper ad, we found someone who wanted a car delivered in Paris and I was commissioned to drive it there. In Paris I picked up a small French automobile that my father bought for me as a graduation gift and, with Kirsten, met both my parents and sister Vivian in Switzerland.

The five of us toured Western Europe for nearly two months. We drove where we wanted, when we wanted and stayed at any point of our choice. We had superb control of our schedule and mobility. We visited every free country in the continent except for Italy and Portugal. Europe's hinterland is historical and beautiful and we got to see most of it, albeit at a fairly rapid pace. We had many unforgettable adventures and met old and new acquaintances who expanded my horizons at an accelerated rate. In addition to all the learning that emerges from such an experience, Kirsten and I concluded that we wanted to continue building our relationship. She decided to move to Texas to pursue higher education and get to know me better.

Upon my return to Houston, where I had a job with the Texas Highway Department, the Potters, my adopted Houston family, gladly accepted my request that Kirsten come live with them while attending college. I contacted Father William Young, a Catholic priest from the Basilian Order, at the University of St. Thomas (UST) in Houston who, at the time, was director of admissions. I submitted Kirsten's transcripts and although he had never heard of me before, when I explained my request to accept Kirsten as a student, he not only did so gladly but also offered to give her a part-time job in his own office to help us out with expenses. This is how my lasting relationship with Father Bill Young and the University of St. Thomas started.

Despite her father's strenuous objections, soon Kirsten was installed as a live-in nanny at the Potters and a student at UST, where she eventually received her teaching degree in May 1963. From September 1960 to August 1961, I worked in Houston and was able to help with her transportation needs. The next year, until we married June 1, 1962, with the help of classmates who owned cars, the Potters were able to shuttle her back and forth between home and school. This is clearly an example of how in America anyone who wants to improve herself (or himself) can find somebody willing to help.

On June 1, 1962, in the presence of my parents and siblings who had come to College Station for my brother Chris' graduation, and Kirsten's mother who flew in from Copenhagen, Kirsten and I married in the Catholic chapel next to Texas A&M. Joe Elliott, with a broken arm in a cast, drove all the way from California to be my best man. The Potter family, Ray Rivero and a few Aggie friends were also kind enough to show up for the ceremony. That summer we lived in the married student housing area of TAMU until I received my Master's degree two months later. Then we moved back to Houston where I had accepted a job with the engineering division of Brown & Root, Inc.

Kirsten continued her undergraduate studies and renewed her job with Father Young. We rented an apartment near UST so she could walk to classes and work. Father Young and I loved to engage in long conversations about subjects such as theology, philosophy, political economy and history. I would keep him in my apartment until just before midnight, giving him barely enough time to say his daily vocational prayers before the end of the day. His friendship helped me develop a better understanding of the on-going, fuzzy, random and gripping nature of the human experience.

I was not yet twenty-four when Kirsten and I realized we were about to start a family. My first reaction upon learning that I was going to be a father was to reach out for help. I was by no means ready to take the responsibility as a trained father would. I had not lived with my parents since I was 17, and in the last six years I had changed much, not only physically, but also in my view of the world. Yet, I didn't have anyone to tell of my fears, so I wrote my father asking him to take my yet unborn child as his. To bring a new life to the world was plain scary. I felt that I didn't know what to do. Worse, I felt like I didn't want to learn what to do. Then, almost by miracle, the fear disappeared and a primordial sense of ability and willingness to take charge enveloped me as soon as I saw my son born. I no longer wanted anyone else to take responsibility or even hear any suggestion that they could do so. It was my son! I would give him all I had! I would get whatever he needed!

I will never forget the metamorphosis I went through in a matter of days. I believe it was part of the mandate encoded within us by the Supreme Developer, and I think that most parents feel that way about their children. It is an expression of the instinct I discuss in The Grand Design of this chapter. It smacked me right in the face, like a boxer's punch. The initial thrust comes from the genome, but sustaining the nurturing that we all owe our young is a matter of choice. It is not a short and easy task and the first impulse can be killed very quickly, as we see it happening much too frequently. The willingness to sustain the effort in most cases must last at least eighteen years and often longer. But if one chooses to be a good parent it is also a sublime and ennobling choice.

Except for the truly less privileged that grow up orphaned, we all have been exposed to the sacrifices of parenthood, either as children or parents, or both. Without a doubt, the frequency with which parents can point to their children with pride is almost equal to the frequency with which parents have carried out their duties responsibly.

May 28, 1963, was the hinge day about which my life swung from the mind-set of a carefree person with no responsibilities to that of a parent aware of the responsibility of parenthood. It was the day Cid Alfredo Galindo, my first and only son was born. It was also my parents' 32nd wedding anniversary. As I stated before, at the time I was working for Brown & Root, Inc., a large engineering and construction company based in Houston. While on a field assignment supervising a test pile program for a dam to be built in nearby Livingston, Texas, Scott Potter called advising my camp that he had taken my wife to the hospital to deliver the baby. It was a two-hour drive that I started right away. In rush hour downtown Houston traffic, I ran onto the car in front of me and the policeman would not believe me that I was on my way to the hospital to receive my first born. Finally, I realized that admitting my foolish fault and agreeing to all his terms was the only way I could accelerate getting out of the jam. It caused me to miss seeing my wife before the birth.

Taking home my precious little new baby was better than receiving any treasure on earth. I think if all people making families would dwell on the enormity of the gift we have to create human life, and would vest their children with their unwavering interest and support, not just their families but also all of America would lead the world to even better living. Individual responsibility toward our progeny is one of the key virtues demanded by the American character, and most often, the beneficiaries of this responsibility become the anchors of society.

Raising children should never be the responsibility of the government. Fortunately, in America it is not. In my opinion, church pulpits and family homes are the proper forum to emphasize this truism. However, the love and tenderness with which we receive our children into the world must be complemented with a myriad other ingredients to help form a person that we hope will be better than us. The many pressures of life make it almost impossible not to lose sense of this obligation at some point. As if to prove humans freedom of choice, too many of us conclude that the effort is not worth the pain, thus contributing to the decay of the American family.

About six months after Cid's birthday, I moved to Bolivia, and my blessing star continued to shine over my life. I had a beautiful, capable and dedicated wife, the most wonderful child anyone could ask for, a nurturing family and loyal friends. Soon positive breaks came about in my work environment that allowed me to discern opportunities for my professional development. After riding with me to Mexico City, Kirsten had flown directly to Cochabamba carrying baby Cid in her arms while Joe Elliott and I drove a car all the way through the Americas. Although my parents and other family gave her a warm reception, her cultural shock adjusting to Cochabamba, by comparison, made mine pale when I arrived at Villanova University. But she handled everything like a little heroine and eventually integrated herself in the local community so well that she became an example even to me. My support group was complete to help me be a good father.

As an engineer I was well aware of the laws of physics that require equal and opposite reactions to achieve equilibrium, energy transfer to achieve entropy and voltage differential to make electricity flow. I still often wonder if these laws have an equivalent in the social world. In the mid 1960s, I worried if one day they would inexorably bring me down. After a lifetime of wondering I am still not certain of the answer but I lean heavily toward believing that socio-spiritual laws exist, in some form or another.

The Christian Gospels reveal that more than two thousand years ago, Jesus taught that good deeds would be paid back manifold, and bad deeds punished equally well. He had learned this from even more ancient philosophers. His silence on the subject of the sustainability of happy times probably reflects the human inability to deserve happiness all the time. I have no doubt that I encountered situations at various points in my life that point to hidden social laws equivalent to my engineering principles, but I find no way to formulate them. At any rate, in the late 1960s in Bolivia, though aware that they might be around, I was undeterred by their possible existence.

In chapters 2 and 3 of this book I have described my political and value creation activities, which I shared in full with my growing family, and which, I am sure, helped form their early perceptions of life. Until mid-1969, when we moved to the new home I built on the La Brisa de Aranjuez subdivision in Cochabamba, Kirsten and I lived and worked in an independent apartment provided by my parents contiguous and connected to their old colonial townhouse. My office was located at street level in the same building. As a result my kids were part of the business from the start and we spent almost every waking hour with them. We also saw my parents daily and my brothers and sisters when they were there. After we moved to Aranjuez full time, my parents spent most of their time in their adjoining villa also, and their home became, for us and for our close friends, the Camelot of Cochabamba. Family unity and loyal friendships were a serious matter and a source of joy.

Exercise has been a part of my life since high school days, and upon my return to Bolivia I missed the good facilities I had left behind in Texas. I spent my days calling on clients and trying to make myself known; evenings and nights were my productive time. I was working 12 to 14 hours a day. Saturdays and Sundays I exploded in long sessions of exercise and fun at a local public swimming pool where I met many like-minded friends.

After five years of this “weekend warrior” approach to physical fitness I had a strong wake-up call. One night just after my 29th birthday I woke up with severe chest pains. The grinding noise my heart was making woke my wife up. I was having a heart attack. It was later confirmed that my pericardium (the membrane that envelops the heart) was inflamed but that fortunately it had not damaged the heart muscle itself. It was a good reason to find time to workout more frequently and to adopt a routine of at least five or

six workouts a week, which I still maintain today and which has rubbed off on my oldest and youngest kids.

Shortly after we moved to Bolivia, my father-in-law, Axel Madsen, began realizing, not to his liking, that both Kirsten and I were serious about making a family together and that she had decided not to return to Denmark. He probably was saddened by this realization, but nevertheless began reconsidering his initial policy of rejection. I began to be invited to his home, thus starting my twenty-year relationship with Denmark. Initially he not only paid my family's travel expenses but for mine too, a fact that I appreciated very much. Perhaps moved by his curiosity and because he was able to do it, he and his wife came to see us in Cochabamba, once in 1967 and again in 1970. My own parents celebrated Christmas of 1968 at their home in Copenhagen while on a trip through Europe, and, surprise, he was a charming host! Toward the end of the 1960s, he even began to take us on vacation trips in various exotic parts of the world. Kirsten's brother, Troels Madsen and his wife Emmy, were always very nice to me.

As I mentioned before, I had business and family reasons to travel to the U.S. and Europe fairly frequently and most often Kirsten and Cid would go with me. The Potters in Houston allowed us to use their home as a home away from home. My brother Chris had recently married and worked in New Orleans and so we went to see him there in September 1964. In June of the following year, in preparation of the next big event in our family, the birth of our second child, Kirsten flew to Houston to spend some time with the Potters and to avail ourselves of the best medical care we could. I also wanted to make sure that all my children would be born in the U.S.A.

Nine months after our New Orleans visit, on July 5, 1965, the day following my father's birthday, I received a telegram from Scott Potter announcing that a precious baby girl had been born. I wound up some critical work I was in the middle of doing and flew to Houston as soon as possible. We named my little doll Kim Blanca, the middle name in honor of my mother whose first name was Blanca, and the first because it had only three letters and the middle one was "i". We had previously decided that we wanted to give our children three letter names that were easy to pronounce in any language. The middle letter "i" made a good common factor.

By September 1968 I already owned a small cabin in the beautiful Hill Country of Texas, on the banks of the Guadalupe River at Ingram, near Kerrville. We went there to spend a vacation and receive our latest and last little addition to our family. Lis Else Galindo was born on September 5, 1968, and completed my joy as a father. Although very small, she was perfect and needed no special services. Her middle name, Else, was Kirsten's mother's name. I had delayed my return to Bolivia to the last possible moment because I didn't want to be absent for my new child's birthday, as I had been for Kim's. We were alone in the remote cabin on the Guadalupe about a two-hour drive from the San Antonio airport. Two days after the birth, in an act of total irresponsibility, I allowed

Kirsten, with the two children and a two-day old baby, to drive me to the airport and return by herself. I still cringe when I think how stupid I was. No doubt I was lucky!

A few weeks later I returned to Ingram to pick up Kirsten and the children, and together we flew back to Bolivia. With my family thus complete, the process of raising and educating the children began to absorb more of my time. Cid was very fond of animals. Kim and later Lis followed his steps. Their love for animals pretty much determined how their childhood time was spent. After we moved to our new house at the La Brisa de Aranjuez subdivision, where we still had wide-open spaces, we had all sorts of pets. I also kept my alma matter's related tradition. Texas A&M's colors are maroon and white and its mascot is a collie dog always named Reveille. I drove a maroon and white vehicle and Cid's dog was a collie named Reveille. Cochabamba was one of the most remote outposts of Aggie traditions and visiting Aggies loved it.

My company's engineering assignments demanded wide and constant traveling to almost inaccessible sites. To improve my children's awareness of animal life, from my frequent trips to the jungle I sometimes brought really exotic pets. Once I came back with a huge monitor lizard that inspired fear by just looking at it. It was bigger than Cid but he handled it better than me. He did the same with a boa constrictor that refused to eat the chicken we fed it and instead became its friend, sharing the same cage. In addition to cats and dogs, at one point or another we had parrots, monkeys, chickens, skunks, hamsters and birds. The kids enjoyed them very much. They learned valuable lessons about responsibility and the beauty of life. Cid was less squeamish than me in handling hurt animals. When we went spear fishing in the rain forest rivers in the area near Cochabamba, I would catch the fish and he would take them off the spears and clean them for later cooking.

In one instance, during a return trip to Texas, we were bringing our parrot back, and although it had all the veterinary shots and certifications needed by the U.S. customs service, we didn't have proof that it had been in our possession for at least three months. Despite our indignation and tearful pleads, the Miami custom's agent sent the bird back to Bolivia. Incredibly, it made its way back to my Dad's house, and later, carrying all its papers in order, it returned all the way back to our Texas home. Talk about careful control of immigration! On another occasion, when my daughter Kim was coming back recently married, she sedated a monkey and brought it all the way home under her overcoat, an 18-hour trip. It became Lis' pet and was so talented and cute that it eventually worked its way up to Hollywood where he acquired great fame as a silver screen celebrity, starring in the movie Monkey Business. Talk about making it big in America! Rational sensitivity and appreciation of animal life was indeed a theme that pervaded my household as my children were growing up.

When we moved back to College Station in January 1974, Cid was ten years old, Kim eight and Lis five. We decided to enroll them in the local Catholic parochial school because of its good academic reputation but mostly because of the perceived promise

that our family values would find a reinforcing environment in a smaller, more controllable atmosphere. By and large we were right. When they transferred to the Bryan public school system for high school, they did so without any academic handicap and achieved positions of leadership in the much larger school almost immediately.

As I said before, Cid was the top student in his graduating class and Lis was heavily involved in the school's leadership. Kim traveled to Cochabamba and to Copenhagen and entered the school systems in those cities without any handicap either. The most difficult period of a young person's development is the teenage years. My blessing star continued shining upon my children and me during those periods. I never had anything but feelings of pride and satisfaction from all three of them, at school and outside school. None of them ever got into any trouble or departed from the standards of conduct that we learned at home. Much the opposite, they were often cited for their distinguished service and accomplishments. Lis was chosen to speak for her class at its graduation ceremony. In a large high school environment, as in the world outside, they had to be very careful about choosing close friends. I am convinced that, just as important as any teaching they learned at home, the selection of good close friends was key to their success. My niece Diana Galindo, daughter of my brother Chuso whose house had been bombed for the second time in Bolivia, came to live with me to do her senior year at Bryan High School. She also became involved in the school's leadership. Her home values and ability to choose good company were keys to her success as well. Her younger sister Veronica Galindo also came to live with me to finish her high school education in a private school in Bryan.

On October 5, 1978, my birthday, my life took a shattering blow. Kirsten announced that she wanted to leave the family and me. She indicated that she just wanted to be on her own, but the following day she moved in with her new boyfriend. This was probably my comeuppance for all the negatives in my life, and the work of the social laws that appear to exist as counterpart to physical laws that I could never enunciate. But whatever the reason, it was a devastating blow. This was a major event in my life. Unfortunately it is very common in this day and age. There are always at least two sides to every story and my intention here is to present neither, save to give a few glimpses of what resulted. At the time I thought the world had ended and I had no longer a reason to live. I even lost thirty pounds in a month and half, though I didn't have that much to lose. According to my own children, I turned into a walking skeleton. It took me three years to finish the divorce and to recuperate physically.

Many years later I was glad it happened and now I can't see how I would be as happy as I am today had it not happened. It was a sickening pill to swallow but the long-term results for me were salutary. However, I believe that the scars it left on my children were very deep and they have to consciously work at mitigating them. They were hurt the most, for their damage was not just short term but medium term also. Neither Cid nor Kim is yet married and Kim is not interested in having children. My only hope is that, having experienced the effects of parents divorcing, and assuming that they get married

and have children they will be able to spare the trauma to my grandchildren. At some point each of us must take control of our own lives.

Following Kirsten's announcement to leave the family, in near despair I turned to the pastor of the Catholic Church we attended and was pretty much shown the door. On the other hand, acquaintances from protestant churches and other walks of life came out of the woodwork to give me comfort and hope. It was a new revelation that started my opening to other religions.

In 1986-87 I had another major emotional crash from a failed relationship with another girl I had fallen in love with. For the first time I read The Bible from beginning to end, twice, and found hope in God. Although her life was the antithesis of everything her father preached (she was the daughter of a prominent protestant minister in town) I was blinded by my infatuation. We did everything that her religion forbade her to do, but did so behind her parents and congregations' public view. Privately, they knew what was going on. She and I literally traveled the world seeking refuge from their harsh standards. To my severe detriment, I disregarded the glaring contradiction of her family's actions with their words. Eventually the experience served to deeply disappoint me with organized protestant churches as well. My view of religion synthesized itself into a direct relationship between my creator and me, whoever it may be. I learned that no intermediaries are needed, written or spoken.

As a single father obligated to make a living at work and raise three children at home I began to experience the rigors of single parenthood. My respect for single mothers went through the roof because, whether we like it or not, most women still are paid less than most men. How they are able to house, feed, clothe, educate, transport and entertain their children while holding a job is a feat of heroism. I was lucky that I could afford help when I really needed it and that often my Dad was there to take up the slack. As soon as Cid turned 15, he applied for and received a hardship driving license and began helping me take the girls to and from school, for we never used the bus system. He did so most responsibly and lovingly. His help was not only critical for the running of my household, but the responsible care for his two sisters bonded them solidly for the rest of their lives.

Drawing a side parallel from my experience into the public policy field, I think single mothers in Texas are lucky that Gov. George W. Bush made it the state's business to help collect child support from rogue fathers who abandon their children. This is, in my experience, very good public policy.

One of the most important obligations I saw for myself as a father was to ensure that the friends my children spent time with were worthy of my trust and respect. I followed my mother's adage "tell me who you go around with, and I will tell you who you are." I stayed close to them and involved myself in their after-school activities, having a daily driving circuit to many different places. Varying with the season it was Girl Scouts, swim

practice, ballet class, gymnastics workouts and weekend out-of-town trips to competitive events. When he was in Texas, Dad's help as a driver was invaluable. My parents' home was an after-school holding place for my kids until I could pick them up. I must admit that I was never a cook and that my children probably had their main meal of the day at school. I missed the family tradition of learning around the dining table, but it was an inescapable price of the times I was living through.

By this time my sister Vivian had finished law school in Bolivia and wanted to get a taste of U.S. universities. Being my parent's youngest child, and given the fact that my brother Chris and I were established here, they decided to move temporarily to Bryan-College Station. They bought a house in Westwood Estates one block away from mine, and during the long periods when they lived there, despite the fact that he was already past 80 years old, my Dad would do a lot of my driving. This allowed me to concentrate more on my work. He literally helped me until he could no longer do so. When I was late, Mom would feed my children after school and make sure they were all right.

It was a rare day when the kids had no friends dropping by at my house. I much preferred to have them around me than away. I made my house available for meetings of organizations such as Young Life (a high school Christian organization) and occasional parties. I was very familiar with all their friends and in many cases became acquainted with their parents also. During the first year of my divorce I also had the invaluable support of Joe Elliott, who was once again in Texas helping me establish my engineering company.

Cid had a knack for always choosing as friends kids that I could trust and admire. He surrounded himself with young men and women who were truly at the top of the human pyramid scholastically, athletically and morally. They were always competing with each other to be the best, but never debased their standards in their quest for excellence. In time his group produced the best of America's new generation – engineering PhDs, economists, MBAs, MDs, entrepreneurs and corporate executives; a monument to my theory that the seeding grounds profoundly affect the harvest.

Kim was touched by a lust for traveling early on. She spent a semester of her junior high school year in Cochabamba living with my parents and learning Spanish. My mother was in charge of helping her choose friends but Kim had her own contacts. Kim's approach to selecting friends there set a pattern for the rest of her life. After graduation she went to find the other half of her roots in Copenhagen, as I have described in Dreams Planted, Dreams Harvested (Chapter 1). Again, she continued to enlarge the ethnic pool from which she selects her friends, proving my thesis that the goodness in people, as we consider goodness, is uniformly distributed everywhere.

All my children had been very close to me growing up, but Lisie was especially so. She was barely 10 when I became her single parent and she lived with me, except for a few college semesters and an extended visit with my parents in Bolivia. After her graduation

from A & M, she lived in my single-father home for practically 17 years, until she got married on June 23, 1995, at age 27. She saw me through all my pain with the divorce and later with a couple of failed relationships I endured. She was my friend, supporter and confidant. She not only lived with me, more like raising father, but also worked with me at Aerofit. I knew every friend she had, although in all honesty I sometimes wished she did better. When she finally got serious with Ricky Soto, now her husband, she entered into a compact with me. I would give her all my support, even allowing her to live with him at my house, if she promised not to marry him until he graduated from college. Ricky responded without a hitch and she became his guiding light. They are now happily married and have given me the greatest joy I could ask for – two wonderful granddaughters who now bring new purpose to my life.

Family life at home extended to some of my nephews and nieces also. As I indicated before, my brother Chuso made the decision to stay in Bolivia and fight against the communist takeover promoted by the Soviet Union and its Cuban surrogates. The Bolivian front often flared into violent actions and his house was bombed a couple of times. His children were under constant threat. To seek some safety, all three spent extended times with me in my home in Bryan in preparation for their higher education. The oldest one, Diana, and the youngest one, Nicky, spent their whole senior high school years with me, just one year ahead and one year after Lis. Diana also became my good friend and supporter. She is now a very successful energy/high tech executive in Houston. I often felt that they were doing more to raise me than I was doing for them.

Toqui and Napo's son, Danny Araujo my nephew, became very close to me while he attended TAMU. His oldest sister, Tatiana, also made my home her base of operations. Later, Christian Madsen, one of my children's cousins from Denmark came to live with me also, staying for about a year and working at Aerofit. Other cousins from France and Bolivia also dropped by for shorter periods. My home was an open house for family and friends wanting to visit. I think these were great opportunities for growth and understanding of other cultures.

Eventually, when I married Susan, it dawned upon me that my family had benefited a lot from, and contributed some to, Bryan-College Station, Texas and the whole nation. I began thinking that our love for our adopted country was so real that it would be proper to leave a tangible reminder for my descendants. My life's story, though not unique, could be used as a source of values and unity for those whom I touched. I passionately felt that, as the first Galindo Anze to appreciate America in its fullest form, I had a historical obligation to communicate my thoughts and feelings to present and future generations. I wanted to formalize the completion of my becoming an American. That desire was also the genesis of this book.

To accomplish this goal and to celebrate the planting of my family's roots in Texas, I decided to call all the people with whom I had crossed paths in a significant way since my arrival in 1957. I asked them to provide me with a biographical summary of their own

lives and, to the best of their ability, a sketch of their family's tree, including their latest descendants. My purpose was to obtain a long strand of information on each of them so that a future researcher could find even more remote descendants. I wanted to give their future generations, and mine, an inheritance of human connections the value of which may be incalculable today. The response exceeded my expectations and I wound up with biographical information on most of the people that I mention in this book.

I charged my own children to charge their own children and so on down the line with the obligation to return to my house one hundred years later to retrieve this trove of personal histories and look up the descendants of my friends. My hope is that this task will be fun for them and may also result in valuable business contacts a century from now. On December 29, 2000, we had the data gathering ceremony, deposited in a weatherproof container to be buried in a concrete vault on the front grounds of La Casa de Aranjuez, in Bryan, Texas.

I also wanted to communicate with my descendants and pass on to them what I perceived to be of value in my family and the virtues on which I wanted to found the Galindo stirpes in Texas. I think that the letter I wrote to them reflects what I consider my contribution and my family's contribution to America. The letter follows:

MESSAGE TO MY DESCENDANTS
FROM LA CASA DE ARANJUEZ, BRYAN TEXAS
DECEMBER 2000

I feel very fortunate to be in a position where there is a chance that my efforts to communicate directly with you, though none of you yet exist, may be successful. Events in life are uncertain, but life is very certain. At some future time, more than 100 years from now, just as surely I am here today, someone, hopefully one or more of my intended recipients, will be, possibly also here, reading this message to you all.

I don't know how many, what sex, what name, or even what race you will be. I know, however, that the directives in your genetic codes will bear substantial resemblance to the directives that course through my veins, and I hope that the best will prevail. They, in turn, came from my own forebears, which are also yours, but more remote. Thus, you are the current exponent of a long line of self-reliant, courageous, honorable, compassionate, generous, loyal and visionary people. You are all motivated by a strong desire to help your children be better than you are, and the extent to which you see this happening affects the underlying satisfaction which you feel in your own lives.

You will know the answers to many things that are mystery to me today. However, I am convinced that the social evolution determined by the familial duty of helping our offspring be better than we are, will remain the most powerful legacy we can pass from generation to generation. This parental duty is discharged from the time we bring a new life to this world until we die. It is not easy. Sometimes life's other demands make it the most difficult of all our duties. However, it can be discharged with little money but lots of dedication and focused time. Our family's most profound contribution to our society is, in my judgment, not the many leadership roles our members have assumed, but the evolutionary force we create in making this a better world for everyone. For as we carve a better space for ourselves, we drag many others in our wake.

In your own hearts look for and find the strength, the power, the ability, the inner resources handed to you by your ancestors. I have done so throughout my life. It is the best legacy my own parents left me. It propels me to be the best I can be. It is the best legacy I can endow you with. I will never know if the fortune I leave will reach any of you. Perhaps it will be greatly magnified by some worthy heir; perhaps it will be frittered away by events or some unworthy heir. I do know though, that when you read this you will hear my call urging you to be the best you can be. Then look inwardly for the "chikara" (as my brother the Bolivian ambassador to Japan would call it) you need to handle your circumstances. Be a good steward of the family's wealth or your part thereof. Read "My Creed". Listen to the theme song of a popular 1970's musical called "Man of La Mancha" labeled "The Impossible Dream". It is also the theme of my life.

I was not yet 18 when I left the comfort and security of my parents home in far away Cochabamba, Bolivia. Even then I subconsciously knew that the location of my roots was not determined by my place of birth but rather by where the social compact I believed in prevailed. At the time my concepts were amorphous, but in only a few years I adopted the United States of America as my true and final home. Texas is my land and my ashes will become part of my land. I got involved in the financing of the political process because I consider part of my duty to insure that you, the recipients of this letter, will inherit a country like the one I adopted. In it, even today, we can still rely on limited government under the rule of law, with freedom, justice, and equal opportunity for all. I don't dare predict how much our institutions will have changed by the time you open this letter, but if they are aimed at preserving the social compact I

describe above, I hope you will support them. If they don't, I hope you take-up the banner to fight for the liberation of the human spirit as we have repeatedly done throughout the history of our family.

This vault, which has been filled with invaluable data compiled under the direction of my daughter Lis, is in itself part of my inheritance to you. It contains information about some of the great people with whom I had the good fortune to cross paths after my arrival to Texas. I have asked them to describe their own families, summarize their accomplishments, and to provide the names of their children and grandchildren, if any. My wish is that you attempt to locate their heirs and re-establish a friendly connection. I hope it will be an enjoyable and perhaps convenient opportunity for all. I truly admired and valued their ancestors.

I close by re-stating my unlimited love and respect for my parents, from whom I received all the tools needed to pursue a happy life, and for my children and grandchildren, for whom I worked to endow with the same tools I was given. At the time I write this letter only my daughter Lis has given me the greatest gift she could. She and her husband Ricky have truly enriched my life for one more generation by bringing Miana and Cassy Soto to my world. I am still hopeful that descendants from Cid and Kim will be among those reading this letter. In the down slope of my life I married Susan Scoggins. We had no children but she gave me instead a second round of all the good things of "la Casa de Aranjuez", filling a great void in my life and leaving her imprint as the matriarch of my generation. I hope this message will reach you through the space of more than 100 years, and will transmit effectively the lasting fire of my love for all of you. I hope you can feel the strength of my good wishes that all of you live to be the best you can be.

I am the founding father of the Texas Galindo family. I bless all of you.

Ram A. Galindo

---044---

ADVENTURE

In reviewing the traits that we learn in the cradle of our homes, it appears to me that our quest to explore is among the most important. Any exploration of the unknown quickly takes the tone of adventure. Even learning is some sort of adventure. One can experience the thrill of discovery by learning from a book, by experimenting, or even more exciting, by just plain reasoning. This trait of exploring, of looking at life as a trip of discovery, I learned at my parents' home and taught to my children in my own home. Therefore I integrate my taste for adventure with my family life, whether as child growing up in my parents' home or as a father teaching my own children the basics of life.

Thus, I see adventure as an integral part of growing up and of honing us to be the best that we can be. Accepting adventure allows us to enjoy life more, to appreciate the society that makes it possible for us to do so and to become more accomplished citizens. I perceive the taste for exploration and adventure as a lesson to be learned at home.

One of the benefits of liberty is the power that each individual receives to seek and explore beyond what is generally considered an established limit. Just as surely as each one of us has dreamed of self-improvement, each of us has also dreamed of pushing the envelope of what we have already accomplished. I find that the desire to seek and explore blossoms under the encouraging light of political and economic freedom. My observation is that when one is free to decide where and when to go, how to spend his or her own resources and what and how to explore, another mandate shrouded in the genome is released with great power. People call it our "natural" curiosity to explore. Akin to our desire to create to improve ourselves, this is a desire to learn more, to overcome the fears caused by ignorance, to find out what our personal and group limits are, to look beyond the confinement of the allegoric range of mountains behind which each one of us lives. This impulse to explore cannot prosper without liberty. The genius of America unleashes this impulse in all its citizens for the benefit of the world.

While some truly creative people feel this impulse with great clarity and have the talent and perseverance to move all of humanity up the pyramid of progress, most of us are only able to push our own limits, be they intellectual, physical or willpower. The discovery of my own desires to explore new territories started in the realm of physical activities. But I soon found out that even to develop muscles and motor skills it was first necessary to develop willpower, and willpower cannot be developed in the absence of intellectual concentration. The inner strength needed to set goals and persevere in their search is the main ingredient of what we call a strong spirit.

A strong spirit qualifies us to set out in the search to expand the boundaries of our limitations. Olympic athletes have strong spirits, so do academic and professional achievers, and certainly the titans of creation such as Thomas Edison, Alexander G. Bell, the Wright brothers, Henry Ford, Simon Patino, Bill Gates and so many other Atlases who have lifted the world on their shoulders. We draw on them for inspiration so that we can lift our own little grains of sand.

A world to explore that is accessible to each and every one of us is our own body. As a gymnast and diving board diver I always felt that there was another step beyond what I had already reached. I could attempt a more difficult stunt that shimmered with temptation but was in an unexplored land, dangerous but beckoning, keeping me awake at night visualizing how to do it. Attempting to execute it could cause serious injury and the consequent difficulties that would follow. Nevertheless, the curiosity to find out if I could do it often prevailed but fortunately never caused me crippling damage. I pushed the envelope of my abilities to cast the imprint of my will power in my body's muscular power. Competitive sports were the crucible where I forged my determination to push my own envelopes seeking to achieve all that I could achieve. By the time we reach adulthood, all of us have learned to use the tools to cast the potential of our minds, our spirits, into the physical potential of our bodies. Except for physical disabilities, the strength of our spirit will dictate our later development as human beings. The rate at which we grow our spirit in our youth defines our character and the levels to which we can push our limits in later life.

A good example of pushing individual physical limits with which many people can relate is marathon running. As I indicated in Healthy Mind in Healthy Body (Chapter 3), I started running long distances as a way to heal a broken heart caused by my divorce. In time I learned that the therapeutic effect went well beyond seeking solace from psychological trauma. Running, or exercising by other means, to release stress or emotional pain is a clinically proven fact, as I can vouch without a doubt from my personal experience.

Slowly other benefits began to be apparent with a consistent routine of running fifty miles a week or equivalent, I regained some of my weight in the form of lithe and supple muscle. My bones became more solid, my heart rate dropped to a level that doctors doubted their measurements, my blood pressure was that of a kid. After recuperation my countenance was deceiving of my age. My physiological performance was reinvigorated. I was competing with people twenty years younger and holding my own. For two decades I was single and worked out virtually every day, as I continue to do today. During this period girls twenty to thirty years my junior regularly sought my company unaware of my age. Even today I am routinely judged to be ten to twenty years younger than my actual age.

There is no argument that a well-exercised body looks better than one which is not. This axiom is one of the foundation stones of the health fitness business. Everyone wants to look good and exercise accomplishes the greatest part of it – body fitness. But the benefits of exploring our bodies' limits don't end there. As an engineer I see the circulatory system of the human body as a piping network serving an industrial establishment. Over the course of the years water will leave incrustations that eventually clog the pipes and unless repairs are made production cannot go on. A good preventive maintenance program includes regular high pressure washing of the pipes with solvents mixed in the water. It is amazing to see the plaque coming out!

Exercise not only cleans our blood vessels at high pressure but also carries extra oxygen to help burn the waste products of mitochondrial metabolism, a sort of spring-cleaning of the human body at the cellular level. The volume of blood pumped by the heart at aerobic rates of exercise is more than double than that at rest. The hemoglobin bath that delivers vital oxygen to the cells is thus doubled. Performing this internal heavy washing of the organs methodically and constantly does indeed result in a healthier body. It cleans most of our cells and helps regenerate weak or damaged parts.

Science still hasn't discovered all we need to know about the physiology of exercise. However, it appears that controlling cellular membrane decay by avoiding too much oxidation of membrane materials is helpful. Thus a proper diet with the necessary antioxidants is also very important. Exploring the outer territories of our own bodies' potential, which can be reached only by regular and demanding exercise, is a worthy and spirit building experience.

In another application of my personal experience to public policy, a business-like view of the effects of a physically fit, adventurous, life-style is revealing. Such a lifestyle has effects not just in the quality of life but also on the cost of living for all Americans.

The benefits of looking good and feeling well are not all that results from pushing the limits of our physical capacity whatever our stage of life. A healthy body definitely costs less to maintain than a sickly one. However, the incentive for self-maintenance is diluted by the fact that medical costs are seldom paid by the recipient. Through our socio-economic arrangements with insurance plans, be they private or government funded, it is the public at large who pays for medical costs. This dilution of financial responsibility for one's health produces two side effects. First, the patient is not economically motivated to do preventive maintenance like the industrial plant manager of my example above. Second, the provider of the medical service is not worried about limiting expenses because there is very little scrutiny of the amount and unit costs of the services provided since they are neither bought on a competitive basis nor paid by the recipient.

Negotiated volume contracts through preferred providers have partially corrected the competitive bidding issue and brought downward pressure on the rate of increase of

medical costs, but there is still a lot of improvement to be made. As long as the patient doesn't have to write a check from a personal account to pay the hospital or the doctor, the invoices are normally not questioned by the recipient of the services. Health Maintenance Organizations (HMOs) that scrutinize the need and cost of services, find strong criticism from health services providers. In turn, the providers find a strong echo on an unfit, aging population unwilling to assume responsibility for its preventive health maintenance.

The presently existing business plan for such an important issue as the health care of all Americans is a sure recipe for permanently escalating costs. Those of us who pay insurance premiums but minimize our need for services by taking care of our bodies ultimately and disproportionately fund these costs. A better policy in the field of public health should include first an economic incentive to the recipient of services in a more direct way to practice preventive care. Second, it should establish an element of savings to the recipient for selecting the most affordable procedures, as opposed to open-ended seller-driven practices still prevalent today. And third, it should create a protective shield to the provider of services from wanton liability suits. The end result of such an improved business plan would not be just abating the inflation endemic in health care costs but just as important, it would strengthen our incentives for individual character formation and responsible lifestyles.

The connection between character formation and pushing the envelopes of our bodies' limitations is best illustrated by my experience with running. At first glance the art of putting one foot in front of another for hours at a time is more of a dunce's pastime than a spirit building effort. The effect is quite different. Depending on each person's level of fitness, after some time of demanding aerobic effort every cell in the body demands to stop the discomfort of continued, forced, high-gear work. The brain must push the body through the portals of endurance into the domain of controlled pain. The valley of self-testing is dry and unforgiving, but the runner, to achieve the objective, must be unrelenting until the end. It is a question of mind over matter, where patience first and will power later must overcome every natural inclination to stop. Slowly the brain must harden muscles and bones to withstand the punishment of physical exercise. It is not a territory for the fainthearted or weak of spirit. But always the payoff is worth the sacrifice. Running is like a microcosm of life. When the difference between mediocrity and excellence is just a little more effort for a little longer time, a honed runner has the advantage to understand how excellence is achieved. Such a person is able to consciously apply a little more work for a little longer to do her or his best, thus besting the competition.

When exercise is tied to competitive training, strength of spirit is crucial. If one has not developed it before, there is no chance for success. Preparing for competition is significantly more trying than just working out to stay in shape. A competitive athlete, no matter what level of talent he or she might have, must extract from the body everything that is available on a daily basis. Workouts cannot be put in a savings account for future

use. They are not bankable. Nor can they be bought in the market or acquired by delegating the effort to third persons. Training is something every athlete must do individually, day in and day out, no excuses, no mercy. Our bodies, or its parts thereof, cannot be easily exchanged or replaced by newer models. Their maintenance and their improvement is the owner's inescapable responsibility.

When one has gone through months of extreme daily workouts in preparation for a race, the day of the event brings the test of our ability to stand the anguish of pain. It is mostly a test of the spirit, when each competitor establishes if the outer limits of the body have been reached to the fullest. In my opinion, it is not important to win the race though it is nice to do so from time to time. What is important is the quest to build our character, to achieve a strong spirit. Training and our genomes strengthen our spirits. Toward the end of a race, when my body feels the pain of glucose deficiency, all I have to keep me going is my spirit. I then call on my father's help to sustain me in my last effort. It is the only way I can finish without giving up. His help always comes through. Athletic competition and the training that it demands help us be a better competitor in life. Fortunately, the self-reliance demanded by the American system is the best breeding ground for a nation of competitors.

The character building properties of the adventure of exploring unknown territories of our physical potential can sometimes be harsh and exhausting, but always salutary. The lessons learned from other types of adventure can be exhilarating and educational, and also constructive. This was the case with the overland trip Joe Elliott and I took from Houston to Cochabamba. As I indicated above, during my employment with the engineering firm of Brown & Root, I had become focused in owning my means of production. When it became apparent that my bosses would not go through with their plans to branch out, I began to talk with Joe Elliott about the possibility of seeking our place under the sun in Bolivia. In September 1963, we decided to take the risk and laid out our plans for the adventure.

My wife, baby son and I started out driving from Houston, in early October. We met Joe in Mexico City where he had flown from Los Angeles after he quit his job there. When we got together, we barely had enough money to buy gas and the most critical supplies needed, for we had invested most of our savings in the International Scout we were driving. Consequently, we often spent nights on the roadside or, at best, in modest cottages we found along the way. We usually bathed and washed our clothes in the many rivers we crossed, especially in Central America where we found innumerable beautiful, tropical, clear water streams flowing into the Pacific. The first long stop we made was in Balboa, Panama, where we ensconced ourselves in the YMCA at the US Army base, until we could find a freighter that would carry us around the impassable Darien gap.

All along we happily, and perhaps a bit foolishly, sought adventure. Whenever there was a choice of roads we invariably took the less traveled. As a result of this practice, in

the neighborhood of Tapachula on the border between Mexico and Guatemala, we encountered a couple of mountain streams that we had to cross on bridges made of two felled split logs unattached to each other. I would get out and Joe would drive watching my signals to stay on track. Luckily, he negotiated them successfully. On one occasion in Guatemala we got stuck in mud so deep that only a friendly Cat D-8 tractor could pull us out. In Costa Rica we got covered with ash still coming down from a recent eruption of a volcano near San Jose.

We arrived in Panama on the eve of the country's independence day. It was nighttime and raining, Joe was driving. We were on the road out of the town of David going to Panama City. It was the best and newest highway in the country. Suddenly, a drunken reveler materialized in front of us. Joe swerved to save his life but put us on a head-on collision course with on-coming traffic. He swerved again and we wound up shaken but safe in the ditch across the highway.

Central American fields were bountiful and the people prodigally friendly. As much as we could, to save money and also to savor the adventure, we tried to eat off the land. Joe had never tasted sugar cane right out of the fields and neither of us had tried to survive on fruits or raw vegetables alone. Whenever a friendly local person would treat us to a meal, as a rancher in Northern Guatemala did, we thought cooked food had never tasted so good. Joe got sick before me, which was very good because, when we hit the high altitudes of the Andes between Peru and Bolivia, I was sick and he was already well.

A significant source of revenue in the countries we traversed was duty on imported automobiles. Consequently, their rules were very strict about letting an undocumented vehicle in. No country took chances on us possibly selling our car without paying taxes. In El Salvador, Ecuador and Bolivia we had to carry a policeman with us in our whole passage through the country. In Guayaquil, Ecuador, which was the port of disembarkation for our freighter from Panama, we stayed locked up in a customs compound for two days until they decided what to do with us. We slept on empty cars parked in the same lot.

The crossing of the Guayas River at its mouth, from Guayaquil to Puerto Bolivar, in a barge not much bigger than our jeep was a scary experience, as was the Tiquina Strait crossing at the Lake Titicaca border between Peru and Bolivia. Driving on the littoral highway on Peru's Pacific coast made the California Big Sur small by comparison. The sand slopes are impressive and when they slough-off over the highway they are like huge sand avalanches that bury everything in their wake. An eighteen-wheeler that had rolled down the precipice and was stuck half way to the water seemed like a little toy from where we were on the road.

On November 22, 1963, the abusive Bolivian customs police released us after four days of detention in their La Paz compound, where they had taken our Scout because we

had no vehicle importation papers. The dirt roads on which we had been driving for the last few days had not contributed to our comfort or personal cleanliness. We were not even allowed to take our toothbrushes out, much less our clothes. We were tired, dirty, hairy and had no money, but when we got released even the high altitude sickness improved. After a bath, shave and clean clothes we were ready to keep going.

As we were driving toward Cochabamba, on the last leg of our trip, cruising at about 13,000 feet elevation on the Andes high plateau, we heard great revelry and rejoicing on radio stations broadcasting from the mining districts. They were celebrating the assassination of president John F. Kennedy. To a great extent his visionary leadership had fueled our adventure to Bolivia. We were shocked, angry and ready to declare war on the evildoers who carried out such crime. We saw miners playing Russian Red Army music with great joy as the Bolivian extension of Moscow's hate-dominated Bolsheviks. The next few months demonstrated that this event emboldened the socialist tendencies of the government even more, and pushed our views to be more antagonistic to theirs. We ended our cross-continental adventure in that sad tone.

Perhaps responding to the irresistible urge to search that the Supreme Developer has encoded in our beings, adventure in the exploration of the ocean realm has also been one of my favorite experiences. Despite the fact that I grew up land locked in the massive Andes Mountains, when I was finally exposed to the ocean, I became an avid fan of exploring it. My first scuba dive was in 1969 off Freeport-Lucaya on the Grand Bahama Island. Sport diving was in its infancy. I still had the opportunity to use the primitive double hose regulators of early scuba. When using it, it was impossible to breathe while swimming on the back, which made rolling around pretty difficult. Since then, equipment has improved by quantum leaps making the sport a lot safer and more fun.

Learning the effects of pressure and temperature on air volume and oxygen's partial pressure in the air is of critical importance for safe diving, as is understanding the physiology of the human body under varying multipliers of atmospheric pressure. Fortunately, it is not necessary to be a physicist or a medical doctor to learn scuba diving. Following the basic rules of prudence given in every scuba course and always diving with a guide familiar with the area not only makes the experience safer but also enhances the adventure.

I have dived well over 200 popular, and some not so popular, sites all over the world, including a few accessible only by privately chartered live-aboard ships. I have been lucky to be able to take my family on a scuba expedition once a year for the last 25 years. I have dived the amazing waters of Hawaii, Yap Islands, Palau, the Andaman Sea, the gulf of Thailand, the Galapagos Islands, Ecuador's Pacific Coast, the Canary Islands, Baja California, almost every major island in the Bahamas and the Lesser Antilles, many Yucatan and Central American island paradises and several of the South American Antilles. I have had the good luck to be in close contact with the strangest

creatures of the planet. I can't tell which site is more beautiful or exciting because I liked them all and all of them are worth revisiting.

Being totally submerged in a viscous fluid that can make a person buoyant and moving through it without motorized help is a most curious experience. It produces sensations difficult to explain. When one is floating in neutral gravity in absolute silence except for one's breathing noise, the world becomes eerie. The environment is further modified by the fact that water absorbs the red part of the light spectrum faster than the blue, thus changing the hue of every color to tones not seen outside the ocean. Sometimes unseen currents that move a person around like a leaf in the wind make it hard to retain spatial control. The adventure is completed by the abundance of marine life, some of it literally within reach at arms length. To top the changes in environment, the lens effect of the snorkel mask makes everything look a little bigger and closer than actuality.

Exploring marine fauna and meeting creatures larger than oneself can be unnerving. My son Cid has a knack for dealing with sharks, so far successfully. One night off the coast of Khona, big island of Hawaii, I rode an eighteen-foot wingspan Manta Ray. My daughter Lis, who was barely 14 at the time, was my buddy but I don't think she knew how scared I was. In my first attempts it looked like I would be swallowed Jonah-like by the gigantic mouth coming at me. Eventually and still shaking from fear in my wetsuit, I finally caught one by the upper lip. The ray took off like a rocket ship carrying me piggyback. I almost swallowed my regulator and the mask was violently pushed against my nose. When the gigantic mouth closed and my fingers got caught in the bite, I panicked and pulled my hands off, leaving my gloves trapped in the ray's lips. By now Lis had lost sight of me and I was lost in the deep darkness of the ocean. I shook for a long time afterward.

Both my daughter Kim and my wife Susan on two different occasions got me out of harm's way when I couldn't disentangle from octopus body-embraces by myself. Swimming with dolphins and turtles, jewfish, hammerheads, tiger sharks, Eagle Rays and other pelagic nomads is not only educational but also enriches a person's life. They truly are majestic! Night diving is fascinating due to the many luminescent life forms shining around.

Without exaggeration, the ocean's interior is another world in our own planet - a world whose top fringes can be leisurely visited and explored by land-based humans. It is a world about which much has been written by consummate explorers and that I am happy to be familiar with. The lessons I learned from this exploration range from a renewed awe for the immensity of creation to the power of knowledge and self-discipline. More than once, diving gave me the opportunity to overcome fear and reject panic, thus helping me strengthen my spirit. Though a more specific and longer justification could be developed, I also would like to state that my involvement with scuba diving has been an indirect but powerful force to make me appreciate even more the opportunities America gave me.

Mastering skills such as scuba diving can also make it possible to do a few less conforming things. After being single for five years to the date, on October 5, 1983, I married Margo Hess. She was an athletic and beautiful young lady with whom I had been sharing a physically very fit life and participating in marathon and triathlon races for about a year. She learned to water ski and made a good member of my family's water skiing group, which was led by Cid and Lis. I introduced her to diving and she readily took to the sport. We decided that getting married under water would be a real adventure. We sent our minister to scuba dive school, selected other diver friends, including my children and sister Vivian, as wedding attendants. Cid was my best man. We held several practice ceremonies in a deep swimming pool and devised the necessary waterproof tablets to conduct communications.

My marathon running friend Lane Stephenson was at the time head of the public information office at Texas A&M. He thought the idea was newsworthy and put out a press release. The news agencies picked it up and our wedding became an internationally publicized event, since Mexico also used it to promote tourism. We flew a party of more than 30 to Cozumel and held one of the first underwater weddings in history. The event took place in the famous Palancar reef, at the formation called Horseshoe, which was shaped a bit like a large altar. Big media newspapers and specialized tourism TV made it famous. We all had an unforgettable time. As some things in life go, unfortunately my marriage to Margo lasted only four months. But thanks to her exceptional understanding, we will remain good friends for the rest of our lives.

Another urge for adventure with perhaps parallel attraction as swimming in the ocean is flying through the skies. As I recounted earlier in this chapter, flying held a fascination for me ever since I was a young boy. In 1983, when my son Cid was in college, he and I decided that it would be fun and useful to learn how to fly small planes. I had the ulterior objective of flying myself to small towns in Texas where I might do some development work. We took ground school together and went to flight school at the same time. After I completed my required flying courses and accumulated the necessary hours to get a license, I realized that it would take me too long to learn the art of flying well enough to be my own pilot. At that point in my life this effort was really incompatible with the concentration I needed to apply to my business priorities. Therefore, I decided to continue chartering a plane with pilot rather than one without a pilot. I did, however, enjoy the thrill of flying in a small plane very much. Years later I repeated the experience in gliders, riding thermal currents in the Colorado Rocky Mountains, one time accompanied by my wife Susan.

One day in early May 1992, Cid called me from Austin where he was attending graduate school at the University of Texas, to inform me that the following Saturday, May 9, we were going to go jump out of an airplane. Needless to say he took me by surprise, but I rose to the occasion. He had made arrangements for us to take a short course at the Bryan jump school where we were given a choice of how to start. We could do a

tandem jump, a static chord jump or an accelerated free fall jump. In his self-confident and adventurous form, he suggested that we go “for the whole enchilada,” meaning a solo free fall jump. After an eight-hour class we were accepted as good candidates for the event.

I have to say that looking out from the threshold of an open door at 13,000 feet above the ground without a safety barrier is close to a barfing experience. However, getting out of the plane and climbing onto a wing strut while buffeted by a 90 m.p.h. wind is plain terrifying. To be honest, the pretty lady instructor in charge of my jump had to literally push me out the door while her companion was pulling me from the outside. Secretly hoping that they would commute my self-imposed sentence, I informed them that my chute was caught up in the threshold and that in any case I needed to adjust the straps better. They didn't budge. They just helped me correct both problems. As silly as it sounds, I finally found myself crawling out the door while wondering why I took the little training class.

I ended up standing on the wing strut of a stripped down Cessna 172 flying more than two miles above the ground with nothing but emptiness under me. It was a situation of my own deliberate making. There was no reason in the world why I should be doing this. As I prepared to let go, I reprimanded myself for being so stupid as to put myself in that situation and wished I could turn back. I considered doing just that, but the wind and two instructors who were now on the wing with me were blocking my re-entry path. I had no choice but to jump.

My Dad's memory overwhelmed my thoughts. He had passed away two years before and I was now asking him to receive me back in his realm. I was sure this was my return trip back to him. In a flash all the major events and loved people of my life passed through my mind. Nevertheless, my time of panic must have been instantaneous because I found myself on schedule following the pre-established sequences to start the jump. When I finally completed them and initiated the jump, I felt falling like a sack of potatoes. Instinctively I flailed my arms and knocked off the eye goggles of the very experienced and attractive young lady who was jumping with me. It seemed that the uncontrolled fall lasted an eternity, but it was only about four seconds. Finally I achieved aerodynamic velocity and was able to start the sequences for the free fall.

It took me less than fifty seconds to descend to the altitude where I had to open my parachute, which was about a mile lower than my jump elevation. It was the fastest mile I had ever covered under my own power. The exhilaration of a free fall parachute jump is unequaled by anything I have ever done. One can see the world beneath as a bird sees it, with no shields of any kind. In later jumps I learned how to maneuver and perform somersaults and rolls in total freedom before I opened the parachute. My engineering training helped me understand the mechanics and my gymnastics background helped me execute as directed. Almost like being under the ocean, the

atmosphere feels as a different world also. Land based humans can be guests in the realm of birds when they dare to skydive, but only for the briefest of times.

Once my parachute opened successfully the fear of death disappeared and the enjoyment of a new experience began. A controlled float under the safety of a well-deployed parachute is totally enjoyable. For a beginner, it is the reward for sport skydiving. I was lucky to steer to my target area and touch down without a hitch. I survived to try again the following week, and then almost every week for a couple of months. I must admit though that the first few return jumps were designed more to gain control of my fear than to become a proficient skydiver. Jumping out of a perfectly good plane is indeed a test for the spirit, for self-confidence and for control of our reactions under life risking circumstances.

However, sometimes the randomness of the world we live in transcends even our most determined efforts. Seven years after I started my skydiving experience I treated my wife Susan to a tandem parachute jump as her fortieth birthday gift. Her jump was a memorable success and she had a lot of fun. Tragically, less than a month after her jump, a plane crash took the life of the pilot who had flown us as well as four other jumpers and instructors, including the owner of the business. It was a bereaving experience that closed down the Bryan parachute jumping operation until very recently.

While I list some examples of what I consider to have been adventurous passages of my life, I am not certain that my brother Chris had it wrong when he told my mother that I was an adventurer in all I did. Perhaps my adventures started when as a growing boy in the rough valleys of Cochabamba I heard a silent call that only a few could hear. It was the call of America. I didn't understand why, but I knew I would someday answer it. Much later I realized that the call was so irresistible because it spoke of freedom, of self-reliance, of personal responsibility, of the challenge to be all that one can be, of equal opportunity, of fair competition, of private initiative, of the right to keep what one produces, of dignifying compassion and of the obligation to keep the system from corruption and decay.

Throughout this book I make references to the proper seeding grounds for a person to prosper. I think I was, indeed my whole family was, good seeding grounds to respond to the call of America. The traits that we brought with us in response to that call had been embedded in our genome, in our values and in our choices for as far back as I can trace my ancestry. They came to me by inheritance, either biological or taught at home. They are, indeed, a reinforcing addition to the lifeblood of our country. To the best of my knowledge my ancestors' determination to seek, in their own period-defined way, some of the propositions at the base of the American Concept goes back to the Pyrenees of Northern Spain almost 14 centuries ago.

---045---

ROOTS

As we all know, one of the external driving forces that culminated with the break-up of the Western Roman Empire was the migratory pressure of the barbarian tribes from Scandinavia and what are now northwestern Russia and the lands south of the Baltic. By the end of the 5th Century, the Visigoths, or Goths from the West, had already crossed Germania and Gaul and were beginning to reach what is now Southern France. During the 6th Century the Franks pushed them further west, into Spain. Although there was a pre-existing population of leftover Romans and more ancient tribes of Iberian, Celtic, Greek and others of unknown origin, they eventually became the ruling majority in the Iberian Peninsula.

By then the Visigoths were Christian and had adopted many Roman forms of law, including that of primogeniture. This practice, which was also approved by the Christian Church, determined that most of the wealth and high investitures of a family were considered part of the realm, and therefore not subject to equal distribution among the heirs. Instead, they were passed *in toto* to the oldest male son. This custom was needed for the accumulation of wealth and power and for the continuous growth of influence of the leading families. It gave leadership continuity. Thus the first Visigoth kings of Spain titled themselves “King of Spain.”

Their Frank neighbors to the north, however, considered land and other wealth a personal patrimony of the head of the family subject to division among all heirs. This practice produced an opposite effect in the social organization of the area, giving rise to feudal estates. Such condition prevailed in France, indeed in most of Europe, until the Clovis dynasty reversed this trend and began the rise that culminated with Charlemagne’s Holy Roman Empire of the 9th Century. Except for the peri-Charlemagne period, between the 6th and 13th centuries, the lands of the Pyrenees Mountains went back and forth between consolidation and feudalization.

Following the irruption of Mohammedanism in North Africa in the 7th Century, the Caliph of Damascus acquired nominal suzerainty of most of the Iberian Peninsula. In the year 709 AD, a Moorish marauding party crossed the straits at the Pillars of Hercules (now Gibraltar) and found so much wealth and so little resistance that soon Spain became to the Moors what nine centuries later America would become to the Spaniards – a place to pillage and conquer. In a few years the Saracens overran Spain. They took its wealth and demanded a conqueror’s tribute on the production of its population. The Moors did not, however, kill, torture or impose their faith by force, preferring instead to tax their new subdits for the right to preserve their beliefs and some of their property. Moslem

law allowed even recent converts to become free citizens, which the Emirs did not encourage because of the consequent loss of revenue.

While the working population and the minorities, such as Jews and other serfs, were probably better off under Moorish control than under their former Christian masters, the leading Visigoths and Romans were not. Consequently, the noblemen took refuge in the northern mountains, organizing themselves in many dislocated and rival feuds or small counties. Legend says that they first met in a cave at Covadonga, in Cantabrig Asturias, and elected a king, named Pelagius (Pelayo), and swore to obey him only as long as he respected their possessions and customs. They made their stronghold in the old Roman city of Leon (Legion) and conducted guerrilla warfare in the countryside. By the 800s they consolidated their power in the west, making Galicia Moor-proof. To defend themselves better against the Moors, they also built castles, or fortifications, on their southeast frontier, thus giving that area the name of Castile. Castile and the lands to the south and east lying between the Moors and France were the theater of conflict. Over a few generations the Leonese nobility became known, probably unjustifiably, as soft, while the Castilians and Pyreneans acquired the reputation of being trained and daring warriors.

The story of the birth of Castile as an independent kingdom goes back to sometime between 920 and 930 A.D. Legend says that Sancho, King of Leon, and Fernan Gonzales, Count of Castile, were hunting together. Sancho liked and took Fernan's horse but would not accept it as a gift, offering to pay a price that would double every year thereafter until it was paid. Within a year after this hunt, Sancho accused Fernan of conspiring against him and imprisoned him, but Fernan escaped. A multiyear civil war ensued at the end of which Sancho recaptured Fernan and was about to condemn him to death. Fernan then reminded Sancho of the horse, and Sancho, in the presence of his noblemen, to save his honor had no choice but to pay for it. By this time the price had become so large that he could only meet it by giving him freedom and turning Castille into Fernan's own kingdom.

Since the Castilian strength was not formidable enough to stop the Moors who were still looking for more wealth to loot, Moslem expeditions went right through Castile and began to probe southern France. At the turn of the 1st Millennium, the Moslems had lost their unifying leaders and were now a series of small kingdoms jealous of each other and often at war among themselves. They initially employed Christian knights to collect revenues from their dependent states. But soon these knights began charging a yearly tribute for "protecting" the Moors' client states. The result was a hodgepodge of alliances between Christians and Moors to fight similar rival alliances for control of more land and wealth. This intercourse of interests caused a noticeable interlacing of cultures but not of religions, because the tax for freedom of religion was a good source of revenue to the Saracens.

As far back as the year 778 the intrigues and confederacies had grown so complicated that Charlemagne, encouraged by some Arab princes discontent with their Caliph, agreed to march south to stop the Moslem invasion. He reached as far south as the old Roman city of Caesar-Augustus, by then already called Zaragoza, but only a few of those who were supposed to come out in his support did so. Notable among them was Galindo, the Christian Count of Cerdagne, an enclave in the Eastern Pyrenees generally overlapping with present day Andorra and extending to its south. This loyal Count is the first forebear to carry my name that I have been able to identify. He is also the first of a long line of counts and kings of the many neighboring counties that eventually became the Kingdoms of Aragon and Castile. His exploits seem to have extended to the famous battle of Roncesvalle, which was immortalized in the French epic *Chanson de Roldan*.

The Pyrenees Mountain Range runs approximately east to west for about 272 miles separating the Iberian Peninsula from the rest of Europe. Starting at the Mediterranean Cape Creus and ending at the Bay of Biscay's Cape Higer, this mass of mountains were the stage on which my earliest ancestors played the drama of their lives. Going from East to West along the Pyrenees, the Catalan territories led by Barcelona, and the counties of Cerdagne, Urgel, Pallars, Ribagorza, Sobrarbe, Aragon and Navarre were part of what in the Middle Ages was known as the Spanish March, or buffer zone set up by Charlemagne to provide a barrier against further Muslim invasions. They were administered by Counts generally dependent of the Duke of Toulouse.

Possibly before Celtic tribes arrived in times immemorial, native people known as Basques populated the Spanish March at the western end of the Pyrenees, where they meet the Cantabric Mountains. Even then these people proved to be difficult neighbors, as demonstrated by their historically famous defeat of Charlemagne's rearguard at Roncesvalle. Further to the west, Cantabric Northern Castile, Leon, Asturias and Galicia formed the southern beaches of the Bay of Byscay and marked the lands that the Moors never took. It was to these Cantabrian and Pyrenees territories that the Spanish Christian nobility retreated. It was from there that the "Reconquista" of Spain was first organized.

The leading noblemen in all northern Spain appear to have been mostly of Visigothic origin, and after conversion to Christianity they became known for their unquestioning acceptance of the faith and adherence to Roman law. The western kingdoms of Galicia, Asturias and to some degree Leon, because of their greater geographical distance from the Teutonic Franks, maintained these traditions fairly constantly and considered the king's land part of the realm, and therefore indivisible upon his death. Protected by the Cantabrian Mountains, these provinces did not connect with anything but the sea to the north, and therefore were neither an easy target nor a path to more riches for the conquering Saracens. As a result they remained more peaceful and unmolested by the Moslems, but also remained in the cultural and economical backwaters of Spain.

However, the Eastern territories in the Pyrenees were more influenced by their Frankish neighbors who did not practice primogeniture and were desired by the Saracens who lusted for France's riches. These were determining factors in prolonging the Moors presence in the Iberian Peninsula. The social effects caused by consolidation of power under one king followed by disintegration among his heirs upon his death, coupled to able Moslem diplomacy and armed intervention, conspired to keep a hodge-podge of smaller kingdoms battling each other for almost four centuries. The process known as "Reconquista" took an additional almost four centuries of warfare.

With all certainty, Spain's northern territories were led by counts or overlords related by their descent from just a few noble families. With less certainty, although with ever growing information, I have been able to stitch together lines of descent of the earlier Spanish noblemen who carried genes emanating from the first known Galindo counts. Considering that the personages I discuss lived 1200 to 900 years ago at a time when written records were not very abundant and their storage and preservation even more limited, the possibilities for error in genealogic lines is immense, but the results are worth the try.

By the year 860, one of Galindo Count of Cerdagne's relatives named Galindo I Aznarez (?-867) was Count of Aragon. The Galindo name appears generation after generation among the noblemen of Cerdagne, Aragon, Ribagorza, Navarre and Castille until Galindo II Aznarez (863-922) Count of Aragon, who seems to have had only two daughters. The bloodline expands into French Aquitaine through his oldest daughter, Tota Galindona who married Bernard Unifred, heir to the Count of Pallars-Ribagorza. It goes into the houses of Aragon and Castile through his youngest daughter Endregoto Galindo of Aragon. It appears that later descendents of Tota Galindona returned the genes to the line of the kings of Aragon and Castile. Endregoto was the mother of Sancho Abarca (the Sandal) II of Navarre (935-994), who picked up the name because he was the first overlord in the Pyrenees to provide his foot soldiers with leather-soled shoes. As I mentioned, Galindo II Aznarez didn't have any sons, which caused the disappearance of the Galindo name from the chain of future kings of Aragon, Navarre and Castile.

Sancho Abarca's grandson, Sancho III "The Great" of Navarre (991-1035), completed the consolidation, for the first time since the Moor invasion, of the counties of Ribagorza, Sobrarbe, Aragon, Pamplona, Navarre and Castile under the authority of just one man – himself. He was called the King of all the Spains. His young nephew and ally, Alfonso V, was the king of Leon. Had Reconquista been the unifying force that it became two centuries later, this could have been a momentous occasion to engage in a propitious war against the Moors. But at the time it appears that the Moors were, in some cases, allies, and the enemies more often were Franks, Basques and other neighboring Christian lords, frequently sons, brothers or cousins.

The 10th and 11th Centuries, until the Almoravid invasion in 1086-1092 (to reinforce the Islamic occupation), had seen a lot of racial intermingling among Europeans and Moors. European princes would give their daughters in marriage to Asian or Maghrib (North African) Emirs to cement peace pacts, and vice-versa. Intermarriage in the lower classes appears to have been acceptable and common also. Yet, neither Europeans living under Moorish control, known as Mozarabes, nor Moors marrying into European households became Asian-Maghrib in culture or religion. Most spoke Latinia or Aljamia, as the early Spanish language was called, and Arabic. Complementing, or perhaps as the cause of this cultural intercourse, the two powers had maintained a working economic relationship through tributes paid by the occupied to the victor, in both religions. Thus a semi-peaceful coexistence had been reached.

The Emirs were learned and cultured while the Europeans were barbarian. But the occupying Moors distrusted each other and looked after their personal interests only. During the Reconquista, most often they were unable to form strategically unified fronts among themselves. The Christian kings, all descendents of just a few progenitor families, slowly developed first a sense of common economic interests and later of territorial integrity. Toward the end of the 12th Century, echoing the Crusades to the Holy Land, religion became the most powerful rallying cry of the Reconquista.

The Asian-Maghrib invaders never forcibly imposed their religion, preferring instead to collect a tax for the right to worship freely. Perhaps, as they had done elsewhere, they could have imposed Islam successfully in the early years of their occupation, before Christianity became such a strong faith. But as a result of this freedom of religion (although taxed), despite almost eight hundred years of Moorish occupation, Spanish people never became Islamic. Thus when Mohammedan Caliphs twice sent large Moslem forces (Almoravids in 1086 to 1091 and Almohads in 1148 to 1155), in northern Spain further incursions were not taken lightly. To the contrary, the need for expansion of territory and trade was driving policies among the northern kingdoms themselves and each time these Moslem reinforcements appeared, they steeled the Christian's resolve to completely repulse the Maghrib invaders.

Following the feudalist Teutonic-Frankish tradition of ignoring primogeniture, Sancho III "The Great," double great-grandson of Galindo II Aznarez, who had inherited or annexed by marriage and/or by force Castile, Aragon, Navarre and Ribagorza, bequeathed his territories to his four male children (more than one mother) in the year 1035. Garcia, the oldest and most important, received Navarre and Pamplona, which was the headquarters of the father. Ramiro received Aragon. Gonzalo received Sobrarbe-Ribagorza. Ferdinand received Castile. The proper inter-family marriages were consummated when necessary to cement these assignments. The Galindo gene was pressed into the royal families of the four kingdoms.

Toward the end of his sons' lives, the four kingdoms were reconsolidated into three. Upon the assassination of Gonzalo, his surviving noblemen asked Ramiro to take

Gonzalo's place as regent of Sobrarbe-Ribagorza. With two kingdoms thus consolidated and after failing to overtake Garcia's Navarre (his brother's) in the west, and being stopped in the south and southwest by his brother Ferdinand of Castile helped by his Moorish allies, Ramiro sought to expand into the Mediterranean Sea by trade and naval power. However, he did not escape land conflict with the Moors or other Christians, thus preparing the grounds for the beginning of the Reconquista.

It was amazing for me to discover that four generations after Endregoto Galindo, her great-grandson, Ramiro I, King of Aragon (1015-1064), my namesake, was the first sovereign after the Muslim invasion of Spain to aggregate enough power to claim and retain the title of King of Aragon, independent from Navarre-Pamplona, and to found it officially in 1048 with its capital at Jaca. Despite opposition from his royal brothers and because of his support of the Cluniac monastery in his area, the Holy See decided that it was convenient to confirm Ramiro I as the first King of Aragon and did so.

Where did this area get its name? According to legend, Hercules, leading a Greek expedition, crossed the Mediterranean at its mouth giving his name to the rock pillars that we now call Gibraltar. After marching through most of the Iberian Peninsula, one day he camped on the banks of a river on the southern slopes of the Pyrenees. This land was already occupied by older tribes of Iberians and Celts, whom he knew as Celtiberians. Hercules and his army had conquered most of what is now Spain and allegedly built the traces of Greek civilization still found today. He chose the banks of this river to camp and celebrate his great triumphs. There he set up altars to sacrifice to his gods. In Greek these altars were known as Aras. Because they were played almost to the death, the games of celebration that followed were known as agons. The river became known as Aragon and future references to the whole region adopted the same name. This is the legendary origin of the name for the country where my namesake Ramiro I became the first king.

Under his reign the kingdom began a three centuries long period of growth until it became a Mediterranean power extending to the Balearic Islands, Sardinia, Corsica and Sicily. Four and half centuries later, it became Europe's superpower after its fusion with its cousin from Castile and subsequent combination with the Netherlands' Hapsburgs. Now that, sadly, neither of my parents is around to answer my questions, I wonder if they knew this story when they chose my name. I certainly did not know the rest of this story when I chose Cid for the name of my son.

The Galindo gene worked itself into the House of Aragon through the descendents of Ramiro I and into the house of Castile through the descendents of Ferdinand I. Just as I mentioned that King Sancho III "The Great" of Navarre was a double great-grandson of Galindo II Aznarez, an examination of the ancestor circles and genealogical charts of the kings of Castile and Aragon show several infusions of the gene in the genomes of the famous Queen Isabella of Castile and King Ferdinand the Catholic of Aragon. Clearly neither of those two historic figures ever made their way across the ocean to

New Spain. Therefore, unless some of their descendants did, they may not be in my chain. But obviously some of their relatives are.

The task for future research is to find the Galindo bloodline that crossed the Ocean Sea to the new continent and connect it to my known ancestor Gen. Leon Galindo, about whom I speak in Freedom Fighters (Chapter 2). The time distance that separates me (1938-?) from Galindo Aznarez II (863-922), the last person with my surname I have tracked down before it disappears, is 1,016 years. Allowing twenty-five years per generation, the human distance is 41 generations. My siblings have researched from the present backwards and know of only six generations preceding me, covering scarcely more than two hundred years. There remains a 24 to 35 generation gap to be closed before my Galindo roots can be accurately pinpointed in the Pyrenees.

One of Old Spain's most famous epics is told in the masterpiece of early Spanish language called "The Poem of My Cid." Hollywood made it into an impressive movie just at the time of my son's birth in 1963, whence his name. When I saw the movie and chose my son's name, I did not realize that there was a real historic root connecting my name to my son's name. My elation was long lasting when I established the living connection.

The poem relates the impossible deeds and highest virtues of a historical figure who was one of the greatest heroes of the Spanish Reconquista. His highest glory was to accomplish so much in favor of an ungrateful Christian king while at the same time remaining a loved and respected figure by other Christians and many Moslem factions who fought on his side, and even by those that he defeated. The poem portrays the Cid as the epitome of chivalry, loyalty, strength, leadership and organizational talents. Medieval knights pursued these virtues as an end. Possessing and displaying them was the culmination and purpose of their transit through life. Although scholars reveal that the real Cid's trajectory through life was not as romantic as the ancient poet claimed, his tracks on history were indelible enough to reach my own family 864 years later.

In Ferdinand's I court at Burgos, a main city in Castile, as it was in every other Hispanic court, it was customary for the king to gather the children of the leading nobles in his realm to train them in letters, administration, riding, hunting and warfare. At his court, Ferdinand's eldest son, Sancho, became the friend and sponsor of Rodrigo Diaz de Vivar, later to be known as El Cid. Alfonso (later king of Leon), Garcia (later king of Galicia) and Urraca (later ruler of Zamora), Ferdinand's other children, also grew up with Rodrigo. Upon reaching maturity and being duly invested as a knight in 1063, Rodrigo began his meteoric rise to fame. Sancho, as his sponsor, had Rodrigo's loyalty.

As I indicated above, Ramiro I of Aragon was trying to expand his frontiers to the southwest by attacking territory held by the Moslem Emir Moctadir based in Zaragoza. Ferdinand I was in alliance with Moctadir and sent El Cid to assist him in his defensive battle. As Ramiro prepared to take Graus in March 1064 as a prelude to Zaragoza, he

camped with his powerful army just outside the town. A Saracen by the name of Sadaba snuck into his tent and killed him. It is said that the assassin used a blade inserted through the eye notch of the king's face helmet and then ran out through the camp crying that the king was dead. Without a leader, his army was easily repulsed by El Cid. Twenty years later, Ramiro's son, Sancho Ramirez, took back the town of Graus and turned it over to the monastery of San Victorian.

Ramiro's death at the hands of a Moor allied to his Christian brother reverberated through his Cluniac Monk friends all the way to the pope. Pope Alexander II had been elected to the papacy with the help of these monks and decided to rouse all southern Christendom to the defense of Ramiro's cause. Starting in 1061, he had been lobbying for the formation of an armed expedition across the Pyrenees. He now organized Italian and French Christian knights to help Spain battle the Islamic invaders. A powerful army of European knights marched through the mountain passes and devastated, sacked and debauched the Moorish territories of Zaragoza. It is said that in the town of Barbastro alone they killed more than 50,000 Moors.

One of the Christian leaders of the expeditionary force, a French nobleman known as The Bon Normand (Guillaume de Montreuil), in the service of the Pope, carried away as his booty five hundred young Moslem women and enough furniture, clothing and jewelry to entice other soldiers of fortune to join future similar ventures. This expedition was the prelude of the real crusades that were organized 34 years later.

When invaded by the Frenchmen, Moctadir expected Ferdinand to come to his aid, but no Castilian came to help him. Thus, Moctadir broke their alliance and in 1065 Ferdinand attacked him, pushing his troops all the way to Valencia, but he died of ill health during the campaign. Ferdinand's eldest son and the Cid's mentor, Sancho, became the king of Castile. El Cid became his commander in chief. For the next seven years El Cid helped Sancho unify Leon, Asturias and Galicia under Castilian control in a series of fratricidal wars. In the battle of Golpejera Sancho took his brother Alfonso VI of Leon, prisoner. However, Alfonso escaped to the Moorish kingdom of Toledo where he remained until Sancho was killed in 1072. Alfonso then returned as overlord of the united kingdoms. Despite suspicion that the returning king, in alliance with Sancho's sister Urraca, were the authors of the assassination, El Cid accepted the sworn statement of Alfonso that he was innocent and swore his allegiance to the new king of Asturias, Leon and Castile. To ensure future loyalties, Ximane Rodriguez, from the castle of Gormas at the frontier with the Moors, daughter of the Count of Oviedo, Diego Rodriguez, and niece of Alfonso VI, was given in marriage to El Cid.

In the next eight years El Cid won many battles against Saracens and Christians for his new king, sometimes perhaps even against Alfonso's secret wishes, for the monarch wanted to keep the Moorish Emirs fighting against each other and apparently didn't want a clear victor. El Cid had powerful enemies among other Christian noblemen who were jealous of his prowess. Eventually they contrived to sever his vassalage with the

king, forcing him into exile. Dispossessed of land and demoted, El Cid still had great numbers of adherents and many vassals himself, and when he departed the town of Burgos, a very powerful army left with him. However, he always remained loyal to Alfonso and never confronted him directly, despite the fact that the king thrice punished him. To avoid conflict with Alfonso, who wanted to focus on the west and south, El Cid returned to the eastern territories of Aragon and Barcelona, where his talents and army might be of some use to either Spanish or Moorish kings.

In 1081, El Cid arrived at Barcelona, which was by then the power center of the recently united counties of Cerdagne, Urgel, and all the Catalan lands to the north, in the French Pyrenees. The recently deceased Count of Barcelona had just divided his possessions between his twin sons, neither of whom thought enough of El Cid's offer to take him seriously. Rebuffed, El Cid entered in the service of his old friend the Moorish King of Zaragoza, whom he had helped against Ramiro I's attack some seventeen years before. However, shortly after El Cid arrived, Moctadir died. Through his will, he also split his kingdom between his two sons. Unfortunately, they soon went to war against each other. The oldest son, Mutamir, had received Zaragoza and retained his relationship with El Cid. The younger son entered in an alliance with other Christian princes from Spain and even France, but El Cid promptly defeated the alliance. The Moors were so impressed by him that they gave him the Arabic name Sidi (Lord), by which history has known him ever since. One of the prisoners El Cid took during these battles was Berenguer Ramon, Count of Barcelona, later to be in his in-law family.

Until 1092 El Cid's army was the determinant factor in the balance of power in northeastern Spain. He won every battle in which he was engaged, sometimes against impossible odds, but not once went against Alfonso, his sworn sovereign, or attempted to retain his possessions after he had conquered them. His theater of operations was the eastern region of northern Spain. His strategy was not to allow any western kingdom, Christian or Moslem, to interfere with the affairs of this region.

To accomplish this he made alliances with both Moors and Christians, and he even helped create a chasm of differences between the Spanish Moors, known as Moriscos, and the new Almoravid (Berber) invaders. As a result of the need to form stronger fronts to fight the new threat, his most permanent allies among the Christian kings became first the son and later the grandson of Ramiro I, against whom he would have waged his first battle had the king not been assassinated just before it was to take place. Among the Moslem kings his outstanding ally was Mostain, king of Zaragoza, and grandson of the first direct beneficiary of his military talents, Moctamir, Ferdinand I's ally.

Through more than thirty years of free-booting military life, El Cid managed to remain loyal to the king who three times rejected him while at the same time maintain a key strategic alliance with the kings of Aragon, the enemies of his Castilian sovereign. He was the only Christian commander able to defeat the fearsome, almost invincible Berbers, and the only one to develop a strategy of warfare. He died July 1099 at age 56

in Valencia. His widow Ximane reigned there for another three years but was not able to keep the town even though Alfonso VI came to her rescue. The Spanish noblemen's attention was by now directed to the Holy Land Crusades and not enough resources were left available to hold the town. Thus, Valencia was totally evacuated, including the Cid's remains, and burned down by the departing Christians in May 1102, exactly 900 years ago as I write this book.

El Cid's son, Diego Rodriguez Vivar, was killed in 1097 when he headed a relief force to help Alfonso VI defend Toledo. El Cid's youngest daughter, Maria Vivar, married the nephew of Berenguer Ramon, whom her father had defeated and taken prisoner twice. Her descendents went into French nobility. His oldest daughter, Christina Ximane Vivar, married Ramiro, the Prince of Navarre, who was a direct descendant of the Galindo line. Their son, now carrying also El Cid's genes, became Garcia V King of Navarre in 1134. In him the Galindo and El Cid's genes came together. Christina Ximane died soon after giving birth to her son. Garcia V became the grandfather of Sancho VII "The Strong" King of Navarre about whom we will hear more soon. Garcia's V daughter, Blanche of Navarre, was the mother of King Alfonso VIII of Castile, the great hero of the Reconquista. Thus El Cid's genes entered the pool for my family's background through two royal houses, closing the real life ring between my name and my own son's name. I wonder if my parents knew!

If the root chain of my own family name from the Pyrenees to Cochabamba, to my knowledge, has a gaping hole within, another family gene is connected through a mostly un-interrupted chain all the way from the 13th Century to me. Most historians would agree that the turning point of the Reconquista was the battle of Las Naves de Tolosa in mid-July 1212. It was the beginning of the end of the Moorish occupation of Spain. At this battle my predecessors carrying the Galindo gene came in contact with another gene in my lineage, this time from my mother's side, the Obarrio bloodline.

In her memoirs my mother wrote about the parents of her own mother, Rosa Guzman Terrazas Obarrio, who was orphaned at an early age. Her maternal aunt, who was married to Bolivia's President Mariano Baptista, raised her. Given that she spent most of her formative years in his household, Mr. Baptista became her de-facto stepfather. My mother's maternal great grandfather was a young Bolivian army captain. While on duty in the frontier post of Puerto Suarez on the eastern border with Brazil, he died at age 28 from a horseback accident. His name was Faustino Guzman Obarrio. His mother was Biviana Obarrio de Vergara y de Villate, in turn granddaughter of the Spanish Marquis de Vergara y Vellate, whose lineage connects with the battle of Las Naves de Tolosa. The amazing fact for me to discover is how this bloodline acquired Spanish nobility and how it connected with one of my paternal lines.

I must pick up the Reconquista thread line about 110 years after the burning of Valencia. Now Alfonso VIII was King of Castile, Pedro II King of Aragon, and Sancho VII "The Strong" King of Navarre. Sancho VII's brother-in-law was Richard "The Lion

Hearted" of England. The year was 1212. All three of these kings carried the Galindo gene all the way back from the last monarch who carried the name, Endregoto Galindo of Aragon. All three were nine generations removed from her and had more than one infusion of the gene in their lineage. Alfonso VIII and Sancho VII shared the same grandfather - Garcia V. EL Cid was their great-great grandfather.

Following the Almohads' invasion in the last quarter of the 12th Century, the momentum of the war had been turning in favor of the Moors. But now there was a general stalemate. The Moroccan Caliph Aben-Yacqub-Yusuf I had earlier called for a jihad to consolidate the enlarged frontiers of Moslem power in the peninsula once and for all. In response, a horde of fanatic Moslems from Asia and the Maghrib descended upon Spain, crossing the Hercules Straits on anything that floated.

Although he was at war with them off and on, Alfonso VIII nevertheless called on his Spanish Christian relatives. Pope Innocent III preached a crusade in Europe and several French bishops and knights responded. However, most of the latter turned around when in early encounters Hispanic forces opted for negotiated surrenders of the Moors, instead of plunder, murder and burning. The biggest battle of the Reconquista was enjoined July 15, 1212 on an ample Andalusian plane in the Sierra Morena just south of the Despenadero Pass, near the border with La Mancha. It went into history as the battle of Las Navas de Tolosa. My reputed ancestors were in command of the Christian forces. Among their valiant troopers was a young man to whom my lineage is connected with good certainty.

By this time, Muhammad Al-Nasir, known to the Spaniards as Miramamolin, had succeeded Yacqub I as Islamic Caliph. He deployed his Arab, Yemeni, Berber, Nubian, Moroccan and other North African troops at the center of his massive line. His personal black African bodyguards were an awe-inspiring sight to the ignorant Spaniards. The Andalusian Moslems were at the wings, involved in the battle more in fear of the Almohads than resentment of the Christians. Miramamolin was seen riding his black steed through the fields, offering his troopers eternal salvation in return for their lives in this battle. The chain mails protecting his soldiers shined in the morning light with a brightness that scared the Spaniards opposing them. The Caliph surrounded the exit to the pass and was ready to inflict a lethal blow to the Christians.

With the guidance of a local shepherd, the Hispanic kings learned of another mountain pass (now called "Paso del Rey") and surprised the Moslems with the overnight deployment of a full formation on the plain. It appears that King Alfonso commanded the center force, Pedro the left wing and Sancho the right. Several bishops held reserves to the rear. Miramamolin launched his strike force and the battle was enjoined. At one point the Christians began to fold and Alfonso, in desperation, lunged himself into the battle proclaiming that he preferred dying to living with defeat. The bishops from the reserves launched their troops and together they charged anew. For hours the front swayed back and forth in mortal hand-to-hand combat. It is said that more than 300,000

soldiers fought in this battle. By mid-afternoon the Spaniards had changed the momentum of the day in their favor.

As they approached the iron chain perimeter of the Moors' headquarters, a young Hidalgo (hijo de algo) near Alfonso was leading a group of Christians in an all-out attack. Legend says that he rallied his companions with a call that sounded like, "varrios – have no fear of the Moors," and literally threw himself bodily over the chain fences protecting the Caliph. He was following his King's standard-bearer. From this heroic act he became known as O'barrio, and later the family name became Obarrio. At the peak of the battle, the kings themselves wielded sledgehammers and axes to break the chains that tied together the human posts protecting the Moslem leader. At this time the Andalusian Moors retreated and the battle turned into a rout. Miramamolín took flight and the Christians won a great victory.

Alfonso VIII wrote a description of the battle to Pope Innocent III. To give an idea of its magnitude he stated that his troops had remained in the area for two days to clean up the battlefield and that all the firewood they needed to cook and stay warm had come from enemy arrows and spears used in the conflict, and that an equal amount was still left. He sent the pope the tent of the Caliph and many trophies won that day. Centuries later they were exhibited at St. Peter's Church in Rome. The amount of booty and riches captured was so great that two thousand pack animals were not enough to carry it all. Because both sides were under orders not to take any prisoners, it is said that more than 150,000 Moors were killed that day, against only 28,000 Spaniards.

Francisco Jose de Barrio was a Spanish Hidalgo from near Burgos, Bishopric of Oviedo, in the kingdom of Castile. His own roots speak of his family in northern Castile areas near the Bay of Biscay as early as 896. After 1212 his house was granted a coat of arms and other titles and privileges of nobility. Obviously, his descendants carefully protected and cultivated these distinctions from generation to generation both in Spain and across the Atlantic in Panama and Argentina, and later in Bolivia. Extant limited edition publications and other literature draw the line of descent to my mother's maternal great grandfather, the young Captain Faustino Guzman Obarrio.

Very noteworthy to me is that it appears that my gene pool from both, my Dad and Mom's sides, is well supplied with individuals who fought for their homeland, their property, their beliefs and their causes in almost every generation I have been able to investigate. It is no wonder that my siblings and I inherited the same tendencies and the keen appreciation of what good government must be. Transmuted over a millennium, we found that our sense of what is the best social compact coincides with what America offers today. No wonder that I determined to write this book to add my grain of sand to help preserve it.

The preceding history and anecdotes will help the reader understand the price, tragedies and triumphs that my ancestors endured to allow me the privilege of

becoming a part of America. My story is by no means unique, but it serves to help my readers identify with their own family histories and re-ignite the duty we all have to continue our predecessors' work in improving and preserving our social compact.

CHAPTER 5**SERVICE**

---051---

GIVE TO RECEIVE

Generosity appears to be one of the unspoken propositions on which our social system is founded. America has indeed set standards for the world when it comes to helping other people in need. Whether a hurricane, earthquake, flood, disastrous fire, volcano eruption or tsunami wave, wherever in the world it occurs, American help gets there. I have seen the anxiety, hope and relief with which foodstuff, first aid and other supplies produce for the recipients. After the socialist government of Bolivia brutally redistributed agricultural land then in use in the country, food production dropped to levels inadequate to sustain the population. By mid-1953 hunger was rampant and the block commissars rationed all basic staples.

Working through the Catholic relief organization known as Caritas, American taxpayers sent packaged goods to feed the Bolivian population. I had two elderly spinster aunts, Aunts Stella and Isolina, my Dad's sisters, who had dedicated their lives to help the less privileged. They worked in all sorts of charities and although the commissars didn't particularly like them, they needed my two church-going aunts to show American relief workers that they had some people with a reputation of probity involved in the food distribution network. Through my aunts I had my first taste of a morsel of cheddar cheese, that delicious yellow concoction that I could never forget after that day! I saw them distributing packaged foodstuffs and weighing portions of flour, lard, dry milk and sugar to hand out in the long lines that were formed day and night until the products were gone. I remember them complaining how a good part of the large bags that were unloaded never made it to the distribution stores, going instead to the private residences of the political bosses.

What amazed me even then was the fact that all this help came from the people whose embassy and flag were desecrated over and over again through the underhanded direction of the same leaders whose government the U.S. was saving. American generosity went beyond self-interest. The same example repeats itself, even today, everywhere in the world where we see need. American generosity is undeniable and unprecedented in history.

It appears to me that in the area of giving, there is a sort of social equivalent to the physics' law regarding reactions to applied forces. When America gives, America gets. The more America gives, the richer it gets. I also found that the more I gave, the more I got. Prophets before Jesus proclaimed the hidden rewards implied in giving. But Jesus put it best: "Give and it will be given to you, good measure, pressed down, shaken together, running over, they will pour onto your lap. For by your standard of measure it will be measured to you in return." I am convinced this is the statement of a frequent occurrence. It seems to work for me every time. I think it probably works for everybody, although I know of enough opposite results to deter me from accepting as a natural law. The somewhat more trying question is how to deal with it to our own lives.

In my observation, one of the saddest and most intractable problems in poor countries relates to children of the streets. They are mostly orphans or belong to wasted parents who use them to beg for money. Unfortunately this is a heartbreaking but common occurrence in all developing countries. Bolivia is no exception. In an effort to alleviate this situation, my mother's mother, Rosa Guzman de Anze (see Roots Chapter 4) founded an association for the protection of abandoned infants and orphan children way back in the 1920s. In the 1940s my mother became its president and with my father's assistance she was able to bring a group of Austrian nuns led by Mother Consolata Winkler to run the orphanage.

A generation later it was my turn to help. With the support of American expatriates residing in Cochabamba during the late 1960s, I was able to infuse some aid to the work these good nuns were doing. We bought beds, mattresses, bed linens and other supplies needed by the children. By 1968 the orphanage had received a hefty grant from a Swiss philanthropist to build a completely new campus with duplex style housing for the orphans. They called their rebuilt facility the S.O.S. Village. Each apartment unit was "mothered" by a nun and the children ranged in age from infants to high school. The idea was to simulate as much as possible a normal family life.

I took it upon myself to fund the construction of a duplex for the orphans in the new village as I was building my own house in Aranjuez. In recognition the nuns gave the house my name. Years later, after I moved back to Texas, I provided scholarships for children in the orphanage to attend the same "La Salle" Christian Brothers school I had attended in Cochabamba. The experiment lasted until the pro-communist governments that succeeded President Barrientos evicted the nuns from the orphanage. In one of my visits to Cochabamba, the new socialist administrators informed me that the children of the new Bolivia had no business attending a private school.

In view of this rejection I decided to transfer the corpus of the fund for scholarships to the La Salle school itself. I named an elder of the community, Mr. Carlos Aponte, trustee of the funds and together with the Brothers we agreed to guidelines for their use. A couple of years later the trustee decided that it would be more productive to move the

corpus of the trust from the U.S. to Bolivia because the bank interest rates were much higher there and easier for him to manage. Within a year the fund disappeared in one of the worst inflations of Bolivia's recorded history. My efforts to help teach people how to fish instead of giving them fish evaporated again.

Almost 20 years after I had first become involved with her work, Mother Consolata was gone and her children had become wards of the state. I learned that she had left Cochabamba sad and depressed by the treatment she got from the pro-communist managers who took over her orphanage. I was told that she had gone back to her native Austria. My niece Diana's maternal homeland is also the Austrian Alps around Salzburg. In the summer of 1986 she spent a few weeks there with her mother. While in Europe for other reasons, I decided to visit Salzburg and see both of them. Mother Consolata had returned to her birthplace to retire in a monastery set in a beautiful small valley. My visit evoked recollections of treks to see a guru in some far away place. She was old and wise, a true guru; but I was still unhappy with how her life's work had been despoiled. This was a woman I had come to admire through my association with the orphanage.

---052---

SELF-HELP

As I say, American emergency charity is unconditional. But rightly so, it is limited. We give the victims of tragedy fish, but we don't teach them how to fish. Really lasting help comes when we reach the people directly and teach them how to be self-reliant. A good example of this policy was the Peace Corps initiative of President John Kennedy. Shortly after President Barrientos took the reins of the Bolivian government, Peace Corps volunteers began arriving in Bolivia. I opened my house to them and began to form friendships that lasted for a lifetime.

Somewhere in mid-1965, I was invited by the U.S. Embassy in La Paz, Bolivia to participate in a program called Partners of the Alliance. It was a mini-extension into private citizenship of the Alliance for Progress, the plan that President Kennedy put together for his Latin American policy. The central idea of the "Partners" was to connect private individuals in Latin American countries with private entrepreneurs in the U.S. to see if together they could generate economic activity. I was asked to lead the group in Cochabamba, which convinced me that the image my former employer had tried to project of me being an American-hater had not taken hold. (See Professional Practice, Chapter 3).

The first relationship Cochabamba was assigned to was the State of Utah. At the expense of the American taxpayer, I was invited to visit there by a prominent steel executive who was the leader of the Utah group. Among the dignitaries I visited were the President and a few Apostles of the Church of Jesus Christ and the Latter Day Saints who honored me with a high level briefing about their church. Needless to say that it was a unique opportunity. What impressed me most was the record keeping system they had. A dossier was kept for every Mormon alive. It contained complete data about each person, including income. It was explained to me that this income information was needed in case it was necessary for the church to help the member keep the standard of living he had been accustomed to. I visited Brigham Young's house, with the thirty bedrooms in the back. The performance of the Tabernacle Choir was memorable.

La Paz and Utah have a significant natural similarity. Both hydrological basins, one around the Andes high plateau near La Paz, and the other around Salt Lake City, are closed within themselves. That is, neither drains to the oceans. The La Paz system is composed of Lakes Titicaca and Poopo, connected by the Desaguadero River. The Utah system is composed of Salt Lake and Lake Utah, similarly connected by the Jordan River. Most likely as a result of the potential for research that this similarity provided, it turned out that the party in Utah most interested in pursuing a relationship with Bolivia was Utah State University (USU) in Logan, where I went next. Their agricultural program included some high plateau crops that potentially could have some affinity with Bolivia. USU communicated this interest to the other members of the Utah group and to the State Department. Eventually Utah was reassigned to La Paz and Cochabamba to North Carolina. USU received numerous grants from the Agency for International Development (AID) to fund their projects in La Paz.

The leader of the North Carolina group was Hargrove "Skipper" Bowles who, under president Kennedy, had been Secretary of the Navy and later made an unsuccessful run for the governorship of his state. Representing Cochabamba, in 1966 I attended a large congress of all these small alliances in Rio de Janeiro, where I met him and other members of his team and arranged for their visit to our town. Later that year they arrived in Cochabamba. It was a big event for my community. The U.S. Embassy briefed the press and all the would-be local entrepreneurs were invited to participate in the conference. It was the first time large scale simultaneous translation was used in Cochabamba. The event helped fan the breeze of self-reliance that had started to sweep the country after the fall of the socialist regime. I could feel the advent of individual opportunity, as opposed to government jobs.

Following two days of meetings and sightseeing, we took a trip to the Chapare region near Cochabamba, which is the rain forest of the eastern Andes - a region rich in many resources but at the time still quite inaccessible. We made the trip by jeep and boat and slept in camp cabins. It was a great opportunity to get to know each other. I was truly impressed by Skipper Bowles' vision and daring. He was probably the first leader with a

really commanding presence that I had met in my life. He gave me a sense of visionary ideas and a glimpse of the inner fortitude we can all find within ourselves to pursue dreams. Unfortunately, neither he nor anyone in his group saw any economic opportunity for themselves in Cochabamba and our relationship moved to a smaller and more basic level.

After it became known that the North Carolinians would not consider any investments, many members of my group dropped out. Those that remained were interested in helping people in the lower strata of society find a way to move up – a worthy cause if for no other reason than to increase the middle class. When I realized how difficult it was to produce a stream of small self-help projects, submit them to our friends in North Carolina and, when financed by them, supervise their implementation in the Cochabamba countryside, I realized that we could make a perfect fit with the Peace Corps volunteers operating in my area. Accordingly, I called on some of my volunteer friends who resided in neighboring villages and asked for their help.

Peace Corps volunteer Lisa Ohm hailed from Colorado. She was a beautiful blue-eyed auburn-head living and working in the rural village of Sacaba. Leo Lefkowitz, then from New Jersey but now from Houston, inherited her job. Leo and I became friends for life and we still stay in occasional contact with each other. Throughout the next six years many other volunteers worked with us also. They interfaced with the peasant communities ascertaining their greatest needs and organizing a supply of labor. We wrote up the projects and submitted them to North Carolina. Our friends there raised the money, usually under \$1,000 per project. With this money the Peace Corps volunteers bought supplies. The local beneficiaries provided free labor. The North Carolinians came up with an innovative way to raise the funds for some of the projects. They would present it to the students at any of the many high schools in their state. This was an opportunity for the students to learn about Cochabamba and donate \$1 or \$2 each. It benefited their education and helped us. It was a good idea.

Somewhere during this period, I met an unforgettable Canadian lady from Calgary, Ellen Massey, who came to Cochabamba accompanying a friend. She wound up adopting a young lady from the orphanage I was involved with. Her dynamic personality and unlimited energy, coupled with her desire to help the less privileged, quickly got her committed to help finance a rural schoolhouse. This she did as soon as she got back to Calgary. Using the same model of our North Carolinian friends, her daughter raised the funds at her school and Peace Corps volunteers directed the construction. The community residents in the town of Punata provided the labor. A new little rural schoolhouse was built. One person, not a government, made a difference in the lives of hundreds of children. Ellen's and her daughter's entrepreneurial compassion improved a community for a long time. Ellen and I remained friends for life.

In this fashion we built innumerable country schools, rudimentary medical clinics, community centers, bridges, water wells, storage tanks and distribution pipelines. My

end-of-year reports, which I submitted to all parties involved while I was chairman of the group, reflected a very positive synergy from the cooperation of US AID (State Department), the North Carolina group, Peace Corps volunteers, the peasant communities involved and our Cochabamba group. It truly was stimulating to see the results we obtained by helping people help themselves. The difference we were making could be seen and touched.

One of the most noteworthy projects to me involved a lesson in banking, credit and fiscal responsibility for a group of peasant girls from the Sacaba countryside. It happened that in that small rural town in a valley next to Cochabamba, there was a convent of nuns who operated a trade school for girls. These young ladies were just then beginning to incorporate themselves into the ranks of productive society, coming mostly from self-sustaining households that lived at subsistence levels. The nuns taught them how to sew on sewing machines. The problem was that after a year of some education, the girls had no means to continue sewing after they left school.

It occurred to Lisa Ohm and me that we could extend credit to them to purchase a sewing machine and thus help them obtain an additional source of income for their households. The nuns agreed to help by explaining the program and selecting the most worthy girls. We took the money to the bank to collateralize the loans and obtain a very attractive rate, paying only for loan administration. Although the borrowers had never seen a bank before and could barely read or write, the first year we approved more than 25 loans and didn't have one default. The nuns helped greatly, ensuring that the girls made their payments. With the funds thus repaid, we repeated the program again for a couple of years afterwards. In this fashion (literally), many families in the area bootstrapped themselves into better living by increasing their means of production and escaping their bondage to subsistence farming.

I was particularly proud that at the time the Cochabamba group did not receive any subsidy for its operations. The members did all the work themselves as volunteers and, as I did, used their small companies' means to make the "Partners" group successful. Years later, it came to my attention that the U.S. Embassy had begun paying for office, secretary, telephone, etc., and even paying travel expenses for North Carolinians who found some curiosity in Cochabamba. I think this was bad public policy because, at the expense of the American taxpayer, it only benefited the managers of the funds and not the Bolivian dispossessed. This is a typical example of the morbid tendency of bureaucracies to form and grow.

Politicians, civic association and business leaders are constantly searching for public policies to relieve the ills of society. The Third World is full of opportunities to try new and old initiatives, as we were trying through our alliance with the North Carolinians and the Peace Corps volunteers. What neither politicians nor civic or business leaders have been able to do on a massive scale is to provide the internal motivation that

mysteriously appears in certain individuals. It is the most powerful remedy that I have seen and one that I strive to encourage.

Not every child born to poverty necessarily has to end up on the streets, even in a city as poor as Cochabamba had become. But I think case studies show that the hope for improvement resides mostly within each individual, not so much in society. In 1968 I met Felix Mamani, then a boy around 12 or 13 years old who was working as a roustabout for the masonry subcontractor erecting walls on the house I was building in Aranjuez, Cochabamba. My brother Chris and I were impressed by his dedication to duty and desire to learn despite the fact that he apparently didn't have any parents. When other youths his age were taking to the streets to steal and scam, he was working. When the job was finished, we hired him as assistant janitor in the engineering company. He enrolled in night school and worked during the day. I had the pleasure of seeing him graduate from high school. At work, he rose through the ranks and by the time I left, he was already in charge of the printing and binding operations for the company. Chris kept him as a trusted employee and even taught him the discipline of daily running.

A couple of years after Chris moved back to Texas, Felix, somehow, followed us totally on his own. He arrived in Houston and began making a living however he could, with no help from us. No doubt his cultural and financial shocks were orders of magnitude greater than mine upon my arrival in New York. Over the years he learned all the trades of residential construction. Today, Felix is taking bigger risks. He also is becoming a real estate developer. Without asking for any government handout, he is trying his hand at redevelopment in rundown areas of Houston, a tremendously worthy cause. He is the epitome of success in America - a totally dispossessed child from the streets of a poor third world city who made his mark in America. His mere friendship has continued to enrich my life.

No recounting of exemplary persons whose metamorphosis from underprivileged conditions to a successful and happy life that have affected my own experience would be complete without including my son-in-law, Ricky Soto. I have introduced him and his relationship with my daughter Lis earlier in the book. Ricky was the seventh and last child of a migrant farm-working family. He practically grew up in a van going from farm to farm as the harvest seasons required. His parents upheld very strong family values, and although they didn't place much value on education, taught all their children the ethic of work. Not one of his siblings finished high school with their normal age groups but all of them got a job, got married and had children.

Somehow Ricky found the inspiration to escape this cycle. As if driven by an internal force still unexplained to me, he made a college education his goal. His parents supported him but it was mostly up to him to finance his quest. He applied to Texas A&M and was accepted. Following two years of active duty, he joined the Army Reserves and worked full time summers and part time all during school. As I write in

HOME (Chapter 4), my daughter Lis was a key factor in helping him accomplish his goal. Despite my initial misgivings, Ricky delivered on all the expectations we had for him and he now makes me a proud father-in-law. He is more living proof that in America, even today, those who want to can still lift themselves to unprecedented heights.

While speaking of self-help, I feel compelled to share the story of Raul Veliz. During one of my trips to Cochabamba to see my parents in the early 1990s, my sister Toqui introduced me to a nun from the Midwest, Sister Frances Kerjes, who worked there as a missionary for the blind. She was affiliated with the U.S. Maryknoll Catholic Mission Society. I saw an opportunity to restore some dignity to these handicapped people by directly supporting her efforts to help them. Through her I met Raul Veliz, a Catholic priest who was blind himself. At age 19 Raul had a basketball accident as a consequence of which he totally and permanently lost his eyesight. Instead of falling into despair and misery, he studied to be a priest motivated by his desire to help other similarly affected people. When I met him he was running an institute for the advancement of blind people that he had founded.

Inspired by his courage and leadership and confident of the nun's help with fiscal management, I sent him funds to seed some of his many projects. My wife Susan and I also convinced other compassionate people, including my generous friend Phil Adams, to complement our donations. Over the years we funded electronic musical equipment for a band that had been organized by four blind teenagers. They played at parties and made some money in the process. We helped enlarge their Braille library to teach reading. We provided the investment to set up a bakery that employed a few partially blind people and baked enough bread for several other charitable organizations, and also for sale. This revenue helped Father Raul buy other supplies for his own institute.

No doubt Father Raul was a dynamic leader, and as such he attracted many admirers. A young lady who worked at his office fell in love with him and wound up expecting his child. At this news the Catholic bishop of the area defrocked and unceremoniously removed him from his own institute, which had been chartered under the church's authority. Raul wrote me explaining that he wanted to continue serving the blind but that he would not bring a new life to the world and then abandon it. He loved the mother and the child very much and he saw no conflict between this love and his work. I agreed.

In response, Susan and I announced that we would continue helping him with his work. Raul's new business plan was to set up an artisan's shop where vision-impaired people could weave wicker baskets, make brushes, brooms and other similar products. At this point, the Cochabamba Diocese secretary called me to suggest that I send him the money instead. I point blank denied his request. However, I had already made arrangements to remit the money through the Maryknoll Catholic Mission to Bolivia, who assured me that the full remittance would be handed over to the former father Veliz and that it could still be classified as a deductible charitable contribution under the IRS code.

My brother Chris took the money with him during a trip he made to Bolivia and my sister Toqui delivered it to the Maryknoll office in Cochabamba. She was told that the priest who had offered this help was out of town and that they couldn't take the donation. Disappointed by the clerics' duplicity, she gave the money directly to Raul. In my opinion his work and life's example is to be admired and supported, rather than punished. He not only gave dignity to himself and his new family, but to many other vision-deprived persons as well. He is the archetypical underprivileged entrepreneur who bootstrapped himself to a better life, and although not able to see light, lights the paths for others to achieve happier futures. His example is totally uplifting, and in the view of most observers it is not his reputation that was diminished, but that of the Catholic Church. As I so often have found in my experience with Catholic Church prelates, Raul could have hidden his love affair and accepted his son as his "nephew." Without much doubt he would have been allowed to keep his job. He rejected this hypocrisy and I supported him.

--- 053---

TAX FAVORITISM

In moving from light to darkness one has to go through an area of semi-light, or semi-darkness. Similarly, the transition from one clearly defined position to another is always an area of confusion and poor visibility. Separating true compassion and solidarity from pseudo-charity and disguised greed is not easy. By granting favorable tax treatments for certain activities, politicians have attempted to encourage the very desirable virtue of sharing one's possessions with those in need. Unfortunately, the use of tax exemptions has grown well past the point for which, in my recollection, it was originally created. I believe studying its current abuses would be a good first step to return to its original purpose.

As it can be gleaned throughout this book, my posture about public policy to enable individuals to pursue happiness is the encouragement of self-reliance, not its curtailment. This position does not ignore the fact that often in life, at one point or another, we all need help. I am a great believer in directly helping people who want to help themselves and I believe that the government's take, through taxation, of part of a person's production or assets is, in general, not the best public policy. One problem with tax exemptions is that neither taxes nor exemptions are applied uniformly. Certain privileged persons manage to escape taxes for one reason or another and others are not taxed at all. Regardless of how impersonal and impartial the rules for tax exemption are written, by the mere fact that they exist, they are likely to create inequities and

conflict. In fact, they have created a whole universe of so-called non-profit organizations. But I have not yet met anyone working for these organizations who is not in search of a profit, although they are careful not to mention the word.

In my life's walk toward good citizenship, I found many examples of people and organizations who "just used the system" to claim tax-exempt status. As a result, I am not much of a contributor to tax-exempt organizations that paint themselves as "non-profit" charitable institutions. The efficiency of the contribution is much too low for my taste. No doubt some of these organizations perform good work, but others are actually a drag on the economy. However, "non-profits" have very powerful lobbies. At both the state and federal levels, they are able to craft very favorable legislation to tilt the rules of competition in their favor. The taxes they manage not to pay are simply shifted to other taxpayers who ultimately carry the burden of this inequity - a most unsatisfactory situation.

I know from personal experience that the fact they are exempt from most taxes does not by any means mean they are not profitable. In fact, most of them crank up hefty yearly surpluses. These surpluses are used to fund large executive compensation packages, most generous retirement plans, provide secure career paths, bombard the public with cunning advertising and to accumulate reserves for further growth. Rare is the tax-exempt organization that uses every dollar received as donation to directly aid the intended beneficiaries. But propelled by their powerful lobbies, they smoothly sail on the shoulders of other taxpayers. A small businessperson trying to bootstrap himself (or herself) could never succeed with such low efficiency.

As I describe in the next section of this chapter, one of my volunteer tasks was to serve on the board of directors of my community's "non-profit" hospital. Following a one-year lease of an existing private hospital in Bryan, the Catholic nuns of the Order of St. Francis from Sylvania, Ohio, purchased the facility in 1936. St. Joseph Hospital has now grown to be the biggest and most complete facility of its kind between Temple and Houston. The market value of its assets approaches one quarter of a billion dollars but it pays no taxes whatsoever to local governments. Two smaller hospitals in the community pay local, state and federal taxes and have to compete for the same patient base St. Joseph serves. Although, to my knowledge, a bona-fide comparison has not been made, the amount of charity work given by the latter does not appear to come close to its tax exemptions. It is a clear case of unfair competition.

Indeed they are some fields of human endeavor where overtaxed private enterprise cannot succeed. Relief organizations similar to The Red Cross, Salvation Army, clubs such as Rotarians, Lions, etc., and other purely charitable organizations should indeed be tax-exempt, especially if they have limits on executive compensation. It is hard to justify tax-exemption for proselytizing churches and their "spiritual" missionary undertakings. It is harder to justify this benefit for organizations only remotely connected with charity such as "Disease Societies", "Think Tanks", or other research-oriented

organizations whose end products never directly reach the intended beneficiaries. I find it impossible to justify tax-exemption for institutions such as recreational clubs, “non-profit” hospitals, electric cooperatives, credit unions or other similar organizations that unfairly take market share by indiscriminately selling their services among the same socioeconomic groups as their tax-paying counterparts.

The proliferation of tax-exempt organizations carries a social cost that to my knowledge has not yet been quantified. This could no doubt be a good doctoral plan for a candidate for a Ph. D. degree in economics. The loss of revenue to government coffers at all levels due to this discriminatory practice is very appreciable. The specific example of Aerofit that I reviewed in detail in Healthy Mind in Healthy Body (Chapter 3) is but one of many egregious similar cases. This phenomenon is better explained by following the example of other health fitness companies.

The analysis of a case in point is very illustrative. In the city of Houston there are many examples of two health fitness clubs operating in the same neighborhood. They both serve the same population and their typical customer profile is identical. Neither does appreciable charity. Both are equal opportunity and don't discriminate on any basis. One is tax paying and the other is not. The latter could be a tax-exempt YMCA, Jewish Community Center or church affiliated club. Both have upscale physical plants and provide similar services and both charge the same monthly fees for membership to the facility. Neither has a recognizable number of free or “charity” memberships. Yet the former is heavily taxed and the latter is exempt from most taxes. The public doesn't see it, but the differences for the owners are fundamental and are diametrically opposed to the genius of America I define in the first chapter of this book.

To start, the private owner raised his investment capital from persons who expect a return. The tax-exempt received its investment capital from “donors” who wrote off their donation as a charitable deduction. These donors will not be upset if their club doesn't send them any reports and they certainly don't expect to receive a dividend. The private owner is soon in trouble with his/her investors if that is the case. If the investors receive a dividend, they must pay income tax, thus infusing money into federal government coffers. The tax-exempt donors contribute nothing even if their club is successful. If it is not, they most likely will contribute again to bail it out, reducing once more the amount of taxes they would otherwise have to pay.

The private owner usually has a bank loan that must be serviced. Interest and principal must be repaid. In the “for profit” sector, it costs dearly to use somebody else's money. If the loan is not repaid, not only is the facility lost to the investors but the guarantor of the loan will also suffer additional losses. To its great advantage, the tax-exempt counterpart rarely has the expense of investment capital debt and its executives never take any personal financial risk. I have never heard of a “tax-exempt” executive personally guaranteeing a loan for his/her organization.

In Texas the current sales tax is 8.25 % of the invoice cost. When buying any equipment, parts or supplies the private owner is obliged to pay the state 6.25 % of the cost of his purchase and the city of its residence up to 2 %. Its tax-exempt counterpart contributes nothing. When a customer signs up as a member, the private club charges 8.25 % tax on all dues. The tax-exempt charges nothing and remits nothing to the state or city. This not only creates a significant increase in operating costs for the private person, but also hurts the state's revenues, which must seek other taxes from the same tax-paying groups that are already overtaxed.

Even worse, at year's end the local school district, city, county, hospital district, fire district, drainage district, junior college and other ad-valorem taxing authorities together demand a property tax payment sometimes in excess of 3.9 % of the gross market value of the private club installations. The tax-exempt entity pays nothing. This by itself is an overwhelming imposition on the businessperson trying to deliver a service against such unfair competition. What is equally bad however, is the loss of revenue for local governments. Every one of these local taxing authorities turns around and makes up that loss by taxing again, at a higher rate, the already overtaxed private investor.

Finally, if by extreme better management and great good luck, the private club is able to make a profit, the federal government taxes it immediately. By inference it follows that if in the face of these overwhelming negative odds some private clubs are able to make a profit, the tax-exempts most certainly must make a greater surplus. Yet, none of it is taken by anybody. As long as it observes the bureaucratic rules and definitions of "not-for-profit," these surpluses remain entirely for its own use, as only it sees best to use. This is the dream of the American system! Should we all now claim tax-exempt status? The fact that this sector of the economy continues to grow unabated seems to indicate that more and more people are doing so.

As all informed Americans know, Senator Phil Gramm has been a very incisive and courageous figure among our national leaders. His perception of the relative weight of factions lobbying politicians is equally shrewd. When I brought this issue up to his attention his response was, "Touching the YMCA is getting too close to touching Mother Church." He declined to do anything about it, and I still wonder why Mother Church herself should be tax exempt. This effort demonstrated to me then, and I have not changed my mind today, that practically all of our laws are made reality by the most powerful lobbies. Neither the grassroots, the legislators or the executive power, will pass a law without the input of the lobby. I see this shifting of law-making power as a potentially serious soft spot on the armor plate that protects our system.

Obviously, this business model glares with unfairness and it must be changed lest everyone file for tax-exempt status. The difficulty is not in understanding the message. Everyone who sees it understands it. The difficulty lies in disseminating it among the right people. The tax-exempt lobby has been around for a long time and at its top it connects industries as basic and disparate as health, education, housing,

transportation, electric generation and banking to name a few. Entrepreneurs are a ragtag bunch of isolated, usually small, businesspersons unable to pool resources. Despite the efforts of a few leaders such as Jack Farris, who built-up the National Federation of Independent Businesses (NFIB) as the most coherent and strongest voice for small business, it is most difficult for them to wield significant group-clout. Although it is widely believed that in the large scheme of things the revenue loss for federal, state and local governments is only marginal, I think this thesis is incorrect and needs to be studied in more depth. In my experience, gaining access to lawmakers is not enough. A coordinated and massive public education program lasting years is necessary to disseminate an understanding of this clear weakness in our tax system. It operates against the innate desire of all people to compete on a fair and even playing field.

During the Texas legislative session of 1999, I attempted to introduce a "Fair Competition" bill for consideration by the lawmakers. My efforts were to no avail. After that close personal experience with the process of originating laws, my thinking is now affected by a better understanding of the tactics used by large tax-exempt organizations to secure their privileged positions. This view has been further strengthened by experiences such as the Rec Center at TAMU, the Bryan hospital and the Houston health fitness clubs that I related before. They have led me to the conclusion that, as things stand today, it is not important how much of the charitable funds raised by tax exempt organizations really reach the intended beneficiaries. Tax-exemption is not driven by charity. It is driven by the power of the delivery organization. Due to the intermingling of markets and services within the organizations themselves, to my knowledge, there are no generally accepted accounting rules to determine correctly and clearly the efficiency of the charitable segment of their operation. This murkiness makes it hard to assail their charitable claims. Therefore, they would rather keep it murky.

I continue to be a strong believer in helping the less fortunate among us, and I will continue to seek opportunities where my little grain of help can go directly to the needy, and not to the delivery organization. Taking a sheet from the advocates of school vouchers, where the taxpayers' money would go directly to the student rather than to the schools, I can envision a more enlightened public policy where an effort could be made to empower the intended beneficiaries more than the delivery bureaucracies in the distribution of charity. Again, this is certainly an important, but to my knowledge, not heavily researched issue.

--- 054---

VOLUNTEERISM

President George Herbert Walker Bush (41st President of the U.S.) has built his library-museum in my hometown of College Station. For this reason he is often in this community and his words are widely heard. One of his most repetitive messages relates to the obligation we all have to give something of ourselves back to the communities in which we live. Before Gen. Colin Powell became Secretary of State, his mission was to press Americans into what he called “volunteerism”. I believe every statesman at some point or another hits upon the obligation we all have to give back something from our creative talents, not just taxes. The theme is common in many commencement speeches at colleges all over the country. The message of the obligation to serve is hard to escape. Service has thus become a hallmark of America.

Undoubtedly my greatest and most lasting inspiration came from my Dad and Mom. As I describe in Character at the Nucleus (Chapter 4), they dedicated a good part of their lives to community service. This was also true of most of my immediate relatives, who reiterated the lesson with their example. My Mom was clear about her position on matters of charity and service, often reminding us how easy it was to be generous with somebody else’s money and how significant it was to do so either with our own funds or time.

I must admit that in matters of service to community, state or country I take a position that is also convenient to my personal interests. I believe this is normal, honest and natural. It is also what everyone does, regardless of any protestations to the contrary. The energy with which we approach public service is directly proportional to our personal interest in it. This does not mean that I believe all public servants are cynical hypocrites, nor that they are selfless and altruistic apostles dedicated only to help others. In the preceding Section Creation of Chapter 3, I set forth my impressions of the many types of compensation sought by different persons at different stages of their life.

The truth is that there always is a reward to volunteerism. The reward sought could vary from leaving a historic legacy, gaining popularity at the polls or at the local club, having good press, saving a forest, creating better living conditions through improvements in the community, obtaining new contacts, succeeding on a military stealth mission or even securing a safer world by bringing peace to whole regions. At the end, there is always something for each of us, no matter how altruistic our frame appears. Even our military heroes did their heroic deeds in pursuit of a goal that would help them and their loved ones if there were no other more direct rewards. I am glad that we are all aware that these rewards exist and that they are powerful enough to bring the best virtues out of all of us. America excels at providing opportunities to seize these rewards and Americans grab them by the millions.

My first exposure to volunteering came as my son Cid started school. As I indicated in Freedom Fighters (Chapter 2), I was then involved in, for the standards of my generation in Bolivia, an epic struggle for freedom. A part of this activity related to the defense of the American School campus in Cochabamba in 1970.

During the socialist years before my arrival in Bolivia, the party rulers heavily promoted a new form of corporate organization. It was called “cooperative” and it was modeled after Franklin Roosevelt’s rural cooperatives. Its most essential provision requires that voting rights be based on the concept of one vote per participant. It matters not how many shares of the organization each participant acquired. Investment does not enter into the equation of management control. The socialists loved this because they could legally use the people’s money and retain control of the organizations by deftly maneuvering the election of the cooperatives’ boards. They improved on FDR’s ability to control the management of rural cooperatives.

The American school had existed for more than a decade as a non-incorporated group of parents seeking to give their children the education they wanted. It had never owned any real estate assets or other major property. With the advent of better times under President Barrientos, we decided to build our new campus and become a permanent institution. For this, we needed a legal organization. The laws of the country were very archaic and we concluded that it would be worthwhile to use the socialists’ own tool to organize ourselves. None of us was going to invest disproportionate amounts of money nor were we going to receive any salaries or emoluments. Thus, incorporating as a cooperative made sense and was easy to achieve. In 1967 we formed the “Cochabamba Cooperative School” and I was elected to its board of directors in 1968. In 1972 I was elected President of its board, a position in which I served for two years.

The years of my involvement were challenging but exhilarating. I was deeply involved in the purchase of the land and the construction of our first and major classroom building. The fact that we built a high brick fence around our seven or eight acres of land turned out to be important in retaining it when things changed following President Barrientos’ death in 1969. The tract was a rock and thorn-bush covered sloping piece of the alluvial plane on the north slopes of the valley. It had no green vegetation, access, electricity, water or sewer. I arranged to drill a water well, route an access road and supply electricity. We built a septic tank of adequate capacity. When I visited again in the late 1980s, I was very proud to see how the campus had improved. Most of the buildings from the master plan had been completed, and even the palms, eucalyptus and other native trees that I planted had grown. It was an oasis of greenery and learning. Those parents who followed me deserve all the recognition for having given Cochabamba such a fine institution.

Guessing, correctly as it turned out, that there was a market for our product, we set school registration rates at fairly high levels. We also received a lot of in-kind help from American contracting companies whose employees’ children attended the school. In this manner we funded the construction without having to borrow money. The American Embassy in La Paz helped us meet the payroll for all our expatriate teachers on an on-going basis. Such help removed a lot of control from our management authority, but we could not have delivered the education we wanted without it.

As I recount with more detail in Freedom Fighters (Chapter 2), we opened up for business just at the time the pro-communist forces were staging a comeback in Bolivia. Circumstances demanded that we take a high profile in the face of threats and unfriendly authorities. In this case volunteerism went beyond just helping a community improvement project succeed. It also meant standing firm for my beliefs and being prepared to take the heat. I believe this last demand closed the circle of total dedication to a volunteer's effort. My payoff was to have the best possible school for my children, but in the process many other causes were served and the community was definitely improved.

My volunteering efforts while still in Bolivia also brought me in contact with other activities. This was the height of the Cold War and all political action was cast under that struggle. The local ideologue chieftains excelled at using ordinary citizens as instruments of their power plays. But, as my following example reveals, the confrontation among groups of society in Third World countries during the days of the Soviet Union was not always rooted in ideological principles. Often the communist neighborhood leaders attached such designation to their names because their bosses told them that is what they were. In fact, many of them just wanted a solution to their problems.

Such was the case with a group of settlers who had bought, or were given by their labor unions, lots uphill from my Dad's Aranjuez property at the northern edge of the valley. When my Dad bought his land in 1942, he also bought surface water rights from the mountain creek source and use of the conveyance canal built by my maternal great grandfather. On certain days of the month, he had rights to a specified number of hours of flow. I remember, even as a young child, when we walked up with him along the canal all the way to the mountain springs where the intake works had been built to ensure that no one was scalping any part of the precious flow.

As these settlers began to proliferate in the early 1960s, they named their area Moscow Village to signify their adherence to communist ways. It was not rare to see hammer and sickle flags hanging on door thresholds. The graffiti was outright anti-capitalist and anti-American. At one point, the leaders simply stopped letting water flow past their village. I had recently returned after five years of absence studying in the United States and all this change was hard for me to believe. In consultation with my father, I contacted the leader of the community and began to know him, as he began to know me. He was a polite but poorly educated man of quick intellect. Although he responded to political leaders above him, he really wasn't a bully or dogmatic about principle.

In time we learned to cooperate with each other. My Dad and I realized that even though we had legal rights, the heavily politicized existing courts would not enforce them. In practice, the settlers were upstream from us, they were many and the small canal went through their streets and backyards. Instead of bitter confrontations, we

became pragmatic. Following centuries old tradition, we organized workers' brigades and on Sundays 20 or 30 of us would go to the intake and upper reaches of the canal and with picks and shovels improved the flow. We also obtained steel pipes and built new aqueducts where needed. In sum, we enlarged the size of the pie instead of fighting over who received the larger piece of the smaller pie. We found a temporary accommodation but the odds were against us. Eventually, my Dad decided to abandon agricultural activities and instead moved to subdivide the property.

My volunteer activities also drove me into the field of international relations. In the absence of geopolitical considerations or significant commerce between countries, full-fledged diplomatic missions are seldom kept in all world capitals. Bolivia and Denmark are literally continents apart and had very little trade with each other. Denmark's ambassador to Peru, residing in Lima, was also its official representative to Bolivia. He visited on an irregular basis.

Following the ousting of the socialist regime in Bolivia, my mother thought that it would be a good idea to link officially my native country with my then wife's native country, Denmark. More particularly, she thought I would make a good honorary consul from Denmark for the departments (states) of Cochabamba, Santa Cruz and Beni. She made the necessary inquiries and received a positive welcome from Bolivia's Foreign Secretary, who in turn suggested the idea to his Danish counterpart. In 1966 I was officially asked by the Royal Danish Government of Her Majesty Queen Margrethe II to serve as its Honorary Consul for these territories.

An Honorary Consul is a volunteer who represents the general interests of a foreign nation in his/her country of residence. The post does not have diplomatic immunity and, at least in my case, was ad-honorem. Among the many duties such a volunteer takes on is the promotion of commerce between the two lands. Soon Danish industrialists and exporters began to contact me with requests for business connections. This gave me an opportunity to meet many of them and to enhance my profile in Bolivia. Denmark is a country without an abundance of raw materials, which it needs and must import for its industry. Therefore, the success of its economy is based on the amount and quality of its exports that generate the cash needed to pay for the imports. As such, it is a trading and seafaring country. Generating hard currency from trade is its lifeline.

As time went on, I involved my then father-in-law, Mr. Axel Madsen, who himself was in the import-export trade, in some of these efforts. I advised him that an agency of the Bolivian Government (CBF) was promoting the establishment of a dairy industry in the valleys of Cochabamba and that the Danish Foreign Aid Department was prepared to offer financial help. He made the necessary contacts and helped structure a winning bid to supply the fixed plant equipment needed. The complete package eventually sold by other Danish suppliers involved an integrated plan including dairy livestock, milk trucks, bottling line, drying and sub-products plant and technical aid. This project became an

important long-term toehold in the heart of South America for the Danish dairy industry. In the light of heavy international competition, we pulled a real coup.

As I describe in The Mining Country (Chapter 3), by 1972 I was heavily involved in setting up my own tin alloys plant. Serious problems arose when I learned the magnitude of the challenge in marketing my products, which essentially were various types of solder wire and rods. It was through my consulate contacts that my partner, Boris Zorotovic, and I were able to forge Danish alliances, develop the activities and live the adventures associated with this effort.

Our Danish partners, though paying lip service to the fairness of socialism, negotiated contracts with the heavy hand of old time European mercantilists. With the support of the Bolivian government agency (ENAF) in charge of the tin smelter, which was also a partner of our new company, they demanded and obtained a 4 % royalty on all gross sales. This royalty was in addition to hefty management fees and of their share of operating profits. Over the years it became a significant income stream for Denmark. Hard currency to pay for its imports is what the Royal Government needed and that is what we gave it. We accomplished this without actually producing or exporting anything out of Denmark. It was a textbook example of what to them was a well-managed idea.

My functions as a consul covered other non-commercial activities as well. I gave visas, issued passports, attended functions, entertained visitors, traveled with the Ambassador and occasionally helped stranded travelers. Such was the case of a beautiful, freewheeling Danish girl who was backpacking through Bolivia. In one of her stops in the remote Beni region where the main population was a garrison of soldiers at the Bolivian Navy's river base, she made friends with some of them and decided to go swimming with them. In a matter of hours all the soldiers at the garrison had sexual intercourse with her. Extremely sore and embarrassed, she caught a plane that flew her back to Cochabamba and found her way to my office. I had never heard of anyone successfully suing the Bolivian armed forces and it appeared that a clever lawyer would make her look as the culprit instead. When she felt better she wisely decided to leave rather than press charges.

In preparation for my return to Texas in 1974, at my request the Danish Ambassador in Lima arranged for my father to be named Vice-Consul in my same office. For the next several years he and my brother Chris handled the affairs of the consulate as if they were me. Apparently they did so to the total satisfaction of the Danish Foreign Office. By these actions, my Dad and Chris demonstrated once more their keen sense of family ties. In 1979 Chris also moved back to Texas and in the early 1980s my Dad started spending a lot of time in College Station. Finally, on January 15, 1982, Her Majesty's government officially closed down the Danish Consulate to Cochabamba, Santa Cruz and the Beni.

Sometime in April 1979, my office in Cochabamba received notification that Her Majesty Queen Margrethe II had decided to induct me as a Knight in the ranks of the Danish Royal Order of the Dannebrog. This was a most pleasant surprise to me. The resolution dated March 23, 1979, indicates that she did so because of "...my most valuable services as Consul for Denmark..." Elated by the news I communicated it to my friends and acquaintances. My local newspaper, The Bryan Daily Eagle, carried a front-page article about it on July 31, 1979. Her Majesty knew, before even I thought of it, how to pay for services with means other than money. She proved my earlier points about the many different rewards drawn out of volunteerism. Although I readily admit that I earned mine with much less sacrifice, my Knight's medal is now placed next to my ancestor Leon Galindo's medal, won in the fields of battle, as a memory for my descendants. My son Cid is the next depository for both of them.

When I returned to Texas in 1974, I felt the urge to involve myself in public affairs to enlarge my circle of acquaintances and to put my thumb on the heartbeat of the business community. As soon as I brought my personal plans to a point where I knew the source of my family's next meal, I began to look for ways to get involved in local affairs. My children's activities provided the first opportunity for volunteer service. Following my love of water, all three of them became involved in competitive swimming. We had a parents group responsible for coaching, scheduling meets, training and travel. This is where I met my good friends Vaughn and Carol Bryant, who wound up helping me with the Brazos County Municipal District that I discuss in Texas Real Estate (Chapter 3). I was equally involved with my kid's gymnastics team. Unfortunately, when they were involved in ballet, Girl Scouts and Young Life, I could not get as committed due to time constraints.

I joined the Bryan-College Station Optimist Club, a service organization similar to Rotarian and Kiwanis clubs. There I began to meet some of my contemporaries in various other walks of life. I also joined the local Chamber of Commerce where I served as Vice President for one and half terms. I served on the board of The Bryan Girls Club, an organization dedicated to improve the lots of under-privileged young ladies of African ancestry. Later I served on the board of the Brazos Valley Rehabilitation Center, where my future wife Susan Scoggins was head of the Speech Therapy department.

When displaced Vietnamese refugees began to arrive after our expulsion from their country, I helped sponsor the family of Luong Pham, who had eight children. They set an example of family values, hard work and dedication to duty. All the children except for the two oldest completed a college education, and all are a credit to America. One even became a Catholic priest. The youngest one, Jean Me, born in Texas, is my Goddaughter. We have remained friends for life.

GOVERNANCE

Shortly after I resettled in Bryan-College Station, I re-established contact with my good friend the Rev. William Young at the University of St. Thomas in Houston. By 1977, he had been appointed President of the University. Early in 1979 he honored me by asking other members to invite me to serve with them on the University's Board of Trustees. Feeling grossly unqualified, I nevertheless accepted the appointment with great pleasure. I wound up serving for seven years. Father Young is a man of great long-term vision and an innovator. His love for St. Thomas is unsurpassed. He presided during a difficult transition period when the institution went from a small four-year college to a small liberal arts university. He believes that to complement academic learning, young people of college age need a holistic approach to education, including opportunities for physical, energy-burning activities. I wholeheartedly agree with him.

As president, he envisioned a field house where students could burn off extra energy and develop sports skills, thus giving them the opportunity to live a fuller life. He could see a day in the future when a basketball team from St. Thomas could be competing with other universities of national renown, thereby attracting a larger student base. In time this would give the university stronger alumni, with obvious benefits. He sold me on that vision very quickly. The consequent effort gave me the opportunity to make a real contribution. The field house would cost over three million dollars that had to be raised from private donations.

I introduced Father Young to my good friend Kay Dobelman, who by this time was president of the Brown Foundation, one of Houston's most powerful philanthropic institutions. Working with her board, she was able to put together a \$1,000,000 challenge gift that lifted us over the minimum requirements. In my perception, this was the most significant addition needed at the time to attract full time students to the university. The dream of a national caliber sports team is still to be realized, but Houston now boasts a complete liberal arts and business private university able to attract students from all over Texas, the U. S., and a large number of foreign countries.

As I recollect in Healthy Mind in Healthy Body (Chapter 3), the early eighties were a period of physical renaissance for me and for the whole country. The enthusiasm and energy that pervaded my group of friends was very stimulating. In 1982 I resigned from the local Chamber of Commerce board mostly due to time constraints. I was spending quite a bit of time training for marathons and triathlons but was still inspired by the desire to achieve some of the Chamber of Commerce goals. One of them was to promote tourism in our area.

I reasoned that if we organized our own events we might be able to attract competitors from outside our community. Many of my athletic friends agreed and we decided to organize first the Texas Straight Shot, a 10 K race running right through our main street. After its successful completion, we organized the Texas Triathlon - a 1 K pool swim followed by a 10 K run, followed by a 30 K bike race. Both became such smashing successes, pulling close to two thousand visitors each weekend, that we incorporated the organization and made the events yearly occurrences. Lane Stephenson, Carl Gabbard and Darlene Tulleen were among the first volunteers. I became the first Chairman of the Bryan College Station Athletic Federation and held the office until 1985. For a few years we had quite a turn over in our management staff until my brother Chris became its part time executive secretary after my departure from office. He brought reliability and permanence to the organization, which lasted until he resigned in the early 90s.

When I presented the idea to Chamber of Commerce leaders to incorporate the athletic organization separately, I told them that we wanted to put Bryan-College Station on the athletic map of Texas. For our first Texas Triathlon we were able to attract a few national caliber athletes, which merited write-ups in some Texas' major newspapers. Even the in-flight magazine for Continental Airlines carried an article on what we were doing. One of the famous athletes who helped us achieve notoriety was John Howard who was fresh from winning the Hawaiian Ironman Triathlon. He later became interested in wind research and became the fastest man on a bicycle. What was remarkable is that we attracted major athletes without offering prize money.

The weekends of our events we filled every hotel room in town, to the delight of hotel operators and the cities that collected a hotel-motel tax. I floated the idea to make our operations totally self-supported and resist any influx of tax monies, but we received an offer that my colleagues could not refuse. The thankfulness of both cities and the hotel owners was obvious when they voted to fund our organization to promote more similar events. Despite my misgivings, my colleagues on the board were eager to accept these funds, with its attached strings.

As a result we organized an annual mini-Olympics among local business organizations. It helped create more awareness of the benefits of physical fitness and the financial value it brought to our community. It also gave our organization deeper roots among the towns' leaders. We had a lot of fun competing with each other and we formed some healthy rivalries among entrepreneurial companies, TAMU's departments, and larger companies, each in its own division. Drawing participants from employees in Chris' engineering company, R. A. Galindo, Inc., Aerofit and Western National Bank, the Galindo Group was well represented. I must say that we were consistent winners in our division. The Bryan College Station Athletic Federation became a significant driver of hotel motel occupancy in the decade of the 80s and early 90s. It also provided an opportunity to many willing athletes, who by serving on its board, assumed posts of leadership in efforts to improve the economics of our town.

My involvement in volunteer missions continued when, in 1983, I received a visit from a management consultant whose company had been engaged by Bryan-College Station's then only hospital. St. Joseph's Hospital was owned and managed by the Sisters of St. Francis from Sylvania, Ohio. I knew very little about the organization, except that its administrative staff had just been reinforced with new talent to avert difficult financial times. The visitor was doing a sort of opinion survey among community high-profilers. I listened to his presentation and candidly answered his questions. Months later I received an invitation to serve on the board of directors of the resurging hospital. Sister Gretchen Kunz, the new hospital administrator, insisted that I serve despite my explanations that I knew nothing about her business.

In a thirteen-year span from 1984 through 1997, I learned more about the hospital business than I ever thought I would. I also learned to admire and respect Sister Gretchen, as she is known in the community. Under her watch the hospital made, and it continues to make, unprecedented advances in the quality of health care in the extended Brazos River Valley. It also became a powerful economic force in the area. The last seven years of my tenure on its board, I served as chairman of the finance committee. Thus I was well informed about the profitability and balance sheet items of the operation. I must admit that frequently I was a dissenting voice when it came to raising fees and increasing expenses. My economic posture represented the view that after accounting for some charges lost to "charity", the hospital's fees should have been somewhat lower than similar tax-paying facilities.

The reasoning behind my position is amply laid out in several parts of this book. But both the central board from Ohio and the local directors always superseded my view. The unfortunate truth is that even if I had prevailed, it would not have made any difference in the cost of health care. It appears that every other tax-exempt hospital in the nation is out to maximize its earnings, regardless of any tax advantages their "non-profit" status confers upon them. If Sister Gretchen had accepted my view, the hospital may have been one of the very few private tax-exempt facilities actually acting as a charity provider – a rather Quixotic and unpractical position, usually left to wholly owned county or city public hospitals.

In the labyrinthine world of medical billing, the government, through the Medicare program, sets the tone for medical invoicing. Medicare's menu of acceptable charges for hospital procedures have become the benchmark from which any other customer is billed. The point I wanted to validate with my dissenting vote about raising fees, is that the savings in taxes at all levels received by St. Joseph's Hospital, less the charity work actually given away, should have been reflected in our own menu of charges. I was never able to sway the hospital's administration to consider this view. Perhaps due to the difficulty of the undertaking, no such in-house price benchmark was ever calculated, or even attempted. St. Joseph's "managed care" prices were set in competition with other local taxpaying hospitals, which, due to tax exemptions, allowed to it accumulate

significant yearly profits. Like every other health provider in the country, St. Joseph's was riding the wave of rapidly accelerating healthcare prices.

Overcoming my objections, Sister Gretchen achieved bright success in her tenure. She garnered the complete confidence of the central board from Ohio and from the local board. Under her direction, the hospital entered an unprecedented program of expansion and improvement of medical care in the community, bringing it almost to par with much bigger urban areas of the state. Without a doubt, the significant surpluses went into strengthening the financial structure of the multi-hospital system, but that also impacted the quality of life in my community. My differences of opinion notwithstanding, I remain very proud to have been a close observer of such an effort.

In the mid-1980s my personal financial world had been severely damaged. Due to the devastating implosion of the banking system, the collapse of the real estate industry and the precipitous drop of prices in the oil and gas business, the macro-economic environment necessary to support new entrepreneurial initiatives was non-existent. As a result, my renewed inclinations toward self-reliance were on hold and I was busy trying to pay debts. Though my credit repair efforts required a lot of attention, I yearned for other responsibilities. I succumbed to another public service opportunity. In the spring of 1989, Phil Adams asked me if I was interested in serving as a director of the Brazos River Authority (BRA). It seems that he had been queried about possible candidates by the appointments office of then Governor Bill Clements. A few days later I was invited to an interview in Austin. I had never met the governor or his appointments officers but the following week I was nevertheless offered the job. It was a six-year term. I accepted it gladly and my State Senator, Kent Caperton, a Democrat, endorsed me effusively. I took the oath of office June 7, 1989.

Between Reconstruction and Bill Clements' election as governor in 1984, Texas had been a one party state. Due to privileges carved out over time by the Lieutenant Governor's office, in Texas the governor's powers over legislative issues are somewhat diminished. Thus, one of his more evident means of influencing the affairs of the state is through his power of appointments. For about a century, most appointments went to male Anglo-Saxon citizens who shared the same political bent as the governor in office. With the advent in 1985 of a two-party state, Governor Clements changed that practice. The first woman appointed to the Brazos River Authority was Deborah Bell, from Abilene, two years before me. In my class of seven new directors there were a couple of other ladies and a black businessman. We were some of the chosen conductors of public agencies at the dawn of a new era in the state.

Texas river authorities are constitutionally empowered to oversee the protection, development, use and broad-stroke management of water resources within the river basin, or part of the basin assigned to them. As Texas grows in population, industry, agriculture and affluency, the needs for more water also increase. In the year 2000, the Texas Water Development Board estimated that by the year 2050, the state's

population will double to forty million people. Obviously, we cannot count on the doubling of natural rainfall. This defines the task of the river authorities – the same amount of water must be made to suffice the expanded needs.

In 1929, the Texas legislature created the BRA as the first river authority in the state. In the early years of the BRA, the great urgency was to control damages by massive floods that often wiped out whole towns, including obliteration of buildings, bridges, roads, crops and livestock. Taming such a stupendous instrument of nature was a Herculean task. The founding fathers of the BRA were very successful in this effort, mostly through their cooperation with the U.S. Army Corps of Engineers (Corps). With a system of nine flood control dams built by the Corps and four major conservation dams built by the BRA, by the late 1970s the river was well tamed. Huge flooding problems had eased and there was adequate water for all other needs.

In the 1980s, it appeared that the BRA had clearly accomplished its goals. The basin's broad water problems were well in hand. But, by the early 1990s, Texas and our watershed were changing quickly. In Williamson and in Fort Bend Counties our basin had the two fastest growing population centers in the state. The new demands of this growth were not being fully addressed, much less the greater growth that Deborah Bell, a few other directors and I could see in the future.

The Brazos River basin extends in the shape of a crescent from the border with New Mexico at Parmer and Bailey Counties to Brazoria County on the Gulf of Mexico. The river's main stem is 1050 miles long. The watershed area within Texas is equal to the area of Tennessee, approximately 42,000 square miles. All of the water in the river is collected within Texas. It is a quintessential Texas river. About one-sixth of all Texans live within its basin. Its 21 directors are appointed by the governor and confirmed by the senate. The governor chooses directors from towns well scattered throughout the whole watershed. By the 90s the directors seemed to have settled down to enjoy their appointments. Membership on the BRA board had become a prestigious post, which, though it provides no remuneration, carries many privileges with it. It was a political plum with which governors rewarded valued supporters and friends.

As most other appointments by the governor do, the terms of BRA directors last six years. Some of the remnants of past Democratic administrations had been reappointed for three terms, or eighteen years. They were in a symbiotic relationship with the hired executive and refused to depart from their comfortable, well-known and very limited universe of activity. My first realization as a new director was the absolute control the chief executive had over all matters whether in the realm of setting policy or implementation of policy. It appeared to me that he saw no need for change. When I asked my first questions as a director, he quickly showed me that he didn't brook dissent and firmly believed that no change was needed.

Deborah Bell is a smart and outspoken, transparent, reliable and courageous person. Not much would have happened without her on the board. The greatest battle she and I managed to win in the early 1990s was to amend our by-laws to limit the term of office holding within the board to only two years. In the past, a director appointed to lead the powerful internal board committees or be chairman of the board would usually stay in that position until his term as director expired. This practice had allegorically ossified the BRA. The change we created gave an opportunity to any and all of the 21 directors to contribute effectively to the organization. It also exponentially increased the discussion of issues and ideas. But the road to nimbleness was slow; we were still in a minority on most other issues.

The BRA derives most of its income from the sale of bulk water. Most of those sales are based on negotiated long-term contracts with specific buyers, such as power generators, cities, industrial plants and irrigators. We needed to find a way to accumulate cash from these sales to position ourselves to supply water to new customers building up in the basin. If we didn't provide water to them, someone else would. Without a stronger income stream we could not obtain an adequate surplus from our operations. We could not even go to the bond markets to borrow money for future undertakings. We were totally dependent on the credit of our water buyers, who historically guaranteed the debt we took to build projects to serve them. The inherent rigidity this policy gave us demonstrated the already suspected future insignificance of the BRA.

Over the years, some of the newly appointed directors, including me, realized that these were great new challenges and that we needed to find solutions. However, the inertia of past management continued through the next chief executive we hired, who was promoted from within the organization. My group saw opportunities to make a difference lurking in our future but we were in a minority. I began proposing that the BRA adopt policies that would allow it to increase its financial reserves. I even suggested concepts that would achieve this goal without significantly increasing the price of new water sales. Despite the support of a good number of directors, I was voted down each time. Management advocated the status quo and there were enough directors who would never go against the staff's advice. They couldn't see future needs, or, if they saw them, believed that someone else would resolve them. I also suspect that some of my opponents were not so much moved by disagreement with my ideas as by personal motivations.

In 1995 Governor George W. Bush reappointed me to the board and he also appointed a few outstanding new board members. With them on board, I thought we were finally ready to be a responsive, fit and nimble organization. I attempted to persuade my colleagues to elect me chairman of the board, but lost by one vote when a director changed his mind at the last minute. It took a second batch of directors appointed at mid-term by Governor Bush to finally reach a majority. With the open and clear support of Nancy Raab from Round Rock and Rudy Garcia from Alvin, in 1997 we elected

Judith Vernon from Evant as chairman of the board, the first woman ever. She is a most capable former corporate attorney who not only agreed with the essential points of my vision for the BRA but also had the courage and time to implement them.

She led the organization through a metamorphosis from a sleepy surface water operator, no-growth and paralyzed bureaucracy to a dynamic driver of economic prosperity. By ensuring that Texas' water needs in the future will be served within the watershed, and perhaps even outside our own basin, we helped set up the state for continued progress. This effort took not only vision but also changing most of the executive personnel at the top, which was not fully supportive of our views. We needed executives willing to accept responsibilities that were not even considered before. If the BRA had not done so, it is my opinion that in a few more years it would have put itself out of existence by becoming totally innocuous. Very generously, Judy allows me to take certain pride of authorship in the work that she has so successfully accomplished.

Only in retrospect it appeared clear to me that when I lost my bid to lead the BRA in 1995, I had really been given an opportunity to concentrate in my private business affairs. As I recount in Healthy Mind in Healthy Body (Chapter 3), one of the issues that at the time was becoming critical to me was Aerofit Health Fitness Center. Although of a different nature than the pressures that almost sank me in the 1980s, the pressure from the uneven competition I received from Texas A&M University was threatening my financial survival again. One of the components of my struggle for survival was the formation of a strategic industry group that would magnify my concerns by resonating with the voices of many other businesses similarly affected.

It was fortunate for Texas health fitness club owners that entrepreneurs in other parts of the nation had already confronted comparable experiences. Under the most able leadership of John McCarthy of Boston, they had formed what by then was the predecessor of the International Health and Racquet Sports Association (IHRSA). I have seen John take IHRSA from a fledging group of clubs to a truly globe-spanning organization that represents the world's health fitness club industry. John is not just a rare high-level leader, but also one of the most visionary and innovating persons I have ever met. He always seems to be one step ahead of events, and, amazingly, always in the right direction. Busy as he is, he has never failed to take his valuable time to support our efforts to form a Texas organization similar to his, but with a more domestic focus.

As I wrote in Healthy Mind in Healthy Body (Chapter 3), it was Fred Brownson who encouraged me to start the effort to unify Texas health club owners. I also received the encouragement of Dan Allen, a visionary and hard-working insurance agent from San Antonio. Dan pointed out to me how he could sell insurance to many clubs cheaper than to just one. Considering the high cost of insurance, this was a good incentive to organize. In December 1994 I began calling a few colleagues I had met at IHRSA's conventions. In addition to Fred's, I had a positive response from David Cardone, owner of the Memorial Athletic Club of Houston, Joe Holt, owner of the Corpus Christi Athletic

Club, Bruce Hendin owner of the Racquetball and Fitness Clubs of San Antonio, and John Barzizza owner of Hills Fitness center of Austin. Herb Lipsman from the Houstonian Club sent a representative, and The Cooper Fitness Center in Dallas sent Brent Darden.

After 14 months of getting to know each other and reflecting upon the idea, the eight of us finally decided that we would make it work. We made a solemn promise to each other and affixed our signatures to the following document:

AGREEMENT TO FORM AN ASSOCIATION

The undersigned Texas health and fitness clubs, possessed of a desire to establish an association dedicated to the promotion of the best interests of the industry in Texas, and to the continuous improvement of its member clubs, do hereby solemnly agree to form a not-for-profit association of independent, privately owned health and fitness clubs operating within the state of Texas.

The founders envision that all Texas clubs committed to the pursuit of excellence in their operations, qualified in accordance with the by-laws of the association, and dedicated to the growth and strengthening of the health and fitness industry in the State shall be eligible for participation in the association.

The association shall serve the needs of its members by focusing its efforts and resources on the following areas:

- **Continuing education of personnel at every level of operations and management**
- **Encouraging communication among owners and general managers of member clubs**
- **Establish a political presence at state and local levels**
- **Creating quality-based differentiation of member clubs in the market place**
- **Contributing to the understanding and consequences of changes in the industry**
- **Facilitating efforts to create new ventures for the benefit of members**
- **Establish favorable relations with industry vendors**
- **Serving as a liaison with similar associations in other parts of the country**
- **Growing the association until it becomes the self-evident representative of the industry in Texas**

This broad enumeration of the role of the association engenders within itself a mandate to its future interpreters to apply the principles agreed to herein to changing circumstances in the industry.

The founders, hereby acting as the first Ad-hoc Board of the Association, pledge the funds and efforts needed to carry the association through its initial stage and elect the following officers to infuse the association with legal and business life:

Ramiro A. Galindo	Ad-hoc President
Joe W. Holt	Ad-hoc Vice President/Secretary
Fred O. Brownson	Ad-hoc Vice President/Treasurer

Given in Corpus Christi, Texas, this 2nd day of May 1996

After we completed all the legal formalities, I became the first chairman of the board, followed in later years by Joe Holt and then by David Cardone. Every one of my colleagues demonstrated not only the strength of their word, but also the excellence of their capacity. Without their unreserved and total support, THRSA would never have passed the concept stage. But an almost unsurmountable early problem developed in finding an executive capable of running the organization. THRSA had no income and we could not afford to pay market salaries.

Just as we were about to stumble, my son Cid came up with the ideal offer. He would run THRSA as a contractor and would supplement the meager salary we offered with income he would create himself by staging training seminars, industry conventions and equipment shows, and of course, by growing the membership base. Again, the algorithm of our past father-son cooperation worked successfully - I create the beast and he tames and manages it. I think it is a most useful arrangement. THRSA still exists today thanks to him and he supplements his company's income with THRSA's programs.

We used the years from 1996 through 1998 to strengthen our fledging association. The unsavory experience Aerofit suffered with unfair competition from Texas A&M had left me motivated to seek new legislation to avoid future similar abuses. The Texas Legislature met from January through May 1999. I decided to spend some time spreading my message among its members. With the help of THRSA's directors, we wrote a draft of the "Fair Competition" bill to present to the legislature. To ensure my access to key representatives and senators, we hired as lobbyist a former state representative from Brazos County, Bill Presnal, who in the mid 1980s had held a powerful post in the legislature. John McCarthy helped Herb Lipsman, who at the time was an IHRSA director, to obtain an \$11,000 grant from IHRSA to supplement our lobbying expenses.

From January to the end of April 1999 Bill Presnal and I tramped the corridors of the Texas Capitol one or two days a week. The demand for the legislators' time and attention is simply hard to believe. Close to 4,000 bills were filed that year, less than one-third passed and even fewer became law. It is simply impossible to be properly heard unless heavy-lifter lobbyists get fully involved. Representative Henry Cuellar (D. Laredo) agreed to introduce THRSA's bill in the House. Sen. Troy Frazer (R. Flower Mound) did likewise in the Senate. Henry fulfilled his promise and had the best intention to see it through, but was limited by too many other demands on his time. Sen. Frazier did not show the same respect for a promise made. Under the influence of some unknown pressure he suddenly buckled and announced that he would not carry the bill in the Senate after all.

Undeterred, we continued trying by following labyrinthine artifices known only to the savvy Bill Presnal. But ultimately Mr. Frazer's fumble spelled the death knell for the "Fair Competition" bill. To my unverified knowledge, lobbyists from some of Texas' largest law firms representing tax-exempt organizations and lobbyists from TAMU were at the source of the opposition. Needless to say, I learned a whole lot not only about the minefields any proposal for new laws must clear, which I really think is good, but also about the character of some of Texas' elected officials. My beliefs expressed throughout this book regarding the genesis of new laws were confirmed. The lobby decides what bills get the attention of lawmakers. If one wishes to effect change in the halls of lawmaking, one must be very well funded.

Defeat was not all that we experienced during the 1999 legislative session. Very importantly, we brought an educational message to many lawmakers who confessed they were not even aware of the problem until we presented it to them. We also endeavored to curb unfair competition to health fitness clubs from junior colleges by attaching a rider to their appropriations bill. Fred Brown, the newly elected State Representative from my own district, introduced it. It was his first intervention as an elected official and it was successful.

As I described, my term as chairman of THRSA ended in July 1999. Per the by-laws, I served another year on the board and then retired from the association. Under the leadership of the new blood that took over after all the founders retired, THRSA continues to become even more the self-evident representative of the health fitness industry in Texas. I will always see with pride the work that the Cid A. Galindo, Inc. Company does helping to grow and manage the organization. In the eyes of informed observers, the realization of my strategic vision for the unification of the health fitness industry in Texas has been a glaring success.

In May 1998, I was honored by an invitation to serve as a director of the Texas Public Policy Foundation (TPPF). My friend Phil Adams, who was already a member, was no doubt instrumental in this nomination. As I outlined in Untethered Dreams (Chapter 1) and other parts of this book, I accepted the invitation because of the organization's

implicit objective to affect the direction of some public policies in Texas. I joined the board just as Dr. James Leininger was leaving the chairmanship. Jeff Judson had been president and chief executive for just a couple of years. It was an economically dangerous, albeit exciting, period of transition. After setting the ideological course of the organization and finding the right executive, raising the funds to run it was, to me, the board's main responsibility.

1998 was an election year. Most, but not all, of the candidates that TPPF and I supported were Republican. In the November 1998 elections, for the first time since Reconstruction, the Republican Party had won all the statewide elective offices and acquired control of the Texas Senate. TPPF used the occasion to stage an inaugural banquet attended by most of the new state leaders, who proclaimed adherence to our limited government views. The fact that we were able to pull this off catapulted the organization to a new level of credibility in the state.

My direct exposure to the process of passing laws during the 1999 legislative session qualified me to be a better board member. It helped me understand with crystal clarity that often candidates' pre-election talk does not translate to post-election action. Therefore, the need to maintain the intellectual connection established before election after electoral victory is very important. Pragmatically speaking, the line between policy research and lobbying can blur very rapidly. Thus, TPPF's job is first to provide the intellectual thrust to lift the veils obscuring the issues and then to help legislators apply the conclusions of the research into writing the law. In my view Jeff Judson manages these dual responsibilities with great success.

As I stated many times before, the importance of economic philosophy among elected officials is very high, but in the presence of strong lobbyists it can be relegated to less important planes. The enormous complexity of divergent points of view, different interests, avoidance of un-intended results and broad nature of viable interpretations of the role of government in specific instances, make it very difficult to write a law purely from the philosophical angle. It is this gray area from which many relatively different laws, possibly all generally friendly to creative free enterprise, may come out. This gray and undefined area of semi-acceptable political action is the hunting ground for the lobby. The larger the area is the more the lobby likes it. This is where the strong win and the weak lose; it is an area where money is the ultimate weapon. Only large resources can direct enough and constant pressure on lawmakers to make them focus on the issue and help them see it in a certain way. We, the people interested in specific laws, provide the ammo (money) and the lobbyists are the trained gunners. They are expensive!

In my view, the preceding assertion does not minimize the role or importance of the TPPF, which is not a lobbying organization. Much to the contrary, it serves to point out how important it is to define more narrowly the sometimes wide-open philosophical right-of-way within which lawmakers chose to act. In rare moments of confidential

conversation more than one of my elected friends have expressed frustration at their impotence vis-à-vis the lobbies they sometimes confront. The smaller the gray area in which they can operate, the fewer lobbyists there will be. And therefore, the less money will be needed to pass a specific law.

Thus, the importance of the work done by organizations such as TPPF acquires relevance in two aspects. The first, as I said above, is in more clearly defining libertarian economic-philosophy boundaries within which elected officials write the law. The second is creating awareness among all elected officials of the implications of their own announced pro-free enterprise philosophy. A strong sense of personal inner conviction becomes extremely important in the case of close votes in legislative procedures. To help form strong pro-free enterprise convictions among elected officials and to see that they apply them in writing new laws are the most important purposes I see for my involvement with the TPPF. I want to help elected officials at all levels of government develop a keen sense of what the genius of America is. I want to help them vote to preserve the America that gave me the opportunity to develop my dreams. They must be aware that they, more than any other citizen, are responsible to preserve the genius of America.

REFERENCE MATERIALS

CHAPTER 1

- Will Durant, OUR ORIENTAL HERITAGE, The Easton Press, 1992
- M. I. Finley, ECONOMY AND SOCIETY IN ANCIENT GREECE, The Viking Press, 1981.
- Gore Vidal, CREATION, Granada Publishing, Ltd., 1982.
- Peter Green, ALEXANDER OF MACEDON, 356-323 B.C, University of California Press, Ltd, 1991.
- Titus Livius (Livy), THE HISTORY OF EARLY ROME, The Easton Press, 1978.
- Edward Gibbon, DECLINE AND FALL OF THE ROMAN EMPIRE, abridged, Gallery Books, 1984.
- Colleen McCullough, THE FIRST MAN IN ROME, William Morrow & Co., 1990.
- Colleen McCullough, THE GRASS CROWN, William Morrow & Co., 1991.
- Colleen McCullough, FORTUNES FAVORITES, William Morrow & Co., 1993.
- Colleen McCullough, CAESAR'S WOMEN, William Morrow & Co., 1996.
- Will Durant, CAESAR AND CHRIST, The Easton Press, 1992.
- John Hersey, THE CONSPIRACY, Alfred a. Knopf, Inc., 1972.
- Albert Hourani, A HISTORY OF THE ARAB PEOPLES, Warner Books, 1992.
- Norman F. Cantor, THE CIVILIZATION OF THE MIDDLE AGES, Harper Collins Publishers, 1993.
- James Chambers, THE DEVIL'S HORSEMEN, Haddon Craftsmen, Inc. 1979.
- Michael Grant, CONSTANTINE THE GREAT, Macmillan Publishing Co., 1994.
- Gore Vidal, JULIAN, Signet Book, 1964.
- Martin Erbostoser, THE CRUSADES, Edition Leipzig, 1978.
- M. Michaud, .LAS CRUZADAS, Vols. 1 y 2, Montaner y Simon, Editores, 1887.
- Mike Edwards, THE ADVENTURES OF MARCO POLO, National Geographic Society, 2001.
- William Manchester, A WORLD LIT ONLY BY FIRE, Little, Brown & Co. 1993.
- Robert H. Fuson, THE LOG OF CHRISTOPHER COLUMBUS, International Marine Publishing Co., 1987.
- Cecil Jane, THE FOUR VOYAGES OF COLUMBUS, Dover Publications, Inc., 1988.
- Samuel Eliot Morison, ADMIRAL OF THE OCEAN SEA, Time, Inc. Book Division, 1962.
- Rebecca Steffoff, FERDINAND MAGELLAN AND THE DISCOVERY OF THE WORLD OCEAN, Chelsea House Publishers, 1990.
- Miguel de Cervantes, DON QUIXOTE, The Easton Press, 1979.
- Jean Jacques Rousseau, THE CONFESSIONS, Easton Press, Norwalk, CT, 1980.
- Friederich A. Hayek, THE ROAD TO SERFDOM, The University of Chicago Press, 1976.
- Jacques Barzun, FROM DAWN TO DECADENCE, Harper Collins Publishers, Inc., 2000.
- Catherine Drinker Bowen, MIRACLE AT PHILADELPHIA, Little Brown & Co. Ltd., 1986
- A. J. Langguth, PATRIOTS, Simon & Schuster, Inc., 1989.

Bernard Bailyn, *THE IDEOLOGICAL ORIGINS OF THE AMERICAN REVOLUTION*, Harvard University Press, Cambridge, 1992.

Benjamin Franklin, *AUTOBIOGRAPHY*, Easton Press, Norwalk, CT, 1976.

Thomas Fleming, *BENJAMIN FRANKLIN*, Vols. 1 & 2, Newsweek, 1972.

James A. Michener, *LEGACY*, Random House, Inc., 1987.

Alexander Hamilton, James Madison, John Jay, *THE FEDERALIST*, Easton Press, Norwalk CT, 1979

Gore Vidal, 1876, Ballantine Books, Random House, Inc., 1976.

Gore Vidal, *EMPIRE*, Random House, New York, 1987.

Ralph K. Andrist, *GEORGE WASHINGTON*, Vols. 1 & 2, Newsweek, 1972.

Albert J. Nock, *MR. JEFFERSON*, Hallberg Publishing C., 1983

Willard Sterne Randall, *THOMAS JEFFERSON, A LIFE*, Henry Holt & Co., Inc., 1993.

Gore Vidal, *BURR*, Bantam Books, 1974.

Simon Schama, *CITIZENS*, Vintage Books, Random House, Inc., 1990.

George M. Fredrickson, *THE INNER CIVIL WAR*, Harper Torchbooks, 1968.

T. Harry Williams, *LICOLN AND HIS GENERALS*, Vintage Books Random House, 1952.

Bruce Catton, *THE CIVIL WAR*, The Fairfax Press, 1980.

Frank E. Vandiver, *THEIR TATTERED FLAGS*, Texas A&M University Press, 1987.

Herman Hattaway & Archer Jones, *HOW THE NORTH WON*, University of Illinois Press, 1991.

Gore Vidal, *LINCOLN*, Ballantine Books, Random House, Inc., 1984.

Paul Johnson, *MODERN TIMES*, Harper and Row Publishers, Inc., 1985

Jack Cox, *NICARAGUA BETRAYED*, Western Islands, 1980.

Mohamed Reza Pahlavi, *ANSWER TO HISTORY*, No publisher listed, 1980.

Richard B. Frank, *DOWNFALL*, Random House, Inc., 1999.

William Manchester, *AMERICAN CAESAR*, Dell Publishing Co., Inc., 1983

Richard Nixon, *THE MEMOIRS OF RICHARD NIXON*, Grosset & Dunlap, 1978.

Richard Nixon, *THE REAL WAR*, Pirate Edition.

THE WORLD BOOK ENCYCLOPEDIA, Field Enterprises Educational Corp. Vols. 1 through 22, 1977.

Phil Gramm, personal communication, 1978 –91.

Berger Nielsen, Personal communication, Copenhagen, DK 1984, 2001.

Laurence Bergreen, *OVER THE EDGE OF THE WORLD*, HarperCollins Publishers, 2003.

CHAPTER 2

Pedro Vicente Canete y Dominguez, *GUIA DE LA PROVINCIA DE POTOSI*, 1787, Armando Alba Editorial Potosi, 1952.

Daniel James, *THE COMPLETE BOLIVIAN DIARIES OF CHE GUEVARA AND OTHER CAPTURED DOCUMENTS*, Stein and Day Publishers, New York, 1970.

UNESCO, J. M. Salcedo Bastardo, *SIMON BOLIVAR, LA ESPERANZA DEL UNIVERSO*, Imprimerie de la Manutention, Mayenne, France, 1983.

Sun-tzu by Ralph D. Sawyer, THE ART OF WAR, Barnes & Noble, New York, 1994
Fernando Diez de Medina, EL GENERAL DEL PUEBLO, Editorial Los Amigos del Libro, Cochabamba, 1970.
Eudoro Galindo Anze, SUCRE, La Paz, 1995.
Eudoro Galindo Anze, EL SUENOTRUNCADO, Editorial Grafica Offset, La Paz, 1996.
Eudoro Galindo Anze, A LA MEMORIA DEL JENERAL LEON GALINDO, Tipografia de Gutierrez, Cochabamba, 1974.
Niccolo Machiavelli, THE PRINCE, The Easton Press, Norwalk, CT, 1980.
Vaclav Havel, LETTERS TO OLGA, Macmillan Publishing Co., London, 1988.
Jeffrey Rogers Hummel, EMANCIPATING SLAVES, ENSLAVING FREE MEN, Caarus Publishing Co., Peru, Illinois, 1996
Arnaud de Borchgrave, Robert Moss, THE SPIKE, Crown Publishers, Inc. New York, 1980.
Ronald Reagan, AN AMERICAN LIFE, Simon an Schuster, New York, 1990.
Oliver L. North, UNDER FIRE, Harper Collins Publishers, New York, 1991.
Alexander M. Haig, Jr., INNER CIRCLES, Warner Books Inc., New York, 1992.
George W. Bush, A CHARGE TO KEEP, Harper Collins Publishers, Inc. New York, 1999.
Julio Chiarella, Cuban refugee, personal communication, 1984.
Saba Halaby, Personal communication, Houston, TX 2000-01
The Author's personal files, La Casa de Aranjuez, Bryan, Texas, 2001-02.
Mike Ford, LETTING THE PEOPLE TAKE THE INITIATIVE: IS I & R GOOD FOR TEXAS?, Veritas, Journal of the Texas Public Policy Foundation, October 2001.

CHAPTER 3

Eudoro Galindo Quiroga, MEMORIAS DE UN INGENIERO, Editorial Arol, Cochabamba, Bolivia, 1990.
David McCullough, THE PATH BETWEEN THE SEAS, Touchstone Books, Simon and Schuster, New York, 1977.
Rollo May, THE COURAGE TO CREATE, Bantam Books, New York, 1975.
Benjamin A. Javits, OWNERISM, Crown Publishers, Inc., New York, 1969.
Ludwig von Mises, HUMAN ACTION, Yale University Press, 1966.
Milton Friedman, FREE TO CHOOSE, Hong Kong, 1982.
Albert J. Nock, OUR ENEMY THE STATE, Fox & Wilkes, San Francisco, CA, 1994.
Phil Gramm, THE ROLE OF GOVERNMENT IN A FREE SOCIETY, The Fisher Institute, 1982.
Dan Smoot, THE BUSINESS END OF GOVERNMENT, Western Islands Publishers, Belmont MA, 1973.
Robert Daley, AN AMERICAN SAGA, JUAN TRIPPE AND HIS PAN AM EMPIRE, Riviera Productions Ltd. Random House, Inc. New York, 1980.
Lee Iacocca, IACOCCA, Bantam Books, New York, 1985.

George Fuermann, HOUSTON LAND OF THE BIG RICH, Country Life Press, Garden City, N.Y., 1951.

Joaquin Aguirre Lavayen, MAS ALLA DEL HORIZONTE, Editorial Los Amigos del Libro, Cochabamba, 1987.

Joaquin Aguirre Lavayen, GUANO MALDITO, Editorial Los Amigos del Libro, Cochabamba, 1990.

Roberto Querejazu Calvo, LLALLAGUA, Editorial Los Amigos del Libro, Cochabamba, 1977.

Manuel Carrasco, SIMON PATINO, UN PROCER INDUSTRIAL, Editorial Canelas, Cochabamba, 1964.

Charles F. Geddes, PATINO, THE TIN KING, Robert Hale & Co., London, England, 1972.

Povl Westphall, THE EAST ASIATIC COMPANY LIMITED, Copenhagen, Denmark, 1972.

Thomas J. Watson, Jr., FATHER AND SON, Bantam Books, New York, 1990.

The Author's personal files, La Casa de Aranjuez, Bryan, Texas, 2001-02.

Fred Howard, WILBUR AND ORVILLE, A BIOGRAPHY OF THE WRIGHT BROTHERS, Dover Publications, Inc. N.Y., 1998.

C. R. Roseberry, GLENN CURTISS, PIONEER OF FLIGHT, Syracuse University Press, 1991.

CHAPTER 4

Plato, DIALOGUES ON LOVE AND FRIENDSHIP, The Easton Press, Norwalk, CT, 1979.

Karl Jung, ANSWER TO JOB,

Bill Bryson, A SHORT HISTORY OF NEARLY EVERYTHING, Broadway Books, N.Y., 2003.

Lawrence M. Krauss, QUINTESENCE, Vintage, Random House, London, 2001

Nigel Calder, EINSTEIN'S UNIVERSE, The Viking Press, New York, NY, 1979

Carl Sagan, et al, MURMURS OF THE EARTH, Random House, Inc. New York, 1978

Harry L. Shipman, BLACK HOLES, QUASARS AND THE UNIVERSE, Houghton Mifflin Co., Boston, 1976

Joseph Silk, THE BIG BANG, W.H. Freeman & Co., San Francisco, 1980

Stephen W. Hawking, A BRIEF HISTORY OF TIME, Bantam Books, New York, 1088

Thomas Sowell, A CONFLICT OF VISIONS, William Morrow & Co., Inc., New York, 1987.

Edmund Blair Bolles, GALILEO'S COMMANDMENT, W.H. Freeman, New York, 1999.

Dava Sobel, GALILEO'S DAUGHTER, Penguin Books, New York, NY, 2000

Blanca Anze de Galindo, SINOPSIS BIOGRAFICA, Unpublished family manuscript, Bryan, 1983.

Blanca Anze de Galindo, VIAJE AL JAPON, Unpublished family manuscript, Bryan, 1981.

Manuel A. Obarrio, ANTECEDENTES GENEALOGICOS DE OBARRIO, LEZICA, REYNA Y CACERES, L.J. Rosso y Cia., Impresores, Buenos Aires, 1923.
 Corona Funebre, HOMENAJE A LA MEMORIA DEL DR. FIDEL ANZE SORIA, Univerisdad Mayor de San Simon, Cochabamba, 1965.
 H. J. Chaytor, A HISTORY OF ARAGON AND CATALONIA, The Library of Iberian Resources on Line, 2002. (<http://libro.uca.edu/chaytor/>).
 Juan Lopez, THE ALMOHAD INVASION, 2002. (<http://www.castillayleon.com/castillos/med/almohad.html>).
 University of Kansas, THE SONG OF EL CID, 2002, (<http://kuhttp.cc.ukans.edu/kansas/medieval>)
 Jose L. Domenech, RODRIGO DIAZ DE VIVAR "EL CID", (<http://www.ciudadfutura.com/camelot/cid.htm>).
 COUNTS AND KINGS OF CASTILLE, 2002 (<http://rococo.ele.cie.uva.es/ismael/med/chron.html>).
 KINGS OF Aragon, 1213-1516 (http://sproj.calpoly.edu/projects/engl/Zapata_Liziel_l/aragon.htm).
 HISTORIA DE ARAGON, 1999 (<http://torla.sendanet.es/sastre/HA/HA000/HA000.htm>).
 Kathleen L. Wagner, ANCESTOR CIRCLES, 1999, (<http://www.ancestor-circles.com>).
 GOTHs, 1996 (<http://www.hyw.com/books/history/Goths.htm>).
 ANCESTORS OF EUGENE ASHTON et al, 2002 (<http://www.geneal.net/2120.htm>).
 GENEALOGIES, (http://www.pwwphoto.com/gene/WC04/WC04_141.HTM)
 (<http://freepages.genealogy.rootsweb.com/~jamesdow/s029/f140145.htm>).
 HISTORIA MEDIEVAL DE ESPANA, 2001, (http://www.kulmbach.net/~MGF-Gymnasium/redarrows/informacion_8.html)
 The Author's personal files, La Casa de Aranjuez, Bryan, Texas, 2001-02

CHAPTER 5

Barbara Bush, A MEMOIR, Charles Scribner's Sons, 1994.
 John Stricklin Spratt, THE ROAD TO SPINDLETOP, University of Texas Press, Austin, Texas, 1970
 Kenneth E. Hendrickson, Jr. THE CHIEF EXECUTIVES OF TEXAS, Texas A & M University Press, College Station, Texas, 1995.
 Donald F. Schofield, INDIANS, CATTLE, SHIPS AND OIL, The University of Texas Press, Austin, Texas, 1985.
 Kenneth E. Hendrickson, Jr. THE WATERS OF THE BRAZOS, The Texian Press, Waco, Texas, 1981.
 Rob Mosbacher, DEEP IN THE HEART, The Summit Group, Fort Worth, Texas, 1993.
 Frank Anderson, THE HISTORY OF MEDICINE IN BRAZOS COUNTY, Bryan, Texas, 2001.
 The Author's personal files, La Casa de Aranjuez, Bryan, Texas, 2001-02.
 James H. "Jimmy" Doolittle with Carroll V. Glines, I COULD NEVER BE SO LUCKY AGAIN, Schiffer Publishing Ltd., 1995.

Council for Natural Cooperation in Aquatics, THE NEW SCIENCE OF SKIN AND SCUBA DIVING, Association Press, New York, 1970.

Joe Strykowski, DIVING FOR FUN, Dacor Corporation, Northfield, IL, 1974.

J. Y. Cousteau with James Dugan, THE LIVING SEA, Harper & Row Publishers, Inc., New York and Evanston, 1963.

J. Y. Cousteau with Frederick Dumas, THE SILENT WORLD, Harper & Brothers Publishers, NY, 1953.