

The Eccentric Billionaire

by Scott Sosebee

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(Jun 17, 2022) I overheard a young student remark the other day make fun of a friend offering to pay for his meal with, “Ok, Bill Gates. Go ahead.” I had to chuckle when I thought about how when times change, icons change. When I was young (ok, REAL young) I would have said, “Ok, Howard Hughes,” which was the richest person I could fathom. Of course it helped his notoriety that the Houston native was, to put it mildly, a very odd man. People tend to remember Howard Robard Hughes, Jr. as the obsessive germophobe who used Kleenex boxes for shoes, but that image ignores the fact that he was a cutting-edge businessman, an aviation innovator, a film pioneer, and more responsible for modern Las Vegas than any other person. His fascinating life has been the subject of three full-length motion pictures, countless books, and more rumor and myth than most Americans.

Howard Robard Hughes, Jr. grew up in the shadow of his namesake father, the owner of a pioneering oil service company, the Hughes Tool Company. Howard Hughes, Sr. made a fortune manufacturing and supplying the rotary drill bit to oil drilling outfits. Howard, Jr., who he and his wife the former Allene Gano called “Sonny,” was their only child, born in 1905. The senior Hughes traveled extensively, which led “Sonny” to become—some whispered abnormally so—very attached to his mother. Mrs. Hughes was in turn very dependent on her son, and she became extremely worried about his health, constantly monitoring him for infections, epidemics, and other maladies. Such obsessiveness no doubt led to Hughes’ fanatical, phobic aversion to germs and anything he deemed unhealthy.

Hughes may have lived the typical life of a wealthy scion if not for two life-altering events. While he was away at boarding school in California in 1922, his mother unexpectedly passed away. Her death devastated Hughes, and he left school to return to Houston. Although he would return to California he never attained a high school degree, but that didn't mean his school work ended. Howard Hughes, Sr. was an influential man, and he made sure his son could attend classes first at Cal Tech, and later at Rice Institute in Houston. However, Hughes life would take another sudden turn in January 1924 when Hughes, Sr. suddenly died as well. Howard Hughes, Jr. was just eighteen years old, and he was now one of the wealthiest people in the world.

Howard Hughes now headed a large corporation, but he was not really interested in running it. Oh, he liked the engineering aspect of it (he was a life-long tinkerer), and he would develop into a shrewd businessman, but he had no desire to run the day-to-day operations of the company as his father had. So, he married a fellow River Oaks socialite, Ella Rice, and with his new bride struck out for Hollywood, where he hoped to make movies. He formed a movie subsidiary company and began to produce motion pictures. He also became a pilot and began to acquire and fly planes. His time became split between movies and the air, which left little time for his wife. Ella divorced him and moved back to Houston.

Aircraft and flight now became Hughes' primary obsession, and he became convinced he could build a plane that would set speed records. He built and flew a number of experimental planes, which he flew in a number of air races. He set a transcontinental speed record in 1936, and recreated Lindbergh's famous solo flight to Paris in half the time of the famous aviator. He quickly became one of the most popular men in the United States and visited with Presidents, Kings, and captains of industry. Houston even briefly named its airport in his honor.

Hughes next moved to military aircraft, and the U.S.'s entry into World War II gave him a platform. Hughes became convinced that he could build better cargo planes out of plywood instead of the industry standard aluminum. He received a government contract in 1942 to build a "flying boat" to transport troops and supplies wherever they were needed. He built the HK-1, which acquired the nickname the "Spruce Goose," and at the time it was the largest aircraft in the world. It was not a practical design, and it only flew once—with Hughes at the controls.

While he was designing and flying aircraft, he continued to produce movies—even buying Hollywood studio RKO (which he sold to General Tire at a fantastic profit in 1955), but airplanes and their operations and associated businesses remained his passion. He acquired a controlling interest in Trans World Airlines (TWA) in 1953, and immediately ordered sixty-three jets for the company, which made it the largest flyer of jet aircraft in the world. He infuriated his aircraft engineers because he would tinker and alter their designs, and constantly supervise and criticize their work. In an emotional outburst he fired most of the engineering staff at Hughes Aircraft in 1953, an impulsive act that almost cost the company all its Pentagon contracts.

As he grew older Hughes' personal paranoia and eccentric behavior began to take its toll on the billionaire. He had become the richest individual in the world by 1964, but he had also completely withdrawn from public view. When he traveled, he rented out entire floors of hotels, and if they would not allow it he often just bought the entire building. Such behavior led him to acquire another crown in his pantheon of companies—and become the biggest mogul in Las Vegas.

He traveled to the Nevada desert oasis in 1966, and rented the penthouse at the Desert Inn, one of the most luxurious hotels on the famed strip. He had just sold all his stock in TWA and was flush with cash, which was subject to a big tax liability. When the Desert Inn asked him to vacate the penthouse for a high roller, he responded by offering to buy the hotel at a sum so high that the owners (which included Cleveland mafia mobster Moe Dalitz) could not refuse. The story of his purchase is probably apocryphal, but Hughes was buying into Las Vegas at the perfect time. He formed the Summa Corporation and began to acquire hotels and land all over the city, bought Las Vegas based Air West Airlines, and became the key figure in forcing organized crime out of the Las Vegas hotel business.

While he was in Nevada he became a complete recluse. He conducted all his business by telephone and memo, and an army of aides became his surrogates. He began to travel throughout the world to hide his whereabouts, and his personal behavior became even more bizarre. He was in Acapulco when his health took a serious turn for the worse in April 1976, so his aides loaded him on his personal plane and took off for Houston and medical treatment. He never made it as he died in route at the age of 70. A strange ending for a very peculiar man.

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