

Chapter 17

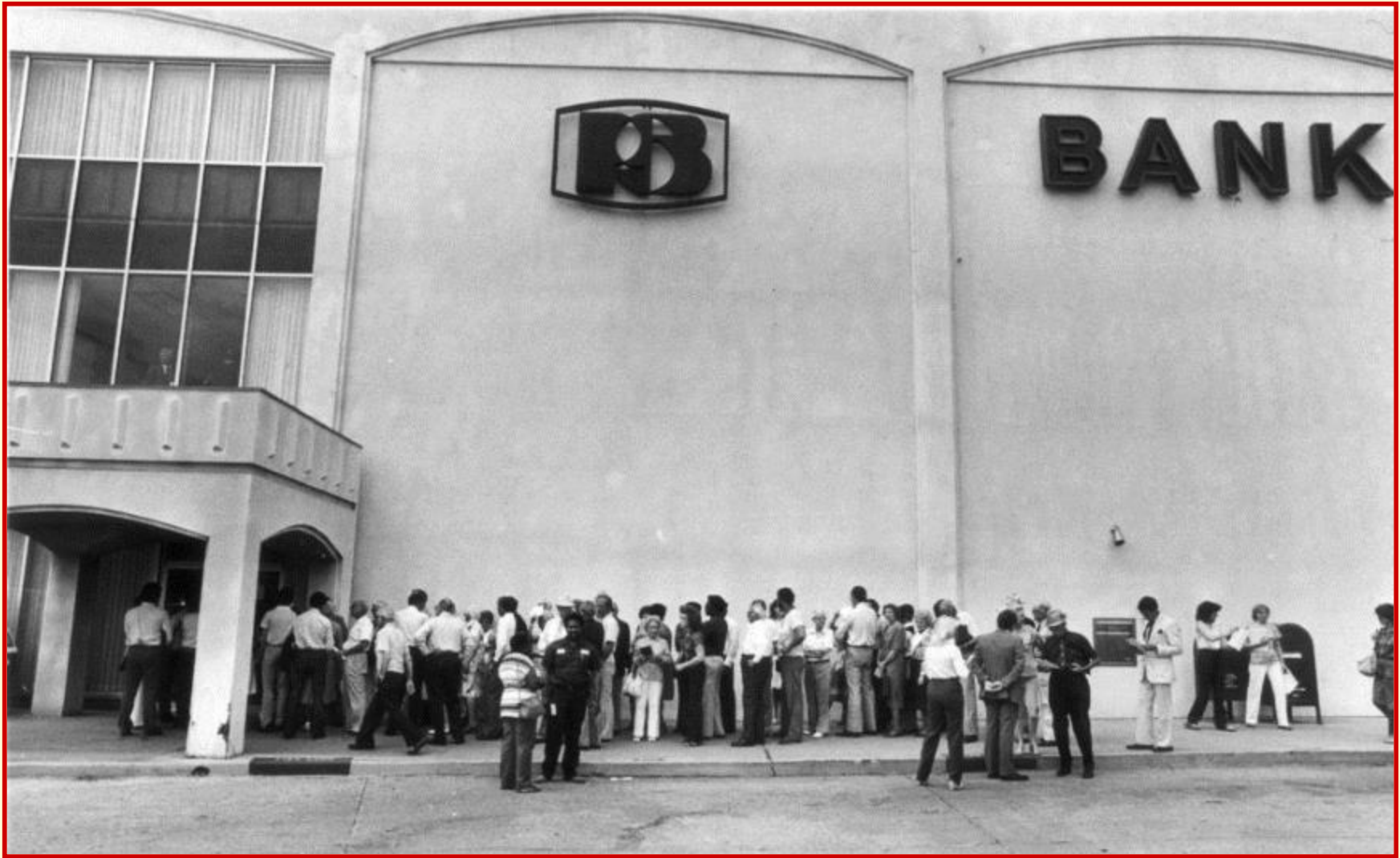
Modern Times



In this chapter:

- ❖ *In the 1980s and 90s, several Oklahomans will rise to positions of power in the federal government. But major scandals in the banking industry and in county government will cripple the state's economy.*
- ❖ *The 1990s and the new Millennium will include devastating weather events and the worst domestic terrorist act in American history. But citizens will react with courage and compassion to establish "The Oklahoma Standard."*

Section 1: The 1980s



**George Nigh was elected governor in 1978,
and was the first elected to two consecutive terms.**



- *He was the longest-serving Lieutenant Governor in state history, serving from 1958-1962 and again from 1966-1978.*
- *Nigh had also served as governor for 9 days in 1963. Senator Robert S. Kerr died unexpectedly, and then-Governor J. Howard Edmondson resigned, making Nigh the Governor. Nigh appointed Edmondson to Kerr's Senate seat.*
- *He is the first governor to win all 77 Oklahoma counties.*
- *As a state representative in 1955, he introduced legislation making "Oklahoma!" the state song.*
- *He later served as president of Central State University from 1992-1997.*

Jeane Kirkpatrick of Duncan served as the U.S. ambassador to the United Nations from 1981 to 1985.

She had served as foreign policy advisor to Ronald Reagan during his 1980 presidential campaign as well as serving on the National Security Council after Reagan was elected.

Following her government tenure, she taught at Georgetown University.



Admiral William J. Crowe of Oklahoma City served as Chairman of the Joint Chiefs of Staff.



*He was the
highest-ranking
military officer in
the United States
under presidents
Ronald Reagan and
George H.W. Bush.*

*He was the principal military
advisor to the President,
the National Security Council,
and the Secretary of Defense.*

Wilma Mankiller became the first female chief of the Cherokee Nation, serving from 1985-1995.

- *She was elected deputy chief in 1983, and assumed the chief's duties when he resigned to become head of the federal Bureau of Indian Affairs. She was re-elected twice, the last time with 83% of the vote.*
- *Mankiller reinvigorated the Cherokee Nation through community development projects, tribal-owned businesses, and building a hydroelectric dam.*
- *She was Ms. Magazine's Woman of the Year in 1987.*
- *She revived the tribal Sequoyah High School and was awarded the Medal of Freedom by President Bill Clinton.*



In 1980, the FBI began investigating what became known as the County Commissioner Scandal.

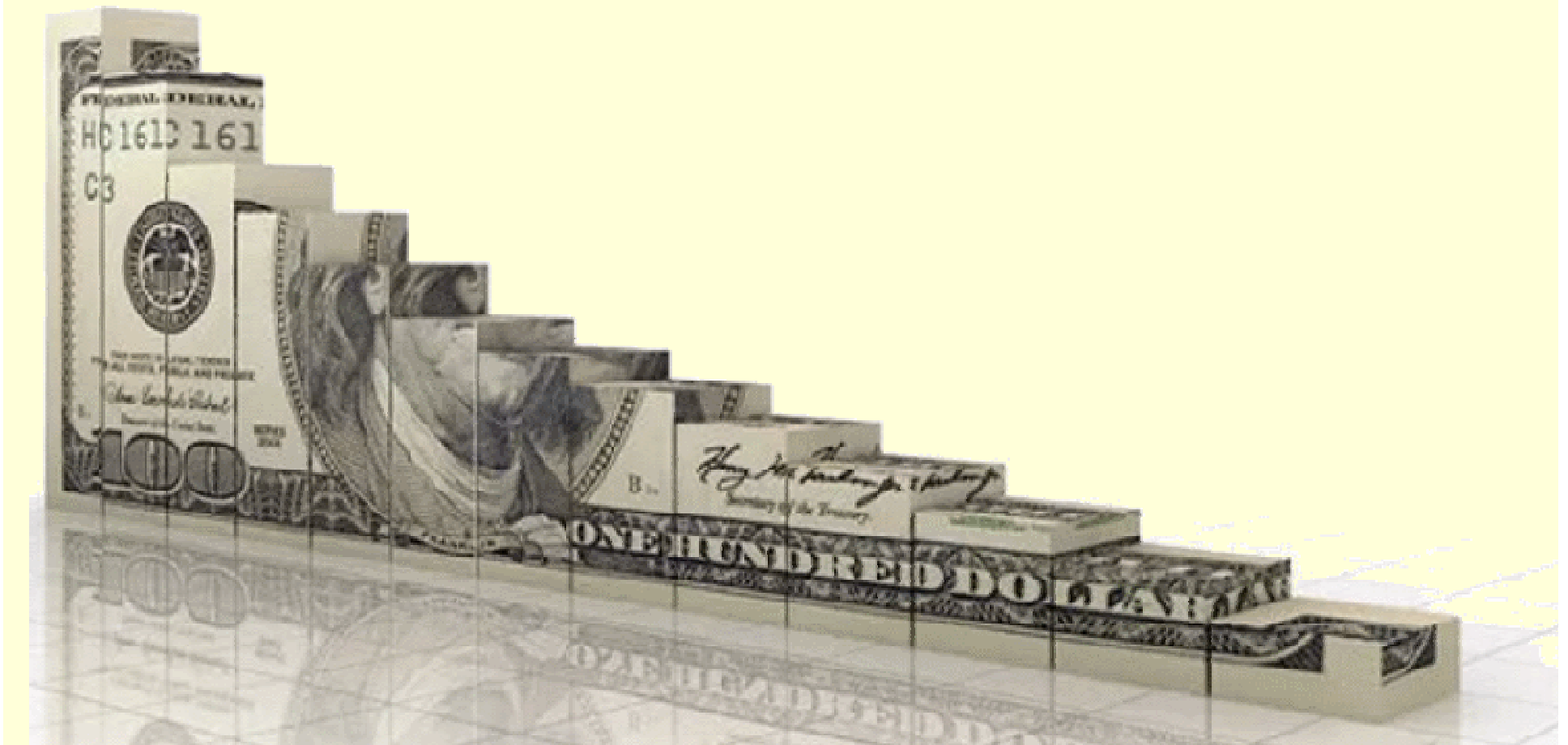
Commissioners in 69 of the state's 77 counties were forced to resign, and 13 counties lost all three of their commissioners in connection with the scandal.



Commissioners, contractors, and suppliers were convicted of taking kickbacks, or illegal payments from profits made on overpriced merchandise and services.

In 1983, Oklahoma experienced its first-ever revenue failure, where tax collections fell below 95% of estimates, leading to government budget cuts.

Unemployment increased and many businesses went bankrupt.



Among the casualties was the Champlin Oil Refinery in Enid, which shut down in part due to tougher new environmental protections laws.



Overproduction in the oil fields in the late 1970s caused the oil market to crash in the early 1980s.



**One Oklahoma City bank
had financed a large number
of loans to oil companies
that now couldn't be repaid.**

The Penn Square Bank Failure resulted in losses of more than \$500 million for its customers.

THE DAILY OKLAHOMAN

The State Newspaper Since 1907

OKLAHOMA CITY, OK TUESDAY, JULY 6, 1982 25¢

Penn Square Bank Declared Insolvent

By Glen Bayless

The \$525 million Penn Square Bank, Oklahoma City's fourth largest bank, was closed and declared insolvent at 3:05 p.m. Monday.

The Federal Deposit Insurance Corp. was appointed receiver, C. T. Conover, U.S. comptroller of the currency, announced Monday night.

John Wied of the comptroller's office read the statement in behalf of Conover.

In Washington, Alan Whitney, a spokesman for the FDIC, said his agency would be in charge today.

Whitney said the bank will be open at 9 this morning and will operate on the Deposit Insurance National Bank of Oklahoma City, managed by an FDIC liquidator, G. Michael Newton.

Conover's prepared statement said "at closure the bank held total assets of approximately \$525 million and total deposits of \$475 million."

The FDIC insures deposits of accountants of the bank up to \$100,000, assuring those depositors they will get their money.

Whitney said in an interview with the Associated Press that the bank will open today and that depositors with accounts of less than \$100,000 will be assured of getting all their money back.

Corporate depositors and others with accounts exceeding \$100,000 will be considered claimants against the failed bank, he said.

The bank has 15,986 accounts.

An informed official said if normal procedures are followed, the operations employees at Penn Square will go through the accounts — perhaps having already begun Monday night — to determine the net amount due depositors with demand accounts, the NOW checking accounts, small savers' certificates, all savers' certificates, 20-month certificates and \$10,000 six-month certificates, or all accounts insured up to \$100,000 by the FDIC.

Customers will not have to line up to get their money. They can write checks at the bank to pay other bills or to close out their accounts. They could even write a check at another bank to which they are transferring their accounts.

FDIC chairman William M. Miller will hold a news conference at 7:30 a.m. today at the Hilton Inn West at N Meridian and I-40.

The announcement came after a continuing examination of the bank that began over two months ago. It was the 21st bank failure in the U.S. this year and the largest Oklahoma bank to fail since the Great Depression.

The financial troubles centered on Penn Square's vigorous lending policy to finance Oklahoma oil and natural gas exploration and development.

Penn Square originated an estimated \$2 billion in oil and gas loans that were taken by major banks in Chicago, New York and on the West Coast.

Continental Illinois Bank of Chicago, the largest oil and gas lender in the Midwest, was a major participant in the "speculation" placement of drilling and development loans to a large number of Oklahoma independent oil companies.

Penn Square's board of directors includes Elizabeth Merrick Coe and Carl W. Swan, who are in the oil business.

There had been reports since last Thursday that the bank was in serious trouble.

However, S.P. Jennings, chief executive and longtime Oklahoma City banker, had been confident the bank would pull through.

He and other officers were hopeful that new capital could be injected that would satisfy examiners.

None of the officers were available for comment Monday night.

Oil loans that Penn Square made were spread upstream and those it participated in, some of which were shared with smaller banks, were affected by lower oil and natural gas prices that put less value on collateral reserves.

In the statement, Conover said:

"The bank began to experience serious problems after rapid growth resulted in deteriorating asset quality. The bank was the originator and servicer of a significant number of loans for energy related purposes.

"Loans centered in these energy-related loans together with funding difficulties resulted in the bank's insolvency."

See PAGE 2

By 1990, more than 50 other Oklahoma banks and many national banks closed due to similar problems.

The Indian Blanket, or *Gaillardia pulchella*, was adopted as the state wildflower in 1986.



In August 1986, Oklahoma suffered the loss of 14 lives in a massacre at the Edmond Post Office.

At the time, it was the third-largest incidence of gun violence in U.S. history.

I covered the story as a reporter for the Edmond Evening Sun newspaper.



In order to stimulate the faltering economy, voters approved pari-mutuel wagering in 1982.

The state
legalized
gambling on
horse races
as a way to
generate public
revenue.

The Three Basic Bets

You bet on a horse at the given odds.

WIN

This is the simplest and most common bet. You win money only if your horse finishes **FIRST**.

PLACE

You win if your horse finishes **FIRST** or **SECOND**.

SHOW

You win if your horse finishes **FIRST**, **SECOND** or **THIRD**.



**Remington Park opened as a racetrack in 1988,
and a casino was added in 2005.**

Blue Ribbon Downs opened in Sallisaw in 1984 but closed in 2010.



Rural towns suffered from the hard times in the oil and agriculture businesses of the 1980s.

MAIN STREET

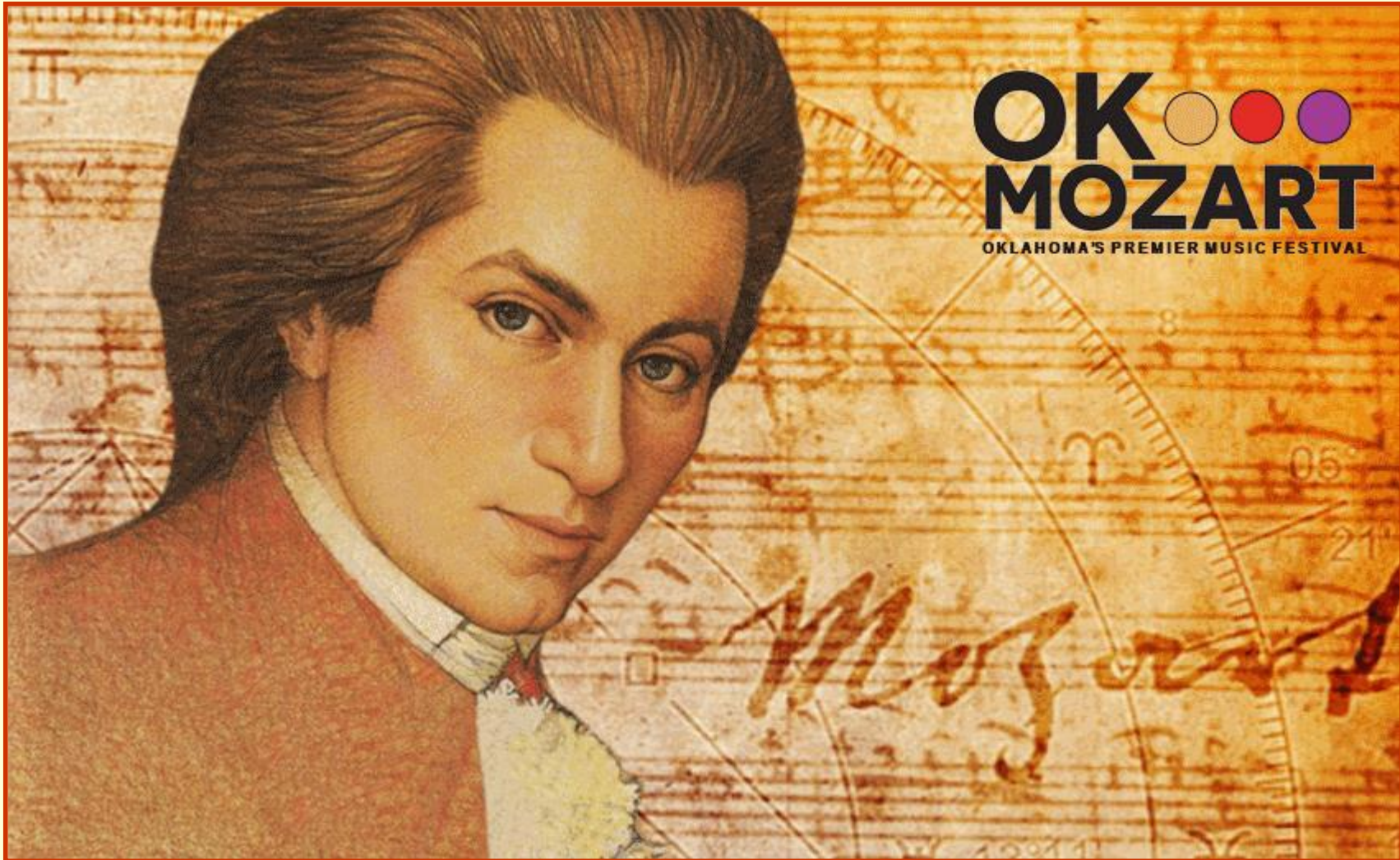


NATIONAL TRUST
for HISTORIC PRESERVATION

**The Main Street Program helped communities
revitalize their historic downtown areas.**

*Duncan became the first Oklahoma town to get the makeover,
including new streetlamps, sidewalks, and more than 80 renovated storefronts.*

The OK Mozart Festival attracted musicians from around the world when it debuted in 1983.



*The state hosted hundreds of international athletes
at Olympic Fest '89, a 13-day, 38-sport event.*

It is credited with the arrival of professional-level sports to the state.



The state commemorated its 75th birthday in 1982,
known as The Diamond Jubilee celebration.

*Activities were held throughout the state, culminating with a
star-studded show at the Myriad Convention Center in Oklahoma City on Nov. 16.*



*The festivities started with an address by
“President Theodore Roosevelt.”*



THIS IMPOSING DOCUMENT

(which was printed on a good grade
of paper, certifies that)

Richard Lemin

is the recipient of the
STATE OF OKLAHOMA'S

You Done Real Good!

(all things considered and being the way they are)



466/1000

Award

DECEMBER 1, 1982

DATE

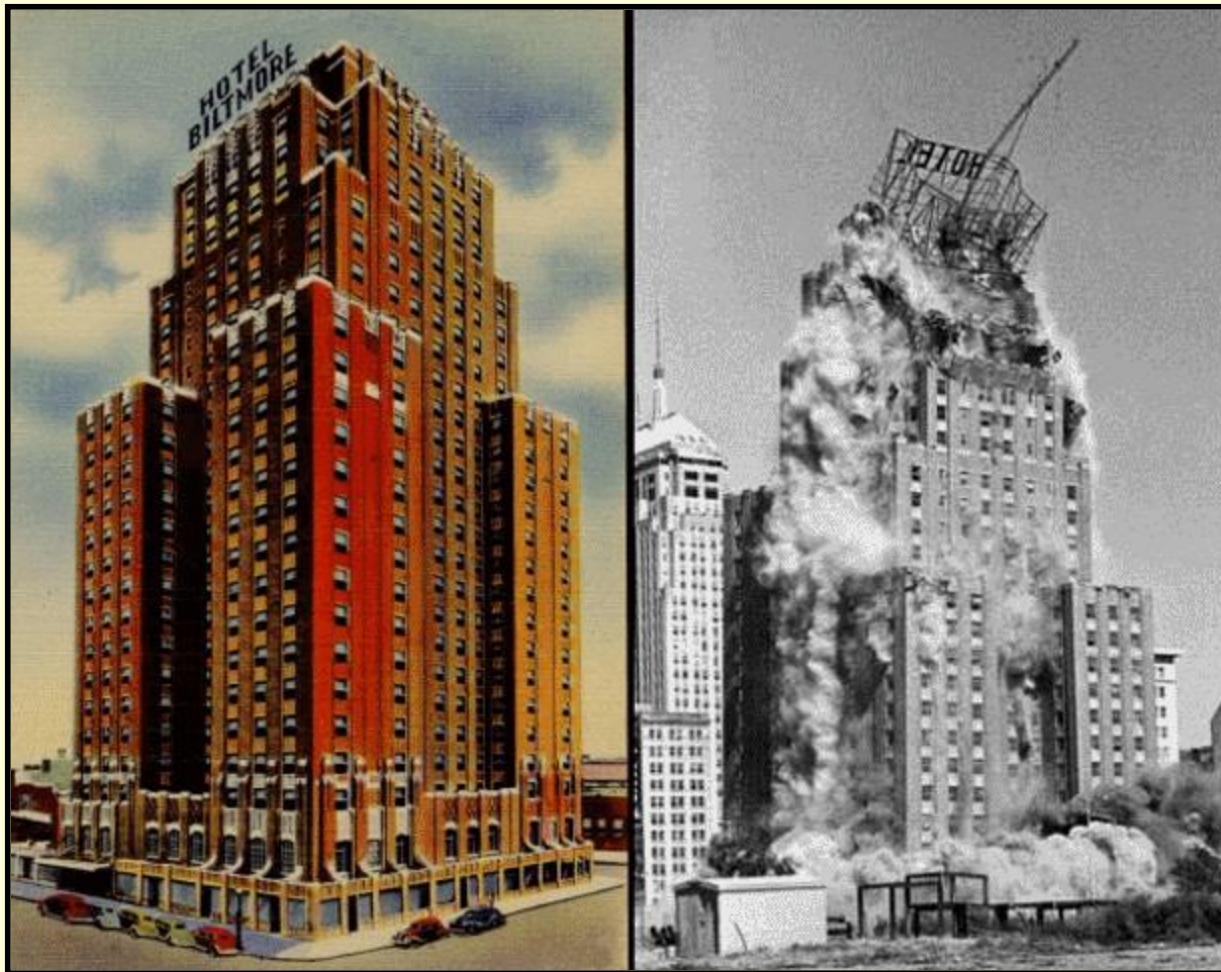


George Nigh
GOVERNOR GEORGE NIGH

Section 2: The 1990s and the 2000s



Urban renewal led to the demolition of dozens of inner city buildings in the 1970s and 80s.



The 33-story Hotel Biltmore, constructed during the Great Depression in 1932, was imploded in 1977 as part of a master plan to help revitalize downtown Oklahoma City.

**The Myriad Botanical Gardens opened in 1988,
an oasis in the middle of downtown OKC.**

Its centerpiece is the massive Crystal Bridge Tropical Conservatory.



The Metropolitan Area Projects (MAPs) continued the city's renaissance, starting in 1993.

The nine projects included the Bricktown Ballpark, renovation of the Cox Convention Center, improvements at the State Fairgrounds, the Bricktown Canal, a new Library, Trolleys, a rebuilt Civic Center, creation of the "Oklahoma River," and the construction of the Chesapeake Arena.



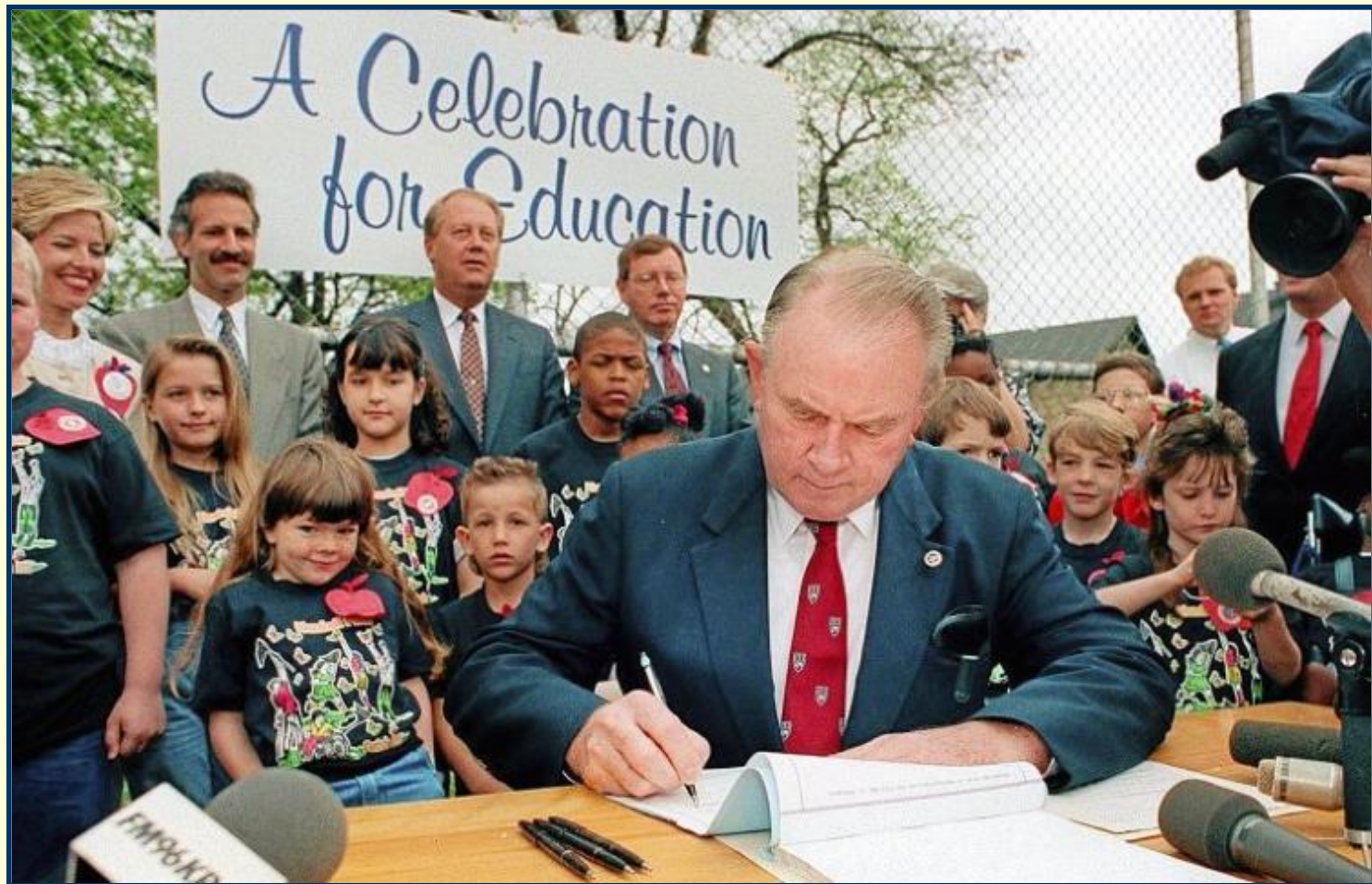
The transformation of the old freight yards included building The Bricktown Canal.

Water taxis stop at various restaurants, shops, and nightclubs.



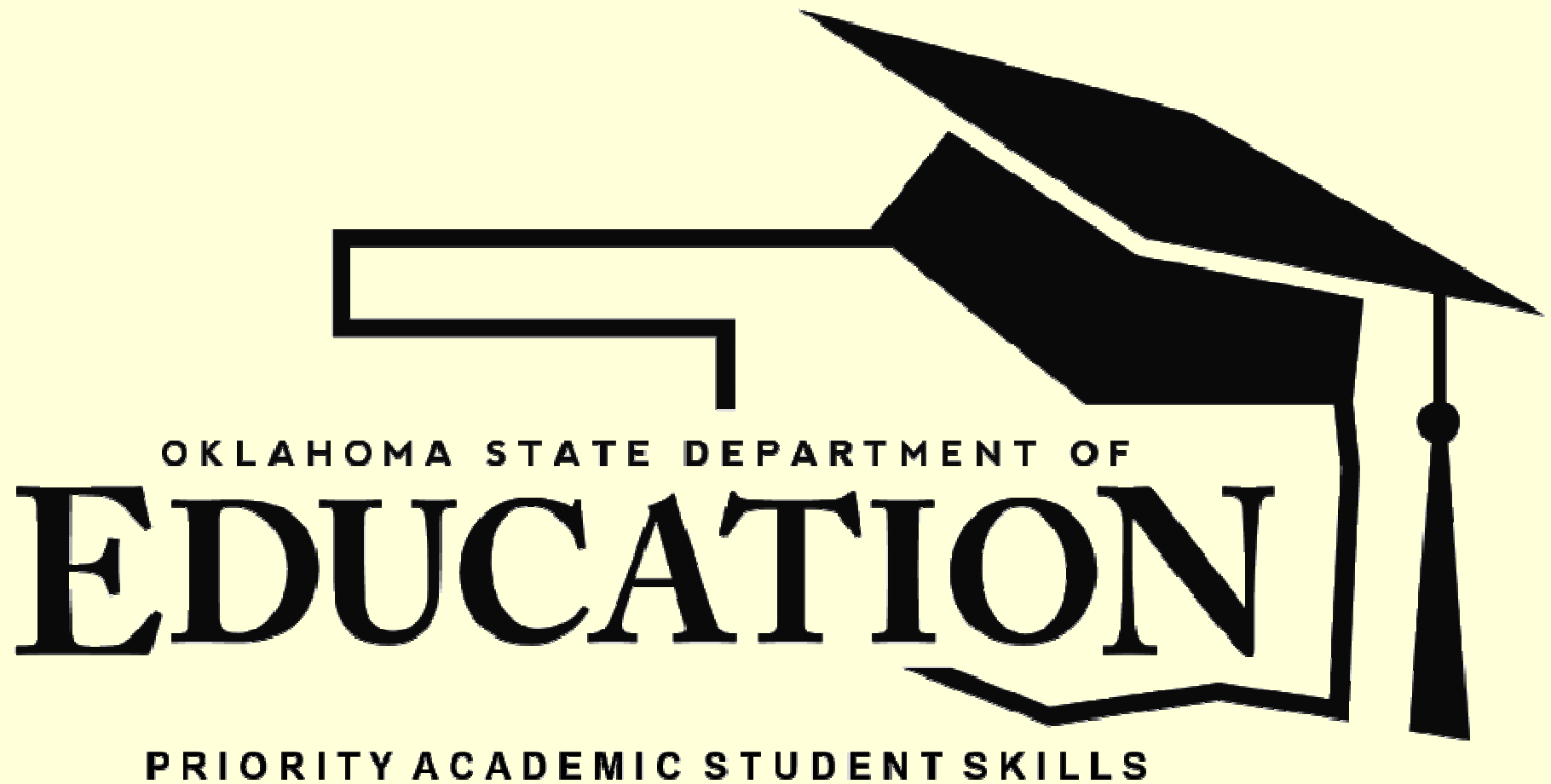
In 1990, House Bill 1017 provided \$570 million to improve education in Oklahoma.

*It was passed with the encouragement of Governor Henry Bellmon.
One of its main goals was to limit class sizes.*



**It also created achievement standards called the
Priority Academic Student Skills, or PASS.**

PASS identified the basic knowledge/skill levels for Oklahoma students.

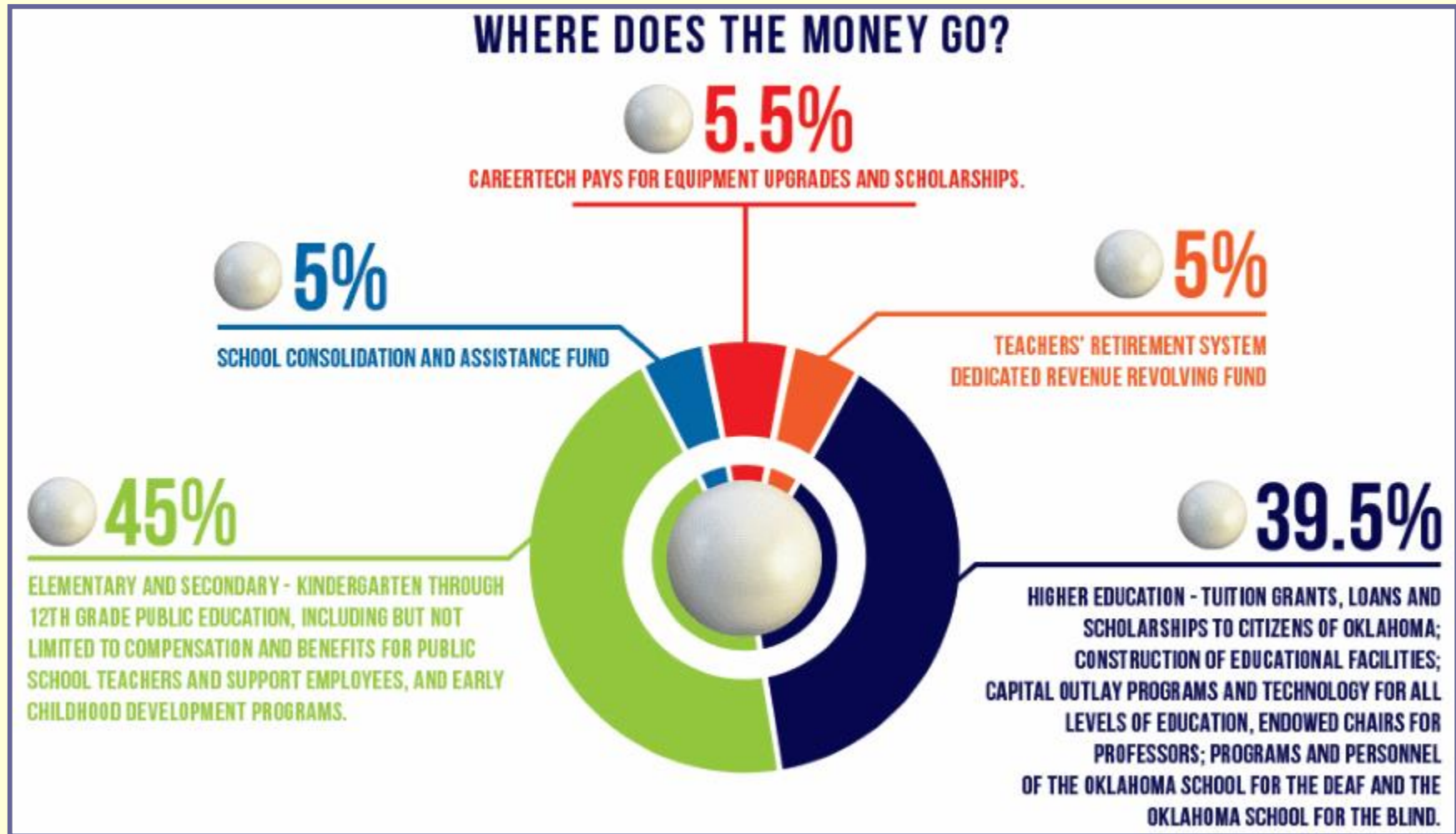


In 1991, Sandy Garrett became Oklahoma's first female Superintendent of Public Instruction.



- *Garrett was an outspoken advocate for children and an active participant in education reform.*
- *During her administration, the state's Pre-K programs were nationally recognized as among the best.*
- *In the wake of school violence across the country, she also initiated the nation's first statewide school safety hotline.*
- *She held the Superintendent's office for five terms (20 years), retiring in 2011.*

The state voted overwhelmingly for a lottery in 2004, and earmarked revenues for education.



The Governors in the 1990s were Democrat David Walters and Republican Frank Keating.

Walters served as Governor from 1990-1994.

His term was marred by a controversy that led him to plead guilty to a misdemeanor election violation.

He did not seek a second term.



Keating served as Governor from 1994-2002.

During his administration, he helped enact welfare reform and lowered taxes.

He faced a great challenge right after taking office.

**On April 19, 1995, a truck bomb exploded outside
the Alfred P. Murrah Federal Building.**

168 people were killed, including 19 pre-school children.



Within hours, the FBI released a sketch of the man who had rented the truck in Kansas.



The suspect, known only as "John Doe No. 1," had rigged a homemade bomb from fertilizer and fuel oil that equaled 4,800 pounds of dynamite.

His name was Timothy McVeigh, and he was arrested for a routine traffic violation on Interstate 35. He was convicted in 1997 and executed in 2001.



Amid the devastation, a new image of our state emerged: that of caring, strong, courageous people who responded to a crisis with determination. It became known as the “Oklahoma Standard.”

The Oklahoma City National Memorial was dedicated on the fifth anniversary of the bombing.



36 people were killed and 800+ were injured during the May 3, 1999, F5 tornado in Moore.

3,000 buildings were destroyed by 300-mile-an-hour winds, and another 5,000 were damaged. Losses exceeded \$1 billion. Five others died later of their injuries.



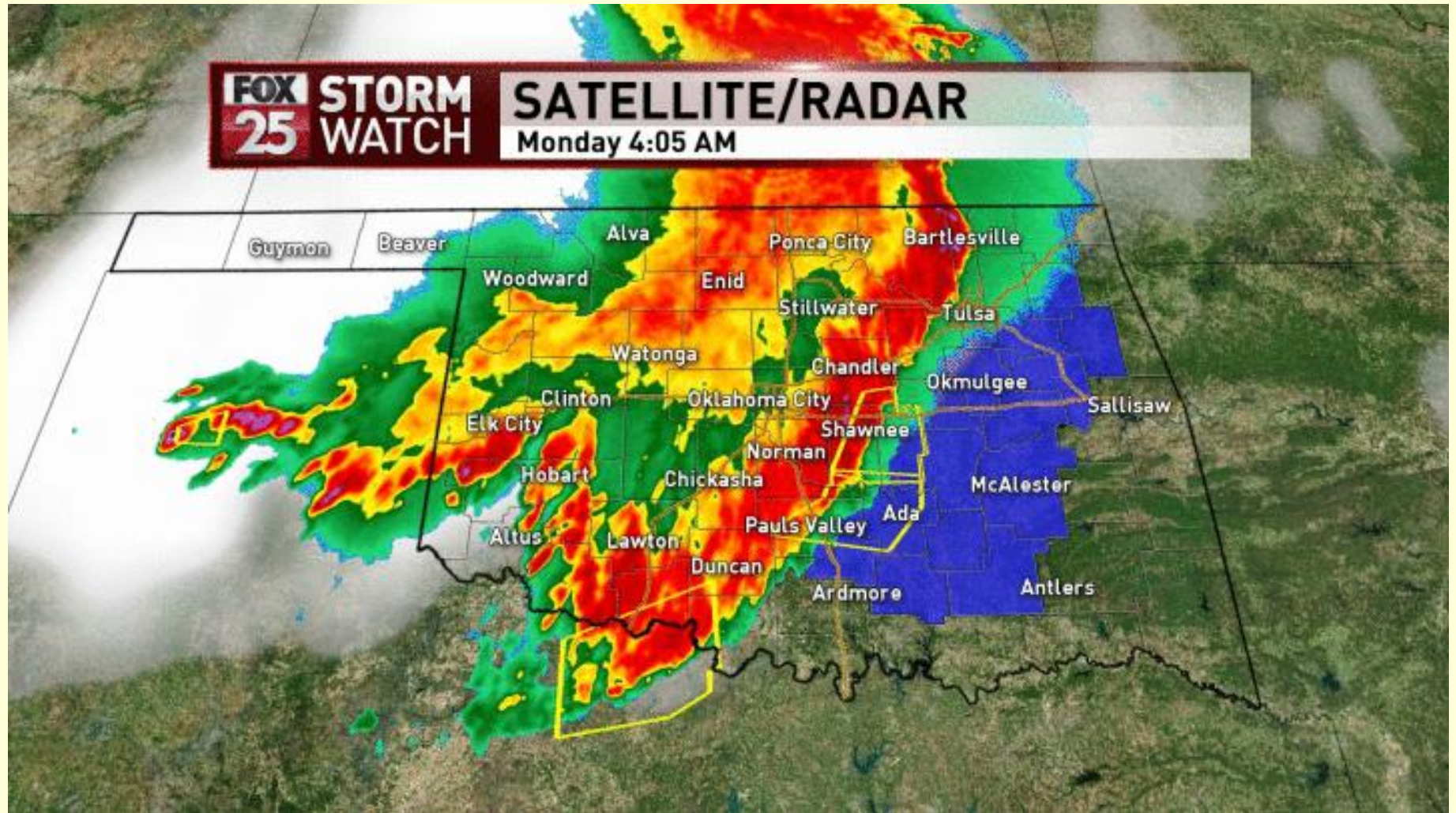
An early warning system is provided by the National Oceanic and Atmospheric Administration.



- *Five government organizations under the NOAA partnership are involved in severe weather research and forecasting:*
- *The National Severe Storms Laboratory*
- *The National Weather Service*
- *The NexRad Radar Operations Center*
- *The Storm Prediction Center*
- *The Warning Decision Training Center.*

*In addition, the Oklahoma Climatological Survey,
the OU School of Meteorology, and the Oklahoma Mesonet
make our state internationally known as the leader in weather research.*

Section 3: The 21st Century



**Climate change continued to be a problem
for Oklahomans in the early 2000s.**



A statewide ice storm in 2002 downed power lines, leaving thousands without electricity for a month.



A severe drought that started in 2000 led to multiple wildfires in western Oklahoma five years later.



**Oklahoma is a hub for the development,
use, and impact of advanced medicine.**



The Oklahoma Medical Research Foundation is a biomedical facility dedicated to understanding and curing human diseases.

OMRF has a worldwide reputation for its research on Alzheimer's and Lupus.



Oklahoma's universities are helping to develop nanotechnology, or the ability to work inside the body with microscopic machines.

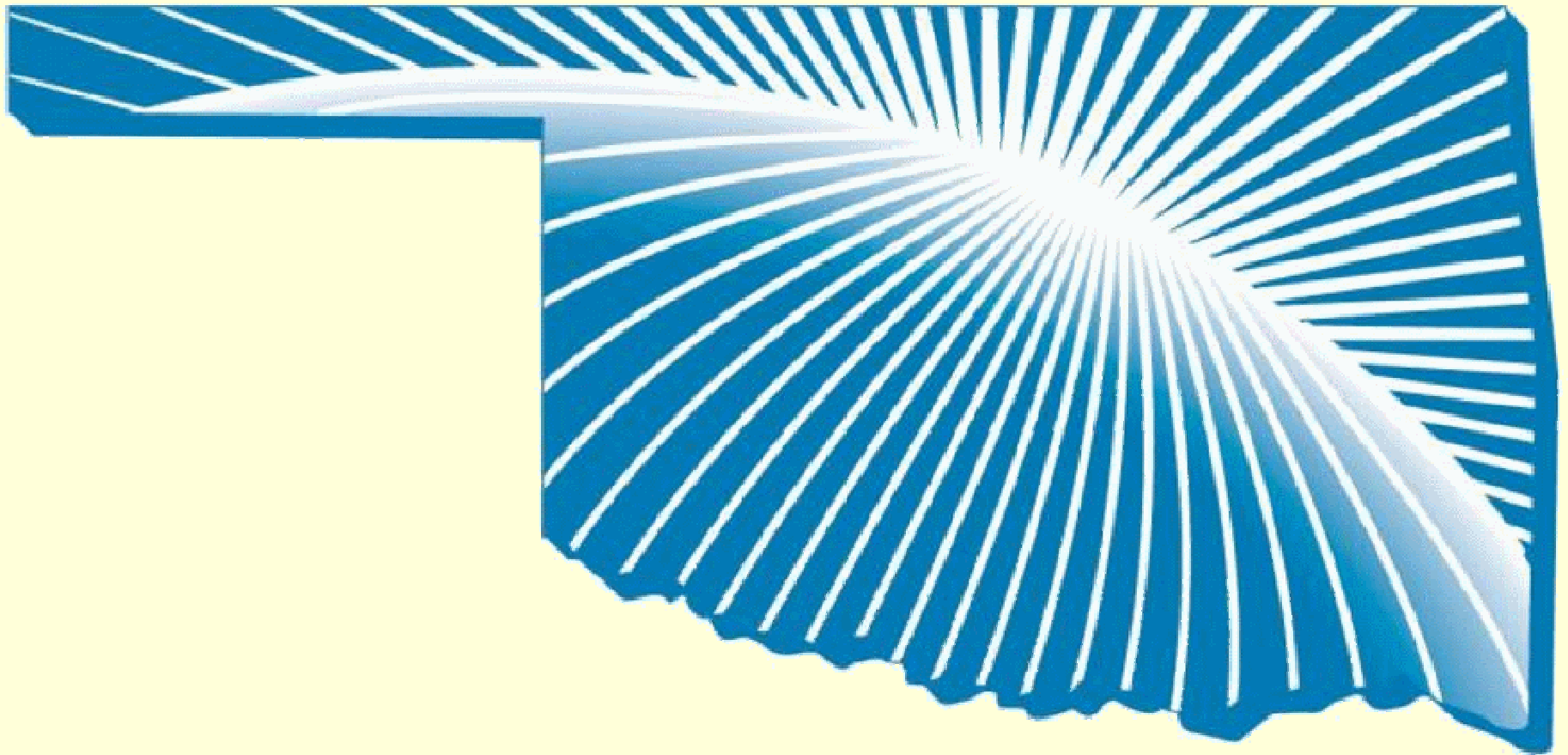


Integris Cancer Institute is one of only ten centers in the U.S. offering proton therapy.



*Oklahoma's economy is more diversified now
than at any previous time in its history.*

As a 1957 advertisement read, the state has gone from "Arrows to Atoms."

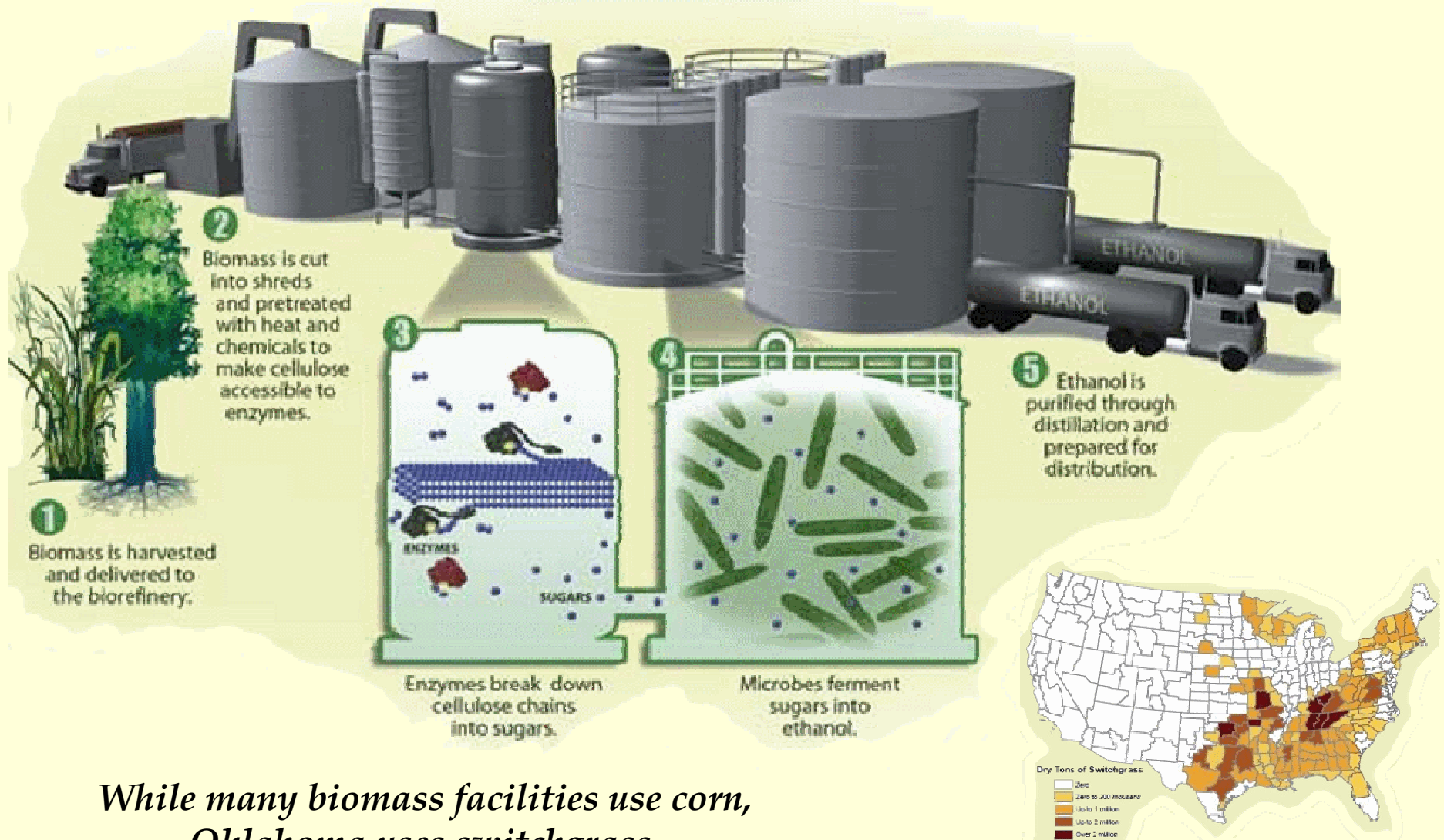


**Compressed Natural Gas
is an environmentally
cleaner fuel than other
fossil fuels, and costs
less for consumers.**

*Oklahoma ranks
third in the nation for
production of CNG.*



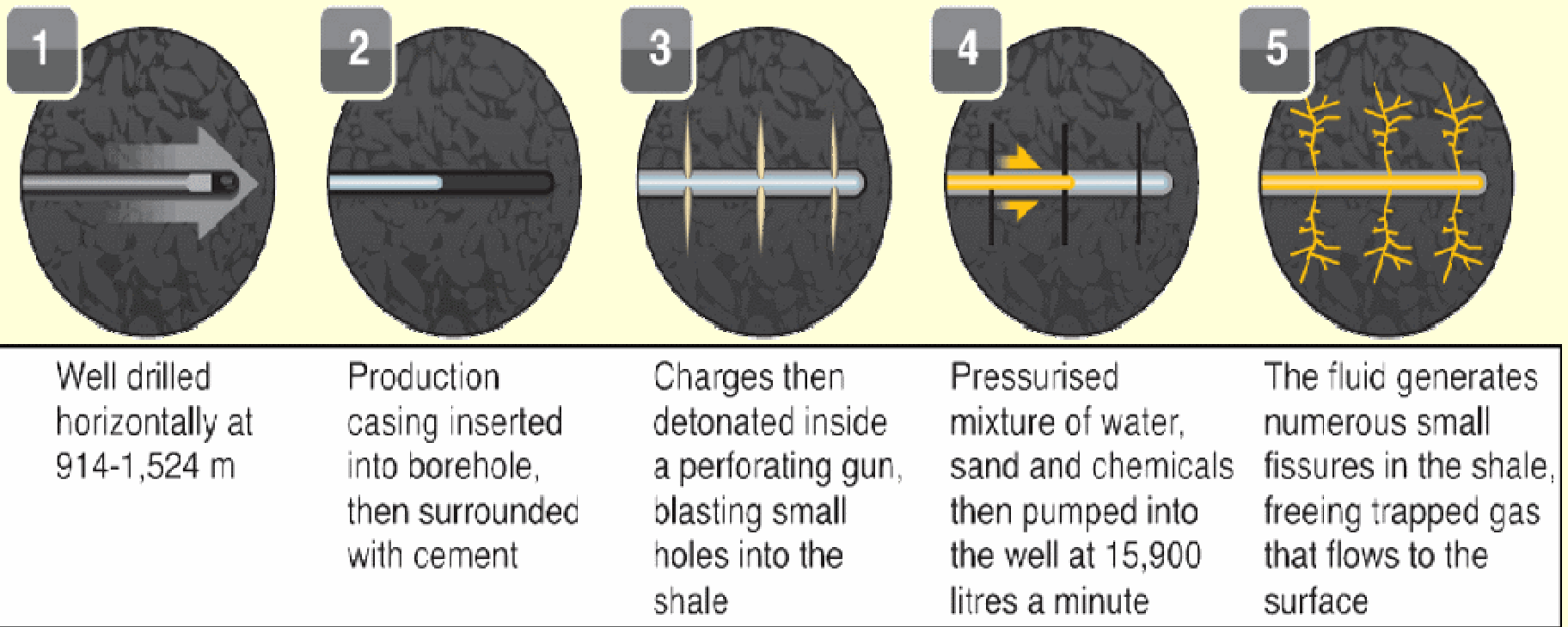
We are also developing biomass, or renewable plants that can be made into ethanol gasoline.



While many biomass facilities use corn, Oklahoma uses switchgrass.

One of the most controversial subjects today is hydraulic fracturing, or “fracking.”

Although it allows the state to access more oil and natural gas, it has also been linked to increased earthquake activity.



Tinker AFB is home to the Airborne Warning and Control System, which monitors threats to the U.S. with long-distance radar-equipped aircraft.

AWACS planes are part of the 552nd Air Control Wing.



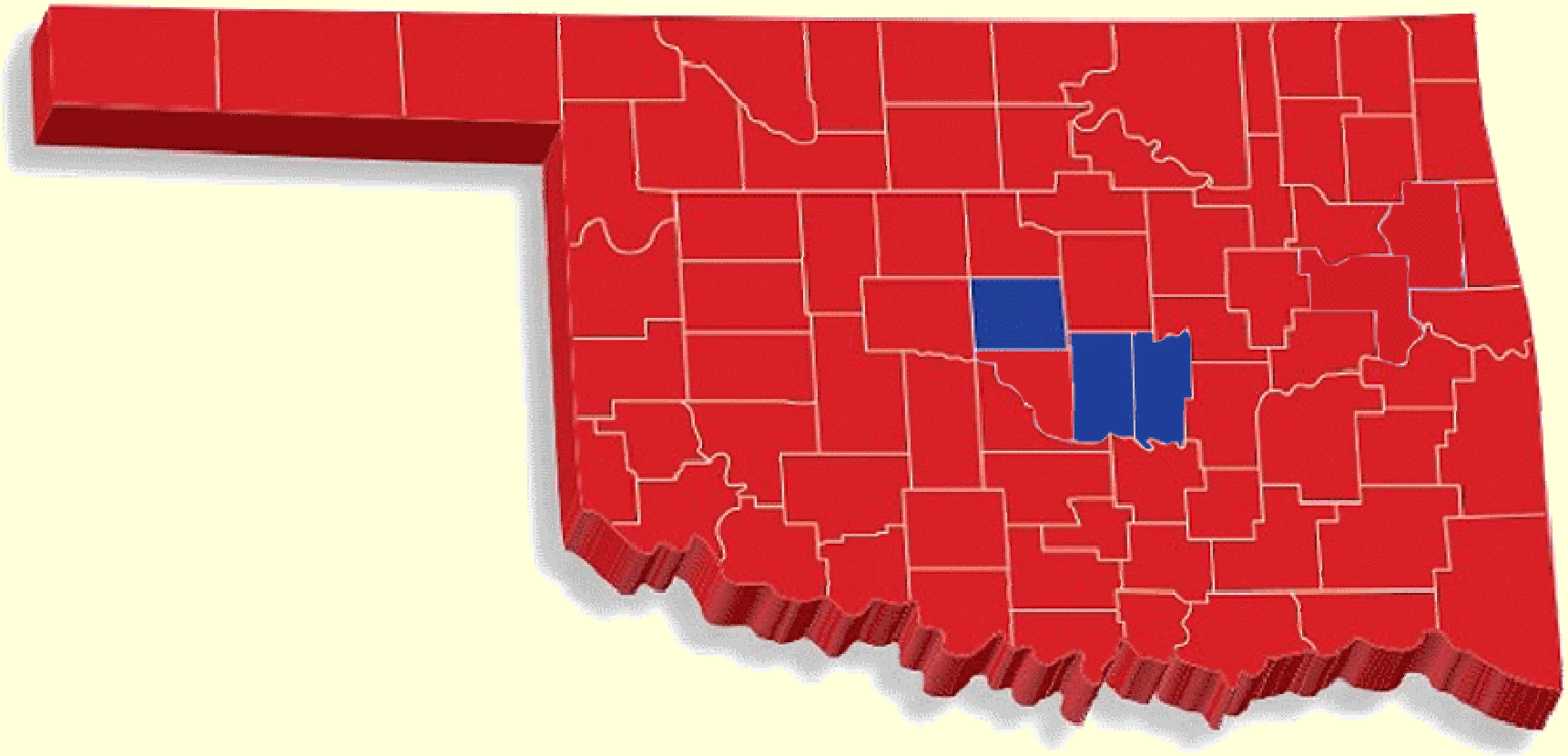
The Mike Monroney Aeronautical Center provides training, logistics, and safety-related services as part of the Federal Aviation Administration.

The FAA Academy here is the principal training facility for air traffic controllers.

Located near Will Rogers World Airport, it is home to the largest number of U.S. Department of Transportation employees outside of Washington, D.C.



State politics are increasingly divided along rural (Republican) and urban (Democratic) lines.



In the 2018 elections, Oklahoma County elected a Democratic Congresswoman, the first time a Republican had not won the 5th District seat in 43 years. Cleveland, Muskogee, and Cherokee counties also voted Democratic, but other counties in their districts prevailed.

Brad Henry of Shawnee was elected governor in 2002 by “barnstorming” the state in an RV.

- *He campaigned on increasing salaries for teachers, state employees, and Highway Patrol troopers, as well as increasing funding for colleges by instituting the state lottery to raise money.*
- *He signed legislation to limit the sale of the ingredients used to make methamphetamines.*
- *He was re-elected in 2006 with 66% of the vote, the widest margin in 50 years.*



**In 2010, Mary Fallin became the state's 27th
- but first female - governor.**



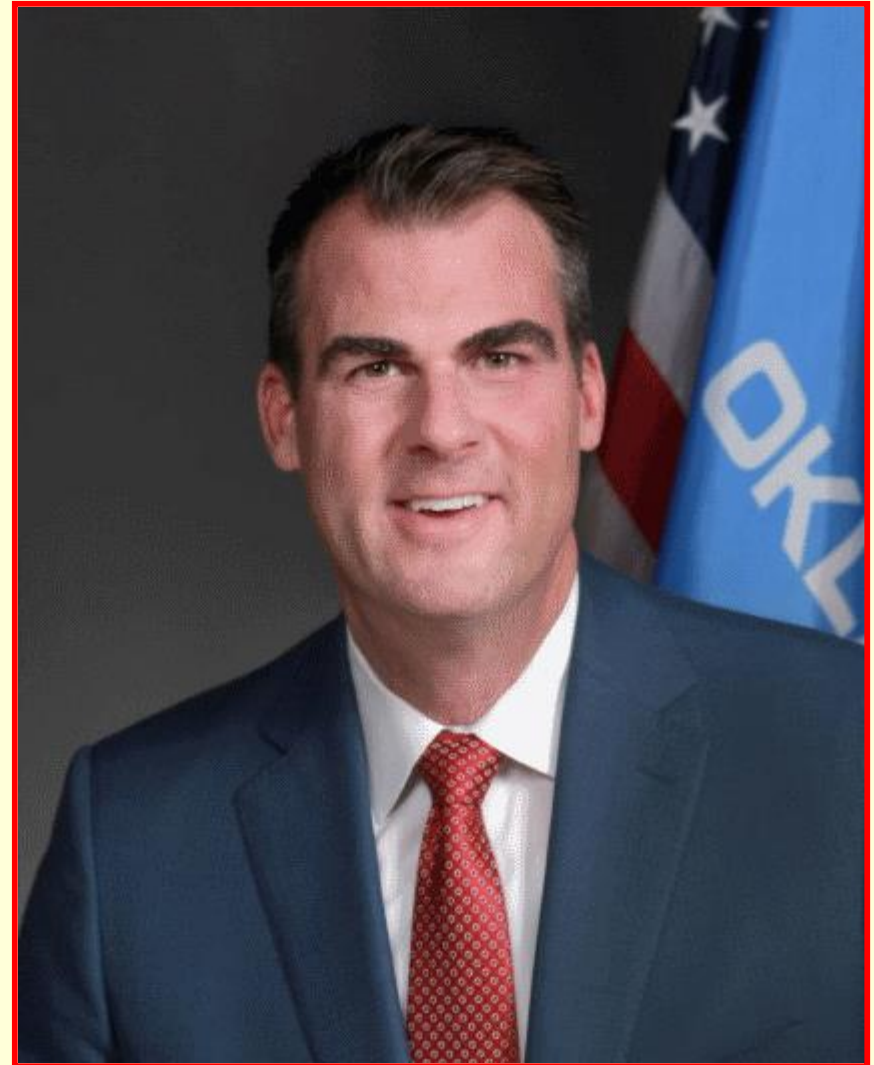
*She had previously
served 12 years as
Lieutenant Governor
and four years in the
U.S. Congress.*

*By the end of her
second term, however,
she was described as the
“Most Unpopular Governor
in the United States,”
with only 19% of
Oklahoma's voters
approving of her performance.*

**Tulsa businessman Kevin Stitt was elected
as the 28th governor in 2018.**

*He was the founder
and CEO of
Gateway
Mortgage Group
when he decided
to run for governor.*

*His agenda
is focused on
changing the structure
of state government.*



As tribes searched for funding sources, the American Indian gaming industry took shape.

Casinos like WinStar were built on tribal lands and have spurred tourism.



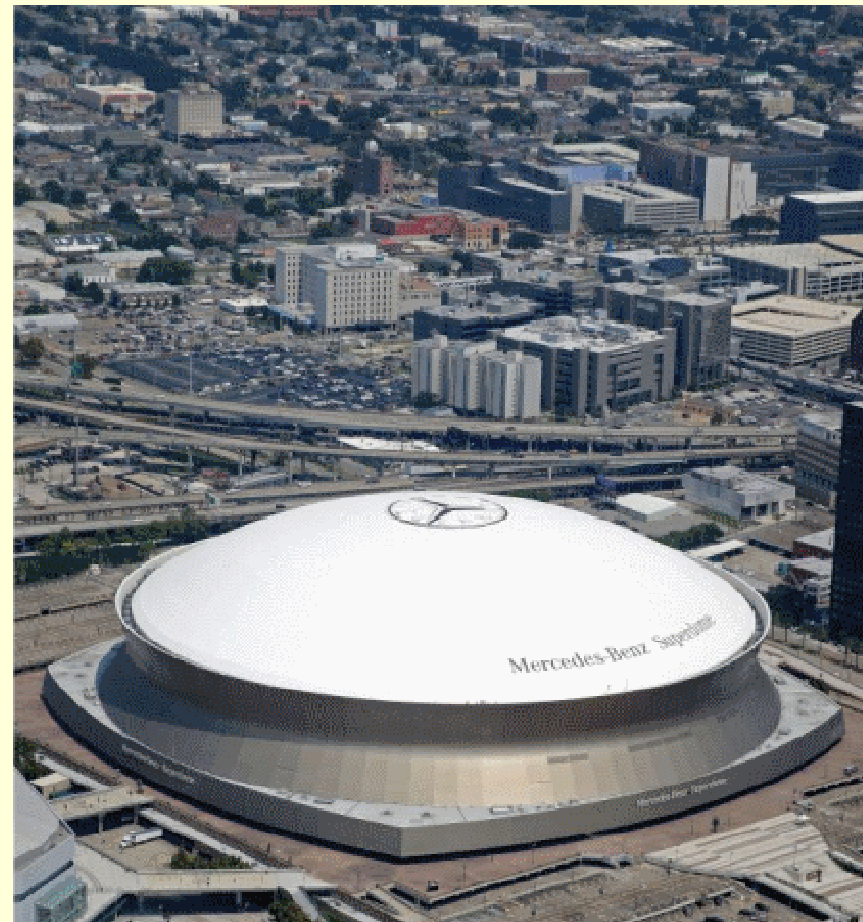
Construction is underway for the world-class First Americans Museum.

*Native heritage is also on display at the Chickasaw Cultural Center near Sulphur,
the Tsa-La-Gi Ancient Village at the Cherokee Heritage Center near Tahlequah,
and the annual Red Earth American Indian Cultural Festival.*



In 2005, Hurricane Katrina flooded New Orleans, forcing the National Basketball Association to temporarily relocate the Hornets to Oklahoma City.

Their reception led the league to consider a franchise here.



The Oklahoma City Thunder was established in 2008 and have made the playoffs ten times.



**Our state is also home to some of
country music's greatest stars.**



*Top left:
Blake Shelton*



*Top center:
Carrie Underwood*



*Top right:
Garth Brooks*



*Bottom left:
Reba McEntire*



*Bottom center:
Moore's
Toby Keith*



*Bottom right:
Vince Gill*

Garth Brooks, of Yukon, is the best-selling Country Music artist in the United States.

As of 2020, he has sold more than 156 million albums and singles.



Ree Drummond hosts The Pioneer Woman, a Food Network program, from Pawhuska.

In 2016, she opened The Mercantile restaurant and retail store.



**The 50-story Devon Tower, completed in 2012,
is the tallest building in the state.**



The SkyDance Bridge has spanned the 10-lane Interstate 40 / Crosstown Expressway since 2012.



The Made In Oklahoma Coalition features more than 40 state food manufacturers.



Brands include:

- *Bar S Foods lunchmeats and hot dogs*
- *Fast Fixin's frozen entrees*
- *Field's Pies*
- *Garden Club Jellies and Jams*
- *Griffin Foods*
- *Head Country BBQ Sauce*
- *Hiland Dairy*
- *J.C. Potter Sausage*
- *Shawnee Mills*

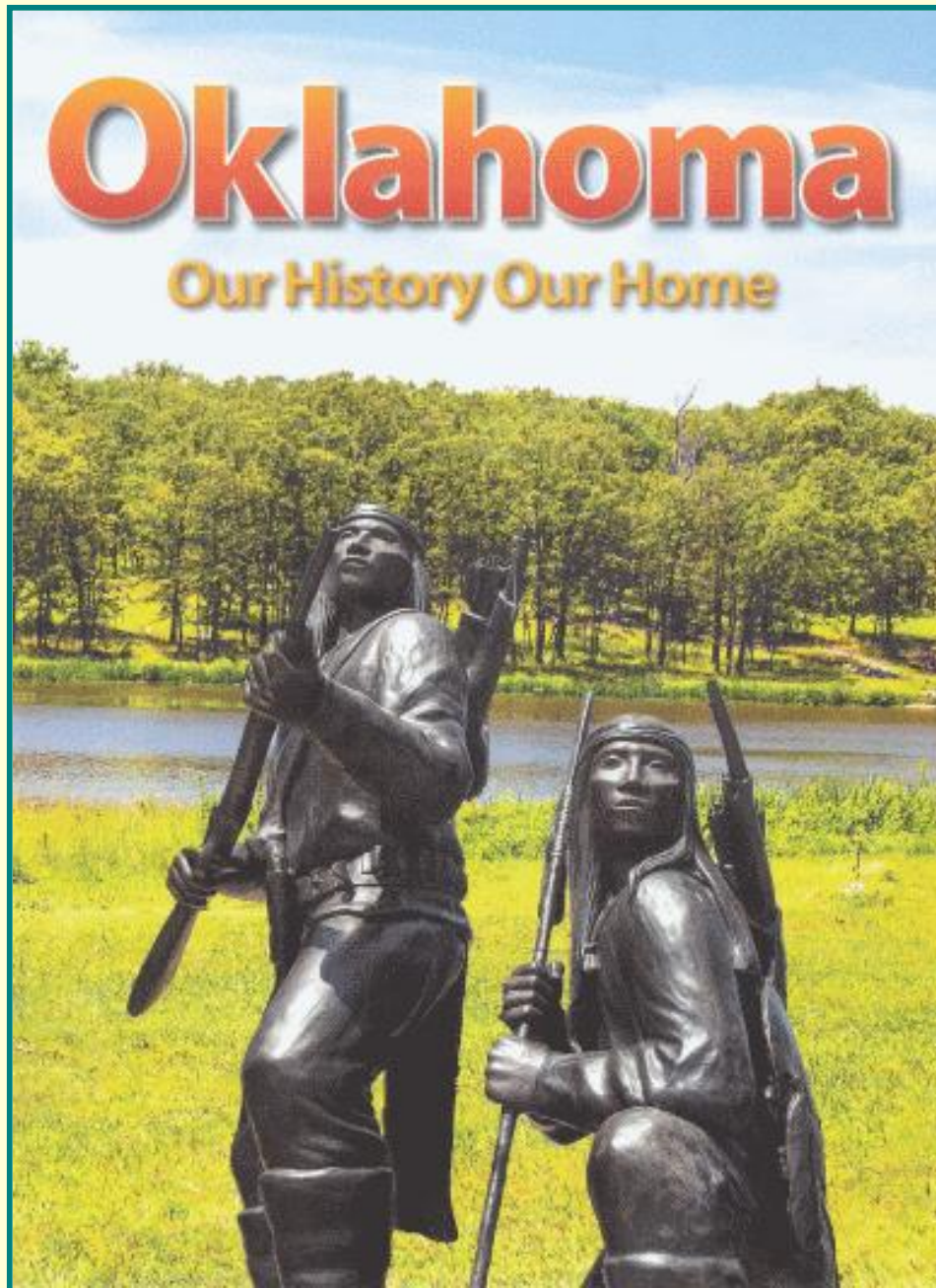
Oklahoma's Centennial was memorialized with the 45 sculptures of the Land Run Monument.



**In 2002,
“The Guardian,”
by Seminole artist
Enoch Kelly Haney
was added to the
State Capitol Dome.**

*At the dedication, Haney,
speaking for the warrior, said,
“And I will stand guard here,
over our great state, over our
majestic land, over our values.
My lance pierces my legging
and is planted in the ground.
I will not be moved
from my duty,
from my love of Oklahoma
and all of its people.”*





*For more
information
about Oklahoma
in the last decade,
please read
Chapters
18 and 19
in the textbook.*