A New Deal Everyday: Civic Authority and Federal Policy in Chicago and Los Angeles, 1930-1940

By

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DISSERTATION

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Summary

This dissertation is a comparative history of local politics in Chicago and Los Angeles during the Great Depression. The project shows how New Deal agencies such as the Federal Emergency Relief Administration, National Recovery Administration, and Works Progress Administration delegated administrative authority to the local level, creating a space for each city to develop their own versions of the New Deal within a loose and evolving set of federal guidelines. In Chicago and Los Angeles, New Deal agencies took shape within a political context that utilized private sector leadership as a way to insulate federal programs from partisan politics. The New Deal changed but did not sever the links between civic leadership and public policy. Initially, New Deal programs reaffirmed established hierarchies of private influence as control over early New Deal policy fell to the cohort of individuals and organizations who benefitted the most from preserving local practices. As the decade progressed, the proliferation of federal programs inspired new waves of civic activism attuned to the ways in which federal programs operated on the ground. Local operatives made the New Deal through their efforts to gain influence and control over federal programs, rather than through their expectations of what a centralized government might provide.

The New Deal era was a time of great upheaval in local politics as individuals confronted the limits of industrial capitalism by exploring a diverse array of programs to use the federal state to sustain local community. New Dealers in Chicago and Los Angeles employed a common language of anti-government politics to justify a diverse array of conservative and progressive visions for federal programs that were designed to stabilize the local economy, promote industrial growth, and create new opportunities for social advancement. The dissertation outlines the ways state power and local activism converged in the shaping of federal programs to argue

that local struggles for control over New Deal programs, rather than the promises of federal legislation, fundamentally shaped the ways individuals conceived of the role of the state in addressing social inequality and advancing claims to economic citizenship.

Introduction

"It was a grand plan—for anyone who trusted the government and the politicians to handle its affairs."

Notice Sinclair's choice of pronoun. He did not say "for anyone who trusted the government and the politicians to handle their affairs," or "handle our affairs." Sinclair's skepticism is focused upon the federal government's abilities to manage its own programs. During the Great Depression, a whole host of labor organizers, business leaders, cooperative advocates, and community reformers took positions in federal agencies, becoming active New Dealers, because they felt the promise and/or threat of a New Deal was too great to allow the program to fall under the control of government. In national elections, critics of the New Deal coalesced around the charge that expanding federal power would undermine free enterprise and the sense of independence they felt free market capitalism provided, but the fear that federal power would undermine individual independence did not belong exclusively to the inchoate conservative response to the New Deal during the 1930s.² In Chicago and Los Angeles, participants in the New Deal, occupying positions across the political spectrum, subsumed their debates over public and private power and the relationship between individuals and the state within a larger process of defining the composition of "government" itself. At the local level, the New Deal took shape through the contest for control over federal programs, restructuring the ways in which civic authority provided the justification to direct public policy.

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⁻⁻Upton Sinclair in Co-op: A Novel of Living Together (1936)¹

¹ Upton Sinclair, Co-op: A Novel of Living Together (New York: Farrar & Rinehart Inc., 1936), 261.

² James Holt, "The New Deal and the American Anti-Statist Tradition," in John Braeman, Robert H. Bremner, and David Brody, eds., *The New Deal: The National Level* (Columbus: Ohio State University, 1975), 27-49; see also, Kim Phillips-Fein, *Invisible Hands: The Making of the Conservative Movement from the New Deal to Reagan* (New York: W.W. Norton, 2009), 3-25.

New Deal programs were in operation before anyone really developed a definition of what the "New Deal" would mean for the evolution of American political economy. Recognizing the lag between the implementation of New Deal programs and the development of an ideological consensus regarding their meaning requires a shift from asking what the New Deal was to how the New Deal operated. Local operatives made the New Deal through their efforts to ensure federal programs conformed to local need, rather than through their expectations of what a centralized government might provide. In this regard, the dissertation follows what William J. Novak has describes as a pragmatic reading of the American state to outline, as Novak describes, a state infrastructure where private and public power was "woven into the everyday substructure of modern social and economic organization." Through Novak's analysis of state power, public and private entities are not only intertwined, but the shifting boundaries of their convergence and overlap moves to the center of the story. State development was not a tug of war between distinct sovereignties at the local and national level, but a process of negotiation over what forms state expansion would take. In other words, it was a process where participants in the New Deal defined the state as it functions rather than through an argument between supporters and opponents of the New Deal over the effectiveness of a coherent set of policies. The 1930s were a period in which the social and political hierarchies created through early twentieth-century capitalism had lost their aura of inevitability and, at least until a new accommodation between the state and business occurred during World War II, the question of who had legitimate claim to implement federal policy at the local level remained in question throughout the decade. As such, the New Deal era was a time of great upheaval in local politics as individuals confronted the limits of industrial capitalism by exploring a diverse array of programs to use the federal state to sustain local community.

³ William J. Novak, "the Myth of the 'Weak' American State," *American Historical Review* 113 (2008), 764.

In Sinclair's novel, Charlie Day is an ex-advertising executive who first floated the idea of a self-help cooperative while sharing an abandoned concrete sewer pipe with other depression-era squatters. He welcomed federal support to expand the cooperative's activities, but worried that centralizing cooperative activities under government authority would generate instability and lead to the eventual collapse of the cooperative movement in California. Another cooperative member explained their experience with government to date, "That is the kind of thing we've been seeing in the government service—endless muddlement and confusion and change of plan. We are told one thing, and then a week later we are told that there have come revised instructions, or that somebody has been replaced, and that we have to fill out a lot of new blanks and prepare a new set of affidavits." Sinclair was anything but a conservative critic of bloated and inefficient government. Yet his story of the cooperative movement illustrates the way progressives understood the virtues of decentralized state power. Looking at federal policy from the bottom up, there seemed to be a different New Deal almost every day. In part by intent and in part out of practical necessity, the management of New Deal programs often fell to reallife Charlie Days; an administrative cohort of individuals managing federal programs under the belief that the federal government was ill-equipped to manage its own affairs.

These individuals justified their influence in the New Deal administration by virtue of their positions in the private sector. Their involvement in setting up the New Deal state shows how porous and volatile the boundary between private and public authority was during the period of state expansion. In each city, debates over federal policy were as much about determining what local control meant as they were about preserving that control in the context of federal expansion. The unprecedented scale and decentralized structure of federal expansion meant that, initially, control over the New Deal fell to the cohort of private individuals and organizations

⁴ Sinclair, Co-op, 262.

who benefitted the most from preserving local practices. Their stewardship in the early years of the depression combined with the democratizing force of decentralized federal expansion to create a unique structure in each city for both political activism and conservative retrenchment during the New Deal.

In the language of New Deal anti-statism the federal program remained in constant danger of becoming corrupted through politicization. "Politicization" itself had many guises; it could mean the use of federal funds by elected officials to further their own ambitions, the mobilization of outsiders coming in to upset established practices in the local political economy, federal support for a single narrow local interest to the detriment of others, or government structured pluralism. Although at times contradictory, the language of politicization served as a justification for participants in the New Deal to maintain control over federal programs.

Community control would provide the insulation necessary to keep the New Deal from becoming politicized. As such, the community itself became intertwined within the functioning of the New Deal administration and it was in the context of federal expansion that new forms of community activism, the organization of interests, and local power emerged to exercise control and influence over federal policy.

These debates over the control of state power did not fall into a simple binary of progressive-minded centralized state building dueling against narrow self-interests committed to indirect local control. Just as often, proponents of state power saw decentralization as the most effective means to implement policy, while others, hoping to limit the reach of state power looked to the legislative arena to reign in what they saw as excesses in New Deal democracy.⁵

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⁵ Elisabeth S. Clemens discusses the advantages of "indirect government" for the exercise of state power in "Lineages of the Rube Goldberg State: Building and Blurring Public Programs, 1900-1940," in Ian Shapiro, Stephen Skowronek, and Daniel Galvin, eds. *Rethinking Political Institutions: The Art of the State* (New York: New York University Press, 2006), 189.

Both federal and local administrators understood that the New Deal was at its best when it was grounded in local practices and they actively solicited community engagement. In doing so, federal programs made community politics more fluid as new coalitions formed and different strategies of political activism emerged to lend shape to the New Deal's structure of indirect government. Using a comparison of Chicago and Los Angeles, the dissertation outlines the relationship between the implementation of New Deal programs and shifts in community politics. In each city, federal expansion widened the scope of political participation, but in doing so, anchored federal policy within the day-to-day practices of the local political economy.

Historians taking the top down view of the New Deal place the legislative process in the foreground, looking at the implementation of policy, if at all, in terms of how it reflects the compromises and ideals of lawmakers in Washington DC. The "chaos of experimentation" Richard Hofstader describes flowed, in his analysis, from Roosevelt's own acuity with improvisation. Similarly, William Leuchtenburg provides an early look at the limits of the "Roosevelt Revolution" while still placing the president at the center of the era's political upheavals. More recently, historians have begun to describe the New Deal as more than an extension of Roosevelt's personality. Jason Scott Smith places federal spending at the heart of his interpretation of the New Deal, grounding New Deal liberalism in a program of "state-sponsored economic development." Ira Katznelson continues the trend of looking beyond Roosevelt to find new narratives for the New Deal. Katznelson situates the New Deal within a global sense of crisis, which allows him to simultaneously extoll the accomplishments of New Dealers' drive to preserve American democracy while exploring a series of Faustian bargains

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⁶ Richard Hofstadter, *The Age of Reform: From Bryan to FDR* (New York: Random House, 1955), 307.

⁷ William E. Leuchtenburg, *Franklin D. Roosevelt and the New Deal, 1932-1940* (New York: Harper & Row, 1963), xv.

⁸ Jason Scott Smith, *Building New Deal Liberalism: The Political Economy of Public Works, 1933-1936* (Cambridge: Cambridge University Press, 2006), 22.

New Dealers felt compelled to enter into with antidemocratic forces both at home and abroad, the most notable being the leeway given to powerful Congressional leaders from the south to allow for the continuation of the region's Jim Crow regime. Katznelson's study provides a window into how a sense of "permanent fear" became intertwined with American political development. Yet by moving Congress into the foreground, he does little to really challenge the overarching sense, uniting both the triumphalist narrative of the New Deal with new left critiques, that the New Deal is best understood by asking what the state could provide to the people, as opposed to how federal expansion shifted the ways in which people experienced and participated in the shaping of state policy.

Without taking away from the New Deal's legislative accomplishments, this study shows how most of the initiatives coming out of Washington DC were often more administrative than programmatic in nature. Legislation such as the National Industrial Recovery Act and the Agricultural Adjustment Act contained contradictory approaches to the problems they were designed to administer and delegated the resolution of those contradictions to a decentralized cast of agents charged with administering the programs' implementation. ¹⁰ As John Joseph Wallis shows, approximately 75% of the growth in federal expenditures between 1933 and 1940 occurred through decentralized administrative structures based in a cooperative relationship between national and local governments. ¹¹ The New Deal's development can then be traced through the evolution of its administrative structure, rather than legislative debates. When individuals in Chicago and Los Angeles related domestic politics to the global rise of fascist and

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⁹ Ira Katznelson, *Fear Itself: The New Deal and the Origins of Our Time* (New York: Liveright Publishing Corporation, 2013), 9 and 43.

¹⁰ Kenneth Finegold and Theda Skocpol recognize the administrative nature of New Deal programs in their discussion of state capacity to administer the NRA and AAA in Finegold and Skocpol, *State and Party in America's New Deal* (Madison, University of Wisconsin Press, 1985).

¹¹ John Joseph Wallis, "Why 1933? The origins and Timing of National Government Growth, 1933-1940" in Robert Higgs, ed. *Research in Economic History: A Research Annual Supplement 4: Emergence of the Modern Political Economy* (London and Connecticut: Jai Press inc., 1985), 3-4.

communist regimes, they did not see elected politicians in Congress as the best insulation against European-style dictatorship, but rather grounded their visions of economic recovery in a network of agencies that would provide local actors with a great deal of leeway to experiment with new programs, tailor federal policy to local conditions, and encourage community engagement. From early relief grants to the NRA, and later the WPA, the New Deal remained organizationally decentralized, but the nature of that decentralization shifted over time and according to changes in the local political calculus. These transformations occurred as policy changes in Washington and political activism at the grassroots created a sense of upheaval at the "grasstops" level of local politics where New Deal policies were primarily managed in each city. The proliferation of government services and agencies increased the amount of contact points between citizens and the state. During the New Deal, these contact points, where federal programs became administered locally, helped form a new range of local politics geared towards a federalized state that brought together local, state, and national governments as well as incorporating private power with public authority.

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Chicago and Los Angeles: The Progressive City and the Modern City

Chicago and Los Angeles share a common mythology as cities willed into existence. It is a mythology that demonstrates the centrality of private-sector governance guiding each city's development. In 1871, the Great Chicago Fire ravaged the city, destroying the homes of rich and poor and laying ruin to over 2,100 acres. In the face of such unprecedented disaster, Chicago mayor Roswell Mason turned to the city's wealthiest citizens, who were already organized

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¹² Elizabeth Tandy Shermer, Sunbelt Capitalism: Phoenix and the Transformation of American Politics (Philadelphia: University of Pennsylvania Press, 2013) and Philip Selznick TVA and the Grass Roots: A Study in the Sociology of Formal Organization (New York: Harper Torchbooks, 1966).

¹³ Tom Sugrue, "All Politics is Local," in Meg Jacobs, William J. Novak, and Julian E. Zelizer, *The Democratic Experiment: New Directions in American Political History* (Princeton: Princeton University Press, 2003), 301-307.

through the Chicago Relief and Aid Society and well accustomed to leading the way in civic policy, to guide the relief and recovery effort. 14 The city that emerged from the ashes would stand at the center of economic growth and social development during the late 19th and early 20th centuries. Fueled by its position as a transportation hub, Chicago became a center of both industry and commerce. Alongside its economic growth, Chicago also became, as Dominic Pacyga describes, "The Capital of Radicalism." In 1873, Chicago boosters looked at the emergence of social revolutionaries as a point of pride, a sign that Chicago could be counted among other world class cities, but by the Haymarket Affair of 1886, the city's elite used its financial power to build up the police force as a bulwark of order to keep the no longer so quaint local radicals in line. 15 Chicago was a model of both capitalist excess and radical resistance. These tensions made the city an epicenter for Progressive Era attempts to manage economic growth, pulling together, in Jane Addam's comparison of George Pullman to Shakespeare's King Lear, warring members of the same family to realize their common obligations to each other. 16 Progressive reform did not end the conflict between capital and labor, but their efforts helped keep the question of order and harmony between capital and labor at the forefront of economic debates in Chicago.

By the eve of the depression, as Andrew Cohen describes, there were two political economies in Chicago: The first, marked by extremes in capitalist expansion, was the corporate economy. Dominated by large firms serving the national economy and marked by distinct class differences between capital and labor, the corporate economy was ruled by a close-knit elite who

¹⁴ Dominic A. Pacyga, *Chicago: A Biography* (Chicago: University of Chicago Press, 2009), 77-80. For a study of class and social divisions in relation to the fire and rebuilding efforts see Karen Sawislak, *Smoldering City: Chicagoans and The Great Fire, 1871-1874* (Chicago: University of Chicago Press, 1995).

¹⁵ Pacyga, *Chicago: A Biography*, 89; Sawislak, *Smoldering City*, 261; and Sam Mitrani, "Reforming Repression: Labor, Anarchy, and Reform in the Shaping of the Chicago Police Department, 1879-1888," *Labor: Studies in the Working Class History of the Americas* 6 (2009): 73-96.

¹⁶ Jane Addams, "A Modern Lear," Speech given to Chicago Women's Club, 1896. http://en.wikisource.org/wiki/A Modern Lear [accessed September 20, 2013).

saw the role of government as limited to legal protections of property rights. This elite preferred to consolidate economic control through merger rather than association and advocated a personal style of labor relations premised upon workers' subordination to employer paternalism. As Cohen summarizes, "Taken together, corporate businessmen advocated a private economy governed by corporations assisted by courts." In contrast, Cohen describes the craft economy as a public economy composed of the teamsters, construction workers, delivery services, barbers, shop owners, and local ward bosses and politicians who provided the essential goods and services for the city's economy. For Cohen, relations between the craft and corporate economy were deeply contentious and represented two irreconcilable views of modernity. Yet when the depression hit, Chicago's diverse network of elites in both the corporate and craft economy assumed positions of leadership in a climate of crisis, just as their counterparts had during the Great Fire. On private and public relief commissions, leaders in the craft and corporate economies worked side by side, reinforcing both the benevolent charity organizations funded by the corporate elite and the economic agreements codified in the craft economy.

Where Chicago was marked by its interconnectedness within the national market, as a central railway hub and industrial innovator in processing and shipping goods, the main distinguishing factor for the Los Angeles economy was its isolation. Until World War II, the city imported most manufacturing goods from the east, making service and trade industries the backbone of employment. The industrial base for Los Angeles, and California as a whole in the pre-depression and depression years, lay in extractive industries, agriculture and oil in particular. During the early twentieth century, organized labor had little success reaching these fields. The

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¹⁷ Andrew Wender Cohen, *The Racketeer's Progress: Chicago and the Struggle for the Modern American Economy, 1900-1940* (New York: Cambridge University Press, 2004), 21-37; quote on 37. For employer paternalism and labor relations see also Edward L. Ryerson, *The Ryerson Chronicle, 1886-1964* (Chicago: printed privately by Johns-Byrnes Company, 1964), 18-20. A copy of the book is available at the Newberry Library in Chicago. ¹⁸ Cohen, *The Racketeer's Progress*, 16-21.

city's other fledgling industries served primarily a regional and local market, adding to the insularity of its political economy. These industries included both labor-intensive manufacturing including garment work, food processing and furniture building as well as capital-intensive branches of national corporations including tire and auto manufacturing. Los Angeles factories employed fewer workers on a per plant basis than San Francisco, Detroit, Chicago, Cleveland, or Pittsburgh, which meant workers were more spread out across firms rather than concentrated in large populations at a single site. 19 As a result, the Los Angeles business elite developed a different set of dynamics than their counterparts in Chicago. They saw the efficiencies of scale achieved by corporate leaders in Chicago as a model for the city's economic development. But where large-scale production, such as in the packing industry, emerged in Chicago as a means for individual firms to gain competitive advantage, in Los Angeles those efficiencies became incorporated into a city-wide plan to model the success of Chicago's economic growth while achieving those results through associational cooperation rather than a competitive process of consolidation. The "balanced prosperity" campaign, chartered in 1921 by the Los Angeles Chamber of Commerce, pioneered a regional development plan based in acquiring a diversified industrial base through the recruitment of outside firms. The program would later provide a model not only for the development of the United States sunbelt in the 1940s and 1950s, but also for economic modernization campaigns in Ireland, Taiwan, Puerto Rico, and Yugoslavia. This was an evolutionary project; to take the examples provided by corporate competition in established industrial cities like Chicago and build, what the Chamber of Commerce described as "a land of smokeless, sunlit factories, surrounded by residences of contented, efficient

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¹⁹ Louis B. Perry and Richard S. Perry, *A History of the Los Angeles Labor Movement, 1911-1941* (Berkeley: University of California Press, 1963), 523-525; Mike Davis, "Sunshine and the Open Shop: Ford and Darwin in 1920s Los Angeles," Tom Sitton and William Deverell, eds., *Metropolis in the Making: Los Angeles in the 1920s* (Berkeley: University of California Press, 2001), 99; Arthur P. Allen and Betty V.H. Schneider, *Industrial Relations in the California Aircraft Industry* (Berkeley: University of California Institute of Industrial Relations, 1956), 1-9.

workers."²⁰ The city's elite saw federal funds provided by New Deal as an opportunity to advance their plans for development, while describing the democratic energies released through the expansion of federal programs as a threat to their benevolent stewardship over the economy stemming from the intrusion of outside agitators.

In Los Angeles, the boosters were packaging and marketing an idea, a business utopia based in an exceptionalist reading of the city designed to attract both the investment and the proper workforce needed to keep industrial growth in Los Angeles free from the labor strife of its eastern counterparts. At the center of this business utopia was city boosters' idea that Los Angeles stood as the last remaining "white spot" in America. The term "white spot" could entail a range of distinguishing characteristics from the city's open shop economy, to its status as a place of refuge from the problems of immigration and urbanization that plagued other cities. Eric Avila emphasizes the racial order of Los Angeles describing how "local boosters ensured that their version of the city myth appealed to whites only and acknowledged the presence of nonwhite peoples only to the extent of their capacity to provide cheap but invisible labor." In festivals like the annual "Fiesta de Los Angeles," city leaders romanticized the region's Spanish heritage while marginalizing Mexican workers into an artifact of the past by asking them to attend in "native dress" to play roles that accentuated the city's evolution from its colonial past.²¹ The social hierarchies of the "white spot" rhetoric were interchangeable with the rhetoric of Los Angeles as the "last citadel of the open shop." Both were cornerstones of the boosterism and propaganda that city elites fashioned into an urban ideology, making Los Angeles into what

²⁰ Davis, "Sunshine and the Open Shop" Shermer, *Sunbelt Capitalism*, 5, and Shermer, "Sunbelt Boosterism: Industrial Recruitment, Economic Development, and Growth Politics in the Developing Sunbelt," in Michelle Nickerson and Darren Dochuk, *Sunbelt Rising: The Politics of Place, Space, and Region* (Philadelphia: University of Pennsylvania Press, 2011), 43. Chamber quote in Davis, "Sunshine and the Open Shop," 98.

²¹ Eric Avila, *Popular Culture in the Age of White Flight: Fear and Fantasy in Suburban Los Angeles* (Berkeley: University of California Press, 2004), 20 and John H.M. Laslett, *Sunshine was Never Enough: Los Angeles Workers, 1880-2010* (Berkeley: University of California Press, 2012), 20-21.

Carey McWilliams describes as "the paradise of the professional patriot and the red baiter."²² The open shop political economy in Los Angeles became projected into a moralistic framework for the city's society as a whole. The business elite in the Chamber of Commerce worked to nurture a sense of elite cooperation while planning for "balanced prosperity." At the same time, they publicized the benefits of elite stewardship through a campaign that emphasized individual material security and extolled the region's bounty of high homeownership, pleasant weather, and abundant agriculture. Even those who sought to place limits on the Chamber's political power or, in the case of the self-help cooperatives, provide alternatives to the profit motive, still framed their arguments around the individualist rhetoric that sustained the "white spot" myth.

As archetypes, the comparison between elites in Chicago and Los Angeles shows how figures in the private sphere enlisted government to preserve established hierarchies and economic practices in Chicago and, for Los Angeles, utilize federal funds to pursue future growth. But the New Deal did not evolve simply through the efforts of the local elite in each city. When the Chicago leaders of the craft and corporate economies came together to facilitate the transition from private to public relief, they grounded the recovery effort as a campaign to jumpstart the local economy. In this way, unemployment relief did not become as stigmatized as in Los Angeles, where city leaders worried that a generous relief dole might attract indigents from across the country. As emergency relief gave way to planned recovery, the National Recovery Administration provided an umbrella for a diverse range of private organizations to pursue their own visions of economic rationality backed by a decentralized and ill-defined federal presence, which played out very differently in each city.

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²²Carey McWilliams, *Southern California: An Island on the Land* (Salt Lake City: Peregrine Smith Books, 1973), 293.

In Chicago, craft control over the Civil Works Administration and the ascendency of company unions in large industrial firms made it clear how little the New Deal offered to African-Americans in particular and industrial workers as a whole. The CIO, as an expression of class-consciousness, emerged from a political reality where industrial workers stood apart from both paternalistic employers and their unionized counterparts in the craft economy. Organizations like the National Association for the Advancement of Colored People and the Chicago Urban League directed their appeals to federal administrators in Washington, arguing that the local elite had hijacked the New Deal for their own gain. Likewise, the CIO gave voice to those workers already organized in company unions to challenge both the monopoly that the trade unions had as representatives for labor and the control that corporate elites in steel and meat packing exercised over their workplaces. Their appeals for federal support, however, still came in the service of strengthening positions in the local economy. Lizabeth Cohen describes the growth of the CIO as a culture of unity that provided a bridge for workers to organize into an electoral coalition based in class rather than ethnicity. But the neat lines of the New Deal electoral coalition masks the different ways in which federal expansion supported conflicting views of the state. In the African-American community, for example, the elite and working class grew further apart as each group pursued different visions of the New Deal, one based in traditional uplift and the other flowing from a class-focused understanding of economic citizenship.²³ In Chicago, efforts to gain influence in local and federal politics coincided, which turned New Deal politics into an exercise in building strength and support in the community.

²³ For studies of class difference in the black community, see Preston H. Smith II, *Racial Democracy and the Black Community: Housing Policy in Postwar Chicago* (Minneapolis: University of Minneapolis Press, 2012); Roger Biles, *Big City Boss in Depression and War: Mayor Edward J. Kelly of Chicago* (DeKalb: Northern Illinois Press, 1984), 96; Charles Russell Branham. "The Transformation of Black Political Leadership in Chicago, 1864-1942" (Ph.D dissertation, University of Chicago, 1981), 339-340; Jeff Helgeson, "Striving in Black Chicago: Migration, Work, and the Politics of Neighborhood Change, 1935-1965" (Ph.D Dissertation, University of Illinois at Chicago 2008), 46-129 and 192-197.

The collapse of the open shop economy in Los Angeles certainly owed a great deal to federal labor provisions in the National Industrial Recovery Act and Wagner Act, but challenges to the business elite's leadership came from a wider array of sources than federal labor law. The cooperative movement emerged in large part due to both the mismanagement of relief programs in the early years of the depression and a pervasive sense that unemployment was not an individual failure requiring a charitable dole but, rather, evidence of the chamber's failure to direct economic development, illustrated by the presence of surplus workers and surplus commodities; hunger amidst plenty. Advocates of a production-for-use economy described the depression as a failure of economic management, organizing the flow of workers and commodities. However, with the New Deal, the problems of administration in Los Angeles tended to be more a complete absence of management than any failure emerging from a coordinated policy. Compared to Chicago, control over the New Deal in Los Angeles constantly fluctuated with very little central coordination at the local level. With the continual shuffling of administrative responsibility, a language of corruption, special interests, and outsider influence became especially salient in conflicts over control of federal policy. These debates culminated with the recall of Los Angeles Mayor Frank Shaw by an unlikely coalition that included good government reformers, members of the Chamber of Commerce, the local branch of the Communist Party, the CIO, and the city's moral crusaders. Shaw's replacement, Fletcher Bowron straddled the line between pro-growth development and liberal planning by emphasizing good government trustworthiness over a clearly defined ideological platform.

Most local studies of the New Deal tend only to reaffirm Leuchtenburg's claim that the New Deal remained a "halfway revolution," if, in some cases, it could even be considered a revolution at all. In his study of the relationship between the New Deal and the states, James

Patterson concludes "the New Deal, far from being a dictatorial blueprint, was more like an over used piece of carbon paper whose imprint on the states was often faint and indistinct." Decentralization, for these authors, acts as a fatal flaw preventing the fulfillment of the New Deal agenda through the inability to transcribe policy goals from national legislation to local implementation.²⁴ The premise behind these arguments is that the New Deal, as a statist project, must include centralizing authority and control in Washington DC. My argument is the exact opposite; it was national administrators who acted as a limiting factor in what were otherwise locally directed programs utilizing federal funds. The limits held in place by national directors tended to be primarily in terms of eliminating corruption and providing some sense of regulation to enforce a more fair distribution of federal funds. Yet these were goals that were not forced down upon the local level but were shared by different elements of the New Deal coalition already. By describing local politics as a limiting force that prevented an otherwise fully realized national agenda from coming to fruition, these local studies imply a level of coherence both in terms of ideology and policy at the national level that did not exist. My point here is that assessing the degree of conservatism or radicalism in the New Deal in terms of the fulfillment of an ideologically coherent national agenda is to judge the New Deal in terms of what historians may have thought a statist revolution should look like rather than what actually occurred during the 1930s.

The comparison between Chicago and Los Angeles helps situate the New Deal within longer trends of progressive reform as well as understanding the New Deal's role in postwar

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²⁴ William Leuchtenburg, *Franklin D. Roosevelt and the New Deal* (New York: Harper and Row, 1963), 347, James T. Patterson, *The New Deal and the States: Federalism in Transition* (Princeton: Princeton University Press, 1969), 126; see also the introduction in John Braeman, Robert H. Bremmer, and David Brody, eds. *The New Deal: The State and Local Levels* (Columbus: Ohio State University Press, 1975), ix-xiv. In her study of Baltimore, Jo Anne Argersinger finds that federal programs encouraged local engagement but ultimately concludes that her study conforms to other local studies that point to the conservative application of New Deal programs. Argersinger, *Toward a New Deal in Baltimore: People and Government in the Great Depression* (Chapel Hill: The University of Carolina Press, 1988), xvi-xvii.

politics. Each city crafted its own version of the New Deal based in local conflicts over the nature of state power. In Chicago, the early New Deal operated through established associational networks, framing debates over the role of federal policy in terms of preserving and building up established networks or in providing a vehicle for advancement through community organization. In Los Angeles, conservative business leaders and progressive democrats both harbored visions of modernity and looked to the New Deal to help advance growth and development in the city. They may have clashed over the specific meaning of progress, but where, in Chicago, New Dealers gradually came to prioritize social stability over economic growth, in Los Angeles, federal programs became tied to local plans to promote municipal development. In each city, the local arena served as more than just a space for the transmission of federal policies, from center to periphery, but rather, locally oriented political conflicts shaped the administration of New Deal politics exerting a creative force in determining the impact and meanings of federal programs in each city. 25 These local actors wrestled with the same questions as New Dealers at the nation level, determining a role for federal programs while navigating the emerging contours of a post-industrial economy. ²⁶ Their efforts, however, resisted centralized planning and reflect a political tradition that does not easily fit within the dichotomy of centrally managed liberal statism and conservative free enterprise that eventually came to dominate debates over government reform in the Cold War era. Though they seldom agreed on the specific direction of New Deal programs, local actors pursued a form of extra-government politics,

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²⁵ Gerald Berk emphasizes the creative potential of institutions through a theory of creative syncretism. See Berk, "The National Recovery Administration Reconsidered, *or* Why the Corrugated and Solid Fiber Shipping Container Code Succeeded," *Studies in American Political Development* 25(April 2011): 56-85.

²⁶ For an overview of debates between mature and growth-based economic policy at the national level see Alan Brinkley, "The Late New Deal and the Idea of the State" in *Liberalism and its Discontents* (Cambridge: Harvard University Press, 1998), 37-62.

employing the New Deal to preserve or advance claims for power within a decentralized state that continuously blurred the line between public authority and private-sector influence.

Chapter One

Keeping the Wheels Going Round

"The well-staged bluff of the RFC was used frequently to conserve the funds in dealing with greedy or desperate states. Many important conferences were held with local politicians and citizens brought before the solemn tribunal of the RFC... All this scenery helped avoid the eventual dependence upon direct grants of federal funds but those of us who watched the wheels go round never really doubted our ability to force approval at Washington of such loans." Edward Ryerson, "Out of the Depression"

For Edward Ryerson, those who watched the wheels carried a great deal of responsibility. The remarks demonstrate Ryerson's high regard for Chicago as a city that knew how to handle its own affairs through the oversight of an influential civic elite who did not need to be bothered by the standard provisions of federal policy used to discipline less responsible locales. Ryerson's remarks capture how, in Chicago, private individuals drafted into positions in New Deal agencies conceived of federal expansion as a private affair. To operate effectively, federal policy had to remain beyond the reach of politicians. In Chicago, there was a wide range of individuals who felt they saw the wheels moving round. Their efforts to guide the New Deal through its early years reflected both the desire to keep the wheels spinning and the debate over their proper direction.

The New Deal, especially during its early years, constantly fluctuated. Departments reorganized, policies shifted, and local relief offices remained in a steady state of crisis never knowing when the burden of unemployment would be placed back on their shoulders because of decisions in state and federal capitals. As a result, local civic institutions and non-political private networks seemed more permanent and, more important, in the face of shifting and transitory federal programs. In December 1933, while the dust settled from Franklin D.

¹ Edward L. Ryerson, "Out of the Depression," *The Survey* v. LXX, no. 1, January 1934, 3. [listed as Exhibit 2 in Edward L. Ryerson, *The Ryerson Chronicle, 1886-1964* (Chicago: printed privately by Johns-Byrnes Company, 1964). A copy of the book is available at the Newberry Library in Chicago.]

Roosevelt's first 100 days in office, Lea Taylor of the Chicago Commons Settlement reminded members of the National Federation of Settlements that at the end of the first year of the New Deal, "The settlement rootage in its community is one of its most valuable assets in these days of change...Families find themselves in a vortex of change. Agencies for relief are formed and reformed, grow and vanish. Schools start new services then cut them all off. The NRA, the ERA, the AAA, the CWA, all reflect themselves in the mirror of our neighborhood life." Although Taylor was speaking to the settlement community, her understanding of the New Deal would have found a welcome audience among the directors of Chicago's charity organizations and among its craft union leadership, who saw federal assistant as a way to keep what they saw as a more permanent set of private institutions and agreements stable during the Great Depression.²

As the federal state moved to the center of American politics over the course of the 1930s, the implementation of policy remained decentralized and, in Chicago, rested in the control of a heterogeneous mix of civic leaders that included the business elite, settlement house reformers, and leading figures in the city's trade unions. The "chaos of experimentation," as Richard Hofstadter once characterized the New Deal, made local organization a more powerful force for directing New Deal programs.³ Despite Chicago's reputation as one of the last standing political machines, the city's early New Deal programs had little central direction and instead

² Lea Taylor, "A Message from the President of the Federation" National Federation of Settlements, November-December bulletin, 1933, box 3, folder "National Federation of Settlements, July – December, 1933" Lea Taylor Papers, Chicago History Museum (CHM).

³ Richard Hofstadter, *The Age of Reform: From Bryan to F.D.R.* (New York: Vintage Books, 1955) 307. John Joseph Wallis provides a useful distinction between "federal" and "national" government. Where federal government, Wallis reminds us, "denotes programs involving the cooperation of the national, state, or local governments." See Wallis, "Why 1933? The origins and Timing of National Government Growth, 1933-1940" in Robert Higgs, ed. *Research in Economic History: A Research Annual Supplement 4: Emergence of the Modern Political Economy (London and Connecticut: Jai Press inc., 1985)*, 3.

consisted primarily of federal funds directed through semi-public channels by private citizens serving in temporary public roles.⁴

My interpretation of decentralization during the New Deal describes local control as a creative shaping force on the New Deal rather an impediment in a nationally directed movement towards a centralized social welfare state. Describing the New Deal as, in James Patterson's phrasing, "an over used piece of carbon paper whose imprint on the states was often faint and indistinct" risks putting the cart before the horse in terms of how the state developed. ⁵ Historians generally cite Roosevelt's desire not to alienate the powerful conservative bloc of southern Democrats as the root of a New Deal localism that prevented federal programs from more far reaching progressive reform. However, the realities of an American state that is at its most powerful when "out of sight," combined with New Dealers own desire to work through local political arrangements caused the expansion of federal programs to have an invigorating impact local politics. Localism varied widely during the New Deal according to political context at the local level. In New York, for example, Mason Williams argues that the city lacked the dense network of private business organization required for the "associational state" and, due in part to his close friendship with Roosevelt, Fiorello La Guardia had the freedom to institutionalize an ideological agenda that saw government as an agent for strengthening the welfare of the polity as a collective whole. In contrast, there was little ideological cohesion behind the implementation

⁴ Roger Biles comments that the Chicago machine benefitted as much from the "perception" that it controlled certification processes under the New Deal as it did from any amount of control itself. See Roger Biles, *Big City Boss in Depression and War: Mayor Edward J. Kelly of Chicago* (DeKalb: Northern Illinois University Press, 1984), 75-76.

⁵ James T. Patterson, *The New Deal and the States: Federalism in Transition* (Princeton: Princeton University Press, 1969). 126.

⁶ Brian Balough, A Government Out of Sight: The Mystery of National Authority in Nineteenth-Century America (New York: Cambridge University Press, 2009) and William J. Novak, "the Myth of the 'Weak' American State," American Historical Review 113 (2008): 752-772.

⁷ Mason B. Williams, *City of Ambition: FDR, La Guardia, and the Making of Modern New York* (New York: W.W. Norton & Company, 2013); see page 331 for the discussion of the city's business elite's lack of policy knowledge.

of federal programs in Los Angeles and federal agencies instead became an arena for business associations and progressive insurgents to compete over municipal leadership. In Chicago, the New Deal initially operated as a subsidy, supplementing relief efforts already in place and reinforcing the extra-governmental authority of trade union leaders and the business elite. The city was not free from the racial hierarchies that drove the powerful southern lobby and the threat that New Deal programs might calcify racial and gender inequality animated a new wave of local political activism directed towards the civic elite in Chicago. Federal directives provided a break or a set limits on a locally directed federal program, in particular guarding against corruption and establishing minimal standards of inclusion in regards to race and gender. Corruption, in Chicago, meant primarily the hijacking of federal programs by elected officials to garner votes. As a result, concerns over corruption pushed control over federal programs further into the private sector to act as insulation against the ambitions of elected officials.

This chapter covers the transition from locally administered and privately directed relief campaigns during the latter years of Hoover's presidency to the early stages of New Deal programs. The story here, however, is a history of people who did not know they were making a New Deal. I follow Lizabeth Cohen in showing how local charitable and community resources gave way under the weight of the depression and trace the influx of state and federal money to meet the unprecedented demands of unemployment, but I emphasize the persistence of local political conflicts as a fundamental process shaping the New Deal in Chicago. Chicago's industrial workers may have believed, in Cohen's words, that by the end of the decade "their futures depended on centralized, national political movements like the CIO and the Democratic Party." But they arrived there, along with the city's trade unionists, business leaders, settlement

⁸ Lizabeth Cohen, *Making a New Deal: Industrial Workers in Chicago, 1919-1939* (Cambridge: Cambridge University Press, 1990), 360.

workers, and African-American community leaders, through a continued investment in the struggle for local control over New Deal agencies. In Chicago, the decision to operate early New Deal programs informally through established local organizations and routines created a precedent for the decade as struggles over the New Deal consisted of contests for access to and influence within networks of civic governance spanning across the institutional lines of New Deal agencies.

Chicago's First New Dealers

The central tension of the New Deal's early years in Chicago was over the boundaries of inclusion within the city's political economy. The city was comprised of a dense patchwork of labor and business networks that made it near impossible for either to cohere into a single class. The city's workforce not only contained divisions of race and ethnicity, but was also divided along an occupational hierarchy where industrial workers toiled en masse in large factories closed off to the public while the strength of organized labor rested in a public economy of teamsters, janitors, building trades, and other small-scale service occupations where divisions between management and employee were less pronounced than in the private industrial economy. While firms with large semi-skilled or unskilled workforces initially tried to provide relief "in-house" in the context of what Lizabeth Cohen describes as "welfare capitalism," the business response to the depression was largely directed by civically active business leaders like Ryerson and Samuel Insull Jr. who worked through private charities and, in doing so, developed the connections that would later make him a valuable member of the emerging New Deal

⁹ Andrew Wender Cohen, *The Racketeer's Progress: Chicago and the Struggle for the Modern American Economy, 1900-1940* (Cambridge: Cambridge University Press, 2004), 15-57.

administrative cohort.¹⁰ It was here that the crisis of the depression created a set of strange bedfellows, as businessmen like Ryerson and Insull and the union leader Victor Olander worked together to administer private donations and, later federal funds through the city's charities and craft economy.

The Ryerson family was well entrenched among the civic elite. They made their wealth in steel warehouses and the family business was second only to CD Peacock Jewelry as the longest continually running business in Chicago. 11 Although he worked in the steel industry, Ryerson had more in common with businessmen like Julius Rosenwald of Sears, Roebuck, and Company, Sewell Avery of Montgomery Wards, and Thomas Donnelly from the Donnelly printing company, all running firms that were more consumer oriented and based in distribution networks than with the large-scale industrial firms like the steel mills and packing houses that, while still playing to a national market, sought profit through efficiencies in production. Ryerson got his start in civic affairs after Donnelly asked him to take over as president of the Employers' Association in Chicago. Donnelly was a fierce critic of unions, but, at the same time, placed a high value on maintaining a skilled workforce and nurtured a non-union craft culture in his printing shops. Like Donnelly, Ryerson believed that peaceful labor relations were based in trust between worker and employer at an individual level. Ryerson was proud of his company's long history of open shop organization and felt that unions were unnecessary so long as the worker could trust "his bosses to do the fair thing in any dispute." Ryerson's concern for social welfare led him to head the city's community fund, serve on the Council of Social Agencies, and sit on the board of the Chicago Commons settlement house. He was friends with President Herbert Hoover and a regular correspondent with Illinois Governor Louis Emmerson. He remained

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¹⁰ Cohen, Making a New Deal, 238-242.

¹¹ Rverson, *The Ryerson Chronicle*, 1886-1964, 18.

¹² Ryerson, Ryerson Chronicle, 19-20.

committed to the virtues of private charity before and after the depression, but he was not dogmatic and threw himself into the solicitation of state and federal funds when private funds proved inadequate. His appeals to Hoover and Emmerson, however, had the nature of personal requests, which reveals an attitude toward the temporary and ad hoc nature of federally funded relief he would carry into his New Deal activities as the first chairman of the IERC. Similar to his views on labor relations, Ryerson saw a virtuous elite as the key to managing expanding government services. And, like a classic conservative, he was willing to change just enough to maintain the status quo.

While the philanthropic business leaders looked to maintain the city's dense network of charity organizations, trade unions became active in relief operations in an effort to fit federal policy into their own existing patterns of economic organization and political behavior. In Chicago, trade unionists tried to make relief policies adhere to what Andrew Cohen describes as a system of craft governance. During the first third of the twentieth century, trade unions policed standards of work and trade to maintain local authority and weaken competitive pressures that would allow national corporations to threaten the smaller local businesses that formed the backbone of the city's craft economy. For Cohen, the craft economy did not exist within or in opposition to formal government regulation, as Cohen states, "The government could be a rival or an ally, but never the sole legitimate regulatory authority." With its army of "walking delegates" policing the boundaries of Chicago's economy, trade unionist's organizational capabilities in the economy at times even surpassed the regulatory power of the city's formal government. As such, the craft economy paralleled private charities as extra-governmental authorities in the city's political economy. Both organizations embraced a particular vision of the New Deal: They welcomed federal assistance and assisted the implementation of relief

¹³ Cohen, Racketeer's Progress, 8.

programs, while jealously guarding their independence against a federal government with at best questionable authority at the local level.

Victor Olander, in particular, became a prominent figure in Chicago's New Deal, his activism propelled by a commitment to preserving organized labor's independence from government control. Elected secretary-treasurer of the Illinois State Federation of Labor (ISFL) in 1914, Olander remained in office until his death in 1949. He occupied a central position in the intersection between informal and formal spheres of political economy in Chicago, which made him key in the evolution of New Deal agencies in the city. For example, in 1930 Olander began receiving and reviewing all applications for corporate charters that related to labor organizations or their activities sent to the Illinois secretary of state. 14 Olander despised the responsibility because of the drain it put on his office to investigate the complaints, but he recognized its importance and refused to support a bill that would have formalized labor overview of charters by shifting the task away from his office to the state Department of Labor. 15 During the depression, Olander's staunch anti-communism and general distaste for a federal dole did not prevent him from working tirelessly within the New Deal administration to shape the implementation of relief in labor's favor. By September 1933, he was simultaneously serving in the IERC, the District Recovery Board of the National Recovery Administration, the State Housing Commission, the Advisory Council of the U.S. Employment Service and as labor representative for the Shipping Code Authority. 16 His distrust of government only furthered his involvement despite the taxing schedule of serving on multiple New Deal agencies all at once. His activities illustrate the manner in which a governing coalition took shape in the early years of

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¹⁴ Cohen, Racketeer's Progress, 289.

¹⁵ Letter Olander to William Greene, March 24, 1933 box 64 Victor Olander Papers, CHM.

¹⁶ Olander to Legislative Committee of Chicago Recovery Administration, September 21, 1933 Folder 66 Richard J. Daley Library Special Collections, University of Illinois at Chicago (UIC).

New Deal programs, stretching across institutional borders to guide federal programs along established local practices. Philanthropic business leaders and trade union leaders did not and could not represent the diversity of Chicago's employers and workers. However, as a narrow public elite, federal funds flowed through these individuals who then used the New Deal to advance their own vision of recovery.

Charitable donations and voluntary employment drives could not pull Chicago out of the depression and, with the profusion of federal funds, those left out of the public elite saw the expansion of government programs as a call for further political mobilization. The leaders of Chicago's "Black Metropolis" feared falling further behind if left outside the new federal state. Members of the Chicago Urban League and the local chapter of the National Association of Colored People (NAACP) lobbied against the discriminatory hiring practices of local contractors managing works projects under the Civil Works Administration (CWA). Their efforts were largely unsuccessful in breaching the citadel of the contract system under the CWA but would find greater success eventually in the Works Projects Administration later in the decade. Out of the settlement houses, the Chicago Workers Committee (CWC) organized with the explicit goal of channeling discontent among the unemployed to influence federal relief policy. The tension between those inside and outside of Chicago's informal political economy drove state formation in Chicago, as the expansion of federal resources made participation in the New Deal a necessity to maintain or improve positions in the local political economy. The threat of unrest over time pushed the local elite to gradually expand access to federal programs, all the while using the New Deal to promote stability within the city's economy.

In sum, Chicago absorbed the New Deal; federal relief programs became incorporated into pre-New Deal civic networks and reflected the city's hierarchies and inequalities. But this

does not mean the city was mired in stasis. Quite the contrary, for federal programs heightened the need for local control adding a bolt of energy to traditional political conflicts while creating new sites to contest the status quo. Compared to the balkanized political landscape of Los Angeles, where progressives and conservatives fortified themselves into intransigent positions, the political battles in Chicago were a battle for the center, leaving room and creating opportunities for compromise. Returning to Hofstadter, he contrasted the New Deal state with the federal state under Theodore Roosevelt, claiming that while the first Roosevelt could assert the state's neutrality "because its leaders claimed to sanction favors for no one, the state under FDR could be called neutral only in the sense that it offered favors to everyone." I want to emphasize the openness rather than the cronyism of this statement. With the federal state still taking shape, the lines between public and private authority were too blurry to have clearly defined meanings of corruption. Rather, charges of corruption indicated conflicts over control of state power more than identifying the corruption of that power.

Coming Apart at the Seams

The Great Depression hit Chicago early and especially hard. Nearly 50% of those employed in the city's manufacturing center in 1927 had lost their jobs by 1933. African-Americans, always the "last hired and first fired," fared even worse; in 1932, nearly half were unemployed. The city's skilled and unskilled workers both joined the ranks of the unemployed. In 1931, skilled workers made up almost 30% and unskilled comprised 27% of the 353,980 unemployed in Chicago. In addition, those still employed saw dramatic declines in wages, with manufacturing dropping to just under 60% of 1929 wage levels and some building contracts dropping to almost 40% of their pre-crash rates. Amidst the economic collapse, the city faced the

¹⁷ Hoffstader, *The Age of Reform*, 307.

relief crisis with a municipal government paralyzed by near bankruptcy after a property tax assessment in 1928 devaluated the city's property by over \$400 million. The decrease in revenues was exacerbated after residents staged a tax strike in 1929. When Mayor Edward Kelly took office in 1933 after Anton Cermak's assassination in March, his first priorities were paying teachers and city employees who had already been working without pay for several months while also creating some semblance of order both in the city's financial accounts and in the streets where rioters at times had to be dispersed with tear gas.¹⁸

In an article titled "Hunger Army' Battles Police," the *Chicago Defender* described the conditions in the city in January 1932, "With charities going broke along with the city and county, throwing thousands of people out of homes and depriving them of food, and with indifferent policemen, reluctant to arrest citizens begging not to be allowed to starve, knowing that they are on the verge of starvation themselves, not having been paid recently, Chicago is facing a situation believed to be more acute than the one that precipitated the fatal riot on Aug. 3 last year." Chicagoans saw an average of 10 relief protests a week in 1932. The city's elite still clung to their belief that a spirit of voluntarism could help the economy right itself without significant structural change. However, over the course of the year, community unrest and rapidly evaporating charity funds forced city leaders to entertain the use of outside funds to sustain local efforts for unemployment relief.¹⁹

The article in the *Defender* described a battle between police and 300 protestors at the Governor's Relief Commission offices in the southside neighborhood of Bronzeville, just a mile

¹⁸ Roger Biles, "Edward J. Kelly: New Deal Machine Builder," in Paul M. Green and Melvin G. Holli, eds. *The Mayors: The Chicago Political Tradition*, 3rd ed. (Carbondale: Southern Illinois University Press, 2005), 113; Cohen, *Making a New Deal*, 241-243; and Barbara Newell, *Chicago and the Labor Movement: Metropolitan Unionism in the 1930s* (Urbana: University of Illinois Press, 1961), 32.

¹⁹ "'Hunger Army' Battles Police," January 16, 1932 *Chicago Defender*, for relief protests in general see Cohen, *Making a New Deal*, 264.

north of 47th street, one of the main thoroughfares of Chicago's "Black Metropolis." As Christopher Reed explains, most of the African-American community in Chicago experienced the depression as "a continuation of the same dismal conditions they had always experienced." The disruptive force of the depression came through social upheaval at the upper strata of the community, rather than the still very real and formidable material deprivations that had a much longer history. In their study of the Black Metropolis, St. Clair Drake and Horace R. Clayton describe the way the depression reversed the standing of professionals in law and medicine with those on fixed salaries. They quote one upper class women explaining, "The post-office man can get credit now where the doctors and lawyers cannot, because people know that he is going to get his money." In addition, a wave of deaths among the black community's civic, political, and religious leaders compounded with numerous business failures, most notably the failures of the Binga State Bank and Douglass National Bank, further eroded the bulwarks of social stability. As Reed concludes, "a community rent by economic depression now faced a dearth of its extraordinary civic, business, religious, and social leaders."

Claude Barnett, founder of the Associated Negro Press (ANP), was one of the remaining elites and used his influence to provide what he felt was a needed sense of order in the community. A product of the Tuskegee Institute, Barnett pursued a program of racial uplift based in his advocacy for the dependability of African-American labor and the untapped potential of the African-American consumer market. He feared that high unemployment among the African-American population would lead to increased levels of criminality, damaging the respectable reputation he so actively courted. Barnett contacted Governor Emmerson to get an African-

²² Reed, *The Depression Comes to the Southside*, 20-22.

²⁰ Christopher Robert Reed, *The Depression Comes to the South Side: Protest and Politics in the Black Metropolis, 1930-1933* (Bloomington: Indiana University Press, 2011), 6.

²¹ St. Clair Drake and Horace R. Clayton, *Black Metropolis: A Study of Negro Life in a Northern City* (New York: Harcourt, Brace and Company, 1945), 545; Reed, *The Depression Comes to the Southside*, 16.

American appointed to the Illinois Department of Public Welfare because he hoped to appoint someone "to make striking stories out of the infinite material which abounds in our courts, shaping them so that they might sound a warning to the wrongdoers, help those whose environments are unfortunate, and arouse the rest of the community to their duty and responsibility."²³ Barnett's appeals to community responsibility did little to calm a general sense of restlessness driving the upheavals on the southside. Clayton and Drake describe black protest in the depression as flowing diffusely through a range of outlets from spontaneous eviction protests, agitation through the communist party, to membership in the NAACP and Urban League, with the latter two agencies shifting policies during the 1930s to respond to the pressures of the depression.²⁴

In general, the winter of 1932 saw all of the unemployed in Chicago grow increasingly impatient with the pace of recovery. Lea Taylor, discussing the situation in Chicago with the Board of Directors of the National Federation of Settlements, reported in January 1932, "for Chicago that the tension had been extraordinary. The city was bankrupt...One crisis after another has had to be faced, and it is all one can do to keep up to date on the situation." Out of all the settlement house associations represented at the national meeting, Chicago was the only city at the time that had settlement workers organizing the unemployed directly. During the 1930s, the Chicago Workers Committee (CWC), which eventually became incorporated as Illinois Workers' Alliance, evolved into the voice of unemployed relief recipients, recognized by both trade unionists and government officials. They achieved this status by working within the

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²³ Claude Barnett to Rodney Brandon December 12, 1929 box 346, folder 1 Claude Barnett Papers Chicago Historical Museum.

²⁴ Clayton and Drake, *Black Metropolis*, 546 and Reed, *The Depression Comes to the Southside*, 24-5, 97.

²⁵ National Federation of Settlements, Meeting of the Board of Directors, January 29 and 30, 1932, box 3, Folder, "National Federation of Settlements, 1932," Taylor Papers.

²⁶ Chas. P Casey, "Final Report of the Illinois Works Projects Administration," 70, April 30, 1943, Government Documents, Chicago Public Library.

relief administration, staging popular demonstrations such as hunger marches on the state capital in Springfield and occupying relief offices in Chicago.

The CWC leadership consisted of second-generation progressives connected through their work in the Chicago Commons settlement house. The group's first president was Karl Borders, assistant head resident of Chicago Commons. Another founding member of the CWC, Lea Taylor, was the daughter of the prominent Chicago Progressive Graham Taylor who founded the Chicago Commons House when she was 11 years old, and she spent the majority of her life living in the settlement. Finally, Frank W. McCulloch, who assumed the leadership position of the CWC when Borders left to work on the Works Project Administration, also grew up in an active progressive family. His mother, Catherine Waugh McCulloch was a lawyer and suffragist and later became the first women to hold a judicial office in the United States when she was elected Justice of the Peace in Illinois. McCulloch's father, Frank H. McCulloch, was also a progressive lawyer who became president of the Chicago Common's board after Graham Taylor died.²⁷ The second generation progressives' concern for justice, along with their understanding of inherent inequalities within the structure of capitalist economy pushed them to embrace a more activist approach to unemployment relief than the trade union and business leaders. However, as a more respectable brand of radicals, compared to the communist unemployed councils especially, settlement workers saw their positions of prestige in the local community became increasingly intertwined with New Deal programs.

The CWC grew out of the belief that the turmoil caused by the depression heightened the need for increased local organization. The settlements, with their "rootage" in those communities hardest hit by the depression, were already serving as de facto centers for unemployment relief.

²⁷ For more on the relationship between settlement houses and depression era relief see Judith Ann Trolander, *Settlement Houses and the Great Depression* (Detroit: Wayne State University Press, 1975), especially 93-106.

They provided emergency relief for families and continued to provide educational and recreational services for adults and children.²⁸ Settlement leaders hoped the CWC could carve out a middle ground, to the left of the civic leaders directing relief programs, but an alternative to the Communist organizations, which the CWC organizers felt were stirring up unrest for their own gain. Frank McCulloch, in handwritten revisions to the first constitution of the CWC stressed that the group called for "organized *democratic* action" and they demanded "immediate *lawful* relief."²⁹ The CWC leaders hoped that through organization and education, they could paint a picture of unemployment as "a constantly recurring fact in our industrial order," rather than a product of individual failure, while pushing for reforms that would create an economic system that placed the right to work "above the interests of private profit in industry and agriculture."³⁰ In short, they believed that the community, as a collective whole, benefitted when each individual had access to productive employment and they were willing to work within the democratic political system to gradually restructure the economy to prioritize community need over individual profit.

Combining their settlement house heritage of community focus with a self-proclaimed socialist understanding of state activism for social justice, the CWC leaders designed the organization to translate popular sentiment into concrete recommendations for relief administration. This was not, however, a grass roots movement *of* the unemployed. As historian Beth Schulman describes the CWC's founding, "The unemployed themselves were not involved in the founding of the Workers' Committee. Instead, an eclectic collection of compassionate

²⁸ Letter Taylor to Col. Edward J. Blair, Work fund Committee, Joint Emergency Relief Fund, March 31, 1932, Box 9, Folder 4 Taylor Papers.

²⁹ "Workers' Committee on Unemployment," typed constitution, n.d. Frank McCulloch Papers Box 4, Folder 1 Chicago History Museum. Typed document with McCulloch's handwritten additions in italics.

³⁰ "Chicago Workers' Committee on Unemployment: Its purpose and Platform, " August 15, 1932 McCulloch Papers, box 4, folder 1.

'intellectuals' attended the first several meetings, held over Friday evening dinners at the Eleanor Club at 17 North State Street." Among the twenty or twenty-five charter "intellectuals," there were several prominent clergymen, academics, labor leaders, lawyers, social workers, and socialists. In the text, Schulman also claims that there were some industrialists among the charter group, but in a handwritten correction, McCulloch, insists that there were no "industrialists" among the CWC's founders. 32

Though the CWC did not begin as a grassroots movement of the unemployed, its leadership willingly allowed the group's day-to-day activities to be set primarily by its unemployed members. Robert Asher, an organizer and early historian of the CWC recalled that "the meeting places were often warmer and more comfortable than the homes of the unemployed; some probably paid their monthly dues of a nickel merely for the comfort, gossip and fellowship." In these meeting places, members cut each other's hair, housed victims of eviction, and set up an informal bartering network trading labor for services. The CWC leaders never repudiated their radical economic goals; however the organization was more a vehicle for working within the relief system lobbying for rent payments, cash instead of grocery script, and other practical changes in relief operations. Because the settlement workers repudiated the revolutionary rhetoric of the Communist Unemployed Councils, relief administrators were more willing to turn to them as representatives of the unemployed, allowing figures like McCulloch and Taylor to cultivate long-term relationships with the federal state. In turn, the unemployed

³¹ Beth Schulman, "'The Workers are finding a Voice:' The Chicago Workers' Committee and the Relief Struggles of 1932," unpublished MA thesis, Northern Illinois University (1987), 10, found in the Frank McCulloch Papers, Chicago Historical Society.

³² Schulman, "The workers are finding a Voice," 12-13.

³³ Quoted in Schulman, "Workers are Finding a Voice," 12-13.

³⁴ Schulman, "Workers are Finding a Voice," 13.

³⁵ McCulloch served on the war labor board during World War II and later as Chair of the National Labor Relations board from 1961-1970. Taylor remained an active New Dealer throughout the decade, serving on housing boards and on several committees investigating child labor and wage conditions among textile workers.

themselves gained a greater voice in relief policy as the CWC organized to ensure that relief decisions were based upon more than economic calculations of dollars and cents.

The majority of the CWC's actions consisted of a series of weekly meetings, which settlement leaders saw as a way to "stir up local opinion for constructive measures on unemployment."³⁶ Settlement workers tried to depict the depression as a community-wide and systemic problem rather than just a burden for the unemployed alone to bear. They held open hearings bringing together the unemployed with others in the community affected by the depression. The meetings served as outlets for expressing discontent as well as forums to discuss practical improvements in "bread and butter" issues for the unemployed. Their goals were twofold: solidifying community cohesion and turning discontent into an institutional force to push change within the system. As the committee evolved, the CWC developed further services to aid unemployed families: At certain settlements, the CWC kept a squad of ten unemployed mechanics on call to turn on gas if the gas company had shut down service or to build new doors if a landlord had boarded up a home. The CWC also kept a list of vacant flats and if a family was evicted, a squad of "shock troops" stood ready to help move the family into one of the apartments. These activities went along way towards building support for the CWC in the unemployed community.³⁷

In January, the CWC organized a weeklong hearing titled, "An Urban Famine: Suffering Communities of Chicago Speak for Themselves." Altogether, 175 people testified at the meeting. Of that number, 83 were unemployed and the remaining 92 included community businesses, landlords, real estate agents, grocers, milk wagon drivers, coal dealers and other merchants as well as representatives from the schools, community health organizations, religious institutions,

³⁶ National Federation of Settlements, Meeting of the Board of Directors, January 29 and 30, 1932, box 3 Folder "National Federation of Settlements, 1932" Taylor papers.

Trolander, *Settlement Houses and the Great Depression*, 99.

and various charity agencies.³⁸ The audience included members of the relief agencies as well as other "responsible citizens," with the idea that speakers' testimony would convert relief statistics into "terms of human situations, of personality and community disorganization." McCulloch remarked in his notes on the meeting that the testimony did more than just list the needs of the unemployed; the focus on human factors over statistics stressed the connections between the unemployed and other members of the community to emphasize the systemic nature of the depression. He explained, "These things in no way minimized the gravity of the situation faced by the community, but tended to reduce intra-community conflict and to strengthen the hands of all the agencies working toward amelioration of the tragic conditions. 40 Members of the CWC also wrote up a brief summary of the hearing and sent copies to the Governor and every state legislator, along with an attachment containing the CWC's "urgent recommendation that the state government should provide additional funds to meet the very critical situation."⁴¹ Here was the institutional function of the CWC; it provided a forum to collect community attitudes towards relief policy and served as a reputable organization to communicate those attitudes to the proper officials.

The CWC founders hoped that the organization would provide a democratic environment encouraging the unemployed to voice their own concerns and hardships. McCulloch further observed that by giving the unemployed a chance to tell their story to a wider audience, including those that had the power to help their situation, the process made the unemployed feel that their own opinions had value which he stated, "helped to stimulate morale in a desperate

³⁸ "An Urban Famine: Suffering Communities of Chicago speak for Themselves" January 5-12, 1932, p. 4, box 4, folder 1 McCulloch papers.

³⁹ "Urban Famine," 3.

^{40 &}quot;Urban Famine," 5.

⁴¹ "Urban Famine," 4.

situation where many are bewildered by the hopelessness of it all''⁴² Through this deliberative process, the CWC would form a power base to affect change in the administration of relief and establish a political voice for the unemployed in Chicago. They felt that by drawing together the diverse community of voices impacted by the depression, participants could gain an understanding of the larger structural forces at work in shaping social conditions.

At the same time as the CWC began to take shape, elite civic leaders in Chicago also renewed their efforts to relieve unemployment in the city. Ryerson described the "tragic winter months of 1931-1932" as a time when:

Our business interests demanded immediate curtailment of employment in order that we might continue to operate at all, and our relief activities demanded that we find new ways to maintain the lives of those for whose unemployment we were responsible. Day after day the conflict and unavoidable inconsistency of our actions were repeated, while the tide of distress rose swiftly and steadily, with no adequate relief in sight either for those who lacked the necessities of life or those who were attempting to provide them.⁴³

Ryerson's quote reveals the ways in which the closed circuit of charity and employment had become unraveled during the depression, with business profits unable to provide enough charitable relief for those unable to be "provided for" in private employment. In January 1932, Ryerson appealed to the Illinois state government to match the \$10 million in donations he had collected from private subscriptions as head of the Joint Emergency Relief Commission.

Throughout the month of January, Ryerson and other members of the Joint Emergency Relief Commission, including Olander, lobbied Governor Emmerson and state legislators while stirring up popular support in the newspapers for legislation to provide state funds for relief. Finally, on February 7th, Governor Emmerson signed legislation authorizing the sale of \$18,750,000 in state treasury warrants to be advertised and sold like the liberty bonds of World War One. Almost one

^{42 &}quot;Urban Famine," 5

⁴³ Edward L. Ryerson, "Out of the Depression," *The Survey* v. LXX, no. 1, January 1934 [listed as Exhibit 2 in *Ryerson Chronicles*], 2.

thousand volunteer salesmen began selling the bonds, forgoing any commission in the process, and by the end of the month \$10 million worth of the bonds had already been sold. The drive was spurred by purchases of \$1 million each by the New York Metropolitan Life Insurance Company and the Chicago Surface Lines. In addition, on February 11th, the Chicago Riding Club held a benefit featuring two polo games with the proceeds going to the Joint Emergency Fund. Through these activities, business leaders could at least assure themselves that they were applying a bandage over the cuts they needed to take to continue business operations. As a temporary salve, charity still proved insufficient to match the level of unemployment; as a path towards recovery, the funds proved even less effective.

While pulling together these funds, civic leaders worried openly among themselves about the spread of what one administrator termed "reliefitis," which was not only the fear that the unemployed would become dependent upon a dole, but, equally, that communities and self-serving politicians would grow increasingly avarice with so much easy money circulating around the city. To keep the plague of "reliefitis" at bay, the city's business and labor leaders tried to rally employers and homeowners to help lessen the relief burden by creating new jobs for Illinois's unemployed workers. Using the organizational structure of the Joint Emergency Relief Commission, they hoped to develop a program that would find temporary work for the unemployed through short-term construction projects. Seeing unemployment largely as a problem for men able to perform physical tasks such as demolition work, painting, and building repairs, the organization worked with union representatives through the Building Trades Council and Chicago Federation of Labor (CFL) to develop lower wage scales that would provide relief

⁴⁴ "Jobless Relief Appeal is Made to Legislators," January 5 1932; "Relief Fund Leaders Appeal to Illinois Public to Support \$20,000,000 Appropriation Plan," January 26, 1932; "Relief Bills are Signed; Prepare Drive for Cash," February 7, 1932; "Company to buy \$1,000,000 Poor Relief Notes," February 10, 1932; "Relief Fund to Get Proceeds of Gymkhana Tomorrow Night," February 11, 1932; "Relief Millions to be Shared by County Board," February 15, 1932; and "Relief Warrant Sale Passes the Halfway Mark," February 26, 1932 *Chicago Tribune*.

to unemployed union members while reducing the costs of construction to make the program attractive to private business.⁴⁵

Their efforts eventually came to fruition with a program initiated by the American Legion in February 1932. This program, referred to as both the American Legion "War on Unemployment" and the "Chicago Campaign for the Re-employment of Men and Money" started to organize on February 15th. George Rossetter, president of the Chicago Association of Commerce, was appointed general chairman, and Olander served as the campaign chair for the drive in Chicago. The organizing committee also included a cross section of leaders from Chicago's civic, labor, and business associations, along with representatives of city and county relief agencies. Olander, writing on stationary from the Chicago Association of Commerce, an organization representing the city's anti-union business elite, circulated a request on February 22 calling for volunteers to begin canvassing home and business owners. 46 Volunteers asked homeowners to begin improvement projects or spend money on items that might stimulate an increase in manufacturing. Businesses were asked to search for any extra job openings, no matter how few, in the hopes that these cumulative efforts would lead to a citywide jump in employment and productivity. ⁴⁷ Looking to increase workers' purchasing power, one campaign news release explained that increasing purchases was the soundest road to recovery because, although indirect, "it will put men back into established firms in a permanent relation." The key here being that the use of private funds to increase consumption would strengthen and preserve

⁴⁵ Chicago and Cook County Emergency Job Campaign, December 14, 1931 Folder 53 Olander Papers, UIC.

⁴⁶ Olander to undisclosed recipients, announcing a meeting of the Re-employment Campaign, February 22, 1932, box 50, Olander Papers; for the Association of Commerce as an organization of the business elite see Andrew Cohen, *Racketeer's Progress*, 34.

⁴⁷ Federation News March 5, 1932.

⁴⁸ Letter P.W. King, exec director of War on Unemployment, to Chester Wright, managing ed. International Labor News Service, March 17, 1932, box 50, Olander Papers.

those "established firms" striving to keep the depression from altering Chicago's political economy.

The campaign saw Chicago's trade unionists and business leaders coming together as part of an administrative cohort leading the recovery effort in Chicago. Organizers explicitly avoided using "dyed in the wool" politicians as part of the campaign out of fear that they would hijack the efforts to help their own electoral prospects in the upcoming April primaries. ⁴⁹ Oscar W. Rosenthal of the National Association of Building Trades and Employers described the campaign as "not merely a job finding project. Jobs mean purchasing power, and purchasing power will put business back on its keel. Money earned by the men thus put to work will go back into the stores."50 At the same time, the *Federation News* reminded workers: "if we expect to get our share of this work and divert the work into union channels, we must have our own men in the picture. This is one time that the business group and labor have worked together and we are practically on trial as to what we will do in this effort."51 As such, the Re-Employment Campaign was an opportunity for business and labor leaders to fight unemployment and preserve the structure of Chicago's economy. At a meeting on March 5, one week before the campaign was to start, Olander urged volunteers to "use every effort to see that the signers of pledges make contacts through regular channels in getting work done on their premises, such as established shops, reliable neighborhood contractors, etc."⁵² Their cooperation helped build alliances between the skilled workers and small businesses operating the craft economy and those in the economic elite like Ryerson; relations between labor and management were hardly discussed, as each group hoped to prevent the politicization of relief and preserve local rule and practice.

⁴⁹ King to Wright, March 17, 1932 Box 50 Olander papers.

⁵⁰ "10,000 Workers to Open Drive for More Jobs," *Chicago Tribune* March 14, 1932.

⁵¹ Federation News March 12, 1932.

⁵² Minutes of a meeting of the Committee of the Chicago Campaign for the Re-employment of Men and Money, March 12, 1932, box 50 Olander papers.

Because the re-employment campaign was an indirect stimulus program, one that placed the purchase of goods on equal status with job creation, it is difficult to know the exact number of jobs created. The campaign's national goal was a million jobs and after the first month, the *Federation News* boasted that 500,000 new jobs had been created, yet by the campaign's end in mid-May, only an additional 168,607 jobs were added to that total, well short of the million job mark.⁵³ In Chicago, official numbers are more difficult to obtain. The *Federation News* reported that three wards were able to collect \$34,778 in pledges for purchases and secured 140 temporary and permanent jobs. In the same article, the Palmer House hotel was reported to have obtained the largest number of pledges from any one organization, totaling \$75,324 in intended purchases.⁵⁴ Whatever the results, the campaign's organization provided a blueprint for the ways in which craft unions and the elite guiding city charities would later come together to administer federal funds.

The reemployment campaign and general depression climate drew craft unions and business leaders closer together as an extra-governmental cohort to preserve the economic status quo. A story in the monthly bulletin of the Building Construction Employers' Association described how "Labor relations are more harmonious during a business contraction than during prosperous times." The article went on to explain how the depression helped workers and employers gain a better understanding of the problems each faced. After the reemployment campaign ended in May of 1932, Olander accepted an offer by the National Employment Commission of the American Legion to build on this cooperative relationship between labor and business to form advisory councils composed of business and labor representatives. The director

⁵³ April 16, 1932 and May 14, 1932 Federation News.

⁵⁴ Federation News May 14, 1932. The Federation News of course had every reason to make the drive seem as successful as possible, making the true numbers that much more difficult to ascertain.

⁵⁵ "Labor Shows Spirit," *The Building Construction Employers' Association Monthly Bulletin* April 1932, Folder 53 Olander papers, UIC.

of the American Legion program assured union officials that "it is the purpose of the legion to strengthen the cordial relationship which has existed between the American Federation of Labor and itself without in any way hampering or interfering with the independent prerogatives of both our organizations."56 The cooperative relationship between labor and business did not mean that conflicts over control in the workplace had been solved, but rather reflected each organization's sense of a need for stewardship in the economy when faced with the climate of uncertainty in the depression.

The Transition to Federally Funded Relief under the IERC

While the labor and business elite discussed ways to help the city's economy fix itself, the unemployed grew increasingly restless as state and private funds quickly ran out. Ryerson finally became convinced that all the options for private relief had worn out and personally appealed to President Hoover for federal relief. In his autobiography, Ryerson recalled, "I found myself in the inconsistent position of being strongly opposed to the use of Federal funds for state aid to those on public relief rolls and, at the same time, going to Washington to obtain the first grant made to any state for public relief purposes." Though Ryerson, like others in Chicago, reluctantly accepted federal funds, Chicago's civic leaders still maintained control over their distribution. When Governor Emmerson signed the legislation authorizing the sale of state treasury warrants he also created the Illinois Emergency Relief Commission (IERC) to oversee the administration of relief. Olander and Ryerson were both members of the commission as was Samuel Insull Jr., son of the controversial utilities magnate of the same name and member of the

⁵⁶ Mark T. McKee to Matthew Woll, June 17, 1932 and reply from Victor Olander June 27, 1932, folder 43 Olander

papers, UIC.
⁵⁷ Ryerson, *Ryerson Chronicle*, 29. A similar quote can be found in Studs Terkel, *Hard Times: An Oral History of* the Great Depression (New York: The New Press, 1970, 1986),152 and in Cohen, Making a New Deal, 227.

Governor's Commission on Unemployment.⁵⁸ When the IERC formed, none of the original seven members had any professional experience in social work, and only one, the wholesale grocer Col. A.A. Sprague, who also served on the Department of Public Works, held an official office.⁵⁹ These appointments meant that despite Ryerson's reservations, Chicago's civic leaders would continue to administer relief locally without the intrusion of federally appointed officials dictating day-to-day policy.

The IERC began as a consciously temporary expedient to meet the unique needs of depression era unemployment in Chicago. ⁶⁰ To cut unnecessary expenditures and expedite services, members of the IERC decided not to create new machinery for distribution but to work with existing local agencies. ⁶¹ The commission chartered county boards in each of the downstate counties, but took control of Cook County where the unemployment problems were the greatest. In Chicago, the commission worked directly with the local charities that Ryerson had earlier coordinated through the Joint Emergency Relief Commission. Ryerson anticipated that Cook County could receive as much as \$15,000,000 out of the original \$18,750,000 authorized by the state. ⁶² Through the IERC community leaders in Chicago like Ryerson and Olander mediated a transition in relief from private charity drives to state funds and, finally, to federal funds when made available under Hoover through the Relief and Reconstruction Act of July 1932.

The realities of administering such a decentralized program of relief often proved far more complicated than administrators predicted. In February, just as the commission was getting started, Lea Taylor was already coordinating a letter-writing campaign to protest delays in the

⁵⁸ In addition to Sprague, Ryerson, Insull, and Olander, the commission also included J.m Cudahy, a Chicago businessman; OH. Wright, a banker from Belvidere and former state director of finance; and Arthur Eidman, another banker from Belville. Frank Z. Glick, *Illinois Emergency Relief Commission* (Chicago: University of Chicago Press, 1940), 29.

⁵⁹Glick, The Illinois Emergency Relief Commission, 29.

⁶⁰ Glick, The Illinois Emergency Relief Commission, vii.

⁶¹ "First Interim Report of the Illinois Emergency Relief Commission, April 15 1932," 7.

⁶² "Relief Millions to be Shared by County Board," February 15, 1932 *Chicago Tribune*.

delivery of food and fuel. In addition, Taylor and other members of the Chicago Federation of Settlements began to make plans for a mass rally to increase funding for relief.⁶³ During its first six months, relief expenditures accounted for 91.6% of all state funds, with 72.7% going to food, 7.4% going to fuel, and 5.9% set aside for work projects. IERC officials still predicted that this would not be enough and by August 1932 they were making plans to include rent payments in the relief budget.⁶⁴

At its organizational height, between 1933 and 1936, the IERC coordinated programs of direct relief, operated works programs through the Civil Works Administration, and compelled adherence to National Recovery Administration codes through valuable contracts with relief suppliers. The majority of attempts to lobby for the expansion or alteration of New Deal services, including requests for housing programs, equal employment on works projects, and expanded health services passed through or involved the IERC office during this time. Federal and local administrators emphasized local initiative over federal control. Most involved with federal relief worked to keep the presence of government at a minimum, believing that federal assistance was a temporary necessity to be replaced by local charity and municipal services after the depression had eased. Because the IERC chose to administer funds through existing local agencies, the members of the board relied upon their positions within local networks of business, labor, and charity in Chicago rather than a still underdeveloped federal relief bureaucracy. The IERC was primarily a coordinating body that communicated with myriad public and private agencies all collectively working toward building a relief system in the state that could meet the unprecedented demands of the depression. The IERC did not operate as an autonomous institution independent from the loyalties and animosities of Chicago's political landscape.

^{63 &}quot;Minutes of the Executive Committee of the Chicago Federation of Settlements," February 9, 1932 Lea Taylor Papers Folder 4, box 9. ⁶⁴ 2nd interim report of the IERC, 8, 12.

Instead, implementation of relief required individuals like Olander to use personal connections among union members and politicians to smooth out the inevitable difficulties that occurred as the organization matured.

As the primary representative for labor on the IERC, Olander's office became an unofficial repository for grievances that arose over wages and work conditions on relief projects. In March, Olander received letters from the downstate Ottawa Building Trade Council (BTC) secretary complaining that the wage scale offered on relief projects did not match the union rate and from the United Mine Workers (UMW) claiming that local representatives of the ISFL were making their members pay dues to the International Hod Carriers Union in order to work on a road building project. 65 In response to the UMW complaint, Olander assured the representative that the ISFL had no jurisdiction over relief projects and suggested he direct his complaint against the Hod Carriers Union to William Green of the AFL. 66 Olander referred the BTC secretary's complaint to Dan Sultan, a lieutenant colonel in the U.S. Army Corps of Engineers, who reported that in Ottawa work was so scarce that the prevailing wages were less than union rates, justifying the lower scale paid on relief projects in the area.⁶⁷ Olander worked within union and governmental channels to collect information and resolve these disputes. He did not always deliver results favorable to the local unions, but he remained the personal representative for labor in the relief administration.

In June 1932, Olander met repeatedly with several labor representatives from southern Illinois to improve the distribution of relief funds in their area of the state. The problem of inadequate relief downstate stemmed from poor communication between state and county relief

⁶⁵ Letters Frank Cunningham to Olander, March 3 and John Stocks to Olander, March 4, 1932, box 50 Olander papers.

⁶⁶ Letter Olander to John Stocks, March 9, 1932, box 50 Olander papers.

⁶⁷ Letter Dan Sultan to Frank Cunningham, n.d., box 50 Olander papers.

boards. Olander, in this instance, gathered information through his ISFL connections. He then used those connections to stimulate grass-roots agitation to pressure the county relief agencies to be more responsive to local need. He stated, "The responsibility for this condition rests upon the County Relief Committee in each case. The State Commission allocated to the two counties the amount asked for by the respective committees. The committees ought to have asked for more." Olander recommended that union officers encourage local citizens to write letters to the IERC explaining deficiencies in local relief allocations. He then predicted that such an action would give the IERC justification to reconstitute the local committees to be more responsive to community needs. In these instances, Olander's ISFL and IERC responsibilities merged together. Olander used his union connections to stimulate local activism designed to improve the administration of relief by appealing to, rather than challenging, the IERC's authority. By encouraging the unions to register complaints against county boards, Olander not only helped improve the administration of relief but also helped make it more responsive to a type of local advocacy that strengthened the Chicago commission's stature among relief recipients.

In addition to receiving complaints in his official capacity as an IERC administrator,

Olander also collected many personal requests from individuals who were having trouble

navigating the relief process and hoped that Olander could intervene to help them gain

employment. Olander did his best to assist those asking for help, finding them jobs on public

works projects or in the growing relief bureaucracy. He assured one correspondent that, "The

fact, as you state, that you knew me in other days is not entirely a thing of the past because it

serves to make me all the more anxious to aid you in any way that I can." To secure employment

⁶⁸ letter Olander to John Walker and Walter Nesbit, United Mine Workers, Springfield, June 30, 1932, box 51 Olander papers.

⁶⁹ Olander to John Walker, June 30 and Olander to Clyde Cooper, secretary Trades and Labor Council, West Frankfort both sent June 30, 1932 box 55 Olander papers.

for these individuals. Olander often called upon his vast network of connections among government officials.

The case of Harold Swords illustrates the informal manner by which Olander helped individuals navigate Illinois's relief administration. Swords wrote to Olander in March 1932 asking for help in securing a blind pension. ⁷⁰ Swords, at 18 years of age, was not yet old enough to receive the state pension, but he appealed to Olander anyway, claiming "It is very necessary that I get this Pension for my parents are getting too old to suport[sic] me if you help me I would apreciat [sic] it very much."⁷¹ Olander forwarded the request to the state representative from Peoria, David McClugage, asking him to see if Swords could be admitted into the State Institute for the Blind in Jacksonville to learn an occupation. Olander appealed to McClugage because he felt he had an interest in matters of these sorts, but he assured McClugage, "I appreciate that you may find it difficult to inquire into the matter personally, and in that case I am sure that one of the various trade union officials in Peoria with whom you are acquainted will undertake to make such investigation as you may need."72

Though Swords did not live in McClugage's district, the representative offered to help in the matter. He told Olander that he would contact the boy's representative and also pass the case on to A.L. Bowen, Illinois superintendent of charities, the next time he traveled to Springfield. After offering his assistance, McClugage reminded Olander "As you are no doubt aware I have two opponents in the democratic primary and as the committee has decided on one candidate, nomination means election. I am very anxious to win this time by a good vote so all the aid you folks can give me will be deeply appreciated."⁷³

There is no evidence in the letter that the two shared any previous personal connection.
 Harold Swords to Olander, March 4, 1932 box 50 Olander papers.

⁷² Olander to David McClugage, March 9, 1932 box 50 Olander papers.

⁷³ McClugage to Olander, March 12, 1932 box 50 Olander papers.

This example shows the close and interdependent relationships between relief distribution, electioneering, and trade union political power in Illinois during this period. Politics were personal, and the informal connections between individuals helped to bridge the gaps that naturally occurred within the state's developing relief structure. When this case finally made its way to Bowen, he reported that Swords indeed fell within one of those gaps. In Illinois, pensions only went to individuals over the age of 21, and the institute at Jacksonville only accepted applicants under the age of 18.74 According to the letter of the law, Swords was not eligible for any relief from the state of Illinois. Bowen informed Olander that there had been repeated attempts to enroll Swords in the Jacksonville institute over a ten-year period, but the boy's mother refused to let him stay away from home for so long. Bowen promised Olander that the institute would accept him again if they could be assured of his attendance this time.⁷⁵

While Olander worked through the IERC and utilized his vast union connections, settlement house workers achieved influence within the IERC by emphasizing their connections to the local community. Through the CWC, they positioned themselves as conduits between the commission and relief applicants in Chicago. The settlement houses enjoyed a cooperative relationship with other private and public relief agencies. They administered their own limited funds as emergency relief and also received some support from the public relief agencies. In April 1932, the IERC's Superintendent of Special Works M.H. Bickham granted a request from Taylor for workers from the IERC's public works program to help with general maintenance in houses affiliated with the Chicago Federation of Settlements. Bickham agreed to the request so long as the workers were restricted to only affiliate settlements. Bickham cited the familiar relationship between relief agencies and settlements, "We have dealt with nearly all of them

McClugage to Olander, March 15, 1932, box 50 Olander papers.
 Bowen to Olander, March 17, 1932, box 50 Olander papers.

before they know in general our operating policies since we are proceeding along these same general lines as before."⁷⁶ Through the CWC, settlement workers expanded their cooperative relationship with relief officials, steering the unemployed away from radical organizations and ensuring relief policies conformed more closely to the demands of the unemployed.

The IERC did not heed every demand, but they accepted the CWC's position in the administration of relief and tried to accommodate them as much as possible. Like a conscience for the IERC, the CWC continued to hold hearings and translate the voices of the unemployed into political advocacy, pressuring the IERC for reforms while also creating a sense of solidarity for the relief program within the community. Like their progressive era predecessors, the settlement workers wanted to strengthen the state while simultaneously increasing democratic participation. They used the CWC to connect relief administrators and recipients. The IERC was, after all itself, a collection of community leaders active in earlier private charity campaigns drafted into public service. The CWC extended the informal approach to relief employed by the IERC into the community affirming rather than challenging the IERC's approach to the depression.

The campaigns for the 1932 election took place in the midst of the CWC organizing drive and the formation of the IERC. With federal dollars through the Reconstruction Finance Committee already being filtered to the city's charities through the IERC, the city's civic leaders did not fear that their position in the community was threatened by the promise of a New Deal. Not surprisingly, the election was more about the failures of incumbents than it was about the potential for change. At the state level, *Federation News* seconded a charge made by the CWC that the Illinois legislature was stalling on relief programs while waiting for the results of the election. Both the CFL and CWC agreed that rather than adequately meeting the relief crisis with

⁷⁶ M.H Bickham to Taylor, April 21, 1932, box 9, Folder 4 Taylor papers.

practical solutions state legislators were making "a political football of the misery of the unemployed."⁷⁷ At the national level, trade unionists recognized the growing need for the government to assist in economic recovery but were dismayed that Hoover's program excluded labor input in favor of business leadership. In March, the *Federation News* informed its readers, "After seeing Big Business in this country handed two billion dollars, also people who are destitute refused a small portion of that amount to keep them from starving, working people of this country will certainly realize that it is time to take their voting seriously."⁷⁸ However, outside of their hostility to Hoover's decision to bail out business in the hopes that recovery would follow, trade unionists overall paid little attention to the national presidential contest.

The CFL felt that President Herbert Hoover was simply out of touch with the problems affecting Chicago's workers, but that did not mean that unionists enthusiastically waved Roosevelt's banner either. Although presidents of major international unions served on campaign committees for the Republican, Democratic, and Socialist candidates, the *Federation News* argued that none of the presidential candidates actually deserved labor's "whole hearted support." They felt that the candidates still viewed labor as a commodity, no more than "a lump of pig iron." The trade unionists advised workers to direct their attention and efforts away from the presidential candidates to focus on federal and state representatives. The *Federation News* admonished workers to "run with the herd for the head of the ticket but use your brains on your choice for Congress." Despite the nationwide catastrophe of the Great Depression, union leaders still looked to their own local representatives in state and federal government. There was little anticipation for the transformational president that Roosevelt would eventually become.

⁷⁷ Federation News, October 23, 1932.

⁷⁸ "Two Billion for Big Biz and nix on Out-of-Works," Federation News March 12, 1932.

⁷⁹ "Labor Should Use its Brains: Vote with Care in Choosing Congressmen," Federation News October 15, 1932.

⁸⁰ "Labor Should Use its Brains," Federation News October 15, 1932.

In the African-American community, the national election also lurked in the background while local elections garnered the majority of attention. After a contentious primary battle, African-American voters on the southside rallied to make sure Oscar De Priest, the only black member of Congress, won reelection after redistricting had cut off a large portion of his supporters. Many in the community were unfamiliar with Roosevelt and ignored his candidacy.⁸¹ Among the established leaders on the southside, the election of a Democratic president raised few eyebrows despite the fact that most of these leaders were affiliated with the Republican Party. As Bishop WJ Walls of the AME Zion Church in Chicago explained to Barnett, "It is my judgment however, that whoever goes to Washington, it makes little difference to us....We will do better when we make a more concerted follow up after elections civically by organizing and creating leaders and giving them the strength of our numbers to secure our own rights as citizens, rather than depend on politicians and individual edicts from governmental officials."82 This attitude reflects the insistence among labor leaders as well that the election of Roosevelt did not accomplish much as far as changes in day-to-day politics in Chicago. Instead these leaders saw the election as another opportunity to encourage greater organization and activism among the rank and file they represented.

Over the course of the decade, the African-American population in Chicago shifted their electoral allegiance to the Democratic Party; their votes for Roosevelt grew from 23% in 1932 to 49% in 1936 and finally 52% in 1940. In 1945, Drake and Clayton tied this shift to the Works Progress Administration (WPA) and most of the anecdotes historians use to describe the electoral shift, such as "Let Jesus lead you and Roosevelt feed you," stem from Drake and

⁸¹ Reed, The Depression Comes to the Southside, 58-60.

⁸² Bishop W.J. Walls AME Zion Church, Chicago to Barnett, November 17, 1932, box 334, folder 5 Barnett Papers CHM.

Clayton's observations.⁸³ However, in 1932, the WPA still remained far off in the distance. Members of the IERC tried to use federal funds for works programs, before and after Roosevelt's election, but they made sure to channel these funds through networks of unions and contractors that remained largely off limits to African-Americans. While the middle class was the first to vote Democratic in the early 1930s, the struggle over access to local relief projects incorporated working class voters into the discussion over what membership in the Democratic party would mean. By 1936, these voters outpaced the original Democratic voters and became the New Deal's most ardent supporters in the black community. 84 As Roger Biles notes, African-Americans' shift to the Democratic Party was more than just an embrace of New Deal largesse. The new generation of African-Americans, raised in an urban environment and expressing a greater degree of class consciousness because of city's labor movements, lacked the traditional allegiance to the Republican Party forged in the "Solid South." Because the city's Republicans did little to court the new bloc of voters, it was easy for them to shift allegiances to a Democratic Party that more actively sought their vote at both the local and national level. 85 The politics of negotiating the new federal bureaucracy gave rise to a new cohort of African-American leaders from what Jeffery Helgeson terms the "black craft economy." Made up of construction workers, professionals, entrepreneurs, and retail business owners, this group applied the lessons learned combating discrimination and advancing black business during the New Deal to the "Double V" campaign of World War II, turning the local offices of the US Employment Service Boards into

⁸³ Drake and Clayton, *Black Metropolis*, 354 and see, for example, Cohen, *Making a New Deal*, 260-261.

⁸⁴ Charles Russell Branham. "The Transformation of Black Political Leadership in Chicago, 1864-1942" (Ph.D dissertation, University of Chicago, 1981), 339-340.

⁸⁵ Biles, Big City Boss, 96.

centers for economic activism. ⁸⁶ Their participation in the New Deal served as a declaration of economic citizenship rather than a statement of gratitude for government expenditures.

Throughout Chicago, the Great Depression drained the city's resources, threatening local hierarchies and forcing civic leaders like Olander and Ryerson to reluctantly turn to government funds to quell unrest among the city's unemployed. These funds, coming first from the state and later from the federal government, initially strengthened the stature of local leaders in Chicago. The ultimate challenge to traditional local power hierarchies was not the presence of federal funds and programs but rather, over time, their proliferation. Already during the 1932 election, unionists, African-American leaders, and settlement workers renewed calls for increased organization not because they felt that the federal government would have a permanent impact on their day-to-day lives but because they understood the importance of controlling emergency relief for the seemingly more permanent realities of local power and politics.

Making the New Deal Their Own

In his discussion of labor during the "Lean Years" of the Depression, Irving Bernstein marks November 30, 1932, rather than Roosevelt's election on November 8th, as a crucial turning point in the American labor movement: during the AFL convention in November, old guard leaders like Olander, Andrew Furuseth, John P. Frey, and Matthew Woll gave in to rank-and-file demands and adopted a resolution supporting federal unemployment insurance. Despite Frey's warning, "if you feed lions cooked meat, they are not going to roar," the convention overwhelmingly adopted the resolution on the 30th. ⁸⁷ Olander cautioned that a federal "dole"

⁸⁶ Jeff Helgeson, "Striving in Black Chicago: Migration, Work, and the Politics of Neighborhood Change, 1935-1965" (Ph.D Dissertation, University of Illinois at Chicago 2008), 197.

⁸⁷ Irving Bernstein, *The Lean Years: A History of the American Worker 1920-1933* (Baltimore: Penguin Books, 1960), 353.

would rob workers of their independence, and he wondered, "whether the Federation shall 'hew to the line in demanding a greater freedom for the working people of America, or whether liberty shall be sacrificed...to enable the workers to obtain a small measure of unemployment relief under government supervision and control." Besides being a threat to American liberty, Olander also worried that unemployment insurance would threaten union organization because workers would fear that their participation in labor movements would cause them to lose their eligibility for relief. 88 This latter fear proved warranted as employers did try throughout the 1930s to prevent workers on strike from receiving relief. Olander made these arguments against federal relief at the same time that he was serving on the IERC to administer state funds and helping the Secretary of State approve corporate charters. He reconciled these two positions by recognizing that the demand and need for relief made governmental assistance inevitable. His fear that government programs could become a weapon against organized labor made him into a vigilant watchdog overseeing relief programs in Illinois. Though he often complained about the hours spent traveling and in meetings and never fully saw government as a trusted ally, he worked tirelessly to make sure that the IERC, and the federal programs it controlled, would assist rather than threaten organized labor's place in the community.⁸⁹

Julie Green's study of the AFL's "pure and simple politics," is helpful here for describing the politics of AFL anti-statism. For Green, reducing union politics to apolitical voluntarism misses the interplay between national efforts to increase labor's lobbying power and local political activism made possible through the decentralized organization of AFL unions. ⁹⁰ Green instead argues that the AFL's "pure and simple" unionism married political activism in labor

⁸⁸ Bernstein, Lean Years, 347-348.

⁸⁹ Olander to George Perkins, February 24, 1933 box 63 Olander papers.

⁹⁰ Julie Green, *Pure and Simple Politics: The American Federation of Labor and Political Activism*, 1881-1917 (Cambridge: University Press, 1998), 7.

policy with a commitment to independence and anti-statism. ⁹¹ For Chicago in the 1930s, the style of labor politics spearheaded by Olander used political activism in the administrative sphere of New Deal policy as a way to preserve labor's independence and reduce the influence of elected officials over the New Deal. Through their efforts, the majority of New Deal programs, during Roosevelt's first term, continued to be administered by the same network of figures in the extra-governmental or informal sphere of Chicago's political economy that conducted relief operations under Hoover. Making the expansion of federal programs further blur the line between public and private authority.

For Ryerson, there was a very fine line between acceptable and unacceptable ways to distribute federal funds. Looking back at the shifts in attitudes towards the federal government, he discussed how local governments and private companies all looked at the availability of federal funds as a chance to reduce their own operating budgets, "in the suddenly accepted belief that the federal government was the only resource to meet the needs of every community." According to Ryerson, this was not the case when, under the RFC, federal funds were treated as loans requiring local governments to devise legislation ensuring their payback. He explained, "the well-staged *bluff* of the RFC was used frequently to conserve the funds in dealing with greedy or desperate states... but those of us who watched the wheels go round never really doubted our ability to force approval at Washington of such loans." In other words, the loan aspect of the RFC acted as a filter designed to discipline those who needed extra supervision in the spending of federal funds while still easing the transfer of funds to those, like Ryerson, who would be responsible stewards of the money. Ryerson's depiction of the RFC reveals the power of networks in the early years of federal relief under both Hoover and Roosevelt. Ryerson knew

⁹¹ Green, Pure and Simple Politics, 3.

⁹² Ryerson, "Out of the Depression," 3. Italics added.

Hoover personally, secured the funds from him and dispensed them through organizations he was familiar with and trusted. Ryerson and Olander's wariness of the changes that federal programs might bring to the city led them to participate further in the implementation of New Deal policy. Chicago's trade unionists did not need any encouragement from federal legislation to begin organizing; instead labor leaders participated in New Deal agencies to maintain their independence and, if possible, craft policy to meet their own needs and desires. It may be more accurate to say that during the early New Deal, anti-statist fears did not give way to an embrace of federal activism but rather those fears reinforced the desire for local control of federal policy, further entrenching the New Deal program within the routines and hierarchies of Chicago's local political economy.

During the formative period of the New Deal (1933-1934), New Deal legislation gradually became translated into policy on the ground through those same relief and charity networks, orchestrated through the IERC, that dispensed private, state, and federal funds before Roosevelt's election. During this period, trade union leaders capitalized on the established stature of the ISFL and CFL to occupy an important position in the development of the New Deal state, and they worked to channel federal expansion in a way that supported their local craft-oriented economy. At the same time, the CWC developed a political strategy that combined lobbying efforts with public demonstrations to secure a prominent position for itself within the emerging relief administration. A wide ranging mix of labor leaders, progressive reformers, socialist organizations, members of the Communist Party, business leaders, and political operatives cooperated and fought among each other as each group pursued its own version of the New

Deal.⁹³ The growth of the federal government only intensified these struggles by raising the stakes of local political power and influence.

In November 1933 the IERC took charge of administering federal works funds made available through the Civil Works Administration (CWA). Works projects ranged from community beautification projects like street cleaning and work in public parks to maintenance work in hospitals and non-profit organizations like settlement houses. IERC administrators also tried to ensure that every community receiving funds "should have physical, tangible evidence of the wise use of public money, in addition to helping the unemployed over this crisis." In laying out priorities for works projects, administrators juggled the need for maximizing employment with considerations of creating lasting useful projects that would appear attractive from a public relations standpoint.

The efforts to ground the CWA in local initiative helped solidify bonds between local contractors, city planners and boosters, and government spending, creating a political network for continued cooperation during and after World War II. For example, the Illinois Society of Engineers urged readers of *The Illinois Engineer* waiting for employment on federal projects to "Get busy in your own community. Promote some form of work, which will require the employment of engineers. Call on your local service clubs, chambers of commerce, or other

⁹³ On Cermak, Kelly, and ethnic politics in Chicago see John Allswang, *A House for All Peoples: Ethnic Politics in Chicago 1890-1936* (University of Kentucky Press, 1971); for an overview of labor during the Great Depression that emphasizes the city's particular "mould" see Newell, *Chicago and the Labor Movement*, esp. 226-254; Gene DeLon Jones, "The Local Political Significance of New Deal Relief Legislation in Chicago: 1933-1940" (Ph.D. Dissertation, Northwestern University, 1970) looks at the fit between New Deal legislation and local politics; for Communist Party activities during the depression, see Randi Storch, *Red Chicago: American Communism at its Grassroots, 1928-1935* (University of Illinois Press, 2007); and Judith Ann Trolander, *Settlement Houses and the Great Depression* (Detroit: Wayne State University Press, 1975) follows Progressive reformers in the settlement houses into the Great Depression.

⁹⁴ IERC, "Work Relief," March 1933, Victor Olander Papers, box 65.

public spirited organizations and tell them of the opportunities they are overlooking."⁹⁵ In this manner, IERC coordination of works projects, while decentralizing relief in Chicago and minimizing federal intrusion, also strengthened the ties between local developers and federal spending by placing the impetus on local sponsorship.

Labor representatives working within and alongside the IERC acted as quasigovernmental agents meeting with federal officials and setting policy. The Federation News reported that the Building Trades Council and CFL, frustrated that city officials had not yet applied for any work relief in Chicago, met with Harold Ickes themselves and secured \$8 million to begin a work relief program. 96 CFL secretary Edward Nockels also worked with George Wharton, chairman of the "Buy Illinois Products Commission," to ensure the IERC would distribute only Illinois coal to its relief recipients. Wharton happily reported back to Nockels that with his help the IERC decided to use only coal mined in Illinois during the upcoming winter.⁹⁷ In these ways, labor leaders acted as important components in the administration of relief, not as grateful clients welcoming the fruits of federal generosity. Furthermore, the pragmatic focus of New Deal programs allowed and welcomed labor's involvement at the local level. Speed was essential for relief programs during the early New Deal. The decision to channel relief through the existing structure of the IERC reflects this preference for immediate relief over institution building among federal officials. The New Deal administrative structure evolved through cooperation between local and federal agents. Labor leaders and government officials grew into new political roles together as the relief administration expanded to meet the problems of unemployment.

⁹⁵ "Illinois Emergency Relief Commision (Federal)," *Illinois Engineer* v. 9, no. 3 (March 1933) clipping in Victor Olander Papers, Chicago Historical Museum, box 65.

⁹⁶ Federation News October 21, 1933.

⁹⁷ Wharton to Nockels, November 14, 1933, box 18, folder 131 Chicago Federation of Labor Papers CHM.

In December 1933, Olander traveled Washington D.C. to meet with members of Congress and help clear up issues of wages and work conditions on CWA projects. The CFL wanted to make sure that works programs did not threaten their hold over local employment, arguing that trade union locals should have the responsibility for contracting skilled work on relief projects, rather than allowing the government to force workers to register at employment agencies. ⁹⁸ Olander reported back to his secretary that he was having a "whale of a time" in Washington clearing up the diverse labor issues that were now emerging with the works programs being put into action in Illinois. Olander worked persistently with Harry Hopkins while in Washington and, according to his own assessment, was successful in filling in some of the grey areas regarding the contracting of skilled labor and the paying of wages relative to local prevailing rates that were not made explicit in the legislation authorizing federal works programs. ⁹⁹

Just as before Roosevelt's election, individuals used personal connections across institutional borders to navigate the relief apparatus in Illinois. On December 15, 1933, state representative Michael Hannebry appealed to Olander to help an acquaintance secure CWA employment. For Stephen Long, Hannebry's acquaintance, a friendship network grounded in connections between politicians and unions helped lift him from the ranks of the unemployed into gainful employment on a CWA job. Hannebry wrote to Olander as a member of the IERC, which he recognized was closely connected to the CWA. Hannebry's appeal, however, was as a friend. He remarked to Olander, "[I] trust that I am not intruding upon you official duties for I well know that I am not upon your personal friendship." Hannebry was not alone; Olander received 20 requests for jobs during the week of December 14 through the 18th. These letters

⁹⁸ Federation News December 16, 1933.

⁹⁹ Olander to Mrs. Halo Hibbard and Olander to Reuben Soderstrom, December 15, 1933 box 74 Olander papers. ¹⁰⁰ Michael Hennebry to Olander, December 15, 1933 box 74 Olander papers.

came from people appealing to Olander as friends, political acquaintances, and loyal union members. Taken together, they demonstrate how works programs became integrated into the informal networks that framed Chicago's political economy.¹⁰¹

On the same day that Hennebry's letter arrived in his office, Olander also received a letter from Fred Wilbur, a union member unemployed since 1929. Wilbur wrote that he had been unable to find Olander in his office, so he stopped by his house, where he spent a good deal of time talking with Olander's wife. Wilbur, like many others, had applied for work at one of the local relief offices but never received a job offer. He hoped that Olander would intervene so that "I may have a chance to live again as I should." Wilbur was not connected politically, but had been a union member for thirty years as foreman of a mill and was asking for Olander's help to continue to maintain the same standard of living now that he was no longer able to find employment at his mill job. Four years of unemployment cost him his home and forced him and his wife to move in with their son-in-law. Dinners, Wilbur informed Olander, were tense. His son-in-law was running out of patience with their stay and every night, Wilbur explained, "I must sit down to there[sic] table. They never speak to me so you might know how I feel."102 With the federal relief program still in its infancy, those who were fortunate enough to be part of Olander's union networks found his office to be the most efficient way of obtaining relief. It was through these informal interactions that the promise of the New Deal began to take root among Chicago's craft workers.

Olander himself was not above asking for assistance in finding jobs in order to further his and the union's greater interests. In October 1933, he sent a letter to Reuben Soderstrom, president of the ISFL, to request assistance in finding a job in the Governor's Industrial

¹⁰¹ See the letters in Olander papers box 74 CHM.

¹⁰² Fred Wilbur to Victor Olander, December 15, 1933 Box 74, December 14-January 31, 1933 Olander Papers, CHM.

Commission. The individual in question was a stenographer and the daughter of Walter J. James, International Representative of the United Mine Workers. Olander assured Soderstrom that the Chairman of the commission had already interviewed James's daughter and concluded that she was a "thoroughly capable" stenographer. However, the decision to add an extra employee had to come from the Governor's office. Olander reminded Soderstrom "that the employment of Miss James would please the state officers of the United Mine Workers very much." But he was quick to point out that this was no mere political patronage favor. He acknowledged that the governor did not place state employees for political reasons and "that he is insisting upon a high standard of public service as the main qualification in all cases," however, he continued, "when the right sort of public service can be assured and in the same case also result in increasing the circle of friendship, as in the present instance, all these factors might be taken into consideration." ¹⁰³ Olander's union and government positions served the same purpose, to provide for the workers that suffered from the depression and increase the stature of labor in the process. Olander did not use his position in the IERC to advance to higher political office; instead he used the position to reinforce labor's place in the political affairs of Chicago and Illinois.

Not everyone associated with relief welcomed labor's role in the administration of work programs. Robert J. Dunham, president of the IERC in 1933, charged union officials with interfering with the assignment of unemployed workers on relief jobs. He argued that relief workers were under the sole jurisdiction of government authority and should not be compelled to join unions to qualify for work relief. Others also believed that union membership was unfairly required to qualify for relief work. In a letter requesting Olander's assistance in obtaining work through the CWA or PWA, Michael Dineen, a past commander in the Chicago

¹⁰³ Olander to Soderstrom October 24, 1933 box 72, folder October 21-25, 1933 Olander papers.

^{104 &}quot;Accuse Labor Officials," Chicago Tribune December 24, 1933.

branch of the Veterans of Foreign Wars, complained, "It is rumored that regardless of a man's trade or how efficient he may be in his particular line of work, he will be unable to secure a job on the C.W.A. or P.W.A. if he does not belong to a union." Dineen offered to join a painters' union if he could find work, but was frustrated at his lack of success. Like the earlier American Legion re-employment campaign, trade unionists wanted to make work relief correspond as close as possible to the private contracts and arrangements worked out between employers and unions. They certainly welcomed new members, but with work programs they were equally concerned with maintaining control over their own jurisdictions regarding employment in Chicago.

The IERC served as a tool for commission members to relieve unemployment while resisting large-scale government activism. For Ryerson and Insull, this meant continued reliance on private charity, while for Olander it meant using federal programs to promote local union organization without losing independence by submitting to federal protection. In terms of the practices of racial discrimination that their commitment to localism preserved, the commission was generally aware and disappointed by entrenched racism, but not enough to abandon their belief in private control and utilize a more forceful government presence to ensure greater equality.

For the African-American community, advocating for equal representation in works programs under the IERC became a rallying point. Barnett and other members of the Chicago Urban League worked to either bypass local control through national influence or to reform local politics to force a more equitable use of federal funds. Barnett's political influence depended upon the national reach of the ANP and he kept up a steady stream of correspondence with Republican and Democratic Committees, federal agencies, and national organizations like the

¹⁰⁵ Michael Dineen to Olander, December 14, 1933 box 74, Olander papers.

National Association of Manufacturers. However, during the years that the IERC handled the majority of New Deal services, national influence did little to solve problems in the distribution of relief. The decision to channel works projects through local contractors may have softened fears of an encroaching federal presence, but it also made discrimination in the work place more difficult to combat. Roy Wilkins, assistant secretary of the NAACP, complained in a letter to Barnett "that it will be short rations, indeed for the Negro laborer if his fate on a huge government public works program is to be left in the hands of his old enemies, the local contractors who have ignored him for years." ¹⁰⁶ The NAACP sent letters of protest to H.M. Waite, deputy administrator of the PWA, to protest the power of local contractors, but federal directives seem to have done little to change local policy.

In Chicago, mandated quota systems actually limited African-American employment in some neighborhoods. For job placement, the IERC took into account the time a worker was unemployed, but then divided job applicants into three categories: veterans with dependents; skilled labor, broken down into union and non-union; and unskilled labor, divided between white and black applicants, leaving no room for skilled employment for black workers. ¹⁰⁷ The Urban League protested against the use of racial statistics while registering relief applicants. Arthur Falls explained the Urban League's position arguing "that jobs be assigned to districts for workers, not designated as colored or white, Jewish or Gentile, Polish or Italian, or any other designation of a special racial or religious group but allowing the individual districts to use their best judgment in the assignment of men to jobs." A.L. Foster, chairman of the Urban League's Emergency Advisory Council for Negroes, complained that collecting racial information helped

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¹⁰⁶ Roy Wilkins to Barnett, August 10, 1933, Barnett papers, b. 334 f. 6.

¹⁰⁷ Wilbur Reynolds to members of the IERC November 25, 1933 box 73 folder November 25-27, 1933 Olander papers.

¹⁰⁸ Arthur Falls, Chicago Urban League to Wilfred Reynolds, November 25, 1933, box 73, Folder November 25-27, 1933 Olander papers.

individual contractors discriminate on CWA projects. In a letter to Olander he said that an investigation conducted by the Cook County Bureau of Public Welfare and other various offices of the Unemployed Relief service revealed that some CWA projects specified the number of African-American and white workers for public works projects. He argued that because federal funds were involved, there should be no discrimination based on race. ¹⁰⁹ Olander was unable or unwilling to find any way to compel CWA officials to accept any worker applying for jobs, regardless of race. He remarked that placement was left to the discretion of the project superintendent. Olander's response shows how the organization of the IERC enabled discrimination by spreading out accountability. He explained to Foster, "I am not the administrator, either in this state or district. Mr. Robert Dunham, Chairman of the Illinois Emergency Relief Commission is the Administrator for the Civil Works Administration, but he does not originate the projects, nor does he carry them out. His task is to approve or disapprove." Olander's only duty, in regards to race, was in supplying registration cards provided by the federal government to relief applicants. ¹¹⁰

In addition to protesting the collection of racial data, the Urban League also sent numerous complaints to the IERC regarding quotas that assigned proportional employment of white and black workers in neighborhoods without any regard for the racial composition of each community. Applying a blanket quota to all districts meant that in districts with high concentrations of African-American relief applicants, districts that the Urban League complained already received less works projects, black applicants were actually disproportionately kept out of relief jobs. For illustration, Arthur Falls told of one district where 91% of the relief applicants were African-American, but only 12 of the 37 relief jobs were given to African-American

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¹¹⁰ Olander to Foster December 8, 1933, box 73, Folder December 7-8, 1933 Olander papers.

¹⁰⁹ A.L. Foster to Olander November 24, 1933, box 73 Folder November 23-24, 1933 Olander papers.

candidates. In another district, African-Americans made up 60% of the relief applicants but only received 40 out of 250 available jobs. Falls, representing the Urban League, asked the IERC to allow individual districts the freedom to assign jobs based upon their own evaluation of the community's needs. ¹¹¹ In this instance, the federal relief program actually encouraged calls for increased decentralization down to the neighborhood level, another sign that the more services offered by government, the more important it was to maintain control over their distribution. Centralization at the county level within the IERC meant that the contractors who discriminated against African-American labor were allowed to construct projects in predominantly black neighborhoods. The Urban League's organizational efforts focused on providing greater community control over the relief process in order to limit the power of contractors supervising works projects.

The CWC operated somewhere in the middle between the trade unions who were firmly ensconced within the relief administration and African-Americans excluded from power by the contract system craft unions supported. Settlement workers like McCulloch and Thompson positioned themselves in between the unemployed and the IERC, not exactly within the relief administration but gaining power through their proximity to it. The CWC leaders recommended both administrative and budgetary changes to the IERC. Administratively, the CWC recommended its members be allowed to go into the local IERC relief stations as representatives of relief recipients in order to speed up the distribution of funds. They recognized that this was not the IERC's current policy because "That right was taken away when it was abused by certain communistic organizations." However, McCulloch differentiated the CWC from the Unemployment Councils affiliated with the Communist party, reminding the commission, "To

¹¹¹ Arthur Falls, Chicago Urban League to Wilfred Reynolds, November 25, 1933 Olander Papers, b. 73 Folder November 25-27, 1933.

^{112 &}quot;Transcript of the Illinois Emergency Relief Commission, May 18th, 1934," box 4, folder 3 McCulloch papers.

date our organization has never abused that privilege." Dunham had little problem with the group's administrative suggestions. He said that the commission tried to remain open to recommendations for the improvement of its services and would consider the CWC's suggestions.

Budgetary requests proved to be a more divisive issue between the CWC and the IERC during this meeting. Pointing out that the New Deal program promised that, "Relief ought to be on a decent standard," the CWC identified three specific polices where they felt that a desire for thrift hampered the quality of relief. Harriet Vittum, of the Northwestern Settlement and Taylor justified their requests through their direct experience with Chicago's unemployed in settlement houses. Vittum demanded that relief be extended to the payment of rent because the depression not only impacted unemployed tenants, but also landlords, often unemployed themselves, who lacked the funds to keep up on mortgages and property maintenance. Taylor asked for an increase in the payments to single men and also for a switch to cash relief as opposed to grocery credit. When asked by Dunham why grocery credits were more demeaning than cash handouts, Taylor stated that cash provided a more discrete form of relief. Speaking for the unemployed, she stated, "It is not announced to the public in general that you are on relief. It affects our pride to go into a grocery store and have the grocer say, 'stand aside—my cash customers come first.'",113 The CWC hoped that by showing the IERC more of the "human side" of relief that the commission would shape its administration to better meet the specific needs of recipients and help Chicago's discontent masses ride out the depression peacefully.

The problem with the CWC's budgetary requests, according to Dunham, was that McCulloch, Taylor, and Vittum mistakenly assumed that the IERC had the power to

¹¹³ "Transcript of the Illinois Emergency Relief Commission, May 18th, 1934," box 4, folder 3 McCulloch Papers, Italics added.

accommodate their suggestions. These leaders felt that it was their responsibility to gather information among the unemployed and communicate the results to the IERC. The commission would then forward their requests to the federal and state legislatures and receive those funds necessary to meet the needs of the city's unemployed. Unfortunately, as the CWC leaders were to learn, the relief budget could not be so easily increased simply by communicating the "human side" of relief. After the CWC finished its presentation, Dunham informed them that, "As to the question, however, of the general overhead, I am afraid you don't get the picture. You approach us as if the matter was one of discretion within this commission. I must tell you very frankly it is not. The place for you to go is to Washington and to Springfield, not to us." He stated that the commission had already been working to increase relief outlays but instead had their funds decreased by \$1.5 million. Dunham told the group that as a strictly administrative body, the IERC could only increase individual outlays by decreasing the number of recipients. In other words, the IERC had control over how federal dollars could be spent, but not the amount of dollars they could spend. 114

The CWC felt that the IERC board was not pressing the issue hard enough to the state and federal legislatures. McCulloch pleaded with them to sway the opinions of legislators who critiqued government relief spending. Responding to Dunham's claim that no additional funds could be acquired from the State Assembly, McCulloch stated, "You are the men whose judgment is being trusted by the people who provide the money. To be sure, they say you have all this indebtedness and all that indebtedness, but can't you put in an earnest plea for this money?" Vittum continued by saying that perhaps the IERC was not painting a bleak enough image. She told them, "Now we haven't made the picture of human need as dark and as spotty as we could make it, as those of us who live in the midst of it know it. If we could present that

¹¹⁴ "Transcript of the Illinois Emergency Relief Commission, May 18th, 1934," box 4, folder 3 McCulloch Papers.

picture, the people would respond in larger amounts than they have ever responded before." The CWC and IERC simply had different understandings of the administration of relief in Illinois, in part based in their understanding of the place of unemployment in the structures of the economy. Where business and labor leaders looked to federal funds as a temporary fix to allow the economy to regain its functionality, CWC members saw unemployment not as a temporary problem but as a fundamental feature of a profit driven economy. Ideally, government would perpetually have a role in taken care of those left without work through no fault of their own. Yet, they hoped to develop a relief system where the unemployed would be more than passive recipients of relief, but participants in its administration. Unemployment relief, in this regard, would build a more active citizenry rather than ostracize relief recipients. The CWC pictured a consolidated campaign with the IERC at the top as leaders and with the CWC acting as conduits between the unemployed recipients and the IERC leadership. Dunham and other like-minded members of the commission instead viewed relief as a temporary aberration and looked forward to the cessation of federal aid. As representatives of the city they were, in a sense, relief clients as well, looking for temporary aid until private charity could regain control over unemployment. They saw themselves at the bottom of a distribution system that channeled funds downward from state and federal legislatures to the unemployed. Dunham responded that the IERC was simply one of 48 states, "begging" for money from Washington. He explained, "Servants don't make demands. We can go down and argue with them. If we don't get what we want, we can do no more.",115

After the May meeting, the CWC started planning more public demonstrations to gain political traction from dissatisfaction with relief. McCulloch took Dunham's advice and appealed directly to Illinois Governor Henry Horner to call a special session of the state legislature in

¹¹⁵ "Transcript of the Illinois Emergency Relief Commission, May 18th, 1934," McCulloch Papers.

order to increase relief funds. In a letter to Dunham, McCulloch reported that the governor was interested in the budget problem and was willing to call a session to get more funding. However, McCulloch stated that the governor wanted to hear the commission's opinion before committing to any action regarding a special legislative session. He offered Dunham the CWC's support in any effort he might undertake to politically maneuver towards a special assembly. McCulloch stated, "Through associated groups in other parts of the state we are in a position to make a real state-wide effort to create a sentiment in favor of a special session of the Legislature, and also on behalf of an income tax or other revenue measure which would fairly distribute the burden of this added appropriation." McCulloch still wanted to work with the IERC towards what he felt was their shared goal: relief administration that accurately fit the needs of Chicago's unemployed. This time, however, he imagined an expanded role for the CWC as a public voice that could mobilize opinions to publicly pressure legislatures and increase funding for the IERC to distribute.

Instead of developing into an antagonistic relationship, the leadership of the CWC actually built stronger ties with the IERC. Taylor had already worked on a short-lived division of women's work within the commission and remained in fairly steady contact with members of the commission regarding issues dealing with women's work, housing, and recreation. Borders went on to take a position in the WPA, which by the end of the decade recognized the Illinois Workers Alliance, led by McCulloch, as an official representative of relief workers. The IERC lacked an official public relations voice to sway popular opinion, but when seeking additional funds from either state or federal legislatures, they could increasingly rely upon the CWC, and later the IWA, to organize public demonstrations and lobby for increased outlays.

 $^{^{116}}$ Letter McCulloch to Dunham, June 20, 1934, box 4, folder 4 McCulloch papers.

The IERC was an important step in the localization of federal agencies, providing the foundation for individuals and groups in Chicago to maintain a role in deciding how federal dollars were spent. As Lea Taylor at the close of the first year of the New Deal, "Agencies for relief are formed and reformed, grow and vanish... The NRA, the ERA, the AAA, the CWA, all reflect themselves in the mirror of our neighborhood life." Through the waves of agencies and institutional reforms, the same cohort of middle managers remained constant through the tumultuous early years of the depression. The emerging "New Deal order" in Chicago was composed of working relationships undergirded by an understanding of federalism that prioritized local institutions and saw federal programs as a temporary opportunity to strengthen or challenge local practices. Participants in New Deal programs brought with them multiple and often conflicting interpretations of what the New Deal should mean. In Chicago, however, there was never any need for the resolution of those conflicts. In fact, federal expansion gained traction in the city precisely because the implementation of policy remained de-centralized.

By 1934, the visceral crisis of the early 1930s had subsided in Chicago and many in the city felt it was time to think about how to manage the recovery process. In an article titled "Out of the Depression," Ryerson gave an overview of his activities for the previous three years while laying out the main issues he thought were at stake if the federal government was to begin to take a more permanent role in managing unemployment. Ryerson had left his position in public aid in the summer of 1933 over the decision to allow the Catholic Charities Bureau of Cook County to dispense relief funds. For Ryerson, this was a misuse of public funds because it allowed a private group, the Catholic Church, to dispense taxpayer money. Ryerson believed that relief money should be distributed without regard to race or creed; the question was how to accomplish this

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¹¹⁷ Lea Taylor, "A Message from the President of the Federation" National Federation of Settlements, November-December bulletin, 1933, box 3, folder "National Federation of Settlements, July – December, 1933" Lea Taylor Papers, CHM.

goal. Independent public agencies would negate the need for specialized private groups like the Catholic Church to dispense relief, but Ryerson worried the agencies would eventually be corrupted by shortsighted politicians. Private charity, for Ryerson was a way to bind the community together and he worried that reliance on federal relief agencies would eliminate private charities, leaving localities dependent upon federal government. Though Ryerson never held elected office and earned his living managing steel warehouses, just as Olander was first and foremost a union organizer, they saw their work on the IERC as a public duty, serving the community at large while insulating relief programs from politicians who might be tempted to use the funds to satisfy their own ambition. In reality, their perspective on the community was shaped by their respective positions in Chicago's political economy.

In the middle years of the decade, the NRA, WPA and PWA supplanted the IERC, and recovery took priority over the immediate demands of emergency relief. The proliferation of federal programs politicized the informal sphere of governance and, to accommodate the diverse range of voices seeking to direct New Deal programs, the lines between formal and informal authority became more pronounced over the course of the decade. In doing so, the expanding political community in Chicago evolved into the city's New Deal coalition.

In his comments about the Catholic Church and relief operations, Ryerson recognized the ambivalent divide between public and private authority that served as a bond for the emergent New Deal coalition. He feared the misuse of public funds to pursue a narrow agenda that would discriminate according to race or creed. Yet he also worried that too much of a federal presence would undermine the efforts of, in his mind, well-intentioned citizens acting for the public good. In Los Angeles, Ryerson's counterparts in the Chamber of Commerce enthusiastically welcomed federal dollars to assist with out-of-state dust bowl refugees and drew firmer borders between

118 Ryerson, Chronicles, 27.

"indigent" workers and those who belonged in the "real" economy, while seeking to root out examples of waste even if it meant rejecting deserving relief recipients as collateral damage. In doing so, their primary concern was either what the federal government did for them or to them. While Chicagoans read the same legislative reports and cheered or hissed at their potential, their overarching concern was who would be running the programs. The NRA gave leaders in the city's corporate and craft economies federal resources to advance their own economic visions. The fact that they both did so simultaneously was hardly a problem. Elite use of federal power to advance local interest stirred activism among those outside the elite far more than any promises made in Washington DC. As a result, the New Deal became further embedded within the community. They connected influence over federal policy with community power outside the realm of electoral politics.

Chapter Two

Unemployment Relief and Indigent Care

"Its California politics, that's all. God damn it, I think we ought to let Japan have this state. Maybe they could straighten it out."

--Lorena Hickok, June 1934¹

On February 11, 1933 Reuben Boroughs, a news reporter and progressive reformer, sat in a nondescript warehouse in Long Beach for a meeting of the Unemployed Relief Association Self-Help Cooperative. As night fell in the warehouse, the association's leader, GC Todd, a one-armed former railroad worker, gathered the small group together to begin the meeting. Standing amidst barrels of sauerkraut, homemade catsup, a 300-gallon milk container, and "crates and bins piled high with onions, cauliflower, carrots, potatoes," the cooperative members discussed plans to buy a fishing boat and organize a trip to nearby oil fields to collect firewood from collapsed derricks. Todd told Boroughs that the group had started the previous June with 30 members and a dime in savings; the group had since expanded to 1,585 members though their savings had only increased to \$1.30. As opposed to bank statements, Todd pointed to a truck the group had recently purchased by drawing a nickel a month from members. The group owned all its own equipment, Todd proudly remarked, in addition, its membership boasted doctors, dentists, lawyers, "everything from a shovel man to a bank president."²

The cooperatives were a popular movement that marked the boundaries of the Los Angeles economy. The people who flocked to the organizations were not trying to mount a challenge to the mainstream market-driven economy, but instead, were looking to create an

¹ Lorena Hickok, "To Harry L. Hopkins" July 1, 1934 in Richard Lowitt and Maurine Beasley, eds. *One Third of a Nation: Lorena Hickok Reports on the Great Depression* (Urbana and Chicago: University of Illinois Press, 1981), 304.

² News clipping, February 11, 1933 "Rights of Citizens Clippings, 1933-1935," Box 54, folder 1 Reuben Borough Papers University of California, Los Angeles Special Collections.

alternative exchange network as a space for those left outside of an economic system that no longer offered a productive role for all Angelinos. At the time that he was attending meetings of the new cooperative associations, Borough was also seeking funding for his own project, a "Back to the Land" movement that would provide small, subsistence farms for urban dwellers. In a letter to Edward Mead, Commissioner of the Bureau of Reclamation in the Department of the Interior, Borough reflected upon the "strangely self-contradictory" moment created by the depression. Borough remarked, "We are going both individualist and socialist at the same time in our effort to get away from a disintegrating economic order." The depression did not eliminate the need to feel productive, but had drastically limited the means to do so. In the burgeoning cooperative movement and in the many letters of interest he received about the back to the Land movement, Borough perceived a growing desire for collective action to preserve individual integrity sweeping through the region.

The cooperative movement grew in response to a broken relief system in Los Angeles that succeeded primarily in setting boundaries between the deserving unemployed and parasitic indigents; while still lacking the organizational capabilities to provide adequate relief to either. Pauper laws stipulated that individuals could not receive county relief unless they had no assets to their name, meaning that unemployed homeowners had to wait for bankruptcy and insolvency before receiving any government assistance. The city's elite, whether sitting in elected office, residing in the Chamber of Commerce or running charities through the community chest did not turn a blind eye to the unemployed, but, rather than joining together to operate a public/private relief network like the IERC in Chicago, the relief effort in Los Angeles was marked by political jealousies, duplication of services, and constant upheaval in administrative responsibilities. Amidst the morass of internecine jurisdictional battles, popular movements translated the city's

³ Borough to Edward Mead, March 28, 1933 Box 9, Folder 10 Borough Papers, UCLA.

pro-growth ethos of individualism into cooperative efforts to set up networks for the exchange of labor for commodities outside the boundaries of the city's market economy.

By December 1934, self-help organizations could be found in 29 states, the District of Columbia, Puerto Rico, and the Virgin Islands. While the self-help movement likely originated in Seattle in 1931, the movement had its greatest impact in Los Angeles, where 44% of the total number of cooperatives resided.⁴ Carey McWilliams, who was hardly a cheerleader for the region's agricultural system, explained, "there is something about this wonderfully rich and prodigiously fertile state, in which all crops can be raised with a quickness and abundance unknown elsewhere in America, that stimulates the notion of abundance, of richness, of leisure... In the midst of such opulence, people will never starve." As McWilliams' observation implies, the cooperatives could form a natural marriage between surplus labor and surplus agricultural goods. The cooperative movement began as a simple barter system where members helped pick crops in exchange for surplus goods that were unfit for the market. From these humble origins, the movement developed into a network of surplus exchange warehouses. Later, as federal administrators became more active in their attempts to direct the movement, cooperatives provided inspiration and offered a potential foundation for a fully realized production-for-use economy designed to run parallel to the market economy, providing labor for surplus workers who could not be reabsorbed into the city's private economy.

The cooperative movement offers a window to explore the emerging contours of the relationship between federal policy and local control in Los Angeles between 1931 and 1934.

The movement was both an expansion of democratic participation in the context of federal

⁴ Constantine Panunzio, *Self Help Cooperatives in Los Angeles* (Berkeley and Los Angeles: University of California Press, 1939), 12-13.

⁵ Carey McWilliams, *Southern California: An Island on the Land* (New York: Duell, Sloan, and Pearce, 1946), 302-303; see also Borough, "Jubilant Crusader," [1967], 186 box 24, folder 2 UCLA.

growth and an affirmation of the individualist principles that stigmatized government welfare. Members initially joined cooperatives to supplement their diets while avoiding the legal designation of pauper status that established the criteria for public money. For county administrators, the movement offered a way to cut administrative costs in relief by bringing the unemployed more fully into the distribution process. In this context, the self-help cooperatives offered a chance to both conserve public funds and preserve popular morality by giving the unemployed greater responsibility over their own relief. When members of the State Emergency Relief Administration (SERA) began distributing federal funds to support cooperative activities, the movement itself became a way for progressive New Dealers to alleviate pressure from what they felt was a bounded and saturated labor market. In all its manifestations, the cooperative movement demonstrates the plasticity of what was a thoroughly decentralized federal relief program. While business leaders blamed the city's economic woes on an army of indigent transplants flooding relief offices, cooperative members built a new network of exchange out of surplus labor and commodities, bringing the focus of federal policy to the peripheries of the local economy.

The cooperative program grew out of and continued to mirror a larger pattern of stratification for economic citizenship in Los Angeles. During these years, business leaders and politicians drew an increasingly firm line between the "employable unemployed" and "indigent" relief recipients, while control of relief programs passed haphazardly back and forth between local charities, city and county governments, the chamber of commerce, various citizens' councils, and federal and state agencies. As Linda Gordon observes, most federal legislation tended to be "backward looking—it defined the problems it hoped to solve on the basis of

experience." In Los Angeles, the substitution of federal funds for local charity and state relief during the early years of the depression reinforced established moral divisions concerning relief and welfare. In doing so, the New Deal furthered a compartmentalized vision of community in Los Angeles, simultaneously empowering those on the margins through federal subsidies to cooperatives while solidifying definitions of deserving and undeserving poor.

The last chapter outlined the evolution of a federal relief program directed by the IERC in Chicago that emphasized reemployment through established private networks. In Los Angeles, there were no established networks strong enough to coordinate federal policy through extragovernmental organizations and discussions concerning relief tended to revolve around either quarantining or rehabilitating an emerging permanent indigent class. This chapter begins with a discussion of pre-New Deal relief, highlighting the tensions and fears of the city's civic elite stemming from their inability to control the diffuse private relief efforts. They hoped to fashion a program that would establish a sense of order among the unemployed population because they feared charity might instead attract more individuals derisively labeled as professional indigents and dangerous parasites. The chapter concludes by looking at the emergence of the federal relief program as part of a transition in relief away from crisis management to develop a system to care for a permanent class of unemployed. Where state power in Chicago reinforced the power of the local civic elite, in Los Angeles the relief program became lost amid warring images of managed prosperity, cooperative economy, parasitical relief recipients, and moral individualism. The difference between each region not only shaped the structure of New Deal programs in each locale but also provided a distinct context for the expressions of political activism that would drive the evolution of the New Deal state at the local level.

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⁶ Linda Gordon, *Pitied but Not Entitled: Single Mothers and the History of Welfare 1890-1935* (New York: Free Press, 1994), 13.

Los Angeles in the Great Depression

When the stock market crashed in 1929, business leaders in Los Angeles believed that the city's economy was resilient enough to avoid the problems of unemployment that plagued other large cities. The Los Angeles Times predicted that Los Angeles would remain "one of the employment 'white spots' of the entire country." Yet their confidence obscured a much harsher reality. In the depression's first year, factory employment fell by 25% in the city and, by 1932 there were 344,000 unemployed men and women in the city, almost half the total for the entire state of California. Los Angeles led the state in both unemployment and population growth. According to a 1934 report by the California State Relief Administration, Los Angeles was the fastest growing county in the fastest growing state in the country. Its population grew by an estimated 11% between 1930 and 1934. Many of these new residents likely came to California as refugees from the drought plaguing the agricultural southwest, providing the grist for the county welfare department and chamber of commerce to blame the city's plight on a "foreign" indigent population.⁸ With homegrown unemployment and a rising migrant population, the relief expenditures of the Los Angeles County welfare department jumped from \$229,477 in July 1930 to \$415,967 in January 1931 and then to \$692,509 in April 1932. With greater demands for aid, the monthly relief budget for a family of five fell from \$65.52 in July 1931 down to \$17.72 in April 1932.9 As a result, city leaders in the Chamber of Commerce, community chest, and in

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⁷ Errol Wayne Stevens, *Radical L.A.: From Coxey's Army to the Watts Riots, 1894-1965* (Norman: University of Oklahoma Press, 2009), 189.

⁸ For the construction of an "okie" stereotype, see James N. Gregory, *American Exodus: The Dust Bowl Migration and Okie Culture in California* (New York: Oxford University Press, 1989).

⁹ County Welfare Department numbers are from Sanford A. Mosk, "Unemployment Relief in California Under the State Emergency Relief Administration," in *Essays in Social Economics: In Honor of Jessica Blanche Peixotto* (New York: Books for Libraries Press, inc, 1967), 250-251; population figures in California State Relief Administration Reports, April 1930 to July 1934, "Population Trends in California," 1 box 148, f. 8 California State Relief Administration Records, California State Archives, Sacramento (CSA).

elected offices had few existing tools to rely on while trying to combat the depression and reign in a city they felt was rapidly losing control.

In a report studying the problems of statewide unemployment between 1931 and 1932, the newly established California State Unemployment Commission emphasized the "human costs of unemployment." Where members of the Chicago Workers' Committee described "human costs" in terms of the degradation of the community as a whole; the Unemployment Commission focused on the decline of individual morality. The report noted, "Indifference to the highest social value—human life—is a significant indication of the extent of personal demoralization." Here the report looked at unemployed men in particular who, despondent over their inability to care for wives and children and unable to control their emotional despair, took their own lives under the misguided belief that their widowed wives and orphaned children would be able to secure aid more easily. In the city of Los Angeles one in seven of the 959 suicides and suicide attempts during the year 1931-1932 were related to "financial worries." Beyond those suicides directly related to financial causes, the commission surmised that "While it is difficult to tell what part unemployment and curtailed income played in suicides committed because of ill-health, despondency over life in general, and other causes; it is safe, however, to assume that unemployment, idleness and distress were at least added factors in the situation." ¹⁰ The focus on suicide shows that the commission, and those men seeking once last way to provide for their dependents, viewed widowed women and orphaned children as most deserving of relief because they were now outside the protection of a male breadwinner. The depression was measured in the numbers of unemployed but interpreted in terms of a civic order vulnerable to individual decay rather than organic communities torn asunder by the iniquities of the capitalist

¹⁰ Report and Recommendations of the California State Unemployment Commission (Sacramento: California State Printing Office, 1933), 121-122.

system. Overall, the commission traced a ripple-like effect stemming from male unemployment into a general status of social dislocation.

While unemployment caused men to lose control of their emotions, women, the commission reported, were fast becoming hard-hearted social parasites, living by their wits and exploiting relief and charity organizations to eat multiple meals a day. One club for needy women and girls reported to the Los Angeles Girls Council that "many of these women are antisocial and violent in their arraignment of the existing social and economic conditions...they spread the gospel of discontent; and the younger girl who is filled with the hope and joyousness of youth, even in these trying times, feels degraded by contact with them." The commission followed social dislocations into local schools remarking upon how the depression inculcated alarming degrees of radicalism among children. A principal in Hollywood remarked, "One lad began to knock the present order and I asked him to take lunch with me. His views moderated considerably as his stomach filled." Radicalism here was a product of restlessness among children; just as the hard-boiled approach to living "by one's wits" among women emerged out of the "disorganization" of being separated from friends and family and forced to engage society as individuals. Much like the worker unrest that would dominate local politics in the middle years of the decade, the civic elite viewed the problems of the depression pathologically, as a virus that was contaminating individuals who, in normal economic conditions, would otherwise be content with their place in Los Angeles society.

The images of social chaos that drove public officials to action in Los Angeles were matched by a complete inability to channel that action into a coordinated relief program to care for the unemployed. In Chicago, concern about failing cultural institutions and social unrest led

¹¹ Report and Recommendations of the California State Unemployment Commission, 105.

¹² Report and Recommendations of the California State Unemployment Commission, 125.

trade union and business leaders to put aside ideological differences concerning the shop floor and prioritize a common language of local control while turning to public funds to maintain private forms of governance in the city's political economy. Through trade associations, settlements, and craft union networks, leaders in the relief effort saw government assistance as a way to strengthen local organization. They took advantage of decentralization in federal policy to centralize control over the New Deal in Chicago through the IERC. In Los Angeles, the relief effort was marked, in the words of a contemporary critic, by "decentralization, duplication of effort and administrative costs, and a lively competitive spirit." The city's divided leadership argued over ways to separate the worthy from the unworthy among the unemployed, define what accounted for acceptable relief allowances, and determine to what degree expediency in the distribution of relief funds outweighed the morality of creating a population addicted to handouts. Their mismanagement created a vacuum of leadership that later fed the cooperative's popularity.

The official relief effort in Los Angeles proceeded along several different directions at once. After registering with the Municipal Service Bureau, homeless men were provided relief primarily through one of six agencies: the Midnight Mission, the County Welfare Department, the Salvation Army, the Saint Vincent de Paul Society, the Union Rescue Mission, and the Volunteers of America. These agencies gave shelter to 32,291 men in 1931, but then saw their numbers jump to 280,774 during the first six months of 1932. One commissioner explained that they could provide dormitory space for 105 men and allow an additional 200 to 260 men to sleep on the floors. Still, he found that the agency was turning away an average of 300 homeless men a night. In meeting the escalating crisis, the relationship between community chest and private non-chest funded agencies became increasingly contentious. The chest agencies charged private

¹³ Mosk, "Unemployment Relief in California Under the State Emergency Relief Administration," 249.

charities with duplicating their efforts and providing relief to non-resident clients, which posed a threat to "resident labor." In contrast, the private agencies prided themselves on operating free of the "red tape" that mired public relief efforts and maintained that all men, resident and transient, should be provided relief.¹⁴

Relief for women tended to be even more sporadic because women were treated less as individuals and more as caretakers for a family. Their aid came primarily through direct aid, rather than shelter in dormitories, as was the case for homeless men. For direct aid, neither the County welfare department nor charity organizations took note of gender, registering both families and individuals as generic "cases," making it hard to account for the number of women seeking assistance. Various women's clubs and organizations set up temporary funds to sponsor programs specifically for needy women. In May 1931, the city set up a program to provide part time clerical employment for women, but the program ran out of funds in September. In December, Margaret Workman, a member of the Community Chest and active participant in welfare activities through the Catholic Church gathered together "a committee of outstanding women" from different religious denominations to develop a relief program for unemployed women. The difficulty of dealing with women directly, rather than as dependents of male relief recipients, would continue to shape relief polices throughout the decade as local administrators further delineated between the unemployed and "unemployables" in programs that kept women in a grey area that recognized the reality of female "breadwinners," while still classifying their existence as an unfortunate abnormality. After 1935, the Works Progress Administration primarily provided employment to white skilled male labor, while women and minority workers tended to take up a larger percentage of the welfare checks provided by the State Relief Administration. Even among female caseworkers, federal expansion further delineated the

¹⁴ Report and Recommendations of the California State Unemployment Commission, 344.

gendered boundaries that separated the "employable unemployed" from "unemployable" indigents. In one report, County Relief officials blamed female social workers for escalating relief costs because of their tendency to be "swayed by sympathy" and, in another, found that women "always [spend] public money as though it were her own." To reduce cost, the Charities department reorganized by staffing employment offices with men and limiting the role of women caseworkers exclusively to working with "unemployables."

Among those directing the relief program in both community chest charities and in the county welfare department, there was a fear that relief, while a temporary remedy for the immediate crisis, would create a permanent class of welfare recipients. In the fall of 1931, the county welfare department released a report that connected "excessive and unwarranted financial aid" to the encroachments of 'organized pauperism.'" The key, according to the report, was not to let the unemployed develop a belief that they had a right to welfare funds. The report predicted that "paupers" would soon organize and develop a map of welfare opportunities in the city, allowing them to earn a comfortable living at the expense of taxpayers. "Of all the manifestations of pauperism," the report continued, "nothing was more insidious than the birth rate among indigents, as well as the sub-normal class." The fear that relief would lead to the growth of, what the report described as a subsidized "sub-normal class," gained greater immediacy due to the sprawling and disorganized state of relief operations in Los Angeles. Lacking the ability to control relief, many in Los Angeles worried that increases in the outlay of funds would only increase the number of welfare recipients. Although there was no consensus in Los Angeles

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¹⁵ Report and Recommendations of the California State Unemployment Commission, 345; Thomas O'Dwyer to John J. Cantwell, December 2, 1931 Box 18, Folder 1 Margaret Workman Papers in the Workman Family Papers, William H. Hannon Library Special Collections, Loyola Marymount University; "Report on the Expenditures of the County Welfare Department for Public Relief," August 17, 1931 Box 63, "correspondence" John Anson Ford Papers, Huntington Library; and Richard David Lester, "Building the New Deal State on the Local Level: Unemployment Releif in Los Angeles County During the 1930s" (PhD Diss, University of California, Los Angeles 2001), 160, 355.

regarding an approach to relief, those involved in the various agencies could all agree that their rivals were only making the situation worse through their efforts.¹⁶

Workman's career during the New Deal is illustrative of the way "women's work" evolved into part of the institutional structure of the emerging New Deal state in Los Angeles. Like Lea Taylor in Chicago, Workman was a second-generation progressive. Her mother was a suffragist who worked on Woodrow Wilson's campaign and became the first woman appointed to California's Democratic Central Committee. More so than Taylor, Workman was part of the civic elite in Los Angeles. Her grandfather was a mayor of Sacramento and her father-in-law was a former mayor in Los Angeles. Workman herself was active in several social work and voluntary agencies through both the community chest and Catholic Church. ¹⁷ Workman's activities in social work moved towards two interrelated goals: First, in setting up Catholic settlement organizations in the late 1920s and early 1930s, she sought to reduce the "frictions" emerging during the period of social unrest. In particular, she worked with youth in the Mexican-American community where she felt the tensions of social dislocation would likely be most acute and the rewards of seeing "these girls taking their place as valuable members of society," the greatest. 18 At the same time, social work was also a way to build solidarity among society women in Los Angeles. Workman saw charity events and speaker meetings as both fundraising opportunities for relief and as a way to generate interest in voluntary work among the city's clubwomen. 19 Although she worked through settlements and community organizations, Workman did not set out to mobilize the unemployed for political change like Taylor and

¹⁶ "Report on the Expenditures of the County Welfare Department for Public Relief," August 17, 1931 Box 63, "correspondence" Ford Papers.

¹⁷ "Biography—social and political activities Margaret K. Workman (Mrs. Thomas E.)" n.d box 4, folder 9 Workman Papers.

¹⁸ "Catholic Girls Clubs in Los Angeles," n.d box 8, folder 2 Workman Papers.

¹⁹ "The social Service Auxiliary: Its history and Growth form 1931 to 1965," n.d. box 4, folder 4 Workman Papers.

McCulloch through the Chicago Workers' Committee. Workman's early relief activities focused on the moral lives of the unemployed and she had little interest in using unemployment to criticize the economic order. After being appointed to the Mayor' Committee on Unemployed Women in 1931, she would later become part of the cohort of private civic leaders who took part in the various citizens committee set up to oversee relief programs throughout the decade. Relief became a way to model respectable behavior to the unemployed and, for Workman, stemmed from a social responsibility to halt the spread of the pathological corruption of despair and dislocation that seemed to present a bigger threat than hunger and homelessness. The depression, however, did not make for a fertile environment for moral uplift. Just as working class African-Americans grew less responsive to the uplift campaigns of Claude Barnett, in Los Angeles, the campaign for indigent care did little to strengthen the social bonds of the city's economy.

While Workman was operating relief programs through the city's charitable and religious organizations, LA county supervisor Frank Shaw gathered together representatives from local business, labor, and civic organizations to develop a plan to fight unemployment. From these meetings, Shaw created the Employment Stabilization Bureau as a job placement service in both private employment and public works. By the fall of 1931, Shaw's Stabilization Bureau had registered 145,000 unemployed men and 15,000 unemployed women. The stabilization bureau appeared to resemble IERC work relief in Chicago, where employers and union leaders used their own extra-governmental networks to encourage further job openings, identify relief clients, and place them in employment. Like the IERC, the stabilization bureau also tried to work through private employers to encourage the creation of new jobs and prevent further layoffs, but found its greatest success in creating employment through local public works organized through county agencies. Out of the 160,000 registered unemployed, the stabilization bureau could only

make, what one historian has labeled the "rather dubious" claim of finding jobs for 60,000 applicants. In addition, the political rivalry between Shaw and Los Angeles city mayor, John C. Porter led the latter to create a separate employment bureau for the city itself, although Shaw's county organization still registered 93,200 residents of Los Angeles city. Both employment agencies operated independent from the charity agencies, chest and non-chest, furthering the level of disorganization in relief efforts.²⁰

The trade union leaders organized through the Los Angeles Central Labor Council viewed Shaw's willingness to include union representatives as an opportunity to meet the problems of unemployment in a cooperative manner with organized business. They cheered the appointment of John C. Austin, an architect and leader in the city's Chamber of Commerce, as the representative for business on the unemployment advisory committee. Although the Chamber of Commerce remained hostile to any challenges to the open shop, union leaders, anxious for at least some sign of a thaw in business hostility, saw in Austin someone who had at least "shown himself very sympathetic with the workers." In its newspaper, *The Los Angeles Citizen*, trade union leaders hoped that the advisory committee, which also included AW Hoch, president of the California Federation of Labor, would ensure that "the work of relief will be localized as much as possible." One suggestion put forward was a "Man a Block" campaign, where each head of the household would provide funds to maintain a handyman for the entire block to perform yard work and other odd jobs. Labor leaders also looked at public works projects like flood control and, adding to the emphasis on physical labor, suggested using hand tools whenever possible to increase employment by avoiding labor saving devices. The commission suggested that any applicant refusing work on such tasks should be dropped from the Stabilization Bureau

²⁰ Lester, "Building the New Deal State at the Local Level," 60-62.

enrollment.²¹ To reinforce the idea that increasing purchasing power could be a cooperative effort, trade union leaders suggested that businesses could have a sign they could post in recognition of jobs added and that newspapers could publish an "honor roll" of businesses who had increased employment or developed share the work programs. While *The Citizen* emphasized that reduced hours and shared work programs should not come with a reduction of wages, most of the cooperation between business and labor in 1932 came in the form of trade unions acceding to wage reductions to maintain employment.²² In Chicago, Olander helped strengthen ties between workers and their unions by placing union members in public works position. For union members in Los Angeles, their leaders did little more than preside over reductions in hours and pay, while chasing work programs that tried to retreat from labor saving technology, looking backward to face the problems of unemployment.

Business leaders in the Chamber of Commerce encouraged the development of public works, but in doing so, framed the program as a more responsible form of welfare rather than an attempt to "prime the pump" of consumer spending. They saw work programs primarily as a method to prevent unworthy relief applicants from exploiting the system and as a way to prevent worthy relief recipients from developing bad habits associated with accepting charity. In January 1931, the Los Angeles County Welfare Department began to require unemployed residents and indigent transients to work for relief. Those "vagrants" who refused could be transported to prison work farms rather than continue staying for free in the more "comfortable" lodging of

²¹ "John C. Austin Heads Unemployed Group," *Los Angeles Citizen*, October 23, 1931 and "Propose New Plan to Give Men Work," *Los Angeles Citizen*, December 8, 1931.

²² "Labor Plan will Bring Work," *Los Angeles Citizen*, November 6, 1931. For wage reduction agreements see Los Angeles County Federation of Labor Executive Board and Council minutes for January 22, February 19, and May 13, 1932 Box 4, Folder "1932" Los Angeles County Federation of Labor Papers, Special Collections Oviatt Library, California State University Northridge.

local jails.²³ By February 1932, Chamber officials were convinced that the "work test" should be the basis for all relief in the region. They worried about charity organizations who, they claimed, believed it was best to provide relief for "nine misfits" to avoid rejecting one worthy client. Relief, one delegate explained, should not be a "business of developing degenerates." By adhering to a "work test" chamber and county officials felt they could concentrate the limited funds available for relief on saving those unemployed who still adhered to their standards of worthiness. To be deemed worthy, the unemployed, regardless of their previous occupation, had to accept whatever type of work was assigned and projects ranged from street repair and flood control to work in county woodyards and cleanup projects around the Los Angeles River. County officials estimated about 60% of the unemployed turned down work assignments.²⁵

Where, in Chicago, Ryerson worried about the way federal money would threaten the continuation of charitable relief, members of the Chamber of Commerce in Los Angeles debated methods to use state power in order to gain greater control over private charities and limit what they felt was a problem of excessive generosity and misplaced sympathy. In a meeting at the Chamber of Commerce to discuss plans for a more structured relief program in February 1932, the county superintendent of charities, William Harriman described how it was possible for an individual to move from soup kitchen to soup kitchen to eat as many as six or eight free meals a day. He described sending four of his own staff out on the streets with a "hard luck tale" and, in three hours time, they collected \$91 in handouts. Referring to the private charities providing free meals and beds, the county superintendent of charities, Harriman, explained how "the

²³ Report and Recommendations of the California State Unemployment Commission, 370 and Lester, "Building the New Deal State at the Local Level," 77.

²⁴ Stenographer's Report for Meeting of the Board of Directors of the Los Angeles Chamber of Commerce, February 12, 1932, 4 Los Angeles County Chamber of Commerce Papers, University of Southern California Doheny Library (LACC).

²⁵ Stenographers Report, February 12, 1932, 3; Lester "Building the New Deal State," 77-78; and *Report and Recommendations of the California State Unemployment Commission*, 370.

thoughtless citizen is helping to increase our problem rather than decrease it." Whether or not Harriman's stories were representative of the relief situation in Los Angeles, they resonated with the chamber members' own fears of charitable excess. The board of directors remained undecided whether it was best to support Harriman's call for the creation of a relief "dictator" who could exercise control over those rogue private charities or if they should instead put forward legal ordinances that would prohibit charities from providing assistance except through legally designated governmental agencies.²⁶

The Chamber's attitudes reflected a general feeling toward unemployment that had proliferated in Los Angeles before the depression. The author Louis Adamic recalled that, in the 1920s, "Unemployment is a crime in sunny California...shabby looking men are stopped in the streets, dragged out of flophouses, asked if they have work; and if they answer in the negative, are arrested for vagrancy." Between 1927 and 1928 alone, Adamic noted, there were 12,202 arrests for vagrancy in Los Angeles.²⁷ The Board of Directors meeting for the Chamber of Commerce where Harriman had launched his proposal to combat excessive charity became a general clearinghouse for elected officials and the business elite to decry the state of county relief. Those present at the meeting identified a growing sentiment of collective responsibility that was sweeping the nation in response to the depression and looked to halt its spread at the county line. One city councilman present at the meeting explained that across the nation "we have a great human commonwealth the object of which is to build mankind." He continued, seconding points made by others at the meeting, that this new consciousness was "humanicidal" and was "destroying rather than creating manhood." Rather than developing a cooperative plan to increase employment, as envisioned by the city's trade union leaders, Chamber officials were,

Stenographers Report, February 12, 1932, 3, 9-11 LACC.
 Quoted in McWilliams, Southern California Country, 292.
 Stenographers Report, February 12, 1932, 10 LACC.

in essence, echoing the concerns of their counterparts in community chest organizations and developing plans to limit the contagion of the idle unemployed and what they felt was the debilitating effect of public money. Their discussions centered around classifying and categorizing relief clients and in controlling the distribution of funds.

In doing so, their discussion of a "work test" resonated within a larger discussion that linked categories of worthy and unworthy unemployed with the insular image of Los Angeles as the "white spot" of America. Unemployment and the need to come up with low-skilled jobs under the work test heightened the racial divisions in Los Angeles society, making employment in "cheap" labor more visible. The California State Relief Commission reported receiving protests from the representatives of Mexican workers who felt public works programs intruded into what had been "their line of work" in more prosperous times. The reported stated, the "'depression has dignified common labor,' and has displaced the Mexican from the only work he is able to do."29 As low paid jobs became more scarce and "dignified," the Central Labor Council passed a resolution calling for laws that would force employers to cap the number of foreignborn employees at 2% during times of economic depression. When Mexican and Mexican-American workers joined the relief rolls they faced both overt and covert discrimination. Caseworkers often assigned Mexican families budgets that were around one-third lower than white family budgets under the justification that Mexican families were used to lower living standards. Works programs were restricted to U.S. citizens, but in practice often lumped Mexican nationals and Mexican-Americans together. The majority of repatriation campaigns in Los Angeles also occurred in the years before New Deal programs began operating in Los

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²⁹ Recommendations of the California State Unemployment Commission, 371.

Angeles in the spring of 1933. Between March 1931 and December 1933, the county transported 12,668 individuals back to Mexico.³⁰

The treatment of Mexican-Americans mirrored the approach to non-resident and transient relief clients in general. As James Gregory outlines, the increase of white laborers doing common labor did not always make those jobs more "dignified." Instead, the association of poor migrant works fleeing the dust bowl with low paying jobs, predominately in the lower rungs of agricultural work helped turn the epitaph "okie" into a slur that represented a whole constellation of quasi-racial stereotypes. Gregory quotes John Stenbeck to show how the term took on its own meaning unmoored from the geographic home of the migrant farmworkers: "Well, Okie use'ta mean you was from Oklahoma. Now it means you're a dirty son-of-a-bitch. Okie means you're scum. Don't mean nothing itself, it's the way they say it." Whether the migrants were in fact from Oklahoma, Arkansas, or Texas the term "okie" transformed the degraded living conditions of southwest migrants into an ethnic category city elites used to describe foreign intruders into Los Angeles. Chamber of Commerce directors and government administrators worried that if relief was too generous, it would in fact breed more Okies by encouraging the unemployed to travel to the city. Harriman explained that there were already people joining bread lines "with the cinders still on their hats where they rode the blind baggage or freight cars getting here."³² Underlying the image of an "okie" invasion was an even bigger threat, that rewarding the shiftless unemployed would in fact breed more "okies" among Los Angeles residents who might otherwise have maintained hardworking values.

³⁰ Minutes of the Joint Executive Board of Labor Councils, January 11, 1932 Box 6, Folder, 1931-1936 LACFL; Lester, "Building the New Deal State at the Local Level," 73-76.

³¹ James N. Gregory, *American Exodus: The Dust Bowl Migration and Okie Culture in California* (New York: Oxford University Press, 1989), 100-103; quote on p. 100 from John Steinbeck, *Grapes of Wrath* (New York: Viking Press, 1963), 280.

³² Stenographer's Report, February 12, 1932, 9.

In their pursuit of a relief program that would protect the virtuous "employable" unemployed from the corruption of a professional class of panhandlers, the city's charity and business elite created the categories of deserving and undeserving relief recipients that animated the spread of the cooperative movement.³³ When New Deal programs made federal dollars more readily available, the local elite enthusiastically pointed to the region's disproportionate burden of migratory unemployed as justification for increased federal funding. Despite subjecting relief recipients to low wage unskilled work, the work test remained, at least in the eyes of the civic elite, a badge of respectability. Mrs. Foreman, from the Federation of Jewish Welfare and the Community Chest echoed the importance of the work test in a request to extend the test to female relief recipients. She explained that women came into her office, received their \$6 weekly fund, and then, "they go out and do nothing. They walk around the streets; go to shows and become demoralized."34 The requirement gave the civic elite a feeling of control over relief recipients, which, in their mind served as a buffer to protect the city's indigenous unemployed. Their vision of localism then was more social than economic in character. The work test was a means to maintain local control over the city's workers and ensure that unemployed workers in Los Angeles would continue to behave in the same way as they did before the crash rather than become corrupted by the listless tramps that local government and business leaders felt made up the entirety of depression-era migrants into the city. The unemployed, however, refused to identify themselves as bums or in need of elite benevolence. The cooperatives initially provided a supplement for people who did not have the funds to provide themselves with food and shelter, but still wanted to keep out of the pauper class. The cooperatives built an economy out of surplus agriculture and labor, which appeared, to federal New Dealers, a far more attractive form of

Stenographer' Report, February 12, 1932, 10.
 Stenographer's Report, February 12, 1932, 17.

relief to invest federal dollars than the disorganized and contentious charity and welfare networks operated by the city elite.

Self-Help Cooperatives

While members of the Chamber of Commerce discussed the benefits of the work test, a group of disabled war veterans met in the southern suburb of Compton and "worked over the economic conditions," paying particular attention to the growing surpluses of both produce and unemployed. In March 1932, William "Shorty" Burchfield, described in Clark Kerr's study of the cooperative movement as "a disabled Spanish-War veteran, an inveterate mining prospector since Klondike days and an intermittent nomad," had finally had grown tired of making ends meet with his meager pension and set out among the surrounding vegetable fields offering his labor to the Japanese farmers on the outskirts of town in exchange for excess produce. Reuben Borough, in his 1967 autobiography describes Burchfield's story with a bit more of a radical tinge. Burchfield had come "upon scattered patches of unharvested carrots, turnips, rutabagas, potatoes, onions." Realizing that without buyer demand the produce had no monetary value, Borough explains, "Without asking any one's leave he filled his sack and carried it home on his back." The difference in origin stories attests to how easily the cooperatives could be stand-ins for a story about the resourcefulness of city workers seeking sustenance or as a critique of capitalism in its moment of collapse. Whatever Burchfield's initial impulse, a simple barter of labor for surplus or the appropriation of de-monetized commodities, both Borough and Kerr describe how Burchfield returned home with more products than his family could use and offered the extras to his neighbor. On his next trip, Burchfield returned with the neighbor and then, on the third trip, he returned to the field with ten additional men. After a few months, the

newly formed Compton Veterans Relief Association boasted a membership of 2500 families and had started counting produce by the tons rather than the armful.³⁵

By June 1932 there were already 25 cooperatives operating in Los Angeles County and, in December, the number had grown to 90. The movement reached its peak in terms of membership in 1934. At that time there were 310 cooperatives nationwide and 179 in California alone. Los Angeles County had 139 of those associations, giving the region 44% of the total for the entire nation. Membership numbers fluctuated, but one study estimated the number of members and family served by cooperatives to be 92,274 in February 1933. For perspective, in June 1934, there were a total of 386,004 people collecting some form of government aid in Los Angeles County. Cooperative membership did not provide enough food for people to subsist solely on the surplus collected. Members instead used the distributed produce to supplement funds received through either part time employment or from county aid. Initially then, the cooperatives were a means to repurpose produce that could not be sold at the market in order to both supplement its members' salaries or relief stipend and, fairly quickly, a way for relief administrators to reduce food budgets by encouraging the spread of cooperatives as a low-cost alternative to direct relief.³⁶

In the midst of political gridlock and disorganization, the self-help movement emerged as a critique of both state relief efforts and the private-sector market economy. The movement has earned praise from both contemporary observers and historians as an anti-capitalist collective movement and as a product of conservative individualism. From its start, a number of leftist

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³⁵ Clark Kerr, "Productive Enterprises of the Unemployed," (PhD Dissertation, University of California, Berkeley, 1939), 83-85; Borough, "Jubilant Crusader," [1967], 187. Writing in 1933, Borough tells a story that more closely resembles Kerr's account in "Self-Help through Co-operation vs Charity" address to the Municipal league January 31, 1933, 5, box 54 folder 2 Borough papers, UCLA.

³⁶ Constantine Panunzio, Self Help Cooperatives in Los Angeles (Berkeley and Los Angeles: University of California Press, 1939), 12-13.

supporters of the cooperatives, operating both in and out of the New Deal, quickly embraced the movement as a model for an economy based around use rather than profit. At the same time, social scientists and historians have also used the cooperatives to underscore a sense of conservatism present in the mostly Midwest lower middle class in Los Angeles. Constantine Panunzio, for example, places an emphasis on a lower middle class membership, rather than working class identity, to highlight the importance of property ownership among cooperative members who had migrated to Los Angeles to take advantage of the region's high rates of home ownership. The cooperatives were a means to maintain that status rather relinquish the titles to qualify for pauper aid. Panunzio, who along with Kerr provides some of the most detailed information about the movement, describes the cooperatives in Los Angeles as a "middle way" mediating between competitive capitalism and socialist planning. Clark Kerr and Paul Taylor conducted several intensive studies of the cooperative population, seeking to find within the organization characteristics of a social movement. While interested in the organizations as a sociological subject, Kerr and Taylor also viewed the cooperatives in the context of international currents of communist and fascist extremism. Government had a duty to subsidize cooperatives, they concluded because with a mobilized population already engaged in political debates their dissolution could lead to "degeneration into militant mobs of the left or right, or both, with palms outstretched beseeching charity, and angry fists upraised to demand that it be liberal."³⁷ Historians looking back on the New Deal in Los Angeles tend to follow Kerr and Taylor's conclusion that the cooperatives offered the unemployed an outlet for activist impulses. Errol Stevens, in his recent history of radicalism in Los Angeles, offers a negative assessment of Panunzio's interpretation of the cooperatives as a "middle way," arguing, "At best, the cooperatives allowed the unemployed to pick over the scraps that the capitalist system had left

³⁷ Paul S. Taylor and Clark Kerr, "Whither Self Help?" *Survey Graphic*, Vol. 23, No. 7 (July, 1934), p. 328.

behind."³⁸ As such, the cooperatives become another example of the general mood of unrest and inchoate political energy that defined the depression and drove people to seek out anything that might offer an oasis of stability and security.³⁹

The cooperatives looked to enlist federal funds to further a more democratic sense of economic citizenship while at the same time remaining wary of any centralizing tendencies within the federal program. For the membership, cooperative action helped preserve notions of individual self-reliance and stirred pride in their rejection of state charity (even while lobbying for subsidies to sustain cooperative practices). The movement emerged not from a vision of reform but as a means to preserve living standards for those unable to get local government assistance. Yet at the same time the movement evolved into a separate economic system in the Los Angeles area, cementing feelings that the market economy could not provide for all citizens, and replacing competition and wage work with planning and the distribution of production according to need.

The evolution of cooperatives in the local political economy of New Deal-era Los

Angeles shows the opportunities and costs that emerged as federal administrators incorporated
grassroots level initiatives into the structure of the federal state. The cooperative movement
emerged at a time when elected officials and private civic leaders were unable to develop a
coordinated relief program; it soon took on the functions of relief distribution, building bonds
between an emergent cohort of cooperative leaders and federal agencies while distancing the
general membership from the decision making process. Finally, after the 1934 EPIC campaign

³⁸ Stevens, *Radical LA*, 198.

³⁹ See, for example, John H.M. Laslett, *Sunshine was Never Enough: Los Angeles Workers, 1880-2010* (Berkeley: University of California Press, 2012), 116-118 and Leonard Leader, *Los Angeles and the Great Depression* (New York: Garland Publishing, inc., 1991), 113-120. For a discussion of fear and the search for stability, see Ira Katznelson, *Fear Itself: The New Deal and the Origins of Our Time* (New York: Liveright Publishing Corporation, 2013).

built on the popularity of the cooperatives to include calls for a coordinated production-for-use economy, the cooperative movement transitioned into an entirely different entity as federal administrators attempted to institutionalize grassroots cooperative activity as a planned economy for surplus labor.

Almost as soon as the movement gained momentum, tensions emerged as participants attempted to give structure and meaning to what was essentially a heterogeneous and decentralized movement. Members acted collectively to avoid the negative stigmas associated with relief that pervaded earlier discussions among the civic elite about a new "parasitical" class, while county and federal administrators saw the cooperatives as a tool to cut costs in relief administration. Borough's 1967 description of the Compton founding moment echoed sentiments of progressives in the New Deal coalition in the 1930s that the cooperatives pointed to the emergence of a new economic order. Yet, as the cooperative movement became better organized and more politically active, the organizations became more firmly ingrained within the everyday operations of local New Deal relief apparatus. Under the control of New Deal administrators, the cooperative economy served as a vehicle to preserve the functioning of the general economy by siphoning off those unable to find employment. Members of the LA business community kept a vigilant eye to ensure that cooperatives never entered into direct competition with firms in the general economy. At the same time, later plans for a fully developed production-for-use maintained a tenuous relation to the Chamber's own economic vision that emphasized planned development and preferred to organize economic growth by allocating market share rather than trusting to unrestrained competition. As members viewed the cooperatives as a way to avoid the stigma of charity, New Deal administrators, especially by the middle years of the depression, anticipated that the self-help economic system might be made into a permanent and parallel

economy keeping those unable to find employment in the general economy productive and separate. Collective action outside the normal functions of the market economy would help preserve the individualist ethos that fueled visions of growth in Los Angeles.

Upswings in democratic political activism in Los Angeles during the 1930s tended to emerge among those seen by the chamber as occupying the fringes of the city's economy, perhaps because the civic elite so carefully cultivated and jealously guarded their particular notions of a socio-cultural hierarchy in the region's economy. The cooperative movement was no exception to the rule. With an average age of 52, its core membership was composed of individuals who entertained little hope of being reabsorbed into the city's economy even while they anticipated a quick recovery from depression era unemployment for the general population. As one individual responded when asked by Panunzio's researchers if the cooperatives should continue, "My age will prevent me from getting a regular job; the cooperatives will furnish a moderate amount of light work in exchange for food." At the same time, because they tended to be older, many of the members also owned property, having initially been lured to Los Angeles by boosters' promotion of affordable real estate. As property owners, they were ineligible for relief from the county. 41 Panunzio describes the membership as "plain, average, matter of fact folk, trying to make the best of a bad situation without resorting to private or public charity."42 Generally from the Midwest, only 4.7% of the membership was born in California, compared with 34.1% of the general population. Only 15.3% of the membership were classified as "common laborers;" the rest came from a widely varied combination of skilled, semi-skilled, and white collar occupations that included building contractors, nurses, butchers, household workers,

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⁴² Panunzio, Self Help Cooperatives, 25.

⁴⁰ Panunzio, Self Help Cooperatives in Los Angeles, 70.

⁴¹ Panunzio, *Self Help Cooperatives in Los Angeles*, 13; California State Relief Administration, "A Survey of the Non-Grant Cooperative Movement in Los Angeles County," 36-38 July 1936 box 148, folder 13 State Relief Administration (SRA) Papers, California State Archives, Sacramento.

real estate officials, farmers, and one member ambiguously categorized as a "capitalist." In general, the membership came from the lower strata of the middle class in Los Angeles, home owners who had likely sunk most of their savings into their property and so lacked the resources to ride out the depression, while still maintaining a tenuous hold on those assets that kept them out of the "pauper" class of relief clients. ⁴³ Their ineligibility for relief dovetailed neatly with a vocal rejection of charity in surveys conducted among the membership. Kerr and Panunzio each repeat a statement they use to describe the common attitude toward charity: "Charity is for abnormal people in normal times. We are normal people in abnormal times." ⁴⁴ As such, members of the cooperative units tried to reconcile their own unemployment in the context of the belief, echoed in the Chamber of Commerce, that the need for charity resulted from personal fault rather than problems in the economic system.

But were the cooperatives really a conservative defense against depression-era unemployment? A product of the strand of plain-folk conservatism in Los Angeles nourished by the steady stream of Midwest migrants? Panunzio uses demographic analysis to answer in the affirmative. However, as "normal people in abnormal times," the cooperatives offered a vehicle for members to fashion a radical critique of the political hierarchies that defined the particular variant of capitalist economy in Los Angeles. ⁴⁵ The cooperative ethos drew on strands of republicanism dating back to the 19th century, in particular by looking at cooperative ownership as a way to organize the distribution of resources in an economy from the bottom-up. As such, while the movement prioritized consumption over production as the basis of economic

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⁴³ Panunzio, Self Help Cooperatives, 16-21.

⁴⁴ Panunzio, Self Help Cooperatives, 27 and Kerr, "Productive Enterprises of the Unemployed," 95.

⁴⁵ This line of analysis follows Gerald Berk's concept of creative syncretism in Berk, *Louis D. Brandeis and the Making of Regulated Competition*, 1900-1932 (Cambridge: Cambridge University Press, 2009). In describing class and capitalism as inherently political in definition, I am working with the definitions of capitalism and class formulated by Robert Johnston in *The Radical Middle Class: Populist Democracy and the Question of Capitalism in Progressive Era Portland, Oregon* (Princeton: Princeton University Press, 2003), esp. 74-89.

organization, cooperative members saw production-for-use as a means to decentralize economic organization. Their critique of the profit system was couched in a language of efficiency; with the advances of technology and labor saving devices, the profit system could no longer provide adequate employment to allow enough people the means to continue to consume the goods produced. By providing cooperatives with those same labor-saving devices, they could produce according to what members needed without the drive for profit making it necessary to reach further efficiencies of scale for competitive advantage. The cooperatives offered an opportunity to use consumer power to control production. One cooperative bulletin explained how eliminating competition would build "A system in which hunger and want will have no place whatever. In order to gain that end we must gain the means of production. To secure the means of production we must build up a surplus by means of our buying power."⁴⁶ Their critique of capitalism was not a rejection of market exchange in favor of centralized planning but rather an attempt to organize production around consumer demand rather than the program of regional development advocated by the Chamber of Commerce. Their collective action came in response to failures of governance in Los Angeles, so while the cooperatives and business leaders operated out of a similar ideological mindset in regards to the virtues of work, cooperative activism reflected a claim to ownership over the commodities that circulated through the city's economy—a feeling that commodities gained value through their consumption rather than their profit through sale.

The first cooperative units relied primarily on barter, exchanging labor for surplus goods—what Kerr refers to as the "vegetable stage" of the settlement movement. At the time of the first cooperative organizations, a great deal of produce was going to waste in California.

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⁴⁶ "Marketing Bulletin," February 26, 1935 carton 1, folder 13 Guide to the Fieldnotes, etc. Concerning Self-Help and Consumer Cooperatives in the United States, 1930-1930, Bancroft Library.

Some examples of waste in agricultural products for 1932 include over 2 million crates of cantaloupes, 6,082,000 bushels of onions, 696,000 lugs of tomatoes, and about 320,000 tons of assorted grapes. 47 Almost all of the produce acquired during the early stages of bartering came from agreements with small-scale Japanese tenant farmers operating farms averaging about 8 acres each on the outskirts of Compton and South Los Angeles. The relationship between cooperatives and the Japanese farmers was strong enough that when the federal government offered subsidies for cooperative farms, the associations refused to "scab on the Japanese who have supported us for two years."⁴⁸ Initially, the cooperative "membership" consisted of those who showed up each morning and boarded a truck to drive around the fields until locating a farmer willing to barter. As the groups expanded beyond circles of friends, membership became more firmly defined and an organized division of labor began to take shape. For registration, applicants listed their name, number of dependents, and an estimation of need (the cooperatives did not investigate these estimations independently). After the general manager, members were classified as truck drivers, "contact men," "carrot pullers," commissary men, and secretaries. At the end of each day, the trucks would arrive from the fields and the commissary men would divide up the goods collected to all who worked or planned to work that week according to their estimated need.

Initially, the growth and specialization of cooperative activities led to greater diversity in the benefits provided for members. By 1934, cooperatives had expanded their services to distribute natural gas, clothing, housing, and barber services. Some cooperatives also provided medical and dental care, soap, laundry, and electricity. The bulk of distribution however remained in edible commodities, which composed 88% of all items in terms of cash value.

Kerr, "Productive Enterprises of the Unemployed," 89.
 Kerr, "Productive Enterprises of the Unemployed," 99-100.

Cooperative kitchens served three basic meals a day and members also got a selection of food products to carry home. Most of these products consisted of vegetables, dairy, and staple goods. Because the products were surplus goods unfit for the market, members often found reason to complain about both the quality and variety of what they received. In total, goods received from cooperative membership provided about a quarter of members' average income. Some received wages or relief dollars from government sources; about 30% of the members lived off of support from children, spouses, or other sources, and others relied upon part-time or temporary employment, boarders, pensions, or property revenue. The cooperatives served as a sort of catchall, there was no standard look or model for their operation and instead they provided a resource for the large numbers of LA residents who were still a part of the market economy but unable to generate a living wage through work in the private sector.⁴⁹

It was during the second half of 1932 that the various cooperative organizations began to congeal into a loose but discernable movement. Active membership in the units increased from 5,300 members in June to 24,700 in December. Cooperatives also began to form within the city limits of Los Angeles during the summer. Municipal cooperatives took a bit longer to develop because they were further from the outlying farms and there were less informal connections among the unemployed, which were the basis of early organizations such as the one in Compton. By August, however, there were 11 units operating in the city, including one composed of African-American and Mexican workers. Expressing the excitement coming from such rapid growth, one spokesman remarked, "This will soon be the biggest movement in the United States. It can't be stopped." The cooperative movement's growth in membership translated into a more prominent position for the movement's representatives in the Los Angeles Political landscape. Cooperatives gained official recognition in August when the Los Angeles County Board of

⁴⁹ Panunzio, Self Help Cooperatives, 34-40.

Directors approved a grant to provide \$10,000 to the cooperatives for the purchase of gasoline and oil. Advocates for the grant still denied that the funds represented government assistance, instead they pointed to the savings in relief expenditures through the supplemental groceries provided by cooperatives. The grant represented a turning point in the development of self-help cooperatives from isolated collections of unemployed trading work for surplus products into the beginnings of an integrated "self-help economy" backed by government funding. 50

The thousands of members participating in the cooperatives during the latter half of 1932 represented an attractive political base prime for mobilization. Six of the units in the city of Los Angeles, for example, formed under the auspices of the Unemployed Aid Society, which Kerr describes as an "innocents" group, a title meant to imply some kind of manipulation or covert direction by the Communist Party. These units organized into a "city council" that played an influential role in the Unemployed Cooperative Relief Association (UCRA) that formed in June 1932 to serve as the organizational face for cooperatives in their interactions with the public and government agencies.⁵¹ Before the UCRA, individual cooperative units had already been engaged in informal trading, a number of organizations even set up a short wave radio network to exchange information about products each unit had to trade. The UCRA established a warehouse to coordinate exchange among the individual units. The warehouse also served as the central contacting agent with businesses, some of which had begun to grow tired of "swarms of cooperative beggars" besieging them for donations. The UCRA had little direct control over the operation of independent units and many refused to join out of fear of losing control over their own operations to a centralized body. The early UCRA meetings instead focused on organizing new units, which would then be supplied with UCRA-approved constitutions. The UCRA was, at

Kerr, "Productive Enterprises of the Unemployed," 26, 102-104; quote on p. 102.
 Kerr, "Productive Enterprises of the Unemployed," 104, 106.

base, an attempt to channel the diffuse energy of the self-help movement into a political force. Its early leaders proclaimed that the organization was ready to "unite the unemployed, not of Los Angeles County, nor of California, but of the whole world." While the UCRA officially claimed to be non-partisan, their efforts at organization politicized the cooperative movement and set the stage for a wider dialogue over what the movement should represent. 53

The influx of organization came at a period of transition for the self-help cooperatives. At one point there were, in addition to the UCRA, fourteen other federations organizing different collections of cooperatives. In December 1932, a collection of Los Angeles community leaders, concerned that the Los Angeles cooperatives would follow a more radical path similar to groups in Seattle, formed a citizens' committee to "take the unemployed by the hand." ⁵⁴ Between 1933 and 1934 the group provided cooperatives with staple groceries to distribute through commissaries to supplement goods acquired through barter. The county Board of Supervisors also tried to counterbalance the political influence of cooperative associations by setting up an "Area Plan" composed of a network of warehouses as an alternative to the central UCRA warehouse. The jostling over control came at a moment of crisis for the unemployed in Los Angeles. During the winter of 1932-1933, relief funds dropped further and, with the increase in membership, the amount of surplus goods available for each cooperative member also dropped. Cooperative units formed "parties" to return evicted members to their former homes and turn gas lines back on after being shut down by the gas company. In this context, the citizens committee and Los Angeles City council worked with the UCRA to distribute relief funds among unemployed cooperative members. The council provided \$6,000 in January and another \$10,000

⁵⁴ Kerr, "Productive Enterprises of the Unemployed," 20.

⁵² Kerr, "Productive Enterprises of the Unemployed," 106.

⁵³ Kerr, "Productive Enterprises of the Unemployed," 106-109 and "A Survey of the Non-Grant Cooperative Movement in Los Angeles County," 7 July 1936 box 148, folder 13 SRA.

in February to purchase staple groceries and pay utility bills. The citizens' committee collected an additional \$9,000 in donations to provide the cooperatives with basic groceries. Kerr recognized an inherent contradiction in this new formulation of cooperative activity—that with public funding, at a time when the trade in surplus goods was declining in importance, cooperatives originally organized to "beat charity" now had the responsibility of distributing it. 55

The move to invest cooperatives with the responsibility of administering government funds for relief reflected the Chamber's rationale for a work test. The promise of cooperative administration of relief was that by funding and supplementing existing barter relations, relief administrators would be able to cut the costs of relief while also allowing clients to avoid the stigma of indigent care. In August 1933, the State Relief Administration appointed a director of cooperatives for the region and, with matching funds from the Federal Emergency Relief Act, allocated \$60,000 to be distributed by a new organization, the Unemployed Cooperative Distribution Committee (UCDC). The new committee's membership reflected the divisions in leadership within the cooperative movement with two representatives from the UCRA, two from units involved with the Board of Supervisors' county warehouse Area Plan, two from the unemployed Relief Association, and one representative from the independent cooperatives. The county Area Plan representatives left the UCDC shortly after it began dispensing relief, claiming both waste in purchases and discrimination in distribution. By this time, the UCRA's political activities had begun to frustrate many county and city officials and, according to one observer, "its meetings had degenerated into oratory and debate. No constructive attempts were made by the body to further the interests of the unemployed." Although the UCDC claimed to have provided assistance to 45,000 members with the FERA and State funds, surveys sponsored by

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⁵⁵ Kerr, "Productive Enterprises of the Unemployed," 131 and "A Survey of the Non-Grant Cooperative Movement in Los Angeles County," 9.

the county board of supervisors found that their claims of savings had likely been inflated by almost 40% and large amounts of inequality existed in the distribution of funds. ⁵⁶ Throughout the relief stage, cooperative units and relief administrators proposed new forms of organization and tweaked existing practices. County administrators hoped to bypass federations like the UCRA completely and work directly with individual units. Many of the cooperatives hoped to keep the structure of self-administration intact but with a change in leadership personal. When the last appropriation went through in October 1934, the cooperative network had distributed a total of \$295,060 in relief funds to members, about 54% of those clients were considered "white slip" cases, meaning that they did not receive other relief funds. While the distinction between these clients and the "pink slip" members drawing county or federal relief in other forms may have been more symbolic than anything as more of the cooperative activities became subsidized by federal funds, in theory, the cooperatives still offered a way to avoid charity by giving the underemployed the opportunity to administer their own relief program. ⁵⁷

The infusion of public relief funds came during a time of upheaval among cooperative leaders. The citizens' committee helped subsidize internal purges of communist and radical members, giving extra funding to those leaders in the UCRA willing to force the ejection of radicals. The fight over leadership within the cooperatives revolved around the extent to which self-help organizations existed to distribute charitable and federal relief, dealing primarily with the surplus commodities of the market economy, or whether they would form an alternative network for exchange. As the movement grew, the two functions became increasingly difficult to reconcile. For example, in a debate over whether cooperatives should form their own bakeries to bake bread for members, one member cautioned against entering into competition with private

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⁵⁶ "A Survey of the Non-Grant Cooperative Movement in Los Angeles County," 10-11.

⁵⁷ "A Survey of the Non-Grant Cooperative Movement in Los Angeles County," 12 and Panunzio, 74.

industry. The reason, he explained, was that "As soon as one small cooperative bakery starts we will get no more donations but will have to pay for all our bread." In other words, cooperative production would hinder the collection and distribution of charity through cooperative channels. Radical members seized on delays in donations to denounce the slide into relief distribution, claiming, "promises are not substantial food." 58 When the citizens' committee donated meat bones on the verge of spoilage for the unemployed to take home and cook down into jelly, critics of the cooperative relief program could, quite literally, complain of the civic elite, "once in a while they toss you a bone to keep you from barking!"⁵⁹

These debates over the role of cooperatives in Los Angeles's economy touched on differing perceptions of the nature of the depression itself. If the cooperatives were simply one part of the larger panoply of emergency relief measures then their greatest use was in maintaining the dignity of the employable unemployed and distributing relief in as cost-effective a manner as possible. Those who had greater ambitions for the cooperatives had to face a number of contradictions in building an alternative or parallel economic system. First, cooperatives were constantly thwarted by their own success and improvements in the economy as a whole. In the barter or vegetable stage, the increase in membership inevitably reduced the ratio of surplus goods per member. Furthermore, as cooperative activities became more specialized to utilize the skills of members, any increase in private sector employment would drain cooperatives of their most skilled and able-bodied members. When Panunzio interviewed cooperative members about whether they saw a future permanent place for cooperatives, many pointed to their value for the "aged, handicapped, and indigent," individuals who would still fail to find employment after

Kerr, "Productive Enterprises of the Unemployed," 130
 Kerr, "Productive Enterprises of the Unemployed," 133

economic recovery.⁶⁰ Finally, and of greatest hindrance to those who had visions of an independent cooperative economy, the basic fact that the cooperatives operated outside of the cash system meant that without government assistance, it would be nearly impossible to gather the necessary capital to purchase the equipment for a production-for-use system.

Among those in the emerging New Deal bureaucracy who supported the cooperative movement, the inability of cooperatives to fund their own production became touted as one of their most important assets. The California State Relief Administration noted in its study on cooperatives in the region: "The fact is apparent that the Non-grant Cooperatives do not depend upon a capital structure to carry out their operations. They depend, rather, upon their ability to integrate themselves into an already existing system. They have no intent to supplant it, or to build another system like it. In this lies their salvation."61 In their eyes, the cooperatives' dependence upon outside support made them seem like logical components for integration within a permanent federal New Deal political economy in Los Angeles. In June 1933, Congress passed the Wagner-Lewis Act authorizing the FERA to make grants to cooperatives to begin producing goods for their own use. With designs to build a cooperative program utilizing federal funds, administrators at the state level incorporated the program into a vision of political economy that emphasized the limits and boundaries of the private economy. In its conclusion, the State Relief Administration described the cooperatives as an outlet for a permanent class of unemployed. The report stated, "It has often been observed that modern methods of distribution are wasteful...a market that absorbs only the best vegetables, and the replacement of goods before they are entirely worn out, can be [a] perfectly legitimate source for a process created by the unemployed

⁶⁰ Panunzio, Self Help Cooperatives, 70.

^{61 &}quot;A Survey of the Non-Grant Cooperative Movement in Los Angeles County," 31.

whereby they render this material fit for their own use."62 The shift to production in the cooperatives culminated an evolution that began with a more or less spontaneous grassroots reaction to political gridlock and the civic elite's inability to develop a coherent response to mass unemployment. Utilizing the language of personal responsibility that would have resonated just as powerfully in the halls of the Chamber of Commerce, the unemployed took the initiative to provide themselves with the goods necessary to maintain their lifestyle. The movement's growth revealed its own internal contradictions as a system of exchange that was at once both removed from and dependent upon the private economy. While still wary of centralized planning, cooperative members viewed the introduction of federal funds as a necessary component in the shift from barter to production-for-use. With federal directors in charge of dispensing funds for production programs, the cooperatives became institutionalized within a vision of the New Deal's lasting role in the Los Angeles political economy. The Cooperatives new role, however, would be to provide an outlet for a permanent class of unemployed by drawing firm boundaries between the private economy and a cooperative indigent economy. In this way a movement born out of the desire to keep those on the margins from falling into the pauper class became a way for federal administrators to provide for a permanent class of indigents. As such, the movement came to present less of a challenge to the business elite's vision of political economy as an outlet for those who's employment prospects fell outside the limits of the profit economy.

The Federal Relief Program

The 1932 presidential campaign provided a backdrop to those attempting to provide short-term fixes to the immediate crisis of the depression. Roosevelt's election did little to

 $^{\rm 62}$ "A Survey of the Non-Grant Cooperative Movement in Los Angeles County," 39.

inspire feelings among those working to relieve unemployment in either Chicago or Los Angeles that they were setting out to build a permanent New Deal. They instead saw federal funds as a way to strengthen local agencies and maintain the status quo in terms of business and labor practices. When charitable funds dried up in both cities and those in charge of relief began to pursue state and federal funds, they interpreted local control in their own separate ways. Relief programs under the New Deal between 1933 and 1935 did not submerge local interests within a centralized national program. The decentralized structure of relief operations in these early years instead drew local differences between Chicago and Los Angeles into greater contrast. In Chicago, antistatist sentiments, shared by both business leaders like Ryerson and trade union officials like Olander, inspired each to participate in the shaping of federal policy to ensure that federal funds would be used to put "men back into established firms in a permanent relation." 63 Members of the Chamber of Commerce, the trade union leadership, and elected officials in Los Angeles did not harbor the same fears of federal encroachment as their counterparts in Chicago. To be sure, they all fretted over the misuse of federal funds and their possible corrupting influence if controlled by the "wrong" element, but those concerns did not lead to the establishment of a central agency like the IERC to control federal programs at the local level. Instead, the New Deal took shape in Los Angeles in a mixed climate combining enthusiasm for federal funds to reduce local relief expenditures, administrative neglect, and constant criticism. Because New Deal programs like the FERA and CWA were designed to be coordinated locally to stem fears of federal overreach, antistatist sentiment in Chicago, ironically, helped the city develop a more coordinated federal relief program while, in Los Angeles, the embrace of federal funds was not matched by an equal zeal for the administration of those funds.

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⁶³ Letter P.W. King, exec director of War on Unemployment, to Chester Wright, managing ed. International Labor News Service, March 17, 1932, box 50, Victor Olander Papers, Chicago Historical Museum.

In Chicago, Victor Olander, always the reluctant New Dealer, looked at his activities in the IERC—using union contacts to register relief recipients and as a placement service for public works, matching work conditions with union wage and hour standards, and fitting NRA codes into the craft economy—as a necessary burden corresponding to his status as a labor and civic leader. Members of the Los Angeles Central Labor Council aspired to, but did not enjoy, the same political power that allowed Olander to embrace a conservative localism. Where Olander made sure works projects administered by the IERC were managed through local private contractors, provoking waves of protest from the African-American community, the labor council in Los Angeles lobbied the county Board of Supervisors to run public construction projects on force account. Under force account, the county would organize the projects without working through private firms, which, the trade union leaders hoped, would allow them greater influence through political connections than in projects run by anti-union private contractors.⁶⁴ Trade union leaders' desire to work through political channels put them at odds with attempts by state-level FERA officials to keep the relief program outside the reach of elected officials and manage the program instead through citizens' committees composed of business leaders and local charity administrators. For labor unions, these committees, drawn from the anti-union local elite, drew immediate suspicion and were regarded as having little concern for maintaining a space for labor to participate in the relief program. ⁶⁵ The union leadership's distrust of the citizen's committee reveals a difference in the way different segments of Los Angeles society understood the nature of disinterested or neutral administration. The citizens' committees were based on a belief that consensus prevailed in the Los Angeles economy; whereas labor leaders knew all too well that those notions of consensus were founded upon maintaining an open shop

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⁶⁴ Minutes, March 4, 1932 Box 4, Folder, "Los Angeles County Labor Council Executive Board and council, 1932 Los Angeles County Federation of Labor Papers CSUN.

⁶⁵ Lester, "Building the New Deal State on the Local Level," 139.

economy. Union leaders instead favored the fractious and chaotic political landscape where opportunistic politicians might be willing to periodically court labor's support, in the same manner that they might court the Chamber of Commerce, to advance their own political ambitions.

Members of the Chamber of Commerce had already developed a healthy suspicion of rogue charity relief organizations. In the new era of federal relief, an opportunistic relationship between labor and elected politicians was exactly what members of the Chamber of Commerce feared the most while the responsibility for administering New Deal programs remained in flux. The Chamber's board of directors found themselves in a bind: They did not want the responsibility of coordinating relief themselves, yet they also did not want elected politicians, unions, or social workers meddling with the city's economic affairs. The professional social workers, brought in by state FERA administrators to lend a sense of legitimacy and professionalism to the relief program soon garnered the same criticism of irresponsible generosity leveled at the pre-New Deal charities. Critics remarked that the women social workers were either too overcome by their own sympathies to distinguish between worthy and unworthy applicants or they were too timid to challenge orders coming from superiors that, according to one report, "were incompatible with public interest or illegal." Just as in their attempts to reign in the activities of rogue charities by turning to legal restrictions on donations, Chamber officials cautiously supported wage and hour legislation in order to use state power to advance a businessdirected share-the-work campaign nationwide. Their preference for legislation can be seen largely as a defense of the status quo—the creation of new regulatory agencies might open up positions for new interests, particularly labor unions, to participate in the regulatory process. In

⁶⁶ "Report on the Expenditures of the County Welfare Department for Public Relief," August 17, 1931 box 63, folder "correspondence" John Anson Ford Papers, Huntington Library.

calling for legislation for a five-day workweek and six-hour day, the board of directors stressed that their approval must be couched as a temporary method to share the work, a cooperative arrangement between employer and employee, rather than a move towards permanent national policy. They framed their arguments within a larger narrative that contrasted their ideal of an open shop, high wage economy in Los Angeles with industrial cities overflowing with low-paid radicalized workers. The fear that drove them to consider national legislation came from a protectionist concern that sought to preserve both local industry and labor relations by eliminating competition with "sweatshop" labor in those regions where shortsighted employers outside of Los Angeles created the conditions that made unions powerful. Chamber members' antipathy to unions came from a belief that competing economic interests were an unnatural and corrupting influence on an otherwise healthy economy. Workers, in the board of director's schema, did not create unions, shortsighted and greedy employers did. As such, they were willing to embrace legislation to regulate employers, negate the need for government agencies, and thereby halt the advance of unions into Los Angeles.⁶⁷

The board of directors' discussions over whether to support wage and hour provisions, and, even more so, the careful attention they paid to the language used to frame their approval, were rooted in their own understanding of localism in the context of expanding federal power. Above all else, they worried that because organized labor also approved the legislation, it might appear as if they were "helping the labor unions in doing something." The chamber members predicated their vision of class in the community on the maintenance of a political monopoly for the business elite. The Chamber's board of directors already placed a politically empowered labor movement at the center of their fears for what could come from ill-advised federal policy,

Stenographer's report October 13, 1932, 10 and February 16, 1933, 2-3 LACC.
 Stenographer's report October 13, 1932, 10 LACC.

well before the New Deal labor provisions of the National Industrial Recovery Act ignited shop floor protest. In discussing the proposal to use state power to enforce a five-day, six-hour week, chamber members concluded that they should make it clear, "This is not a proposition for legislative enactment. This is a practice we are proposing." They felt the need to make their own proposal out of fear of not having any say at all in the legislative process. Their goal was to continue to frame the legislation as a temporary emergency measure. Despite their reservations, chamber members' desire to exert greater control over those businesses that refused to abide by regulations established within the chamber of commerce made the directors reluctantly receptive to government programs that they could control. They realized the necessity of an organized and coordinated business response to depression era unemployment but could not rely upon the power of voluntaristic appeals that would have allowed them to argue that government interference was unnecessary. At the same time, chamber members framed their approval of interventionist economic policy as sanctioning their own private leadership, which was based in the chamber's ability to organize business as a whole in Los Angeles, a goal they were far from reaching. Thus the Los Angeles Chamber of Commerce was caught in a bind of needing government power to legitimize their claims to serve as the coordinating body for government policy.

Navigating these tensions forced Chamber members to reconsider the relationship between public and private politics. The board of directors viewed themselves as operating on a plane above the internecine struggles that shaped the development of New Deal bureaucracy in Los Angeles. In debates over the proper role for organized business in the New Deal, they approached an understanding of the New Deal state that differentiated between nonpolitical management of federal programs and the corrosive impact of politicking to advance the interests

of distinct constituencies. The Board of Directors did not see wage legislation and the management of federal work and relief programs as an inherently political activity; instead they viewed the injection of politics into the management of federal policy as a unnecessary politicization of programs best left to civic leaders who were able to rise above the interplay of rival interests. Just as in Chicago, it was the expansion of federal programs that unveiled the narrowness beneath the Chamber's understanding of neutrality and consensus.

Unions still held the place of prominence in the Chamber's concerns over the growth of state power, but beyond union activity, the chaotic and increasingly vibrant political environment caused them to cling even more desperately to the fading image of their place above the fray of political conflict. The governing style of Mayor Frank Shaw, who took office on July 1, 1933, just two weeks after the passage of the National Industrial Recovery Act, exacerbated these feelings. A centrist, Shaw's use of the New Deal to build a coalition by providing informal access to different interest groups in Los Angeles fit the reality of the city's fragmented political landscape while at the same time generating charges from the Chamber that Shaw was, in effect, creating divisions to advance his political agenda. Their concerns were not enough, however, to lead them to an open break with Shaw. In November, hearing reports that Mayor Shaw authorized members of the Department of Water and Power to travel to Washington to secure federal funds for water projects, Chamber board members held a lengthy debate to decide whether or not the Chamber should formally approve the request as well. While they expressed concern over the close relationship between the water board and mayor's office, and also spent a small portion of the discussion on whether the project itself was a worthy expenditure, the center of the debate revolved around maintaining the Chamber's stature in municipal politics. They had not been asked for their approval by both Shaw or the water board, so members debated whether

they should block the proposal to demonstrate the importance of their approval or sign on to the proposal out of fear of increased marginalization if the funds were granted without any input from the business community. While debating the merits of the water and power proposal, the board also helped set up a separate "Committee of 5" as a volunteer group to coordinate all requests made to the federal government for the region. Charging that the Water and Power board itself had become "politicized" and overrun with factions, they confidentially appealed to Mayor Shaw to shift responsibility for the request to their own committee and allow the Chamber to also replace those beholden to political interests on the water and power board.⁶⁹

The stigma of politics provided different factions involved in relief with a powerful critique in the myriad battles waged over control of New Deal funds. Almost immediately, the distribution of federal funds became intertwined within the complex web of political jurisdictions and rivalries within the region. The Los Angeles mayoral election took place largely during the course of Roosevelt's first 100 days in office. The victorious Shaw did all he could to turn the election into a referendum on the incumbent John C. Porter's approach to the depression. As a county supervisor, Shaw used RFC funds to support the Employment Stabilization Board that he had created to provide work projects for employable unemployed. The county also flouted RFC rules that federal funds should be limited to non-destitute unemployed and used the money to also alleviate Community Chest relief to "unemployables." With the Republican Shaw touting himself as a local version of Roosevelt and casting Porter's inaction as a continuation of Hoover's depression policies, it did not take long for the administration of federal relief funds to become a battleground for rivalries between city and county government to play out. In March, the Chamber of Commerce had to arrange a meeting between representatives of the state relief

⁶⁹ Stenographer's Report October 12, 1933, 24 and November 9, 1933 9-11 LACC.

⁷⁰ Lester, "Building the New Deal State on the Local Level," 127.

board (who officially had responsibility for administering funds), members of the Los Angeles city council, and Shaw, as county supervisor, to achieve a greater balance in federal work projects because at the time only 4,000 of the 24,000 jobs funded by the RFC were going to residents within the city limits.⁷¹

Federal administrations initially relied on local citizens' organizations in both Chicago and Los Angeles to develop relief policy away from the influence of elected officials. However, there was no organization like the IERC to guide the development of federal relief policies from the loans provided by the RFC to the emergency grants provided under the FERA, after its creation in May 1933. FERA administrator Harry Hopkins had the authority to appoint local administrators if there were no adequate relief programs in place, but he was normally reluctant to exercise that power. Instead, the responsibility for relief in Los Angeles constantly shifted from state and county bureaucracies to local and state-level citizens' commissions, each legitimizing their authority through claims of neutrality. California governor James Rolph had appointed a state relief administrator for emergency funds in March and initially that administrator took charge of FERA coordination, although county welfare departments still held a strong influence over the implementation of relief policy. In July, control over the federal program shifted again, placing control over the administration of FERA funds in the hands of a citizens' commission of eleven appointees. However, the state level citizens' commission still held a largely supervisory role in relation to county relief offices. The state agency approved projects from the county level and formed local relief committees with the goal of pressuring

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⁷¹ Stenographer's Report March 16, 1933, 18 LACC and Tom Sitton, *Los Angeles Transformed: Fletcher Bowron's Urban Reform Revival, 1938-1953* (Albuquerque: University of New Mexico Press, 2005), 8.

county officials to develop uniform policy, but the citizens' commission did little to control the administration of relief or place any control over relief standards.⁷²

The Los Angeles County Department of Charities also experienced almost constant turnover during the New Deal's early years. Three different people passed through the superintendent's office between 1933 and 1934. William Harriman, who had suggested to the Chamber of Commerce that they support the creation of a "dictator" to tame the excesses of private charity, channeled his hostility to private charity into a well coordinated county relief plan between 1932 and the summer of 1933. Under his watch, the county sponsored youth work camps, which served as a model for the Civilian Conservation Corps, a training school for workers, a medical program for relief recipients, and had started plans for a production-for-use colony for the unemployed. 73 His replacement, Earl Jenson, took office in August 1933, just as New Deal programs chartered during Roosevelt's first 100 days were beginning to take effect. Jenson wasted no time in gutting the responsibilities of the welfare office. He informed members of the staff, "Perhaps you have considered this unemployment problem only to the end that there should be no need or want in Los Angeles, and perhaps that human sympathy that lies in all of us has been largely responsible for the fact that many people have been getting aid from the County, and in many cases it is not deserved....Now my friends, and I hope you are my friends, the thing is to get rid of these cases." To cut down on the number of relief clients, Jenson proposed cutting budgets by 30%, which he admitted that even if it did not cut the number of clients unable to live on such a budget, the cuts would still reduce county expenditures overall. In particular, Jenson felt that the staff was misguided in worrying about discriminating when trying to decide relief

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⁷² Lester, "Building the New Deal State on the Local Level,"119-135 and Mosk, "Unemployment Relief in California," 254.

⁷³ "Notes on the Activities of the Department of Charities," December 21, 1934 box 64, Charities Correspondence, 1933-1939 John Anson Ford Papers, Huntington Library.

outlays for families of different races and ethnicities. Again, he instructed relief workers, "get it our of your mind that each family, Mexican, Chinese, and white should have the same average monthly requirements.... I don't care if the President of Mexico comes here and tells me I am discriminating, we must discriminate as between the man who lives as these Mexicans and his needs in the past, as compared with another man who has always lived in a different environment." Overall, Jenson echoed the common refrain that there were deserving and underserving relief recipients, it was his job to separate these two groups, even if that involved grinding down relief operations to their bare minimum. Not surprisingly, under Jenson's direction morale dropped precipitously in the Department of Charities and, after rumors of interference in charity operations by elected officials, Jenson was forced to resign in August 1934. Under his tenure, during the first year of the New Deal, Jenson increased the separation between welfare and unemployment relief, setting up different offices for each responsibility, as well as grounding the rhetoric of undeserving relief parasite into official county policy.

The creation of the Civil Works Administration in November 1933 did little to bring order to relief programs in Los Angeles. When Lorena Hickok visited Los Angeles County in June 1934, she contrasted the region's pretension as the "white spot" with the reality of local politics, describing the region as "the blackest spot in the United States, from the relief angle." Initially set up within the SERA administration, by January 1934 state administrators formally separated the works program of the CWA from the relief activities of the SERA. The IERC in Chicago, by contrast, handled both programs internally. Like the relief programs under the FERA, there was also no clear administrative center for the CWA in Los Angeles. Hopkins

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75 Mosk, "Unemployment Relief in California," 258-259.

⁷⁴ "To Harry Hopkins," June 17, 1934 in Richard Lowitt and Maurine Beasley, eds. *One Third of a Nation: Lorena Hickok Reports on the Great Depression* (Urbana and Chicago: University of Illinois Press, 1981), 298; see also Lester, "Building the New Deal State on the Local Level," 135.

wanted the CWA in Los Angeles to be run through a local citizens' committee to ensure that "no more aspirants for a Mayor's job were to play the political racket with the misery of the hungry." However, as Borough pessimistically reported, the first chair of the committee, Joseph Scott, "knew how to play the racket," in trading federal funds for local political favors. 76 Under the CWA, the county actually assumed responsibility for more relief cases. The Chamber Board of Directors complained in May 1934 that the county relief load had reached the same levels they had been at before Roosevelt took office. In May, there were 110,000 families on the county welfare list, not far from the high point of 116,000 in 1932. The Chamber still hoped that a citizens' committee composed of a mix of charity and business leaders could effectively manage the program. One director, who was also a member of the committee, explained that while he could not attend many of the meetings, the committee members were "under attack and they were scared to death and they were not getting any support from any organization in this community." As an expression of the fragile balance of competing interests the committee tried to hold together, the director reported, "there have been direct threats made to some of the people in connection with that committee, that if they fired certain key persons, certain people in this county would go on the air and blast them to the skies." The director had resigned from the committee during yet another reorganization as control over CWA works programs transferred again to the State Emergency Relief Administration (SERA). He felt however, that if the Chamber organized its own committee to advise and direct the actions of the citizens' committee then they might be able to achieve a sense of stability for relief.⁷⁷

The CWA became another arena for jurisdictional battles for county relief agents, California state social workers, and citizen's committees to compete for control of the federal

Borough "CWA Workers and the New Deal," 4-6 box 54 folder 2 Borough Papers UCLA.
 Stenographer's Report, May 10, 1934, 9-10 LACC.

program. None of these parties opposed the New Deal itself, but the conflicts playing out in Los Angeles were over composition of the New Deal at the local level, whether state professionals, elected politicians, or non-partisan citizens groups could best capture the neutrality required to administer programs free from politics. While under fire for its personnel and biases, the citizen's committee did very little as far as administering the actual CWA works program. The committee decided which projects to approve, but had no say over the actual projects, the personnel selected to work on them, and the individuals managing projects on site. The ensuing chaos of disorganization only fueled further criticism as fights between state administrators, elected officials, and private organizations revolved primarily around accusations of mismanagement with no efforts to put together a comprehensive relief program. Hickok summed up the situation to Hopkins in another letter, explaining that in the mess of chaotic internal fighting, it was hard to find any one figure to blame. She bluntly concluded, "Its California politics, that's all. God damn it, I think we ought to let Japan have this state. Maybe they could straighten it out."

But Hickock remained optimistic. The source of her optimism was Frank Y. McLaughlin, a Los Angeles County Relief administrator who was just beginning to take responsibility for relief and works programs in the region. Mclaughlin's relief program was grounded in an effort to rehabilitate the "unemployables," and, in doing so, it provided a greater amount of coordination between works programs operated through the CWA and direct relief responsibilities still being shuttled back and forth between the SERA and county level charity and welfare departments. Hickok stated that McLaughlin's first step was to divide the "employables" from the "unemployables." In doing so, employables could be given work in the

⁷⁸ Stenographer's Report May 10, 1934, 10 LACC and Lester, 168-169, 216.

⁷⁹ "To Harry L. Hopkins" July 1, 1934, *One Third of a Nation*, 304.

heavy construction federal works programs, assignments that ranked male workers according to their ability to perform the physical labor as well as according to the number of their registered dependents. For those who did not meet the specific classifications for "employable" workers, McLaughlin had a number of rehabilitation and removal programs designed to make use of those who did not qualify for "employable" heavy construction work. For Mexican workers, he had plans to build a "pueblo town," to remove the workers from the competitive market and keep them busy "making glass and other Mexican wares, to be sold to tourists." In addition, H.A.R Carlton, who would later go on to formulate state policy for the cooperatives, had set up a series of youth camps that, to Hickok, had become models of social work. Removing the boys from contact with the general transient camps housed outside of Los Angeles kept the youth from being corrupted by the negativity of professional tramps. Instead, Hickok remarked, "We're making honest-to-goodness citizens out of those kids!" In Hickok's eyes, and in McLaughlin's plans for the region, state and local agencies would lead the recovery effort in Los Angeles through a divide-and-conquer strategy consisting of works programs to keep employables engaged with the economy until they could be reabsorbed into private enterprise, a separate noncompetitive economy to remove those ancillary to the private economy such as elderly and Mexican workers, sewing projects for women who did not have male providers, camps to build citizenship skills among the youth, and transient housing to keep the indigents separate.⁸⁰ These programs all resonated with the attitudes towards cooperative management already being developed by federal administrators, where the organizations would keep the relief population engaged in productive work and separate from a limited market economy.

McLaughlin's efforts were both in opposition to the general outline of the Chamber of Commerce booster vision and, at the same time, compatible with their larger conception of

⁸⁰ Hickok, "Letter to Harry L. Hopkins," June 27, 1934, 299-301; Stenographer's Report May 10, 1934, 5-10 LACC.

economy hierarchy. The Chamber had, for a long time, led efforts to recruit industry and workers into the region, promising sunshine, work, and individual homeownership. McLaughlin's vision of the Los Angeles economy was one that was ready to "topple over" because of overcrowding that some blamed on the Chamber's own promotional campaigns. Their differences however, were far more superficial than Hickok and McLaughlin probably realized. On the surface, business boosters welcomed all comers to the sunshine state, an appeal which resonated both with white conservatives fleeing Midwest cities and southern farms and, with the city's small but growing black middle class, who cheered the *Los Angeles Times* in its condemnation of bigotry among Southern Democrats and northern trade unions. In practice however, city boosters and the new progressives among the local New Dealers both navigated an economy marked by boundaries, divisions, and hierarchies.⁸¹

Upton Sinclair's unsuccessful 1934 End Poverty in California (EPIC) campaign inspired and united the region's progressive community. The movement expressed a rejection of the growth politics advocated by the Chamber of Commerce and placed emphasis instead on the limits of competitive capitalism. Self-help cooperatives, youth camps, and sewing projects were hardly at the forefront of the Chamber of Commerce's concerns by 1934. A reinvigorated labor movement in Los Angeles, finding inspiration in the labor provisions of the National Industrial Recovery Act, where their counterparts in Chicago only found threats, forced the Chamber of Commerce into a narrow defense of open shop labor relations that discredited their claims to neutrality while planning for balanced prosperity. By concentrating on finding a place for those "unemployables" on the margins of the city's economy, county and state administrators pushed further than chamber members ever hoped to reach in created an orderly and balanced economy.

⁸¹ Hickok, "Letter to Harry L. Hopkins," June 27, 1934, 299 and Douglas Flamming, *Bound For Freedom: Black Los Angeles in Jim Crow America* (Berkeley: University of California press, 2005), 52.

Both the successes and failures of those progressive New Dealers carrying the EPIC flag in Los Angeles stemmed from the fact that they tried to build an economy based upon cooperation and production-for-use composed entirely of those who could not find a place in the city's private economy.

Political activism and conservatism in Chicago proceeded according to a different calculus, one that emphasized the mutually reinforcing powers of local rule and federal legitimacy. Those on the city's margins in Chicago sought inclusion, to be able to garner the same levels of federal support to legitimate their own place in the city's political economy. The New Deal in Chicago flowed through the political center in the city, which made that center the most volatile site of the city's political battles. In Los Angeles, New Deal programs focused on those left outside the boundaries separating "employables" from "unemployables." The city's business elite, who had grown accustomed to having government power adhere to their own dictates, had to find new ways to legitimize their rule atop the city's hierarchy. And, in the process, gradually shifted their position away from being the prime beneficiaries of state power to become the New Deal state's biggest critics.

Chapter Three

Crafting the New Deal Economy

"You will see I have tried to steer a course between Scylla and Charybdis; on the one hand to get the Secretary to review the case, and on the other hand not to admit that he has judicial or legal sanction to make any juridical finding that the Board of Trade has violated the Code." Hoard Ellis to Fred H. Clutton, March 21, 1935¹

Near the end of May 1933, while Congress debated the National Industrial Recovery Act (NIRA), AFL vice president Mathew Woll wrote to his friend Victor Olander to complain about the drift in the labor movement reflected in the AFL's endorsement of the NIRA.² Olander agreed stating that "the whole trend of our American labor movement is being changed and that we are, not only in this matter, but in other matters, too, turning into channels which, up to a few years ago, we scrupulously avoided." Both felt that the labor movement had been caught up in the emergency of the depression and, in seeking short term recovery without paying heed to long term consequences, national leaders were sacrificing labor's independence to set up and enforce union contracts, allowing economic arrangements to be subject instead to the whims of federal policy. Olander expressed his fear that, with the NIRA, "we may find, in what many of us believe now are temporary restrictions, something that may prove to be in the nature of permanent shackles." Olander, who at this time was busy setting up relief and works programs through the IERC and would later become actively involved in both designing industrial codes and serving on enforcement boards for the National Recovery Administration (NRA), looked at

¹ Hoard Ellis to Fred H. Clutton, March 21, 1935, box 5, folder 7, Secretary's Correspondence Chicago Board of Trade Papers, University of Illinois at Chicago Special Collections.

² Note on usage: I use the acronym NIRA to specify the legislation passed in Congress and the acronym NRA for the agencies set up to administer the act.

this drift as both unfortunate and inescapable. He ended his letter stating that in his political activities he "must therefore remain a follower, a very humble, ignorant and hesitant follower."

Both Olander and Woll were part of a traditionalist old guard in the labor movement that worried about placing too much trust in the benevolence of government. For the NRA, their fears were not entirely without basis. The US and Chicago Chambers of Commerce enthusiastically welcomed the NRA as a sign that government was ready to loosen antitrust laws and allow business to lead the recovery efforts. They saw the trade provisions authorized by the act to regulate prices, hours and wages as a way to manage competition. Neither organization feared that the labor provisions in section 7A, which granted employees the right to organize and bargain collectively, would actually give unions greater authority in economic matters. NRA director Hugh Johnson confirmed business leader's interpretation of 7A himself, ironically in a Labor Day speech delivered in 1933, when he effectively said that the NRA prohibited the closed shop. Johnson interpreted the labor clause in a way that meant only if a union received 100% of the workers' votes, rather than a majority, could it then represent the entire workforce. Anything else, he argued would interfere with "workers' freedom of choice and be contrary to the law."4 Business leaders seized upon Johnson's announcement as proof that section 7a actually outlawed the closed shop rather than justifying it.

Workers across the nation were, of course, not content to allow the business definition of section 7a to stand alone, and, in cities like Los Angeles, the NIRA's passage unleashed a wave of organization and worker activism. In Chicago, participation in the NRA served as a vehicle for both conservative retrenchment against federal interference and, for those left out of the local

³ Matthew Woll to Victor Olander May 29, 1933 box 67 folder May 27-31 and Olander to Woll June 5th 1933 box 67, folder June 5-8 Victor Olander Papers, Chicago History Museum (CHM).

⁴ Harriman to Chambers of Commerce, September 2, 1933 box 194, folder 3 Secretary's Correspondence Chicago Board Of Trade Papers (CBOT) University of Illinois at Chicago Special Collections (UIC) and "Fear of a Closed Shop Allayed by NRA Advisor," *Chicago Tribune* September 21, 1933.

elite, as a spur to demand a more inclusive industrial democracy. Craft unionists looked at the act as legitimation of their own economic arrangements designed to stifle competitive pressures from national corporations. In contrast, large-scale firms in Chicago used the act to further their own competitive advantage in the national market. Both versions of the act emphasized the circulation of goods and the legitimation of informal economic networks. Business leaders saw NRA regulations as a means to strengthen the organization of employers. Trade unionists framed their own organization drives as defensive maneuvers against the threat that federal expansion might undermine their power in the local economy. It was left to workers trying to organize in industrial factories to develop an interpretation of the NRA that emphasized the expansion of democratic participation as part of the federal program. During the NRA, the more closely members of the city's elite tied themselves to New Deal programs the more apparent the limits of their vision of Chicago's community became—a vision based in the defense of the status quo rather than in an ideological consensus. For those outside the elite, the NIRA seemed to promise a restructuring of the economy; yet while trying to organize under the act, they discovered how local control served to legitimize informal modes of regulation already in place in Chicago's economy. Through its failures, the NRA politicized local control over New Deal programs as popular protest broke apart the narrow consensus cultivated by the extra-governmental elite.

Visions of the NRA

This chapter focuses on the set of practices and behaviors at the local level that accumulatively gave meaning to New Deal legislation through the implementation of federal programs. As William Novak argues, looking at how states function requires emphasizing the "'technologies of public action' that affected the day-to-day conduct and practices of real people

in the real world." Those "technologies" had their roots in local practice rather than being installed through federal legislation. Throughout the depression decade, local actors developed their own ways to interact with federal programs in the context of a national agenda that was, itself, still very much in flux. Where earlier federal relief programs in Chicago were coordinated largely through established private networks, the NRA created a set of federal agencies that lacked any coherent central policy provisions and provided individuals with a malleable set of resources to apply local experiences and expectations to the building of a more active federal state. But by incorporating what were informal practices, such as the monitoring of employment practices by the union's walking delegates, into the federal state, those in control of New Deal programs were exposed to what Gerald Berk refers to as the "fragility of routine," where even those in power must continually adjust to maintain the status quo. New Deal notions of class formed within this political context of decentralized administration where divisions of skill, race, and occupation took on a new set of political meanings corresponding to the degree of each group's inclusion within the myriad local agencies forming to administer federal programs. As such, class based critiques of capitalist inequality were framed around notions of access to political power made more acute by the rapid expansion of federal agencies. In Chicago, local power allowed the city's elite to continue to administer New Deal programs during the NRA years, but as that power became formalized in federal institutions their control over federal policy became increasingly brittle. The NRA did not represent the furthest attempt to implement centralized planning during the New Deal, but, rather, marked the high point in local alliances

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⁵ William J. Novak, "The Myth of the 'Weak' American State," *American Historical Review* 113:3 (June 2008): 765

⁶ This interpretation is informed by Gerald Berk's concept of "creative syncretism." See Berk, *Louis D. Brandeis and the Making of Regulated Competition, 1900-1932* (Cambridge: Cambridge University Press, 2009).

⁷ Berk, *Louis D. Brandeis*, 17.

between trade unions, business organizations, and a localized federal state that had its roots in the private relief activities that gave structure to the earlier New Deal emergency relief program.

In popular imagination, however, the NRA promised so much more than defense of an elite status quo. Using case studies of the steel industry and African-American industrial workers, the chapter concludes by showing how the alliance between the local civic elite and federal power under the NRA shaped the activism of those outside the elite. Federal legislation did not organize industrial workers, rather it was by observing how federal power reinforced local hierarchies that activists in the steel mills and on the southside formed an understanding of the New Deal embedded in the day-to-day conflicts of economic life in Chicago. People in Chicago used New Deal agencies as sites for making claims to local power, rather than as vehicles to enact fully realized policy goals from the top down. The decentralized character of the New Deal meant that the direction of federal policy remained an open question to be solved through organization at the local level.

The steel industry is important for the development of the CIO in Chicago because the industrial union enjoyed its first victory in steel mills among workers already mobilized through company unions. The company union era, as a pre-history of the CIO, is key because it shows how the local infrastructure for the latter industrial union upsurge was formed through the failures of steel organizers to gain outside support from either government agencies or the AFL-affiliated trade unions. In building solidarity at the workplace, especially among African-American workers, CIO leaders had to simultaneously assure workers that the new union would be free of the AFL's racial exclusions and also overcome the objections of the black elite who saw the CIO as a challenge to their own campaign to appeal to employers to open more jobs for black workers based upon their demonstrated loyalty to the firm during earlier union organizing

campaigns. While Chicago mayor Edward Kelly initially defended police action during the Memorial Day Massacre, occurring in 1937 at the Republic Steel factory, in the aftermath of the bloody repression of striking workers, the CIO emerged as a legitimate factor in the political calculus governing Chicago and, in recognition of industrial workers' political importance, Kelly began including local organizers on committees to determine social policies such as housing and public health. Success in the steel industry helped inspire additional worker movements, in the packing houses and farm equipment industries in particular, but it was the organizing activities of both CIO unionists in steel and African-American workers seeking to break down the racial boundaries of the craft economy that helped usher in a transition in the structures of New Deal politics in Chicago.

Created amidst the social and economic crisis of the early depression years, the New Deal in Chicago was an effort in creating stability in a context of chaos and disorder. Through the IERC, philanthropic businessmen and trade union leaders employed federal funds to fortify local charity networks and stabilize the city's economy. While trade unionists and the civic elite helped usher in the expansion of the federal state through their commitment to local control, activism at the margins of Chicago's economy drew into question the politics of determining economic policy under the New Deal by splintering the labor faction and bringing inequalities of class and race into the forefront. Workers did not organize to force government to become more generous in distributing social welfare; they organized to participate in the process of state formation already underway. Just as trade unionists incorporated the NRA into existing patterns of craft unionism, the CIO leaders provided local organizers with the funds and support to continue in their efforts to become a vocal part of the political economy in Chicago. Through the

⁸ Lizabeth Cohen, *Making a New Deal: Industrial Workers in Chicago, 1919-1939* (Cambridge: Cambridge University Press, 1990), 303 and Roger Biles, *Big City Boss in Depression and War: Mayor Edward J. Kelly of Chicago* (DeKalb: Northern Illinois Press, 1984), 63-64.

negotiations over representation in the economy, Chicagoans sketched out the possibilities and limits of what the New Deal would mean in their city.

Decentralized and often even contradictory, the NRA could be all things to all people. While section 7a may have been at best a muddled nod towards labor and, at worst, official sanction for the open shop, the measure still inspired activism among the rank and file in Chicago. Some workers saw the NRA as proof that government intervention could help revitalize the economy. 9 Others, like future CIO organizer George Patterson, grew more confident during the NRA period that workers had the power to help themselves. Roy Wilkens of the NAACP also saw the NRA as a call to arms. He explained to Claude Barnett "from the information which is coming into this office I am coming more and more to believe that unless some loud hellraising takes place at once, the Negro is going to be out in the cold. As a matter of fact, he is half out in the cold already." Overall, the NRA was a mixed bag in terms of its impact on business, unions and workers. Some workers enjoyed real gains in wages while others received raises but lost the opportunity to work overtime or were forced to speed up production. Where settlement house leader, Lea Taylor saw the NRA as an opportunity to combat child labor, the Chicago Board of Trade saw the codes as means to gain a competitive advantage in grain distribution in the Great Lakes region. The lack of clarity regarding the NRA's purpose created a space for multiple organizations and interests to concurrently pursue their own visions of the New Deal. In Chicago, the NRA was less about instituting a specific vision of economic organization and more about controlling the process of organizing.

For historians examining the NRA from a national perspective, the decentralized structure of the agency was a liability, a sign of fatal disorganization that discouraged future

⁹ Lizabeth Cohen, *Making a New Deal*, 277-278.

¹⁰ Roy Wilkins to Claude Barnett, August 10, 1933 box 334, folder 6 Claude Barnett Papers Chicago Historical Museum (CHM).

attempts at national planning. The Supreme Court's ruling in Schechter Poultry Corp v. United States on May 27, 1935 simply saved Congress the trouble of choosing whether to renew a revised version of a failing act or allow the flawed original act to expire on its own. As Ellis Hawley shows, the NIRA did not resolve the tensions between Progressive Era approaches to monopoly. Instead, the act was hastily patched together from competing and contradictory models of economic recovery creating an ineffective administrative structure that left participants unsatisfied and reluctant to trust another broad program of government planning.¹¹ Colin Gordon goes on to show how the agency's ineffectiveness actually penalized those firms that observed code standards and furthered unfair competition by rewarding those willing and easily able to undercut the codes. 12 The NRA experience, in Gordon's account, led business leaders to reluctantly turn to regulatory unionism as a means to rationalize competition through the enforcement of labor standards rather than prices. 13 From Hawley and Gordon's top-down perspective, the NRA's signature failure was that it tried to be all things to all people. Federal administrators' desire not to upset any of the participants in the NRA made it impossible to effectively regulate those participants. Instead the administration created a byzantine structure that allowed businesses to either capture the code-making process or to institute so many exemptions and amendments that they effectively rendered codes useless. In sum, the NRA was a disorganized quagmire that destroyed participants' faith in federal economic planning.

But federal administrators were just as concerned, if not more so, with making the NRA as unobtrusive as possible in part, as Meg Jacobs shows, to avoid a constitutional challenge and

¹¹ Ellis W. Hawley, *The New Deal and the Problem of Monopoly*, 2ed. (New York: Fordham University Press, 1995), 145-146.

¹² Colin Gordon, *New Deals: Business, Labor, and Politics in America, 1920-1935* (Cambridge: Cambridge University Press, 1994), 189.

¹³ Gordon, New Deals, 203.

maintain support for federal activism during the New Deal. 14 In addition, NRA administrators hoped to take advantage of the rich network of private organizations and trade unions, incorporating the voluntarism of Hoover's associationalist state while encouraging further collective action in economic management. In operation, these two threads, voluntarism and regulation through countervailing powers, maintained a fragile, and ultimately short-lived, balance by relying on the public sphere as the authority for enforcement of labor disputes under the NRA provisions. As such, the NRA years created a public forum for negotiating labormanagement accords. In Los Angeles, labor unrest forced the Chamber of Commerce into a narrow defense of the open shop. In Chicago, a patchwork pattern of enforcement and regulation worked out through compromise between the city's industrialists and trade union leaders encouraged efforts to expand organization to industrial workers while ultimately leaving those workers frustrated with the company unions set up to nominally comply with NRA provisions. Overall, the desire to remain unobtrusive meant that federal officials, while seeking to create a more ordered economy, were reluctant to favor any one particular form of economic order over another. The NRA provided a forum for diverse participants to negotiate variations of economic organization amongst themselves; it did not contain a mandate for how that organization should look. As such, we can arrive at a more accurate picture of the significance of the NRA by shifting away from the intents of legislators to look at the ways individuals and organizations used government agencies to advance their own visions of economic regulation.¹⁵

In Chicago, a local perspective on the administration of NRA policy provides a different view of collective governance under the New Deal, a version of collectivity that is not

¹⁴ Meg Jacobs *Pocketbook Politics: Economic Citizenship in Twentieth-Century America* (Princeton: Princeton University Press, 2005), 123.

¹⁵ For a description of the NRA that examines the way it enabled non-state actors to pursue their own economic program see Gerald Berk, "The National Recovery Administration Reconsidered, *or* Why the Corrugated and Solid Fiber Shipping Container Code Succeeded," *Studies in American Political Development* 25(April 2011): 56-85.

synonymous with centralized planning. The leaders of the city's trade unions and business organizations became active participants in the NRA to preserve local autonomy. Their efforts set a precedent for industrial workers in the steel mills who turned to the CIO as an ally to gain greater traction in local governance. Writing in 1950, the labor historian Irving Bernstein remarked on how the New Deal ushered in a shift in economic policy. He states, "Theretofore government, with notable exceptions, left primary responsibility for decision-making to individuals—private citizens and corporations. The Great Depression, however, led to a shift in emphasis from an individual to collective responsibility, applied alike to business, to agriculture, and to labor." Lizabeth Cohen's Making a New Deal follows Bernstein in showing how industrial workers in Chicago embraced the Democratic Party and CIO as positive forces for improving their own social condition. Outlining industrial workers' changing attitudes during the formation of the New Deal order, Cohen wrote the book in the shadow of its decline. Reflecting in the preface to the second edition of Making a New Deal, Cohen connects collective action and centralization, stating "in retrospect I realize that in writing Making a New Deal I was showcasing a time when working people valued the benefits of a strong, centralized government and collective action by organized labor and allied across class, racial, and ethnic lines to secure both." United by the emergence of a mass consumption culture, Cohen argues, industrial workers bought into the promises of the Democratic Party and CIO to employ government resources to provide security and material prosperity.

Cohen hoped to provide readers with a reminder of a good deal that had since gone wrong. Nick Salvatore and Jefferson Cowie, writing at a time when historians have worked to make the conservative revival seem less paranoid and more integral to American political

 ¹⁶ Irving Bernstein, *The New Deal Collective Bargaining Policy* (Berkeley: University of California Press, 1950), ix.
 ¹⁷ Lizabeth Cohen, *Making a New Deal: Industrial Workers in Chicago, 1919-1939*, 2ed. (Cambridge: Cambridge University Press, 2008), xxiv.

culture, point to the bankruptcy of the New Deal's collective promise. In outlining the limits of New Deal liberalism, they argue that New Dealers turn from the traditions of producer-based republicanism to a form of individualism consonant with corporate governance and consumer culture meant, "the potent connection that had once tied the individual to a communal vision sharply ebbed." ¹⁸ In Salvatore and Cowie's analysis, the communal vision fostered by the New Deal rang hollow to those seeking a collective identity with more purpose than one based in consumption. Most of the individuals who were politically active during the NRA years in Chicago would have likely agreed with Cowie and Salvatore's conclusions and they directed their involvement with the New Deal to halt tendencies toward centralization and defend their own local autonomy. The NRA did not impose order or collective governance in the city, but rather legitimated and became intertwined within a multitude of informal agreements already in place. In doing so, the legitimacy to act upon notions of economic citizenship became embedded within the power of political organization rather than the product of debates over political economy. In other words, forms of economic regulation were decided through the power of political organization and influence. Chicagoans maintained a healthy distrust of centralized power throughout the NRA years while at the same time developing strategies of political organization to fight for control over the direction of New Deal policy.

The Blue Eagle Lands in Chicago

In Chicago, John Van Der Vries, manager of the Northern Central Division of the US Chamber of Commerce explained to members of the city's Association of Commerce that the

¹⁸ Jefferson Cowie and Nick Salvatore, "The Long Exception: Rethinking the Place of the New Deal in American History," *International Labor and Working Class History* 74: 1 (Fall 2008): 12. While Cohen's *Making a New Deal* is more concerned with the establishment of the New Deal order, the book is written in the context of its decline. See the preface in Cohen, *Making a New Deal: Industrial Workers in Chicago, 1919-1939*, 2ed. (Cambridge: Cambridge University Press, 2008).

NRA would finally relax government regulation through anti-trust laws, allowing industries to match production with consumption by creating national standards for wages and production levels. Van Der Vries saw the act as a chance for business to act free from government interference to solve the problems of the depression. He stated, "We have told government that we in industry can handle the problems before us if given a freer hand than heretofore, better than can government itself attempting to do it independently. Government is accepting our statements at face value, and will give us the opportunity to prove their validity." ¹⁹ Van Der Vries identified the roots of the NRA in a drive begun by the National Association of Rotary Clubs. In 1921 a committee appointed by the national organization divided their membership into divisions of industry to assign codes of ethical practice regarding commerce and employment in order to provide a form of governance or order in the economy. The NRA, for Van Der Vries, was a call to service—business leaders needed to put aside individual interests for the benefit of their industrial group and act altruistically for the good of the nation's economy. Workers, Van Der Vries reminded readers of *The Rotarian* in an article promoting the NRA, were dependent upon business leaders to pull the country out of the depression.²⁰

Van Der Vries' vision of a business-led NRA coexisted with the craft vision of economic order sustained during the early years of the depression through the efforts of labor leaders like Olander to situate relief policy within established contractual relations. Trade union leaders concentrated on agreements between workers and employers in small labor-intensive businesses while working to strengthen and stabilize the local economy against national chains and corporations. While relations between employees and owners could be antagonistic they were seldom contradictory. The craft arrangements were a means for workers and employers to find

Speech by John Van Der Vries September 1933, box 194 folder 3, Secretary's Correspondence CBOT UIC.
 John N. Van Der Vries, "Uncle Sam Turns Doctor," *The Rotarian* (July 1933), 61.

common ground and act in concert against rival associations and business communities. ²¹ For Van Der Vries and members of the city's business elite belonging to groups like the Chicago Association of Commerce, the codes were an attempt to regulate the relationships between employers rather than between employers and employees. Labor standards were part of this regulation, but only insofar as business leaders hoped to stymie competition over wages and hours. Business leaders pitched the NRA as an attempt to dull rather than sustain regional difference, creating national industrial standards. However in practice, business leaders could be just as willing as the members of the craft economy to use the NRA boards to advance local interest, using control over the codes to enshrine national standards that benefited their own local interests. Unions, small businesses, and national firms may have at times disagreed on the purpose of regulation and over who should be setting the terms. However, they all looked to advance their own particular interests by rationalizing competition.

The loose structure of the NRA brought together a number of people with different ideologies by uniting the diverse constituency into working relationships. During the short history of the NRA, four branches of agencies each with overlapping jurisdictions operated out of Chicago and managed policy for the city, state, and region. These were state and district recovery boards, the Chicago Recovery Council and its component executive and compliance committees, a state adjustment board created in February 1934, and various individual code authorities, of which 135 national code authorities were located in Chicago by the end of the NRA period. The decentralized and often disorganized nature of authority in the NRA was one of the reasons the program failed to accomplish any structural reform in the national economy.

²¹ Andrew Wender Cohen, *The Racketeer's Progress: Chicago and the Struggle for the Modern American Economy, 1900-1940* (Cambridge: Cambridge University Press, 2004), 4.

²² For number of code authorities in Chicago see AW DeBirney to William Lamb June 27, 1935 entry 552, box 78 Records of the National Recovery Administration Region VI, Great Lakes Division National Archives.

Yet as far as maintaining a wide level of support for New Deal programs it was ideal for allowing participants to reach agreements on specific standards without having to reach an overarching consensus on the justification for those agreements.

The state and district recovery boards were one of the first branches assembled.

Nationwide, there were state boards for all 48 states and 26 district boards. Both the Illinois state board and the federal district board were located in Chicago. Members were appointed by Hugh Johnson as chair of the NRA and served without pay. A.A. Sprague, a wholesale grocer and commissioner of Public Works headed the Illinois state board. On the federal district board, the representatives from Chicago included Hull House founder Jane Addams, Willoughby Walling who was a banker and a lawyer, and Olander, representing the Illinois State Federation of Labor. The members of the board were appointed at the beginning of August and charged with promoting cooperation and compliance with NRA codes.²³ By the end of the year, the state and federal boards remained unorganized and other enforcement boards began to share responsibility for investigating complaints leading to a short period of overlapping jurisdictions.

At the same time state and district boards were forming, Johnson appointed George Rossetter of the Chicago Association of Commerce to head the Chicago Recovery Council (CRC) and oversee the President's Re-Employment Agreement for Chicago. The Re-Employment Agreement was an attempt to jump-start the recovery process while codes were still in the process of being formed. Employers voluntarily agreed to a blanket code that included a minimum wage of 40 cents per hour and a maximum workweek of 35 hours. In exchange those firms received the famous Blue Eagle banner to display as proof of their compliance. Promoters encouraged consumers to only trade with firms flying the blue eagle. Rossetter acted quickly, he provided office space for the CRC in the Chicago Association of Commerce building and, using

²³ "74 U.S. Boards to Work Codes for Industries," *Chicago Tribune* August 2, 1933

local donations, raised \$4,700 for its operations.²⁴ *The Balance Sheet*, a periodical put out by the Chicago Association of Commerce bragged that during its first four months: the CRC conducted a house-to-house campaign that garnered 600,000 consumer pledge cards, signed up 52,000 Chicago firms to carry the Blue Eagle, set up a speakers' bureau and held 400 meetings, and established a compliance board to investigate the approximately 3,500 violations reported.²⁵ By the end of the CRC's first month, the *Chicago Tribune* proudly reported that the number of "help wanted" ads in the newspaper had increased by 60% from the figures for August 1932.²⁶

The re-employment campaign was largely a publicity blitz at first, relying on voluntary cooperation among consumers and business in an attempt to create jobs. F.L. Roberts, district manager for the Department of Commerce and regional head of the re-employment drive, stated that in regards to enforcement, "I believe public opinion and publicity will do more to make employers live up to the letter and spirit of the act than anything else." Though Roberts also remarked that if some firms still refused to comply violators could be summoned into US district courts to be "made an example of," in essence using the threat of government punish those who defied public sentiment.²⁷ Because this stage of the recovery program relied upon voluntary cooperation among consumers and businesses, it is not surprising that Johnson turned to the business community to manage the re-employment campaign. Besides his work on the Association of Commerce, Rossetter headed one of the nation's largest accounting firms and was also an active leader in civic affairs, assuming the presidency of the Chicago Grand Opera

²⁴ Rossetter to "the presidents of all firms operating under the blue eagle" December 4, 1933 box 194, folder 5a Secretary's correspondence CBOT UIC.

²⁵ The Balance Sheet: A periodic Statement to Members of the Current Activities and Accopmmlishemnts of the Chicago Association of Commerce v. 4, no. 1, December 13, 1933 box 195 folder 1 Secretary's correspondence CBOT LIIC

²⁶ "Recovery Pact gets 5000 more signers here" *Chicago Tribune* August 25, 1933.

²⁷ "Form Recovery Council Here to Aid Roosevelt," *Chicago Tribune* August 12, 1933.

Company after his tenure in the commerce association expired.²⁸ On August 16th, about two weeks after he was appointed, Rossetter created an executive committee for the CRC to oversee the recovery program in Chicago. The 27 appointments that comprised Rossetter's executive committee included representatives from the Chicago Better Business Bureau, the Federation of Women's Organizations, the Chicago Real Estate Board, and the Chicago Board of Trade. There was only one representative for labor, John Fitzpatrick president of the Chicago Federation of Labor, included among the appointees. Fitzpatrick realized that his appointment was largely symbolic, remarking, "I know they would rather see a rattlesnake crawl on its belly than see me come in." Under Rosetter's early leadership, the NRA was largely a public relations effort to encourage businesses to voluntarily increase employment. The NRA was not yet ready to introduce coercive structures to regulate competition and work conditions.

Rossetter's involvement in the early voluntary stage of the NRA allowed him to continue to stay involved as NRA moved from the voluntary "ballyhooism" of the first phase into a more formal economic organization as codes began to be formed and implemented. In September, the CRC executive committee formed an NRA complaint board charged with holding hearings on violations and reporting recommendations back to Washington. National enforcement, however, remained a last resort. Administrators hoped that the regional boards could still rectify any violation on their own. Rather than holding hearings, the board decided to use five conciliators for each case it was investigating in the hopes that disagreements could be handled through mediation. In the shift from recruiting firms to join in the blue eagle campaign to

²⁸ "Rossetter, 80, Former A. of C. leader, dies," *Chicago Tribune* September 21, 1959.

²⁹ Fitzpatrick quoted in Barbara Warne Newell, *Chicago and the Labor Movement: Metropolitan Unionism in the 1930s* (Urbana: University of Illinois Press, 1961), 46. See also, "27 Appointed to Direct Recovery Program in City," *Chicago Tribune* August 16, 1933.

³⁰ For the re-employment agreement as a "Ballyhoo" campaign see David M. Kennedy, *Freedom From Fear: The American People in Depression and War, 1929-1945* (New York: Oxford University Press, 1999), 183-184.

enforcing regulations for those who had signed on to the terms of the reemployment agreement, the compliance board presented itself as representative of the public interest through a tripartite assembly of labor, business, and consumer interests including Bruce MacLeish, president of the Chicago Better Business Bureau, Edith Dolton of the Alliance of Business and Professional Women, and Patrick Sullivan President of the Chicago Building Trades Council.³¹ In doing so, the compliance board was one of many agencies formed during this period that sought to include representatives of each facet of the city's economy—business, labor, and consumer.³²

The NRA still had no clearly defined enforcement mechanisms and officials in Chicago generally looked to local and informal methods of enforcing compliance rather than resorting to the formal powers of the state. Before Congress placed federal backing behind the regulations of the NRA, the IERC had already set standards for prices and quality that any wholesale or retail grocer had to follow in order to secure relief contracts. In May 1933, a month before the NIRA's passage, the IERC even ordered grocers to post permits and price lists on their storefronts to signify their compliance with the commission's regulations.³³ The IERC and NRA enforcement boards operated within the same networks of business and trade union leaders. A.A. Sprague and Victor Olander both served in each organization and the rest of the membership came from similar circles of trade union leadership and business organizations. After the passage of the NRA, the IERC required that all firms receiving federal relief funds comply with the NRA. Within this cozy circle, there were of course opportunities for abuse. George Forth, secretary-treasurer of the United Retail Coal Dealers Association, wrote to both Olander and Wilford

³¹ "Act to Organize NRA Complaint Board in Chicago," *Chicago Tribune*, September 14, 1933; "NRA Compliance Board Formed to Eye Employers," *Chicago Tribune* September 23, 1933; and "NRA board Begins Investigation of Complaints," *Chicago Tribune*, October 4, 1933.

³² For the role of consumer groups in the NRA see Jacobs, *Pocketbook Politics: Economic Citizenship in Twentieth-Century America*, 107-135.

³³ IERC Bulletin to Retail Grocers and Butchers in Cook County, May 8 1933 box 66, folder May 1, 1933 Victor Olander Papers CHM.

Reynolds of the IERC to complain that his association had been unfairly left off the list of eligible coal dealers. Forth framed this as an attempt to use the NRA against small businesses and suggested his association had been purposefully and deliberately left off the list. Forth questioned Olander, "Surely it was never the intention of the National Recovery Act to oppress small business." Forth's exclusion was no small matter as his company was currently charging \$1.33 per ton of coal and the contract had set the price at \$1.88.

But the NRA did not operate solely to serve corporate interests at the expense of small businesses in Chicago. Trade union leaders acting in the enforcement boards also utilized the NRA to strengthen the craft economy agreements between unions and small businesses. These were generally agreements designed to buttress local businesses against the advances of the corporate economy. Solander, Illinois State Federation of Labor (ISFL) president Reuben Soderstrom, and Chicago Federation of Labor (CFL) president John Fitzpatrick all served in different divisions of the NRA administration and they coordinated their efforts at enforcement through established union channels. For example, Olander, who was a member of the regional NRA board, received a complaint that the Brack Candy Company was officially paying workers at the NRA scale but then taking unexplained deductions from their paychecks. Olander forwarded the complaint to Washington DC but was told that complaints regarding labor provisions needed to progress through the local boards before being taken up at the national office. Olander first contacted Fitzpatrick who served on the Chicago board with the matter and

³⁴ Letters George Forth to Wilfred Reynolds and Victor Olander, November 19 and 20, 1934 box 77 Olander Papers CHM.

³⁵ Cohen, Racketeer's Progress, 10, 13-57.

then, after the state board had set up its offices, contacted Soderstrom in case the state board might have more sway or a different approach in settling the matter.³⁶

Among members of the CFL in Chicago, the NRA provisions became a way for union members to articulate wage and work grievances as part of a cooperative relationship between trade unions and government. Olander received numerous letters from workers and small shop owners asking for his personal intervention to solve problems created by the NRA. Martin Sundberg, a tailor, sent Olander an advertisement from a company that offered services below the agreed scale. He asked Olander to "please investigate and save hundreds of small tailors like myself from closing their shops."³⁷ Another "loyal NRA booster" informed Olander that the jewelry shop where he worked hired new workers at the set wage scale, but he said the owners refused to raise his own wages to the recognized level. He assured Olander that "if you take care of this matter you can always depend on first hand information any time they do not live up to standards. After all if we do not stick together and help this drive how can the NRA succeed."38 Even after the NRA was declared unconstitutional in May 1935, the CFL continued to receive and act upon complaints of unfair business practices.³⁹ As these examples show, the NRA was a tool for both large combines, in the case of coal dealers, to exclude smaller competitors and a way for trade unionists to maintain the craft based arrangements that both preceded and out lasted federal attempts at economic organization.

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³⁶ Letters, Olander to Fitzpatrick and Soderstrom, September 6, 1933 box 71 folder September 6-9 Olander Papers CHM.

³⁷ Martin Sundberg to Olander, August 3, 1933 Series 1, folder 227 Victor Olander Papers at University of Illinois at Chicago Special Collections (UIC).

³⁸ "A Loyal NRA Booster" to Olander, August 14, 1933 Series 1 Folder 227 Olander Papers UIC. The worker declined to give his name for fear that his job might be in danger if the company discovered his complaint. Most letters complaining of work conditions were anonymous.

³⁹ For example, Chicago Federation of Labor to A. Lakin and Sons, June 4, 1935 Box 19, folder 134; Race Track Employers Union to WCFL August 3, 1935 box 19, folder 135; and Edward Nockels to Guthman and Company, September 17, 1935 box 19, folder 136 Chicago Federation of Labor Papers, CHM.

In a similar manner, organized business used the NRA to press for regional advantages in the competition over control of interstate commercial networks. Beginning in 1934, the NRA code authority for grain distribution became a site for a long running regional competition between the Chicago Board of Trade and a Minneapolis grain company over the distribution of grain in the Great Lakes regions. The Chicago Board of Trade was trying to equalize rail rates for the shipment of grain from Chicago to New England. In October 1934, the Board of Trade banned the Minneapolis based Cargill Grain Company from its clearinghouse because the firm shipped grain through an unapproved carrier. The Board of Trade denied Cargill Company's appeals for membership in the Chicago grain exchange by appealing to a rule that banned firms that were not members of the clearinghouse on April 2, 1929. The Cargill Company had two members sitting on the Chicago Board of Trade and its leadership also observed that there were many other firms who had gained admission to the grain exchange after 1929. They protested that "there was no logical basis" for the Board of Trade's decision and, on November 16th, appealed to the code authority for grain exchanges that the Board of trade's actions violated the rule requiring equal access to trade. The Chicago Board of Trade refused, by "decisive vote," to amend its rules and a hearing was set for the case to come before the code authority. 40

When the dispute came up for a hearing before the grain authority in March 1935, the votes for and against the Chicago Board of Trade were split evenly, forcing the chair of the code authority to provide a tiebreaking vote. Voting in support of the Chicago Board of trade was JH Caldwell of the Merchants exchange in St. Louis, Frank Miller, and Siebel Harris, both from the Chicago Board of Trade. Leading an opposing coalition that included a representative from the Buffalo Corn exchange and the Duluth Board of Trade, was E.J. Grimes, of the Minneapolis

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⁴⁰ Information on the code hearing for Cargill Company v. Chicago Board of Trade can be found in box 5, folders 7 and 7a, Secretary's Correspondence CBOT.

Chamber of Commerce and director of the Cargill Company. In this instance, the code authority was not a neutral mediating body settling a dispute but another forum for the participants to continue their battle over access to the Chicago grain exchange.

The chair of the code authority ruled in favor of Cargill Company and required the Chicago Board of Trade to accept them as members of the grain exchange. However, the dispute did not end with the code authority's decision. The Chicago Board of Trade sent a letter to secretary of Agriculture Henry Wallace to request a review of the code authority's decision. The letter, explained the Board of Trade's attorney Hoard Ellis, was an attempt to "steer a course between Scylla and Charybdis; on the one hand to get the Secretary to review the case, and on the other hand not to admit that he has judicial or legal sanction to make any juridical finding that the Board of Trade has violated the Code." Grimes, speaking for the Cargill Company, quickly sent his own complaint to Wallace accusing the Board of Trade of stalling as an informal tactic to disobey the decision of the code authority.

The Board of Trade's tactics worked and the NRA was declared unconstitutional before any official action could be taken to force the board's compliance. Cargill's complaint was part of what its operators felt was a deeper tradition of mistreatment by the Illinois grain exchange. They complained that because they had "not contributed heavily to political campaign chests nor [had they] approved bonuses in the form of overtime checks to inspectors who did not work over time," they often fell victim to unfair grading of their grain causing a loss of revenue. Finally on November 25, 1936, over two years after their initial complaint, the Chicago Board of Trade granted the Cargill Company temporary membership in the grain exchange, on the condition that the company re-incorporate as an Illinois, rather than a Minnesota corporation.

The case of Cargill v. Chicago Board of Trade shows how the NRA often became an extension of longer running disputes between members of the business community. The key factor in determining how the NRA worked in each specific case tended to revolve around the interests of local members rather than administrative dictates. As a structural force in Chicago's political economy, the NRA did little to instill regulation but operated as a resource for those seeking to expand or protect their own informal regulatory regimes. Trade unions and business organizations walked a thin line in their relationship with the NRA: eager to buttress their own informal practices with the legitimacy of federal policy but reluctant to recognize the supremacy of federal authority over their own local authority.

Labor Relations under the NRA

It was not long after the NIRA's passage that worker activism forced federal officials to begin to address questions over the meaning of the labor provisions in section 7a. On August 5th 1933, Roosevelt established the National Labor Board (NLB) to settle controversies in labor disputes. Despite Roosevelt's actions, Johnson, at the head of the NRA, still refused to support the board and held fast to his open-shop definition of section 7a. Lacking a clear directive from Washington, administrators in Chicago set up NLB boards for labor and business to reach informal agreements on a case-by-case basis. The Illinois State Federation of Labor and the Illinois Manufacturers Association were each asked to appoint two members to the board and those new members then selected a chairman. The board prioritized mediation at the local level, rather than forwarding appeals to Washington for a decision. Despite what was described as "vigorous discussion" between board members, the records of the adjustment board show that in every case the board released findings as products of a unanimous decision. An NRA

⁴¹ Hawley, The New Deal and the Problem of Monopoly, 91.

administrator remarked that these compromises were possible because they were based in a level of mutual respect and willingness to negotiate among all the members. 42 In a report on the Adjustment Board's activities, NRA officials praised the board for "providing an informal court" and for arbitrating many cases themselves rather than turning cases over to more formal courts for a decision. 43 NRA compliance boards had to straddle a line between sanctioning selfgovernment in business and utilizing coercive regulation through penalties. 44 In Chicago, compliance board members sought to balance this tension by settling disputes informally through a cooperative relationship between business and trade unions, each occupying equal positions on NRA boards. The ability to compromise also was probably aided by the fact that the membership of Illinois Manufacturers Association primarily consisted of the city's largest industrial manufacturers while the strength of the Illinois State Federation of Labor centered in small laborintensive businesses in the craft economy. 45 As such, their work together may have increased the separation between the private industrial economy and the public craft economy rather than leading to a common set of labor practices. The cooperative arrangement kept the federal government from having to employ its formal coercive powers to maintain compliance. In exchange, business and labor representatives on the board gained the power to make decisions reflective of their own local and particular interests rather than national dictates.

Cooperation among members of NRA boards did not mean that the labor question was solved in Chicago. Historians know section 7a of the NIRA as the enabling legislation that first

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⁴² "Supplementary Report on The use of State NRA Adjustment Board in Illinois," August 30, 1935, Series 552, box 79 NRA Records, National Archives, Great Lakes.

⁴³ "Report on State Office activities No. 2: The use of State and Local Adjustment Boards," n.d. Series 552, box 79 NRA Records, National Archives, Great Lakes.

⁴⁴ Gordon, New Deals, 192.

⁴⁵ Cohen, *Racketeer's Progress*, 34 and 38.

signaled to labor that the government would be their ally in the push for recognition. ⁴⁶ Yet nothing about the early actions of government officials, labor, or business suggests that section 7a gave workers anything outright. Members of both the Chicago Association of Commerce and the US Chamber of Commerce were uniform in their interpretation of 7a as a ratification of the open shop. Harriman repeated an assurance, reportedly from Roosevelt himself, to local chamber offices that the NIRA was not intended to "foment discord" or create a closed shop workforce. Instead, chamber leaders focused on the clause of section 7a that ensured workers the right to bargain collectively through members of their own choosing as proof that the legislation allowed workers to select any representative they wished, rather than forcing them to recognize a single union for the firm. Employees could even, if they desired, negotiate for themselves without representation. In other words, section 7a sanctioned an open shop. Johnson backed up the business interpretation of section 7a by designating the Chicago Association of Commerce as the NRA's primary representative in Chicago. Business leaders publicized speeches such as Johnson's Labor Day remarks affirming their interpretation of Section 7a. They also publicized their own involvement with the NRA, legitimating their claim that the law actually outlawed the closed shop rather than justifying it.

Despite their allegiance to an open shop definition of section 7a, some businessmen did see the NRA as a chance to use unions to reduce competitive pressures in national commerce.⁴⁷ Illinois coal dealers, for example, used the code for their industry as an opportunity to level wage

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Gordon, New Deals, 203.

⁴⁶ Irving Bernstein, *Turbulent Years: A History of the American Worker, 1933-1941* (Boston: Houghton Mifflin and Company, 1970), 37; Arthur Schlesinger, *Coming of the New* Deal, 136-137; Cohen, *Making a New Deal*, 277-278; Jacobs, *Pocketbook Politics*, 137; Alan Lawson, *A Commonwealth of Hope: The New Deal Response to Crisis* (Baltimore: Johns Hopkins University Press, 2006), 86; David Brody recognizes the limits of section 7a while still placing it as a step towards greater worker recognition under the Wagner act; Brody, *Workers in Industrial America: Essays on the Twentieth Century Struggle*, 2ed (Oxford: Oxford University Press, 1993), 121; Colin Gordon emphasizes the lack of definition regarding labor's place in the act and views worker organization as a test of section 7a's possibilities; Gordon *New Deals*, 208.

conditions with competitors in central Pennsylvania and West Virginia. Illinois coalfields had a long and tumultuous history of union organization. During the 1930s, the United Mine Workers (UMW) emerged as the primary union for coal workers in the state. Unionized coalmines represented only one quarter of all coal producers in the country yet it was the non-unionized mines on the defensive during code hearings, holding up the writing of the code in order to prevent unionization of their workforce. Coal was the last of the big five industries--coal, steel, iron, automobiles, and textiles--to form a code. The two primary sticking points were wage rates and recognition of the UMW. It was only after Johnson threatened to hold a public hearing before writing the code himself that the non-union mines agreed to compromise. They held out for a wage differential between northern and southern mines and finally agreed to a compromise that allowed for a temporary five-cent differential.

The codes brought Pennsylvanian and West Virginian mines closer to the operating costs of midwestern mines in Illinois and Indiana. Illinois miners had constantly urged Chicago consumers and relief providers to buy Illinois coal, but the nonunion coal had been cheaper to purchase despite the costs of travel. The new code, predicted Andrew T. Murphy, publisher of the coal newsletter *Black Diamond*, would usher in a market shift from eastern to midwestern coal producers. It was not inevitable that NRA officials would insist on a pro-union code. The nonunion coal operators had hoped to model the coal industry's labor policy after a provision in the auto code that relegated union recognition to a firm-by-firm basis, rather than forcing industry wide recognition. The influence of the Chicago firms proved to be stronger than the out

⁴⁸ For a history of union conflicts between the United Mine Workers and the upstart Progressive Mine Workers in Illinois, see Harriet Hudson, *The Progressive Mine Workers of America: A study in Rival Unionism* (Urbana: University of Illinois Urbana, 1952).

⁴⁹ "Coal Owners Seek Clearer Labor Clause," *Chicago Tribune* August 28, 1933 and "Coal Owners, Union Settle Basis of Code," *Chicago Tribune* August 29, 1933.

⁵⁰ George Wharton to Edward Nockels, November 14, 1933 Box 18, Folder 131 Chicago Federation of Labor papers CHM.

of state competitors and the adopted code forced the nonunion operators into accepting union rates.⁵¹

The national offices of the AFL offered nearly unqualified support for the NIRA while the bill was debated in Congress. Woll, expressing his frustration with other AFL national officers including president William Green, remarked to Olander "that the officers of the A.F. of L. had committed themselves to the whole Industrial Recovery Bill and any attempt to analyze that Bill from a wholly unbiased point of view with the thought in mind of indicating the dangers involved would be suicidal." In Congress, John L. Lewis, president of the United Mine Workers and Sidney Hillman, president of the Amalgamated Clothing Workers repeated arguments made by the president of the US Chamber of Commerce Henry Harriman that their industries required stabilization and planning through industrial self-government to recover. In Washington, labor strove to present a united front to avoid giving critics of the NIRA any ammunition. As Woll explained to Olander, any individual questioning the merits of the plan in Washington "would have been crucified."

Looking at the reaction in Chicago's trade union community to passage of the NIRA, however, it is clear that its members were cautious rather than enthusiastic in regards to the emancipatory potential of section 7a. The flurry of activity after the passage of NIRA was more a defensive reaction to government power than a step towards accepting government assistance. Writers in the Chicago Federation of Labor journal *Federation News* warned that the NIRA established an "industrial dictatorship," where, "Organization is compulsory, but trade unionism

⁵¹ "Resolution of Buy Illinois Products Commission," November 10, 1933" and George Wharton to Edward Nockels, November 14, 1933 box 18 folder 131 Chicago Federation of Labor Papers CHM; "Coal Owners Seek Clearer Labor Clause," *Chicago Tribune* August 28, 1933; "Hail Coal Code as Benefit to Midwest Mines" *Chicago Tribune* September 9, 1933.

⁵² Woll to Olander, June 7, 1933 box 67 folder June 5-8 Olander papers CHM.

⁵³ Bernard Bellush, *The Failure of the NRA* (New York: Norton and Co., 1975), 3.

⁵⁴ Woll to Olander June 7, 1933 box 67 folder June 5-8 Olander papers CHM

isn't compulsory. It will be up to the labor movement to claim the field by actually occupying the field." The article continued by saying that labor's weakened position after World War I left it without the resources to prevent the legislation's passage. Now that the legislation was in the books, it was imperative for labor to organize to avoid being completely buried beneath a business-government partnership. ⁵⁵ Olander, while working on the federal district board for the NRA, reiterated the danger of relying on the NRA for support, telling mineworkers in Litchfield, Illinois that they needed to organize before presenting their case to the National Labor board, otherwise, the workers would simply have to accept whatever the board decided for them. ⁵⁶

Trade union leaders repeatedly publicized their own frustrations with the NRA and worked to channel those frustrations into increased organization. The *Federation News* in March 1934 charged that "THE CODE AUTHORITIES IN CHICAGO ARE THE NEW SIMON LEGREES OF OUR CIVIC LIFE AND THE CHICAGO NRA IS THEIR MOST OBEDIENT AND BOOTLICKING SLAVE." The newspaper was clear that criticism of the NRA was not criticism of Roosevelt or the New Deal, explaining that the bureaucracy of the NRA, lacking significant labor representation, cut the president off from the people and served narrow economic interests. ⁵⁷ The answer, according to AA Bablitz, in an editorial for the *Federation News*, was more organization rather than laws. Bablitz explained, "When capital wants to beat down wages, it does not go to Washington and ask for a law; when it wants to raise prices, it does not ask the legislatures. It gets itself together, makes up its mind what it wants and goes after it." Bablitz explained that labor needed to follow this example. The focus on legislative lobbying had made unions themselves out of touch with the rank and file. Bablitz continued,

⁵⁵ Federation News June 10, 1933.

⁵⁶ Olander to Harry Prichett, September 25, 1933 Series 1, Folder 227 Olander Papers, UIC.

⁵⁷ "NRA Completely Overrun by Business Interests," March 31, 1934 and "What's Wrong with Roosevelt," May 26, 1934 Federation News.

"Labor has been charted and diagnosed and symposiumized and analyzed until it has got to the point where, unless he has a chart and diagram, a union labor man cannot find his way into a union meeting." These critics of the NRA feared that the agency was part of a shift in US labor relations that would remove responsibility for determining work conditions and labor standards from the unions and give authority to government labor boards to make those decisions.

In operation, the labor board may have come to unanimous decisions, but it enjoyed less consistency while enforcing those decisions. In 1934, the combined force of strikes, favorable NLB decisions, and consumer pressure forced employers in the Thompson restaurant chain and the cleaning and dying industry to recognize unions and pay union scales for wages. At the same time, the threat of losing blue eagle status did little to force employers in the Chicago Motor Coach Company to cede to union demands. When the Federation News reported that the company was making plans to break the strike, setting up 1,000 cots to house strikebreakers in various garages, Chicago Alderman and Vice President of the CFL, Oscar Nelson attempted to use his powers as an elected official to remove the strike breakers. Claiming they were violating fire codes, Nelson instructed the city's police and fire departments to "Chase the scabs out of the garages, for no union man wants to see scabs burn if a fire breaks out in one of the garages. We will be satisfied if that happen in the hereafter." The company received support for their fight against the unions from Johnson in Washington DC as well as the state attorney general who indicted two union members after a bus dispatcher was fatally shot. Eventually the strike was settled with recognition of the Amalgamated Association but no closed shop agreement. Just as

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⁵⁸ "Labor's Need Organization not Laws," January 27, 1934 Federation News.

Babblitz had predicted in the beginning of the year, the difficulties of enforcing NLB decisions proved the importance of organized action, community support, and local political strength.⁵⁹

In February 1935, the AFL held a hearing in Chicago to allow local trade unions the opportunity to record their experiences negotiating agreements with employers before and after the creation of the NRA. The meeting was an attempt to develop strategies to adapt to the presence of federal agencies in labor negotiations. Olander informed the gathered delegates that the purpose of the meeting was not to discuss relations between employers and employees but rather to evaluate the costs and opportunities emerging from the government's expanded role in negotiations. As Olander explained, the meeting was to determine "what we ought to do, especially those charged with guiding these organizations, with leading in negotiations, with finding ways to bring about negotiations, with utilizing governmental agencies within our reach."60 In particular, trade unionists saw the industrial code agencies—which operated separately from the general enforcement boards—as dominated by business interests. In their discussion, the gathered delegates tried to decide whether the opportunities of federal mediation were worth the resources required to shape enforcement by working with the various enforcement boards and code authorities. It was one thing to maintain a presence on the several regional, state, and federal enforcement agencies, but quite another to find enough qualified union members to sacrifice their time otherwise spent organizing to serve on the code authorities. Spencer Miller of the AFL estimated that it could take up to 650 union members to maintain a voice for labor in all the codes in operation. ⁶¹ Such a level of involvement would represent a major shift in the allocation of labor's organizational resources, shifting personnel from the shop

⁵⁹ Description of NLB cases found in Newell, *Chicago and the Labor Movement*, 48-53. The Nelson quote is on page 51.

⁶⁰ "Proceedings of the Workers' Education Bureau," 3 February 8, 1935 box 18, folder 132 Chicago Federation of Labor Papers CHM.

⁶¹ Proceedings, 10.

floor to government offices. During the hearings, the leaders of the various locals present provided a diverse account of the many ways labor's relations with employers shifted or remained stable with the intrusion of federal authorities. The responses varied in terms of the different trades unions' power within the local political economy and the degree to which New Deal regulation assisted or undermined that power.

Patrick Sullivan of the powerful Chicago Building Trades Council (BTC) remarked that in theory, the Council favored the NRA, but he continued, "It did not give us anything. We have had collective bargaining for fifty years. We have had a minimum wage scale for fifty years; and we have had a maximum working time for fifty years; and so the National Industrial Recovery Act has not done much for the building trades." Sullivan, of course, was operating under a unique perspective. Even in a strong union town such as Chicago, the building trades workers held a position of power within the city that few other workers could match. Sullivan's biggest complaint was that the Federal Housing Administration was trying to get the building trades to agree to another wage cut after the BTC had already voluntarily agreed to a cut in 1932. He feared that government-sponsored housing construction would threaten the privately arranged work conditions the BTC negotiated with contractors.

A.W. Wallace of the Painters Union observed that federal regulation had opened up contract negotiations to a wider number of participants than the pre-New Deal negotiations that primarily took place between unions and business representatives. Wallace stated that rather than working out labor conditions with the employer directly, the NRA code meeting also drew representatives from outside groups like the Chamber of Commerce, Real Estate Managers' Association, Chicago Real Estate Board, University of Chicago, American Institute of Architects, and the Citizen's Committee to Enforce the Landis Award. He remarked, "we had no

^{62 &}quot;Proceedings," 29.

objections from the contractors of this city who had been working on this wage scale and the sixhour day, and they agreed in this hearing. The only opposition we had was from the institutions I mentioned."63 In this case, the NRA weakened the informal agreements of the city's craft economy by giving voice to new organizations that sought to limit the economic power of trade unions.

In contrast, George C. Slater of the Garment Workers union remarked, "the code in the cotton garment industry was a Godsend to us."64 He acknowledged that the codes had little impact on established union shops, but when applied to the industry as a whole they helped close wage gaps between union factories in Chicago and non-union firms in the south. Slater did recognize, though, that some factories subverted the minimum wage requirement by shifting to a piecemeal system that continuously decreased the price per unit of production to increase output while still paying the state mandated minimum.

For trade unionists, the NRA legitimized their informal agreements over work conditions in the craft economy while also, as Wallace lamented, removing the negotiation of those deals from the back rooms of union halls and saloons to make the process more formal and open to a wider number of interests groups. In addition, the NRA offered unions an alliance with government while the ineffectiveness of enforcement proved yet again to trade unionists the importance of organization and influence in the local political economy. In their corner of Chicago, trade unionists already presided over a local economy that was ordered and selfgoverning through labor contracts. The NRA was most effective when it blended into systems of regulation already in place, meaning that the agency worked by building coalitions between federal agencies and local governance. The implications of the act, however, promised much

⁶³ "Proceedings," 36-37. ⁶⁴ Proceedings, 45.

more. For trade unions and business leaders it was an opportunity to expand their visions of economic order while at the same time leading to a call for renewed vigilance to protect the positions of influence they already enjoyed.

Steelworkers in Chicago labored outside of the contracts governing the city's craft economy. Lizabeth Cohen argues that section 7a gave these workers the confidence to, for the first time, lodge complaints against their employers with federal officials. ⁶⁵ For Chicago's steelworkers however, it was the act's inability to compel employers to act on those complaints that proved most influential in leading their unionization campaign on a path towards the CIO. They learned, like the trade unionists, that the NRA could only deliver on its pro-labor promise if they could amass the local strength and influence themselves rather than await federal assistance. For future CIO organizer George A. Patterson, the NRA led to his election as a representative on a company union and his growing frustration with a company seeking to comply with the NRA provisions as minimally as possible.

The Scottish born Patterson occupied a high position in the steelworker hierarchy as a "prima donna roll turner" in the South works steel mill. During the 1920s he had even managed to purchase stock in US Steel under an employee stock ownership plan. However the Great Depression dramatically reduced the value of the stock and by 1932, Patterson, his wife, and newborn son were forced to move in with his wife's parents. ⁶⁶ Patterson viewed his work as a craft and, he reminisced, "In spite of myself I had grown to indirectly love the steel mills, the roll shop and all that went with it." In an unpublished autobiography, Patterson spends a great deal of time talking about the camaraderie on the shop floor, detailing how organizational strategies

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⁶⁵ Cohen, Making a New Deal, 278.

⁶⁶ George A. Patterson to John Stevens December 13, 1935 box 2 George A. Patterson Papers, CHM and Cohen, *Making a New Deal* 216.

⁶⁷ Patterson, unpublished autobiography, book 1 box 9 folder 6 Patterson papers, 9.

were developed amidst the "sweat and burning flesh" of the open hearth. ⁶⁸ Patterson had legitimate reasons to distrust management. His father and uncle both died from strokes, which he blamed on inhaling hazardous fumes. Nothing was done about his father's death, but Patterson convinced his aunt to hire a lawyer to take the company to court. At the trial, the company was deemed at fault and ordered to pay a settlement. However, the company got the case overturned in appeals because Patterson's uncle died ten days past the two-year limit for filing a case.⁶⁹

In March 1934, Patterson helped organize meetings among his fellow roll turners to present grievances to their managers. Feeling that the worst of the depression had passed, the workers wanted to get back some of the cuts made in the crisis-like climate of the earlier depression years. Roll turners made \$45.72 for a 60-hour workweek in 1926, but were currently only receiving \$33.80 for a reduced 40 hours. In May, the group presented a list of demands to the company. Patterson recalled that in his first meeting with the foreman, "He chased me around his desk in an outburst of anger, when I said we had come in to bargain. 'the law gave us this right, 'I'll give you your rights.' He replied, but then we started to laugh when we realized, what a rediculous[sic] position, we were in, him an older man, and me a youngster, staring at each other from opposite sides of his desk." The company did not act on the newly formed roll turners' first request and the association instead looked to both NRA officials and the AFL for assistance but their requests for aid also failed to produce any results.⁷¹

It was on the shop floor that steelworkers and their employers used the pretext of the NRA to work out issues of control over work conditions. Management responded to the NRA by forming a company union to which Patterson was elected as a representative. They hoped to use

⁶⁸ Patterson, "Autobiography," book 1, 17.
⁶⁹ Patterson, "Autobiography," book 1, 28.
⁷⁰ Patterson, "Autobiography," book 1, 9-10, quote on 10.
⁷¹ Patterson to L. Becker chief Iron and Steel division, n.d. folder 6, box 7 Patterson Papers.

worker organization to reinforce managerial authority. In response to some of the demands of elected representatives, employers granted moderate improvements in work conditions and safety. For example, employees were able to get a supply of artesian water in the shop because, as Patterson explained, "city water is bad to take in summer and then try to work." But the company turned down requests for canvas gloves and for soap and towels in the washroom. The company was even more resistant when presented with demands concerning overtime, seniority rules, and pay schedules.⁷² Patterson quickly grew frustrated with the company union, describing the grievance process as a fake and the representatives as employees more interested in meeting managers to secure a promotion than in communicating grievances.⁷³ These difficulties increased feelings of solidarity among the steel workers and added to their organizing activities on the shop floor. In an attempt to elect employee representatives who would take a harder line with management, Patterson and other members of the roll turner association orchestrated a covert campaign where workers would use chalk to write the names of candidates in spots like "the peak of a gable end, on a railroad car or a truck, on telephone poles," where the company's security guards would not likely discover the names. In talking about the employee representation plan, Patterson felt that it encouraged organization among the workers, something that the employers themselves welcomed so long as they remained in control. The key lesson from the experience, to Patterson, however, was the need to build an organization where workers could act independently.⁷⁴

While serving as an employee representative, Patterson made several attempts to secure recognition for his roll turners' association. He was informed by the chief of the Iron and Steel

⁷² Patterson to AC Rasch July 21, 1934 and December 26, 1934 and Committee of Employee Representatives to Thorpe, n.d. folder 1, box 2 Patterson Papers.

⁷³ Patterson, "Autobiography," book 1, 16.

⁷⁴ Patterson, "Autobiography," book 1, 18-19.

division of the Department of Commerce that his office could not force the Illinois Steel Company at South Works to recognize their union. 75 Fitzpatrick tried to encourage the organization of local unions in the steel mill and over the summer of 1934 the CFL used its radio station, newspaper, and its speaker bureau to assist the fledgling unions. While individual locals grew in strength and number, the overall drive to unionize the industry remained fragmented and incomplete. ⁷⁶ Patterson's roll turner association towed a careful line between seeking outside support and maintaining its independence. After joining with the United Roll Turners Association, which was, itself, just forming, the steelworkers failed to gain affiliation with the AFL's International Association of Machinists. 77 Some steelworkers, as part of a rank and file movement, tried to pressure the Amalgamated Association of Iron, Steel and Tin Workers to organize a strike for recognition. The roll turners, however, were initially wary of the Amalgamated Association. In a passage that was struck through in his autobiography, Patterson recalled, "There was still a bad taste about this union from the 1919 strike." When the Amalgamated Union called for a labor election under the supervision of the National Labor Board in 1934, Patterson and the rest of the roll turners petitioned the board to conduct the election by departments so that they could have a chance to keep their association.⁷⁹ Confident in their own organization and frustrated with the difficulties finding affiliation or gaining federal assistance, the roll turners eventually decided, in Patterson's words, "to fight for ourselves," when taking their grievances to the company. In doing so, the steelworkers joined with trade

⁷⁵ Patterson to L. Baker [May 6, 1934] and L. Baker to Patterson, May 9, 1934 box 7, folder 6 Patterson papers. ⁷⁶ Newell, *Chicago and the Labor Movement*, 123.

⁷⁷ JJ Uhlmann to Patterson May 1, 1936 box 7, folder 6 Patterson Papers.

⁷⁸ Patterson, "Autobiography," book 1, 34.

⁷⁹ Patterson to L. Baker [May 6, 1934] and Cecil M. Cole to Patterson November 11, 1934 box 7 folder 6 Patterson papers.

union leaders in recognizing the importance of a vigorous and powerful local organization for navigating the NRA.

The NRA in operation blended into the structures of Chicago's business organizations and trade unions. It relaxed anti-trust laws, which furthered the activities of trade associations while also legitimizing the agreements in the city's craft economy. As such, the NRA strengthened practices already in place in the city's economy and did little to alter that status quo. As Patterson's story suggests, the city's industrial workers heard much about the promise of the NRA but enjoyed little of its fruits. The NRA relied upon informal mechanisms in the local political economy for enforcement, which made it difficult to force recalcitrant employers to recognize the activities of a rank and file attempting to organize outside the boundaries of the craft economy. CFL leaders wanted to expand into the mass production industries, but their strength in the craft economy was based more around monitoring agreements already in place among smaller firms reliant upon skilled labor. They could only offer their encouragement from afar as mass production workers organized themselves. Employers in the steel industry responded to the NRA with representation plans. In 1932, only 20% of plants had representation plans in place. By 1934, the number of plants jumped to 90%. 80 As support for the NRA program began to wane in the winter of 1934/1935, steelworkers stood organized and powerless.

Piecing together the Post-NRA Economy

About a month before the US Supreme Court declared the NIRA unconstitutional, members of the NRA staff in Chicago were optimistically anticipating its renewal in Congress. With its renewal, they felt the administration of the NRA would continue its trend of becoming more local and decentralized. They looked forward to the day when "we may be holding

⁸⁰ Newell, Chicago and the Labor Movement, 126.

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hearings, writing codes and amendments and preparing documents for final approval right in this office." Rather than pursuing a consolidated program of economic planning, much of the activities during the NRA years in Chicago were about building informal structures to administer locally oriented regulations. When the act was declared unconstitutional, most of the figures involved expected that little would change, just as, with the act's passage in 1933, they ensured the federal program would strengthen practices already in place. After the Schechter decision, officials in the Chicago NRA office surveyed the members of the 135 code authorities located in the city to determine what role, if any, government-sponsored planning could continue to play in Chicago. The consensus among the businesses surveyed was that the NRA could continue to operate voluntarily. However, the majority also felt, "that industry is not inclined to come to Washington to write any further agreements." Rather, they believed that for those industries with national headquarters in Chicago, the codes should be maintained locally without having to coordinate policy with the national government in Washington DC.

Among trade union leaders, the sentiment was also to continue to maintain the status quo, using union power to monitor the economic agreements legitimated during the NRA period. In a bulletin to union members, the CFL reminded members "Inasmuch as workers can no longer rely upon industrial codes of fair practice for economic advancement, they must now rely upon their own organized economic strength." They did so by continuing to police standards in the craft economy, threatening firms that refused to abide by the now defunct codes with negative publicity and organizing consumer boycotts by CFL members. CFL officials, for example, convinced Chicago Cubs baseball player Charles Hartnett to pull his picture from advertisements

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⁸¹ RF Bentley to JG Cowling April 22, 1935 Series 552 box 80 NRA Records, National Archives, Great Lakes.

⁸² AW DeBirny to William Lamb, June 27, 1935 Series 552 Box 78 NRA Records, National Archives, Great Lakes.

⁸³ CFL bulletin, June 10, 1935 Chicago Federation of Labor Papers, CHM.

of a shoe manufactured in Europe because it undercut American-made products. ⁸⁴ In general, the NRA period was a time where the economic elite in Chicago, both in business organizations and trade unions, were encouraged to use their private power in the public interest, a clear example of extra-governmental control over the recovery program. Business and labor leaders did not necessarily close the distance between themselves ideologically, but both increased their involvement with federal policy to defend and advance their own particular economic visions. As such, neither organization expected the act's repeal to produce any major change in the city.

But this was not to be the case. Despite the NRA's tendency to reinforce local routine and habit in Chicago's political economy, the act fostered what Ellis Hawley describes as a "new organizational consciousness among previously weak and relatively unorganized groups." Hawley points to this new consciousness to map out a shift in the orientation of the New Deal towards an embrace of "countervailing powers," where government would promote the organization of economically weak groups to achieve balance in the economy. 85 John Kenneth Galbraith developed the concept of "countervailing powers" during the Cold War and the concept advances an image of the New Deal as federally structured pluralism. In Chicago, the "new organizational consciousness" recognized by Hawley did not come from the top down, but proceeded incoherently and in part through the perception of the NRA's failures as previously marginalized groups attempted to develop organizational strength at the local level. Success and failure during the NRA was entirely relative because the enforcement of NRA policy served primarily to legitimize practices already in place rather than produce structural change in the economy. As Hawley explains for weak and unorganized groups, "public power, they learned, could be used to reinforce private power and control markets; and the group that could develop

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85 Hawley, The New Deal and the Problem of Monopoly, 189.

⁸⁴ James Morrison to WCFL August 3, 1935; Edward Nockels to Martin Durkin September 17, 1935; and Nockles to Charles Hartnett April 25, 1935 and Hartnett to Nockles May 22, 1935 CFL papers.

sufficient political strength and a plausible ideological rationale could secure government intervention of this type."⁸⁶ After the NRA's repeal, the success business leaders and trade unionists enjoyed by enlisting the NRA to support their own informal systems of economic organization had sowed the seeds for their failure to maintain exclusive control in Chicago's political economy in the year's following the act's repeal.

In the African-American community, the political terrain emerging after the NRA presented two sets of tensions. Among the old guard leaders in the community, like Claude Barnett, the general climate of labor unrest presented opportunities for African-American workers to cultivate ties with employers at the expense of those unions that had long barred African-American workers from skilled positions. At the same time, the organization campaigns among industrial workers heightened class tensions within the community and challenged many of the basic principles for advancement that grounded Barnett's activities in the Chicago Urban League and the Associated Negro Press (ANP).

Although Barnett cultivated ties with both President Hoover and Roosevelt, he was more comfortable working with private industry to open up economic opportunities for the black community. One editorial circulated through the ANP ridiculed Congressman Arthur Mitchell's Industrial Commission on Negro Affairs, claiming the program would subject the black worker to "bureaucratic control his whole life, and to reduce him to the status of the American Indian of the eighties." Barnett's appeals to private industry pragmatically combined reports of the strength of the African-American consumer market, requests for funds for his own projects, and affirmations of African-American's loyal subservience. For example, while requesting financial support from the Ford Motor Company, he explained, "Negroes play a more important part in the

⁸⁶ Hawley, *The New Deal and the Problem of Monopoly*, 189.

⁸⁷ "Arthur Mitchell and his 'Commission on Negro Affairs,'" *Associated Negro Press* July 24, 1935 box 259, folder 1 Claude Barnett Papers CHM.

economic life of America than they are always given credit for. This is not alone because of Negroes' purchasing power, but because also in their confidential capacities as workers, frequently as servants, they mold the opinions of countless purchasers." In the midst of the labor unrest stirred up by the NRA and Wagner Act, Barnett continued to cultivate ties with private industry in an effort to bypass unions and strengthen the bonds between employers and black workers. While his efforts had the good intentions of reducing the AFL affiliates' influence over skilled labor, they were a poor fit to the context of CIO organization and only further distanced Barnett's style of benevolent leadership from the actual organizing efforts of black workers.

During the summer of 1936, Barnett reached out to managers at US Steel and the Carnegie-Illinois Steel Corporation, explaining that for "an adequate honorarium," he would organize surveys of black steelworkers to discover what employers needed to do to keep black workers from joining the SWOC. Barnett also promised that the survey itself would demonstrate to those workers that the company valued their labor. It was important, Barnett explained, to offer real opportunity to workers who felt employers had abandoned them after they sided with the company in the 1919 strike. In his appeal, Barnett promised employers that if they would open up previously unavailable skilled positions, then black workers would "follow their traditional instincts of remaining dependably loyal to their employers." The key for employers, according to the survey, would be to portray the CIO as another version of the AFL unions, which many workers felt was traditionally prejudiced against African-American labor. 90

⁸⁸ Barnett to William Cameron April 3, 1935 box 259, folder 1 Barnett Papers CHM.

⁸⁹ Barnett to John Stevens August 1, 1936; for honorarium, Barnett to J. Carlisle MacDonald July 25, 1936 box 280, folder 1 Barnett papers;.

⁹⁰ Special memoranda to Barnett n.d. box 280, folder 1 Barnett Papers.

Although Barnett attempted to negotiate with employers on the basis of race rather than class, the survey also revealed the ways in which SWOC organizers benefitted from fissures within the African American community. Surveyors found equal amounts of ambivalence among workers towards both the company and the union, but worried that opinions towards the SWOC were growing more favorable because union organizers had become the most dynamic leaders in the community. One surveyor explained, "The so-called community leaders, ministers etc., are ineffective and the workers won't depend upon them." Instead, the CIO gained ground among black workers because the union elevated capable members of the community to leadership positions. 91 Barnett worried that this shift away from traditional community leaders reflected a broader change in the dynamics of power in the black community. In a letter to the National Association of Manufacturers in which he tried to convince its members to cultivate black workers as a reserve labor pool in case of strikes, Barnett explained the causes and significance of the diminishing allegiance among black workers to the Republican Party. According to Barnett, the Republican Party was the party of "the substantial people of means in America," who had always been the black community's biggest supporters. But with the failure of the private sector to provide jobs, African-Americans, who fared the worst in times of depression, logically began to embrace government programs that offered them relief. The momentum, Barnett explained, then quickly spread to the professional classes as a product of economic logic: "Those in professional and more favored classes found themselves without support. When the masses lose their earning power, they lose their ability to buy the services of the Negro doctor, dentist and lawyer; they cannot support the small Negro merchant who nearly always gets his business from his own group."92 For traditional community leaders like Barnett, the New Deal

 [&]quot;Gary Project Summary and Recommendations," 3 [n.d.] box 280, folder 1 Barnett papers.
 Barnett to William B. Warner April 23, 1938 box 259, folder 1 Barnett papers.

not only changed the allegiances in electoral politics, but also pushed working-class African-Americans to the forefront of political change in the local community.⁹³

Barnett concluded his letter by asking NAM to subsidize an educational campaign designed to publicize problems in the administration of New Deal programs in the black community. Despite his overtures to NAM, Barnett was, above all else, pragmatic in his political efforts. He was just as eager to share his research into prejudicial practices with New Deal officials as he was with their enemies. During the second half of the decade, changes in New Deal administration also made it more likely that those officials would listen and seek to appease individuals like Barnett and organizations like the Urban League and NAACP. In Chicago, Mayor Kelly led the way in incorporating the black community into the city's political structure. Kelly increased the quantity and quality of government jobs made available as well as including members of the community on prestigious committees and appointing leaders to high positions in the city government. In 1935, Kelly's efforts were rewarded with 80.5% of the votes in the city's black wards, a figure well above the 48.9% that voted for Roosevelt the following year and proof of the strong political connection forged between the mayor and the southside.⁹⁴

For Patterson, 1936 was indeed a heady year as his organizational activities kept him alternating between the company's employer representation plan, AFL-style craft organization, and the emerging CIO's industrial union program. Just as members of the Chicago Board of Trade tried to walk a fine line between seeking federal support without acknowledging the legitimacy of federal intervention during the Cargill grain case, Patterson also tried to steer his own course between "Scylla and Charybdis" seeking organizational support for a steelworkers

⁹³ Charles Russell Branham. "The Transformation of Black Political Leadership in Chicago, 1864-1942" (Ph.D dissertation, University of Chicago, 1981), 339-340.

⁹⁴ Roger Biles, *Big City Boss in Depression and War: Mayor Edward J. Kelly of Chicago* (DeKalb: Northern Illinois University Press, 1984), 91, 94.

union without abandoning the sense of independence fostered during the NRA years. One of the problems Patterson and other steelworker organizers faced was the success of economic recovery in 1936. While trying to organize workers for an industry-wide union at Illinois Steel, he blamed a lack of interest on the part of workers (only 6 out of 75 members had returned informational cards sent out) on a new bonus system set up that increased workers' pay by offering longer hours. Patterson remarked to another organizer, "After having worked under it for a period of five months all the men have discovered they can substantially increase their pay envelopes, and I doubt if you could even find a couple who would talk against it.... It is unfortunate that business has kept picking up and so lay offs have been avoided." In the context of diminished rank and file enthusiasm combined with jurisdictional disputes frustrating attempts to affiliate the roll turners' association with an AFL union, Patterson began to grow increasingly attracted to the industrial unionism of the CIO. In particular, he recognized the advantages of "one large union with National Headquarters and with National delegates at a National convention [that would] beat the big Steel Trusts at their own game." The CIO, for Patterson, did not promote workplace activism but was instead a means to continue to pursue industrial democracy in the context of declining rank and file enthusiasm, demonstrating what Nelson Lichtenstein describes as the "episodic" character of union growth in the United States. 96 In an appeal to John Lewis, Patterson described how multiple independent unions had organized to take over company unions but they were unable to consolidate into a unified industrial union. He hoped that the CIO could provide a more overarching organization to bring together the various unaffiliated locals looking to break free of the company union structure. 97

⁹⁵ Patterson to Harold Crandall, April 2, 1936 box 7, folder 6 Patterson Papers CHM.

⁹⁶ Nelson Lichtenstein, State of the Union: A Century of American Labor (Princeton: Princeton University Press, 2002) 52

⁹⁷ Patterson to John Lewis, January 23, 1936 box 2, folder 2 Patterson Papers CHM.

In June, Patterson's Associated Employees union joined the Steel Workers Organizing Committee (SWOC), and in November, the heads of US Steel agreed to a wage increase in the hopes of stalling the momentum of the SWOC. The agreement, while breaking US Steel's long history of only negotiating with workers as individuals, presented the wage increase as a contract between the company and the employee representatives of the company union. The agreement did little to stifle the SWOC's activities and organizers like Patterson, working both with the SWOC and through the employee representation plan, continued to agitate for recognition and further concessions. Finally, in March 1937, just about a month after the CIO auto-workers won recognition from General Motors, workers at US steel plants received news of a secret agreement between company president Myron Taylor and Lewis. With business picking up as European nations began war preparations, the heads of US Steel offered to recognize the SWOC if Lewis would agree to the conditions set down in the November agreement. As a result, a few pen strokes quickly led to the unionization of the country's largest employer of steelworkers without any strike action. 98

For Patterson and other organizers who had started with the employee representation plans, the agreement, while a victory, began to sound a series of alarms about the costs of affiliating with the CIO. Patterson scratched out a note in an early draft of his autobiography which stated, "Unnoticed and unsaid, was the whispered words amongst the workers, 'backdoor agreement.'" Although stifled by management, Patterson and other organizers were proud of the democratic structure of the earlier employee representation plans. Local organizers still carried with them a belief that economic power came from the organized strength of the membership, a holdover from the craft union model of unionization. Backdoor agreements between Lewis and

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⁹⁸ For a detailed account of the transition from employee representation unions the SWOC see Robert R.R. Brooks, *As Steel Goes, ...: Unionism in a Basic Industry* (New Haven: Yale University Press, 1940), 75-109; for the relationship between the March agreement and the auto workers, Cohen, *Making a New Deal*, 295.

US Steel threatened to again remove workers from control over the shop floor and instead enlist union organizations in the consolidation of corporate control. 99 Patterson recalled a president of another local steelworker union asking him, "George, where is the democracy that we had in the Associated Employees, where the workers, the members, made the decisions and the union officers did their bidding? Now we do the union officers' bidding, something has gone haywire."100 The CIO in steel had the double edged effect of forcing employers to bargain with workers as an organized interest in the economy while also making local organizers like Patterson feel more removed from the decision making process. In a sense, it prioritized political representation over economic practices in the contest over power in Chicago's political economy.

This was especially true after the Memorial Day Massacre in the spring of 1937. The event began with a strike at the Republic Steel plant, one of the "little steel" companies that held out against the SWOC after the US Steel agreement. On Friday, May 28th, police stopped workers from striking the plant, despite Kelly's announcement that picketers had the right to march peacefully. On Sunday, Memorial Day, somewhere between 1,000 to 2,500 protestors assembled to protest the police's actions on Friday. In another sign of his growing distrust with CIO leadership, Patterson noted that all of the union's leadership either observed the protest from a rooftop removed from the action or else found other excuses to be away from the day's event. Accounts vary about what set off the violence, but in the melee, protestors exchanged rocks and clubs with police revolvers and teargas. When the protestors fled the scene, the police pursued, shooting at the fleeing strikers and clubbing those that had fallen. At the end of the day, 10 protestors were killed with 30 more injured by gunfire, while the police force suffered 35

⁹⁹ Gordon, *New Deals*, 226-230.¹⁰⁰ Patterson, "Autobiography," book 1, 147.

injuries, only 3 of which required hospitalization and none fatal. Although initially, Kelly backed the police's actions, overall the massacre helped legitimize the presence of the CIO in Chicago's political structure by demonstrating the CIO's validity as an organized interest worth cultivating to ensure economic stability. Patterson went from receiving threatening phone calls and feeling the need to park his car in a public garage immediately after the Memorial Day Massacre to serving on city commissions and publically thanking the police for their support while commemorating its two year anniversary. By 1939, one steelworker who had his eye shot out on Memorial Day, even publically endorsed Kelly for reelection. By recognizing the importance of local CIO organizers in local politics and incorporating those leaders alongside members of the craft economy in the city's extra-governmental structure, Kelly helped establish the countervailing power structure recognized by Hawley. Kelly's actions, however, treated steelworkers as members of a political coalition and did little to help them assert control over their position in the economy.

Kelly's approach to incorporating the African-American community and CIO unions into the governing structure of Chicago mirrored a similar shift in the local administration of New Deal programs in Chicago. Roosevelt established the Works Progress Administration (WPA) on May 6, 21 days before the Schechter decision. Under the WPA, New Dealers pursued recovery through spending rather than economic reorganization. In practice, however, the WPA fundamentally restructured the politics of economic policy in Chicago. As will be discussed in chapter 5, by removing the administration of federal spending from the informal networks of contractors, trade unions, and business organizations, the WPA institutionalized the conflicts

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¹⁰² Hawley, The New Deal and the Problem of Monopoly, 146.

¹⁰¹ Biles, *Big City Boss*, 61-64; Patterson to South Chicago Police District, June 5, 1939, box 7, folder 1; and Patterson, "Autobiography," book 2, 23, 30, box 9, folder 6 Patterson Papers.

between those inside and outside of Chicago's elite. This meant that the city's business and trade union leaders became one of several groups lobbying to influence government policy.

The local politics undergirding economic regulation produced a far more fractious environment in Los Angeles. Although the AFL affiliates in each city followed similar paths in relation to the CIO—initially welcoming the new union before reluctantly and then vigorously falling in line with national directives to counter the rival CIO unions—in Chicago, the split was more pronounced. Through their participation in the IERC and NRA, trade unions had become a legitimate part of Chicago's governing structure. Politically then, leaders in the CIO fought to be regarded on the same level as their craft counterparts. In Los Angeles, AFL and CIO affiliate unions both struggled for legitimacy against the entrenched open shop system held in place by the city's Chamber of Commerce and Merchants and Manufacturers' Association. The defense of the city's deeply entrenched open shop economy created a stark divide between "business" and "labor," making the presence of federal mediation more pronounced. As a result, where the expansion of federal programs in Chicago furthered coalition building, in Los Angeles, the struggle over administering federal programs radicalized politics and balkanized the city's interest groups.

Chapter Four

The Fall of the House of the Open Shop

"Every religion needs a revival. They all tend to decay if there is not a revival once in a while and a few exhorters [to] bring the faithful back into the fold. It seems to me that we can well afford to reaffirm and reiterate that stand at this time in a most bold and positive manner...if we do not keep this white spot in an open shop or free labor situation it is going to be one of the greatest calamities that could possibly happen to the industrial life of our nation."

W.L. Stevens speaking to the Los Angeles Chamber of Commerce, September 14, 1933¹

At their weekly meeting, on June 29, 1933, Byron C. Hanna, president of the Los Angeles Chamber of Commerce, surprised the Chamber's Board of Directors with news that federal officials in Washington DC considered Los Angeles one of the problem areas in the country in regard to wages. Hanna reported that General Hugh Johnson, director of the National Recovery Administration (NRA), established less than two weeks prior, claimed "the wage scales were more demoralized in Los Angeles than anywhere in the United States" and, to the dismay of assembled directors, officials in Washington placed the city in the same class as the garment sweat shops of New York. The chamber was genuinely shocked to hear Johnson's charge. Their surprise turned to fear when they heard rumors that Johnson intended to empower labor unions in Los Angeles to correct the wage situation.²

In Johnson's report, the Board of Directors recognized the two main threats to the continuation of the open shop in Los Angeles under the NRA: "chiseling" employers who lowered prices and wages through "ruinous competition" and national unions with federal backing that gained traction in Los Angeles because cutthroat competition created openings for outsiders to interfere with local economic practices. The business elite viewed Los Angeles's

¹ Stenographer's Report for the Regular meeting of Board of Directors of Los Angeles Chamber of Commerce, January – December 1933, September 14, 1933, p. 13, Los Angeles County Chamber of Commerce Papers (LACC), University of Southern California Doheny Library.

² Stenographer's Reports, April 27, 1933, p. 85 and June 29, 1933, p. 5, LACC.

economy as a country club, trusting to their own leadership over the virtues of a free market and jealously guarding their position as a governing body guiding the city's economic growth. The battle for the NRA in Los Angeles was not between advocates of a free market and those seeking a regulated market, but over who would have the right, and the power, to regulate economic practices. The Chamber never gave up on the open shop, but as the city's economy became more industrial and diversified, and political power in Los Angeles fragmented, the business elite grew increasingly distrustful of government action in the economy because they knew they would no longer be the only voice trying to direct those programs. Between 1933 and 1938, business leaders in Los Angeles shifted from looking at the regulatory functions of the state as a means to reign in rogue firms under their own private regulations to viewing it instead as a rival in the struggle for control over the city's economy.

The story of the open shop in Los Angeles between 1933 and 1938 is that of a fragile elite clinging to the power to act upon its own insecurities. The Chamber of Commerce cultivated an image of the organization as representing a cohesive "business elite" to justify an extra-governmental role in regional economic development. The Chamber's Board of Directors, which included lawyers, architects, manufacturers, wholesalers, and building contractors, were united in pursuing a plan for balanced prosperity in the region. They saw planned growth as a means to avoid the pitfalls of competitive development in city's like Chicago. However, even during the prosperous 1920s, the Chamber still only represented a small section of the upper class in Los Angeles and found its pretentions to rule in the city's political economy constantly challenged.³ Many firms did not belong to the Chamber of Commerce and chafed under its oligarchic control. Chamber officials constantly complained about firms that did not go along

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³ Tom Sitton, "Did the Ruling Class Rule at City Hall in 1920s Los Angeles?" in Sitton and William Deverell, eds., *Metropolis in the Making: Los Angeles in the 1920s* (Berkeley: University of California Press, 2001), 302-303.

with their plans for the economy, labeling them "chiselers" for offering goods at lower prices and blaming them for depressing wages. In this context, federal administrators' initial plans to operate the NRA through local chambers of commerce presented an opportunity for the board of directors to enforce greater adherence to the open shop ethos of economic order. Business leaders understood the economy as a hierarchical "great chain of being," that would create material comfort for all who stayed in their proper place. The open shop system combined a quest for unflinching solidarity among employers with an aggressive celebration of individual accomplishment among workers. Class, race, and gender differences did not dissolve, but were fit into an organic framework where, even if all members rose at different rates, the central message was that everyone, in their own place, would have access to the growth generated through the business elite's stewardship. Their shock when confronted with depression-era worker mobilization came largely from the realization that people in Los Angeles did not recognize the self-evident benefits of business leadership.

The popular energies released by the depression and New Deal exposed the superficial nature of the chamber's benevolent hierarchy, and its continued defense of the open shop in the face of popular protest only fed into critics' claim that the chamber was no more than a special interest narrowly advancing the business elite's limited agenda. Business leaders may have blamed chiseling employers for labor strife, but it was worker activism more than anything else that drove the changes in Los Angeles' political economy. Even more so than business, labor in Los Angeles spoke with many voices, a consequence of the years of employer hostility. Chamber officials were half right in their claims that outsiders directed much of the organizing work. Paid organizers, like Rose Pesotta of the International Women's Garment Workers Union, flocked to the city to organize workers after the passage of the National Industrial Recovery Act (NIRA).

However, they were responding to, rather than instigating, a rank and file ready to challenge business control over wages and work conditions. In doing so, these organizers challenged an understanding of local political economy that placed white male labor at the center of the workforce and placed Mexican, African-American, and women's labor in a supplementary or marginal position. Meanwhile, homegrown labor leaders, figures like JW Buzzell, secretary-treasurer of the Central Labor Council, had difficulty commanding respect from either business or other labor leaders, strengthening the connection between outside organizers and the rank and file. Although federal administrators on NRA labor boards were more interested in economic stability than union organization, their willingness to recognize unions pushed the business elite to isolate itself further in Los Angeles's political economy through their uncompromising defense of the open shop.

The fall of the open shop system in Los Angeles did not signal the end of business leaders' commitment to open shop values. Instead, it reflected a changed relationship between business and government in the city. During the 1930s, members of the Los Angeles Chamber of Commerce learned new forms of political behavior developed both by participation with the New Deal state *and* in opposition to federal control. Like their counterparts in business associations and trade unions in Chicago, Chamber officials in Los Angeles were integral members of the emergent New Deal state in each city even as they looked at the expansion of federal programs with similar feelings of trepidation. Business leaders tried to use the NRA as an opportunity to galvanize business interests in the city and to regulate economic practices without giving up local control to national organizations. But their efforts collided with a rejuvenated workforce inspired by the labor provisions of the NIRA and with federal officials who increasingly recognized the open shop as the sole source of economic instability in Los Angeles.

The NRA years, 1933-1935

After the passage of the NIRA in June 1933, unionists in Chicago warned workers of an impending "industrial dictatorship" and lamented that the NRA might be fitting unions with "permanent shackles." At the same time, JW Buzzell enthusiastically told workers in Los Angeles that the NIRA "was primarily designed for the purpose of protecting Labor in its present difficulties and to attempt to bring industry and labor out of the depths of depression we have been in so long." In their study of Los Angeles labor between 1911 and 1941, Louis B. Perry and Richard S. Perry found that "Labor leaders in Los Angeles welcomed the NIRA with open arms" and rallied behind the banner of section 7a to overturn the open shop. Organized labor in Los Angeles was weak during earlier times of prosperity and struggled even more during the early years of the depression, both in terms of membership and in finance. The NIRA not only offered government support in the fight for recognition; the leadership of the Los Angeles Central Labor Council also saw the legislation as an opportunity to generate new waves of enthusiasm and increase their rank and file membership as workers flocked to local organizers to learn what the new act could do for them.

Chamber officials also felt encouraged by the NRA, seeing the program as offering support for their own efforts to regulate hours, wages, and working conditions even while they worried that giving elected officials influence in labor relations might bring forth a "rule of the proletariat." They were not opposed to letting employees organize voluntarily and present grievances to management, but worried that the act might legitimize compulsory unionism if

⁴ Federation News June 10, 1933; Victor Olander to Matthew Woll June 5th 1933 box 67, folder June 5-8 Victor Olander Papers, Chicago History Museum (CHM); Los Angeles Citizen June 30, 1933.

⁵ Louis B. Perry and Richard S. Perry, *A history of the Los Angeles Labor Moevement*, 1911-1941 (Berkeley: University of California Press, 1963), 244.

⁶ Perry and Perry, *History of the Los Angeles Labor Movement*, 245.

⁷ Stenographer's Report June 1, 1933, 16 LACC.

business allowed the union interpretation of the act to triumph. They argued that compulsory unionism offered national labor leaders like AFL president William Green the opportunity to interfere with local affairs and take control of labor organizations from employees who would otherwise be content in the open shop economy. The directors understood that bold action was needed to lift the country out of the depression and supported Roosevelt's efforts while trying to minimize the political influence of labor. Director Byron C. Hanna even suggested that the act may prove to be "the greatest blessing in disguise that ever happened to us," because it would politicize business. He explained, "If business men will take an active interest in the political affairs as they will have to do from this time on because this puts business and industry under the control of politicians, it may be a very wholesome thing in the long run of this country."8 Not all members of the Board of Directors shared Hanna's optimism, but they all shared a general consensus that some kind of recovery act was inevitable. The board members agreed to direct their efforts towards minimizing labor's influence and maximizing their own. Just as Chicago trade unionists tried to fit the NRA within the structures of the local craft economy, the Chamber's Board of Directors sought to use federal regulations to sustain the open shop. Both groups feared losing control during the NRA period to outside influences and, as a result, endeavored to participate more fully in New Deal politics.

The first skirmish over the shape of the NRA took place in the legislative halls of Sacramento over legislation to extend NRA regulations to intrastate commerce. Organized labor and business leaders both lobbied legislators to clarify NRA labor provisions through state law. During deliberations, the Chamber of Commerce and organized labor traded charges of interference, with each accusing the other of trying to push state legislation in their own direction. In its newspaper, *The Los Angeles Citizen*, LA unions even went so far as to accuse the

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⁸ June 1, 1933, 17 Stenographers Report LACC.

Chamber of Commerce of buying influence by offering to pay for legislators' travel to the recess session. The state assembly eventually passed an act making the national legislation applicable to intrastate commerce but included no additional language regarding labor relations. The ambiguity surrounding what section 7a actually sanctioned—free choice among employees (open shop), company unions, closed shop conditions—would be left to the local NRA boards to resolve.

The Chamber developed a strategy for utilizing the NRA to take advantage of its sprawling and decentralized nature. They guessed that nationwide it might take between 200,000 to 300,000 agents to administer the act and predicted it would be enforced even more inefficiently than prohibition.¹⁰ One director, having just returned from a meeting with federal officials on the east coast remarked, "I don't care what kind of a code they write for our industry. They can write any code they want to but I am very doubtful about the enforcement of the code and as to how they can police it." He continued by explaining that federal administrators were practically "pleading" with business to police agreements on their own because the federal offices lacked any machinery for enforcement. 11 The Chamber Board of Directors decided their first steps should be to find "a good Democrat to slip in as industrial coordinator" while at the same time develop a plan for enforcing trade association agreements in house.

Less than two weeks after the NIRA passed, Chamber officials were already working to coordinate enforcement through the highly organized network of business associations in the city, taking steps to ensure that the NRA would cause as few disruptions to business practices as possible. They concentrated on arrangements between employers, an attempt to sidestep the labor provisions in section 7a by setting up wage and work agreements through trade

Stenographer's Report June 29, 1933, 5 LACC and Los Angeles Citizen July 7, 1933.
 Stenographer's Report June 29, 1933, 12 LACC.
 Stenographer's Report June 29, 1933, 8 LACC.

associations. Fearful that some firms would take advantage of the organization process to maximize their own profit by undercutting the NRA agreements, the chamber took steps to shore up control over the city's economy. They encouraged the "well established" trade associations to set up their rules under the NRA banner while also working with smaller associations to ensure that they too could exert control over firms to maintain discipline in the city's economy. For that purpose, a trade association subcommittee developed a generic set of code rules for associations to adapt when submitting their codes to the authorities. They also set up a speakers' committee and a legal committee to formulate and advertise interpretations of the act and guidelines for business practices. Through organization, Chamber officials optimistically felt "we are going to accomplish something without having to rely on the law." The NRA presented an opportunity for business to become more highly organized and cooperative. Trade associations would develop programs for their own industries and the Chamber would act as the umbrella organization guiding the course of business for the region. 12 In doing so, the chamber not only helped businesses work within the framework of the NRA but also tried to create a business-friendly definition of what that framework would actually mean.

At the end of August, Chamber officials proudly proclaimed, "the success of this NRA should be definitely attributed to the fact that we have a Los Angeles Chamber of Commerce." To celebrate their success, the businessmen organized a parade with 31 floats to correspond to the city's industries. They planned to film the parade and send the footage to Roosevelt so that the president would "realize he has some friends in Southern California." Chamber officials wanted the parade to be a celebration of patriotism and economic community rather than an advertisement for various firms. The floats represented industries, but had no mention of

Stenographer's Report June 22, 1933, 2-5 LACC
 Stenographer's Report August 31, 1933, 9 LACC.

individual companies. The prominence of industries over firms reflects the business elite's vision of an economic commonwealth in Los Angeles. Wholesalers, for example, would be cautioned against supplying multiple firms in the same market, and trade associations were meant to create industrial harmony and order. In the eyes of the business elite, competition did not lead to prosperity but only decreased wages, reduced purchasing power, and made industry vulnerable to unions. Though economic in nature, this was a vision of community; one that transcended political divides between Republican and Democratic policies into a display of solidarity between government and business leading to recovery. Chamber officials enthusiastically joined in the President's Reemployment campaign to demonstrate the value of business leadership in Los Angeles, not only to local Angelinos, but also to any national voices who would criticize open shop stewardship. The Chamber planned to show the newsreel footage of the parade in every theater in the United States, "The exploitation and advertising," they decided, "will be a tremendous benefit to the city of Los Angeles, for there are many things to gain." 14

The most optimistic members of the Chamber felt that perhaps the vision of an interconnected economic community could be extended to labor relations under the context of the NRA. The tire manufacturer Adolph Schleicher remarked, "It seems to me that the Chamber of Commerce has a real opportunity to cooperate or appear to cooperate or to be working in conjunction with labor, employees or workers, whatever you want to call them." Schleicher linked prosperity to purchasing power. He felt that popular perception too narrowly identified the Chamber as the representative of capital or organized business. The chamber could take a more prominent role as a civic leader by coordinating an employer driven program to increase wages. The key was to convince both workers and employers of their shared investment in regional

¹⁴ Stenographer's Report August 31, 1933, 9-11, quote p. 11 LACC. For wholesalers and market distribution see Shannon Crandall to CA McGuire August 23, 1938 and Crandall to Baker, Hamilton and Pacific Co, December 27, 1938 box 7 Shannon Crandall Papers University of California, Los Angeles.

growth, perhaps by finding some method of opening lines of communication and cooperation between representatives of each body. 15

The cooperative spirit, however, centered on workers as individuals and did not extend to working with existing unions in the city. The Board's secretary, A.G. Arnoll, responded that Buzzell had requested a meeting with the Board of Directors to discuss work conditions. "The difficulty in working with labor," Arnoll reminded the group, "as you know is men like Buzzell. You can't trust them and it makes a very difficult situation." While Arnoll felt that the Chamber might benefit by at least hearing Buzzell's proposal, William A. Simpson, a building contractor and one of the most vocal opponents of organized labor in the Chamber, objected to even extending that much recognition to organized labor. He felt that business would eventually be forced to accept some level of labor organization under the NRA, but if the Board started with a hard-line position and forced unions to fight for basic recognition then the resulting compromise would be less onerous than one achieved by starting off with giving labor basic recognition. The problem, according to Simpson was that unions had "no sense of obligation to the community." In Simpson's mind, Schleicher was naïve to believe that organized labor could play a role in building community between employers and employees because they had no sense of ethics and were only interested in organization to pursue the narrow interests of the union leadership. The Board of Directors settled the dispute by sending Buzzell's request to committee and echoing the common refrain that the best course of action was still to compel businesses to abide by wage and hour rates recommended by the Chamber so that unions would have no reason to organize in individual firms. 16

Stenographer's Report June 22, 1933 7-8 LACC.
 Stenographer's Report June 22, 1933 8-10 LACC

During the early honeymoon period between business and the New Deal, many of the debates over the functioning of the NRA revolved around enforcement. NRA director Hugh Johnson provided little clarity in regards to labor relations, promising that the NRA sanctioned the open shop while also threatening to empower Los Angeles unions to improve wage conditions in the city. 17 Business leaders saw their parade as part of a public campaign to encourage business cooperation with voluntary wage and hour agreements under the President's Reemployment Agreement. They also attempted a form of peer pressure to get firms to convince others in their industry to abide by the agreement, reminding them that "Dishonesty, evasion, cowardice, chisalling[sic] are un-American.... to sign that agreement, my fellow Americans and then to tunnel in the dark recesses of the mind to find ways to evade it is as dishonest as theft, it is economic murder." As Meg Jacobs notes, federal officials depended upon grassroots activism, in particular consumer groups, to monitor price agreements because they felt a greater federal presence would provoke a constitutional test of the act's legality. ¹⁹ In Los Angeles, the women's division of the Chamber of Commerce sponsored the consumer groups mobilizing to monitor price agreements. The members organized a separate division under the State Recovery Board to convince merchants to sign the reemployment agreement and encourage women consumers to patronize only those businesses adhering to the blue eagle program.²⁰ Their efforts helped strengthen the early bonds between the Chamber and the NRA. Chamber officials focused on individual firms and the consuming public, their goal was to encourage business to put their own

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¹⁷ "Fear of a Closed Shop Allayed by NRA Advisor," *Chicago Tribune* September 21, 1933.

¹⁸ Publicity Statement n.d [*August 1933*] Box 3, folder "Publicity: Publishers and Publications" National Labor Relations Board, District 15: Los Angeles, Record Group 25 National Archives and Records Administration at Riverside (NLRBLA).

¹⁹ Meg Jacobs, *Pocketbook Politics: Economic Citizenship in Twentieth Century America* (Princeton: Princeton University Press, 2005), 123.

²⁰ NRA Press Release n.d. Box 3, Folder "Publicity Committee" NLRBLA.

house in order using the carrots of patriotism and economic recovery and the sticks of peer shame and consumer choice, while trying to elide worker pressure at all costs.

At the same time that business leaders were using the President's Reemployment Agreement to organize employers, the California State Recovery Board with Campbell MacCulloch as its executive secretary formed separately to handle complaints under the Reemployment Agreement. Just as in Chicago, the Recovery Board and the local compliance boards operating through chamber offices were part of a dense network of parallel and often redundant organizations within the NRA that helped solidify support for the program by expanding participation within the agency without forcing local administrators to comply with a clearly articulated national directive. Johnson complicated the lines of authority further by issuing a press release stating that the administration in Washington DC would work directly through local Chambers of Commerce to implement the Reemployment agreement less than one month after the State Recovery Board had formed in Los Angeles. In private correspondence, he then informed MacCulloch that the policy would not apply to Los Angeles.²¹ Members of the Chamber of Commerce, however, acted upon Johnson's public announcement and made plans to set up ten local compliance boards in the city. State Chairman Jack Warner, of Warner Brother Studios, responded to the Chamber's request by asking local boards to "please discourage" Chambers of Commerce from interfering with the State Boards established."²² During this period, MacCulloch and other federal administrators reached out to the local Chambers for support and advice but, suspicious of their hostility towards organized labor, maintained a degree of independence for the State Recovery boards. As a result, the compliance boards and State

 ²¹ California State Recovery Report for Week ending September 23, 1933 Box 1 NLRBLA.
 ²² Henry S. McKay to Campbell MacCulloch September 18, 1933 and Jack Warner to Wayne Compton September 18th 1933 Box 1, County Chairman Files NLRBLA.

recovery office maintained an ambivalent relationship while each pursued their own visions for the NRA.

The State Recovery Board received no specific instructions from Washington regarding their activities in Los Angeles. At the onset, the board launched educational and promotional programs to advance the Reemployment Agreement, but soon became besieged with complaints over violations of the Agreement. There was no officially established agency to hear complaints and both the State Recovery Board and the Chamber-affiliated compliance boards initially investigated violations.²³ The State Recovery Board worked to maintain a feeling of informality in all of its mediation hearings, holding them in a small courtroom in the federal building or even, at times, in MacCulloch's office. However, MacCulloch reported, in all of the meetings "an Assistant United States Attorney has been present to lend color to the occasion and to impress the invited 'guest' of the importance of the occasion."²⁴ In this way, the recovery board combined the informal feeling of voluntary self-government with a vague threat of government-backed enforcement.

While the Chamber used the NRA to exercise control over employers, in part to pacify workers through wage and hour agreements, the Recovery Board heard complaints of NRA violations between employers and mediated labor disputes between employers and employees. Out of its first dozen cases, the board handled six cases relating to labor, including potential lock-outs, strikes, and one case where employers were accused of forcing workers to join company unions. The board also heard six cases involving employer complaints, including "four instances where deep price or rate cutting threatened bankruptcies" and two more cases of

²³ Los Angeles Chamber of Commerce to Wilbur, September 23, 1933 Box 1, Folder "Employers" NLRBLA code inquiries and complaints.

²⁴ MacCulloch to California State Recovery Board Box 1, Folder "California State Recovery Board" NLRBLA Administrative.

employers flying the blue eagle without living up to the agreements. MacCulloch reported that in all but one case, the board mediated agreements satisfactory to all parties. The only outlier was a strike in the printing industry, "where the men were admittedly in the wrong but declined to yield their point." The board attempted to remain neutral in terms of favoring workers or employers, though neutrality was still more then members of the business elite would have preferred. Just as business representatives from the Chamber handled employer complaints through their local compliance board, the State Recovery Board also reached an agreement with the Los Angeles Labor council, allowing unions to "police" their own members while also seeking adjustments on minor disagreements between labor and management.²⁵

The State Recovery Board still had no more formal powers of enforcement than the Chamber of Commerce and, like the Chamber, worked to convince the general population that the NRA was in their best interests. The State Recovery Board echoed many of the themes that Chamber of Commerce employed to justify their open shop vision for social order. The two organizations even worked together in providing information to a friendly collection of newspaper editors to craft a public image for the NRA. However, in practice the recovery board's publicity campaign often came out as at best awkward and insincere, and, at times, even insulting to the audience they attempted to sway. For example, the Recovery Board turned to local churches to develop a "golden rule army" to emphasize the spiritual side of the NRA. However, the publicity department noted that, "A good deal of educational work must be done on these parsons because normally they're pretty dumb and inclined to stereotypy. But they

²⁵ MacCulloch to California State Recovery Board Box 1, Folder "California State Recovery Board" NLRBLA Administrative.

²⁶ Memo of Proposed Committees and Activities Box 1, Folder "agenda;" MacCulloch to Manchester Boddy, August 24, 1933 and MacCulloch to Neal Jones, August 25, 1933 Box 3, Folder "publicity: publishers and publications" NLRBLA Administrative.

contact close to a million folk in this State at regular weekly intervals."²⁷ Much like the Chamber's attempts to rally the public these publicity efforts were not really aimed at relating with the general public as equals. They instead displayed a condescending elitism that employed a mix of patriotism, racial stereotypes, and appeals to masculinity to equate participation in the NRA with belonging to the WASP elite culture.

Recovery board publicists launched a series of radio broadcasts enlisting B-level celebrities to extol the common sense values of the NRA. Publicists tried to avoid making the broadcasts overt advertisements for the NRA but instead hoped to disseminate a subtle message in support of the NRA. The results, however, were anything but subtle. In one, Louise Fazenda, a character comedian in silent films, adopted a caricatured black dialect to tell the story of a garbage collector asking her for advice to get a "trash code." Switching back to her own voice, Fazenda relayed the story's moral, "so even if I was a little staggered by being just taken into the trash business like that, I did say to my friends afterwards that if a simple colored boy like that could be so anxious to shoot his dice square and straight and to do his share, the rest of us could afford to be just as earnest and cooperative as he is." The Recovery Board also called on Edmund Lowe, a fashionable and physically dashing leading man, to address a different kind of message to employers. Targeting men who dared to abandon the blue eagle before the terms President's Agreement ended in January, Lowe scornfully remarked:

What kind of American would <u>want</u> to turn into a weak-kneed, soft-spined squealer just because everything wasn't as hotsy totsy as he or she thought it ought to be? Why a fellow that would quit and throw down his gun right in the middle of a fight is usually

²⁷ Memo of Proposed Committees and Activities Box 1, Folder "agenda;" NLRB Administrative.

²⁸ Guy C. Earl to Harrison Holloway September 18, 1933 Box 3, Folder "Radio Committee" NLRBLA Administrative.

²⁹ Talk for Miss Louise Fazenda KNX October 28 [1933] Box 3, Folder "Radio Committee" NLRBLA Administrative.

called a might ugly name...I'd hate to be a quitter in this fight to get the USA back on its feet. I'd be afraid somebody would call me a name that would hurt.³⁰

These broadcasts do more to explain what those in the Los Angeles NRA offices thought would sway the masses then they do about attitudes among Los Angeles's general population. Using the figure of the African-American garbage collector to demonstrate the common sense value of the NRA and branding those employers who failed to abide by the conditions of the President's Reemployment Agreement as cowards, they employed stereotypes to shame people into participation. In addition, enlisting movie stars to deliver the message helped create a sense of distance between the "right sort" going along with the NRA program and those who chose to abandon the community for their own gain.

By and large, however, the broadcasts also seemed to be mostly ineffective in swaying popular opinion, a sign that the gendered and racial appeals of the open shop hierarchy had little power in the face of the material deprivations of the depression. One critic wrote to the recovery offices to ask what qualifications movie stars and singers might have to discuss the merits of the NRA with an "intelligent public." He asked instead that the board find some men "who have some standing in this community" to actually explain the merits of the program. Another complained that the "general spirit or theme of the entire thing was platitudinous and bromidic...the same old dishing-out (by people who have jobs all along and seem to have evolved a sort of patronizing sympathy for those who haven't) of 'keep a stiff upper lip, and somehow (by miracles or otherwise) the world will be all right." The second critic also asked for a figure of respect to deliver the message rather than movie stars, concluding his remarks with the threat that if a speaker "says one thing about 'the show must go on,' I hope the millions of

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³⁰ Talk for Edmund Lowe, October 14 [*1933*] Box 3, Folder, "Radio Committee" NLRBA Administrative; Description for Lowe found at "Edmund Lowe" Internet Movie Database http://www.imdb.com/name/nm0522926/bio [accessed June 5, 2012].

half starving families who are listening to him are able to murder him by remote control!"³¹ Both critics hoped that the Recovery Board could find some man of standing and respect—and in both instances the writers specifically called for a man to deliver the facts—but they bristled at what they saw as frivolous stars delivering superficial parables rather than actual information. The radio program did not last long after the initial October broadcasts. Later in the month,

MacCulloch received a report that out of 100 stars contacted only three, "none of whom by any stretch of imagination can be called a first-class name," agreed to take part in the series. All the rest concocted a wide variety of excuses. Another program that solicited questions from people to be answered on air folded in early November after failing to receive a single question for the broadcast.³²

Small business owners expressed practical concerns over both their inability to meet the requirements of the President's Agreement and being undercut by large chains. A cloth distributor, James Simms complained that the agreement was another example where "the big fish eat the little fish." Montgomery Wards, he reported, was selling cloth at 12 ½ cents undercutting the established wholesale price of 14 cents. MacCulloch explained to Simms that the case fell under the jurisdiction of the California State authority, not the State Recovery Board. His assurance that he believed, "state authorities contemplate action," likely offered little assauge to Simm's fears that large chains operated under a different set of rules. Neither the State Recovery Board nor the Chamber's local compliance boards could rely on formal coercive powers derived from federal authority. The President's Reemployment Agreement relied instead

³¹ WC Campball to Los Angeles NRA, October 7, 1933 and "Criticism of NRA Radio Program of Sunday night over KHJ" Box 3, Folder, "Radio Committee" NLRBLA Administrative.

³² Gerald King to MacCulloch, October 23, 1933 Box 3, Folder "Radio Committee" and WB Dolph to MacCulloch, November 4, 1933 Box 3, Folder, "Radio Questions and Answers" NLRBLA Administrative.

³³ James Simms to William Kick September 8, 1933 and MacCulloch to Simms September 18, 1933 Box 3, Folder "Price Controls" NLRBLA Administrative.

upon popular coercion, which made the position of small businesses, barely holding on to solvency, even more precarious. Mrs. BB Avery, a small shop owner, explained that she was no "chiseler," but simply could not afford to hire any new help or meet the requirements of the President's Agreement. Responding to Johnson's call for a consumer boycott of those businesses not flying the blue eagle, she requested, "If we are put out of business by a boycott because we cannot fly the 'eagle' I would respectfully suggest that we be shot at sunrise so at least we will not be a burden." Ambiguity pervaded the entire NRA program with decentralized and often redundant agencies, vague and conflicting directives, and a lack of commitment to enforcement. In Los Angeles, the lack of an effective means to prosecute code violations coupled with the dependence on public relations campaign primarily punished the most vulnerable businesses.

The vulnerability small businesses felt under the President's Reemployment agreement echoed the discomfort among those businesses left out of the Chamber's plans to organize the Los Angeles economy. Chamber officials not only tried to regulate wage and work conditions between employers to avoid cut throat competition, they also used membership to dissuade new companies from opening up if they would be in direct competition with established member firms. One dissatisfied member of the Chamber of Commerce recalled bringing a business associate who planned to open a manufacturing plant in Los Angeles to the Chamber offices. Thinking he was doing his part as a loyal booster for industry in the city, the chamber member instead received a nudge in the ribs gesturing that the meeting had ended after the Chamber director's first question revealed that the prospective plant would compete with other members. The dissatisfied member, HR Hadfield, concluded that those who pulled the strings in the "chamber of horrors" had very little concern for the middling level of shopkeepers and

³⁴ BB Avery to Department of Commerce, August 7, 1933 Box 1, Folder, "Department of Commerce letters" NLRBLA Correspondence.

merchants operating in the city.³⁵ With a condescending public relations campaign that seemed to support the Chamber's vision for economic organization that had little room for the majority of small business owners, it is not surprising that the early voluntarism of the President's Reemployment campaign met with very little success in Los Angeles.

Complaints of code violations poured into the State Recovery Board offices. In its second week accepting complaints, the Recovery Board reported that the numbers jumped from about a dozen to over one thousand. Chamber officials offered their assistance to the recovery board, pointing to their efforts over the last two years to stabilize prices in Los Angeles. ³⁶ But the number of complaints, 6000 by October, shows that despite the Chamber's vision of a wellorganized business community, in reality the organization could not marshal the power to actually unite employers in Los Angeles under the President's Reemployment Agreement. MacCulloch reported that the "Local compliance boards are a washout." Confidentially, MacCulloch stated that the main problem was that even when local compliance boards functioned properly, their members lacked the respect to command adherence to the agreement. In part this was because most businesses did not want to have their cases handled by their peers, preferring instead to turn to impartial administrators in the recovery board.³⁷ With a suspected rate of 75% of firms disobeying the terms, noncompliance took on its own momentum as firms abandoned the agreement to stay competitive in the city's economy. 38 MacCulloch concluded that by the end of October, the employer-based program was "quite thoroughly discredited because of the failure to enforce the PRA."39

³⁵ HR Hadfield to Manchester Boddy December 21, 1934 box 67 folder, 1. Civic, b. chamber of commerce, aa. 1931-1939 John Anson Ford Papers, Huntington Library.

³⁶ Stenographer's Report September 7, 1933, 7, 9 LACC.

³⁷ MacCulloch to Long October 23, 1933 Box 1, Folder "Blue Eagle Division," NLRBLA Correspondence.

³⁸ MacCulloch to Long October 7, 1933 Box 1, Folder "Blue Eagle Division," NLRBLA Correspondence.

³⁹ MacCulloch to Alfred Cohn, October 26, 1933 Box 8, Folder "JL Warner" NLRBLA Correspondence.

The State Recovery Board office did not sit idle for too long however, because union organizers, inspired by the NRA, quickly pushed the question of the open shop itself past employer agreements to the forefront of NRA activities in Los Angeles. Collin Gordon argues that in 1934 and 1935, business leaders began to look to unions to compel compliance under the NRA, a shift caused by the failure of employer-centered regulation. Despite their own difficulties organizing employers under the President's Agreement, the Los Angeles Chamber bitterly opposed this shift. They continued to blame their failures to organize employers on rogue, anti-American firms and responded to the rise in worker activism by intensifying efforts to regulate employers. Rather than build alliances with the local NRA agencies, the Chamber became increasingly removed from the nationwide trends in business-labor relations.⁴⁰

Labor Relations Under the NRA

Labor leaders had their own difficulties keeping up with workers' demands for organization during the first summer of the NRA. In July, writers in the *Los Angeles Citizen* noted a marked increase in attendance at union meetings with workers flocking to the union halls to hear "first hand" information about the NRA. An estimated 6000 workers joined unions during the first weeks of July and labor leaders resorted to placing advertisements in newspapers seeking organizers to meet the demand. ⁴¹ By the fall, 30 new locals had begun organizing with approximately 15,000 members. ⁴² Much like the efforts of the Chamber's Board of Directors to channel enthusiasm and curiosity regarding the NRA into trade association organization, Los Angeles labor leaders hoped to capitalize on the NRA to build union membership. In both cases,

⁴⁰ Colin Gordon, *New Deals: Business, Labor, and Politics in America, 1920-1935* (Cambridge: Cambridge University Press, 1994), 194-203.

⁴¹ "Organized Labor is Opposed to Proposed California Sales Tax," July 14, 1933 Los Angeles Citizen and Perry and Perry, History of the Los Angeles Labor Movement, 249.

⁴² Leader, Los Angeles and the Great Depression, 163.

the drive for organization was as much about using popular enthusiasm to define the features of the still developing NRA administration as it was about recruiting members.

Buzzell and Collins Hardin, editor of the *Los Angeles Citizen*, set up a committee two weeks after the passage of the NIRA to coordinate labor's efforts to break down the open shop. The committee formed a publicity department, established wage and hour demands, and forbid union members from meeting with employers individually, instructing them instead to negotiate through an official union representative. Buzzell wanted to prevent businesses from using company unions to comply with section 7a and directed the union's activities against employers' attempts to enlist the NRA in support of the open shop. Labor leaders developed a two-pronged approach to organization under the NRA. Unions would focus their organizing efforts in both the workplace and in NRA agencies, seeking recognition from individual employers and establishing a voice for labor during the creation of codes and policy.⁴³

While union leaders worked to gain influence within the NRA administration, a more direct challenge to the open shop order emerged from the women garment workers operating in firms that members of the Chamber of Commerce considered to be at the fringes of Los Angeles's labor community. On September 17th, Rose Pesotta boarded a plane in Newark and headed back to Los Angeles. Her first trip to the west coast had ended abruptly when she was fired from a Los Angeles garment factory and blacklisted for union activity. Broke, she hitchhiked across the country to her home in Boston. Now, returning to the city for the second time in a year, she was heeding the calls of the city's dressmakers for a representative from the International Ladies Garment Workers Union (ILGWU) to help set up an organizing campaign.⁴⁴ After arriving in Los Angeles, some of the male leaders of the ILGWU pessimistically informed

 ^{43 &}quot;Chamber of Commerce plan for Employer-Employe relations under the National Industry Recovery act," Los Angeles Citizen July 28, 1933 and Perry and Perry, History of the Los Angeles Labor Movement, 245-248.
 44 Rose Pesotta, Bread upon the Waters (New York: Cornell Industrial and Labor Relations Press, 1987), 1.

Pesotta that the mostly Mexican dressmakers "could never be organized." She was told that culturally Mexican women were considered supplementary laborers that worked outside of the home only when necessary. Garment factories preferred these workers because, as Pesotta recalled being informed at this first meeting, "they would 'work for a pittance and could endure any sort of treatment." Pesotta, however, found a rank and file eager to organize and together they helped launch the first walkout in Los Angeles during the NRA era. 46

The garment workers challenged the central weakness in NRA administration: local boards were dependent upon a form of voluntary cooperation that gestured to a coercive threat that did not actually exist. The motivation to strike crystallized through a combination of the promise workers saw in the NRA and its perceived failures in Los Angeles. Garment manufacturers routinely ignored both the president's Reemployment Agreement and state minimum wage law that chamber officials enthusiastically pointed to as proof that they took care of and "guarded" female workers. Approximately 2000 women worked in 150 dress making factories in Los Angeles. About 75% of the workers were Mexican with the rest of the workforce composed of a mix of Italians, Russians, Jews, and American-born women. The state called for a minimum wage of \$16 a week for female workers, but in some cases, garment workers earned as little as 50 cents for a week's work. Employers deliberately maintained a high level of turnover among workers and instituted a blacklist for any who protested conditions. In large factory buildings housing multiple firms, women were employed through a system called the "open door policy," which forced the workers to travel floor by floor visiting the different companies in the building to find work for the day. Some employers also forced women to punch out in between work orders, rather than pay for a full day's work. The resultant timecard was a mess of hourly

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⁴⁵ Pesotta, *Bread on the Water*, 21 and Elaine Leeder, *The Gentle General: Rose Pesotta, Anarchist and Labor Organizer* (New York: State University of New York Press, 1993), 57.

⁴⁶ Leeder, The Gentle General, 55 and Perry and Perry, History of the Los Angeles Labor Movement, 251.

increments and would have to be submitted before receiving pay, preventing the worker from checking to see if she received the due amount. Finally, some employers resorted to a "kickback" system; where they would pay workers according to the minimum wage then require them to return a portion of the funds.⁴⁷

Members of the state recovery board and the Chamber of Commerce were all very much aware of the practices in the garment industry. MacCulloch complained to federal officials overseeing the Reemployment Agreement that the continuance of "sweat shop" conditions in the needle trades threatened to undermine the entire NRA program.⁴⁸ In the minds of the business elite, the urge to unionize did not come from workers, but was a result of employer negligence. While ILGWU organizers targeted the entire industry with plans for a general strike, the Chamber's Board of Directors singled out individual shops that refused to adhere to the Chamber's conception of employer benevolence. Secretary Arnoll described the recalcitrant shops as organized by foreign employers, mostly Jewish refugees, "of a rather low type," fleeing persecution in Germany and Poland because of their communist sympathies, the, apparently quite confused, communists naturally set up sweatshops in Los Angeles to exploit female labor. 49 Their definition of communism here simply meant that the garment manufacturers were foreign, rather than part of the business elite, and that they looked to undercut the regulations advanced by the Chamber for fair business practices. Chamber officials stressed that with responsible employers, workers would always be taken care of and there would never be any need for unions. In this telling, the open shop was under attack unfairly, with outsider unions taking advantage of problems created by outsider employers. Chamber officials briefly considered letting the unions organize the garment factories without interfering in the matter but worried

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⁴⁷ Pesotta, Bread on the Water, 19-20, 23.

⁴⁸ MacCulloch to Long October 23, 1933 box 1, Folder, "Blue Eagle Division" NLRBLA correspondence.

⁴⁹ Stenographer's Report September 7, 1933, 3 LACC.

about the boost it would give to labor's standing in the city. Instead they decided, "it is time we weeded out just as well the employers of labor who are not playing fairly as to weed out these communists and labor union men." To protect the open shop, chamber officials decided to increase their efforts to use the NRA to police other employers, rather than see unions make further headway in the city.⁵⁰

Not surprisingly, Pesotta and the dressmakers setting up the ILGWU branch in Los Angeles were less than enthusiastic about the chamber's desire to work more closely with NRA agencies.⁵¹ The workers believed that the NRA was designed to support their efforts and they viewed organization as a way to force a worker-friendly implementation of the act despite the resistance of business and government agents. When the dressmakers voted to authorize a general strike, their statement announced, "We want union recognition so that we can enforce the NRA rules in our industry and see that evaders of the code are made to abide by it." ⁵² In seeking adherence to wage agreements in the NRA, the dressmakers pursued the same goal of forcing employer adherence to codes as, on the surface, the Chamber of Commerce. However, using unions to enforce industrial codes evoked some of the Chamber's deepest fears for what the NRA might mean for Los Angeles, for it would demonstrate the limits of their ability to regulate the city's economy through the private voluntarism that formed the core of their justification for the open shop system.

Part of the strike's success was that Pesotta worked internally to foster solidarity and community among strikers while also crafting a public image of the strike that played into wider conceptions of gender in the city. Worker action for the 25 days that the strike lasted centered around a vacant building Pesotta rented near the factory where workers could meet and receive

 $^{^{50}}$ Stenographer's Report September 7, 1933, 3-10 LACC, quote on p. 6. 51 Pesotta, *Bread on the Water*, 23.

⁵² Pesotta, *Bread on the Water*, 40.

meals and groceries. "The girls," Pesotta recalled, "came dressed in their best dresses, made by themselves, and reflecting the latest styles. Many of them were beauties, and marched on the sidewalks like models in a modiste's salon. Stories and pictures appeared in the daily press, and the general public got a better understanding of our difficulties." On Halloween, strikers marched alongside their costumed children, again with an eye towards catching the media's eye.⁵³ Pesotta's biographer notes that the strike appealed more to moral outrage surrounding employers' mistreatment of the workers as women rather than their failure to treat them fairly as employees. She states, "For example, Rose began to wear white gloves while demonstrating, insisting at all times that women should act like ladies and appealing to the chivalry of police and shop owners."54 As the first campaign against the open shop, the dressmakers occupied a somewhat anomalous position in the city's moral and political economy. Business leaders in the Chamber were reluctant to support "communistic" clothing manufacturers who had no regard for their workers and actively looked for ways to discipline those employers. Pesotta's campaign echoed the justification for protective wages for women, which was a source of pride for chamber officials when comparing labor conditions in Los Angeles to those in San Francisco.⁵⁵ On the surface, this would seem a prime opportunity for the Chamber to realize the regulatory power of labor unions. The moral outrage generated by the strike revolved around manufacturers' refusal to abide by the strictures of employer benevolence. Because of the centrality of NRA regulations, the strike shows the tension between business and labor's shared goal of regulated wage and work conditions and their disagreement over the means of enforcement that would be central a central feature of the NRA years.

⁵³ Pesotta, *Bread upon the Waters*, 41-42.

⁵⁴ Leeder, *Gentle General*, 59.
55 Stenographer's Report June 29, 1933 LACC.

Following a telegraphed request from Washington DC, the Recovery Board took steps to mediate a deal between representatives of garment employers and workers, despite the fact that such agreements were not part of the Board's initial jurisdiction. The agreement required manufacturers to abide by the hour and wage regulations of the already established dress code but failed to provide union recognition. Pesotta and other unionists worried that without an agreement recognizing the union, there would be still be no way to enforce the provisions of the code, she did not trust the Board to enforce its own orders. The second steps is a second step of the code, she did not trust the Board to enforce its own orders.

After the settlement, Pesotta shifted strategy to pressure the Recovery Board rather than employers directly. She directed union staff members to collect every complaint they could find and deliver them to the NRA arbitration board set-up to handle grievances. When asked if the arbitration board would be able to handle such a large number of complaints all at once, Pesotta replied, "Of course not. But we must insist that these grievances be attended to. The board members will be overwhelmed, and will finally call on us to show them how to handle them.

Then we will have the proper solution: 'give us a union agreement and we'll handle it ourselves!'"58 Pesotta's strategy would use the problem of enforcement to gain greater recognition from federal agencies after failing to gain recognition from employers. In December, a new agreement was announced that, while not creating a closed shop, recognized the newly chartered local ILGWU union and allowed its representatives access to the shop floor to monitor work conditions. ⁵⁹

In addition to the garment trades, MacCulloch noted unrest in the meatpacking, leather working, rubber trades, and baking industries. Worker unrest destabilized notions of order in the

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⁵⁶ California State Recovery Board Weekly reports, October 7 and October 14, 1933 Box 1, Folder "California State Recovery Board NLRBLA Administration.

⁵⁷ Perry and Perry, *History of the Los Angeles Labor Movement*, 254-256 and Pesotta, *Bread upon the Water*, 55.

⁵⁸ Pesotta, *Bread Upon the Water*, 63.

⁵⁹ Perry and Perry, *History of Los Angeles Labor Movement*, 256-257.

Los Angeles economy creating an open competition among the city's leadership over the structures of economic organization. For employers, union leaders, and government agents, it quickly became clear that, in the words of a State Recovery Board report, "the principal issue was to hinge on whether Los Angeles was to remain an 'open shop' town." Union leaders, for example, instructed workers to restrict their complaints to union recognition rather than other workplace issues. In doing so, the Central Labor Council's executive board planned to use the NRA labor board to force the business elite to share control over economic regulation with the leaders of organized labor in Los Angeles.

Like the earlier recovery boards, the Los Angeles NLB still lacked any formal power to enforce its decisions. On December 16th, Roosevelt made clear by executive order that the Labor Boards could only arbitrate matters where both sides voluntarily submitted their case to the board. If the mediation process failed, board members were instructed to publicize their decisions because, the memo continued, "The power which should enforce such decision is the weight of public opinion in the community, coupled with the weight and prestige of the board." Given their previous lack of success in public relations campaigns, NLB administrators mirrored their counterparts in Chicago and turned to representatives from business and labor hoping they might be able to project the necessary prestige. When the Los Angeles division of the National Labor Board (NLB) began to assemble later in November, however, it faced an increasingly intransigent business community committed to preserving the open shop coupled with an aggressive drive by organized labor to unionize the city's workforce.

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⁶⁰ California State Recovery Board Report for October 7, 1933 box 1, California State Recovery Board, Reports and Minutes, August – October 1933, NLRB Riverside.

⁶¹ Executive Board and Council Minutes, December 21, 1933 Box 4, Folder: Executive Board and Council Minutes, 1933 Los Angeles County Federation of Labor Papers, Special Collections and Archives at California State University Northridge (LACFL).

⁶² Benedict Wolf to Los Angeles Regional Labor Board, December 20, 1933 Box 2, Folder "General Correspondence NLRB Office, November 1933-June 1934" NLRBLA Correspondence.

As the state director for the NRA, George Creel reported to Senator Robert Wagner that Los Angeles would need its own regional board to handle the unique situation in the area. Creel told Wagner, "Have good understanding of situation down there and everything depends on personnel of the board."63 Creel was not alone in recognizing the delicate nature of labor relations in the region and the difficulties administrators faced in selecting personnel. After learning that the Los Angeles Chamber of Commerce had been invited to select personnel for the Labor Board, district manager Charles Grubbs stressed the tumultuous nature of labor relations in the area. He reported to the national offices of the NRA, "The attitude of the leaders of the local Chamber of Commerce toward the organized labor movement is openly antagonistic. Organized labor feeling toward the leaders of the Chamber of Commerce is anything but cooperative."64 If it was to be successful in creating peaceful labor conditions, the ultimate goal for administrators, the Los Angeles Labor Board gradually discovered it would have to rise above the city's balkanized economic landscape, mediating between openly antagonist parties rather than, as in Chicago, bringing together reluctant yet willing representatives to cooperate in settlements.

Despite the importance placed on assembling a strong collection of board members, the Los Angeles Labor Board had trouble recruiting and keeping representatives for business and labor, placing more responsibility on public administrators to settle labor disturbances. The Board would have 10 members, five representing business and five for labor. For business, the county Chamber of Commerce served as the primary selecting body and chose its candidates internally. Buzzell and Hardin had already created a coordinating committee for labor policy

⁶³ George Creel to Robert Wagner October 31, 1933, Box 1, folder: Appointments October 1933-June 1934 NLRB Riverside.

⁶⁴ Charles W. Grubbs to Leighton H. Peebles, October 6, 1933 Box 1, folder: Appointments October 1933-June 1934 NLRB Riverside.

under the NRA and both were asked to join the NLB. However, labor still did not have as strong a local organization as business and its representatives, especially Buzzell and Hardin provoked immediate controversy.

WA Hoch, president of the California Federation of Labor in San Francisco, objected to all five candidates initially selected as labor representatives. Hoch immediately overrode the selection of Buzzel and replaced him with John F. Dalton, president of the Typographical Union. In addition to Hardin, Hoch also called for the dismissal of Harry Sherman, who was president of the Central Labor Council in Los Angeles, and Dick L'Estrange, a member of the Associated Assistant Directors who would later go on to a career as a film producer with credits including a Charlie Chan movie and a number of made for TV movies; but Hoch was less successful in getting them replaced. 65 MacCulloch personally interviewed Hardin, who was editor of the Los Angeles Citizen, after Hoch claimed he had "personnel delinquencies." MacCulloch's report stated, "The situation is plainly a prolonged period of intoxication over a period of two weeks, ending yesterday. The gentleman called upon me this morning bearing evidences of his recent 'incapacity' which he described as an 'illness.' His associates describe it as intoxication." MacCulloch also found that, in addition to presiding over the Central Labor Council, Sherman was also an investigator for the District Attorney's office and was generally distrusted by his associates. Finally, MaCulloch reported that L'Estrange's inexperience made him "not regarded seriously by other labor leaders associated with him."66 Despite Hoch and MacCulloch's reservations, all three nominees were placed on the board, though Hardin died about three months into his appointment. It is unclear whether these selections remained because

⁶⁵ Creel to Wagner, November 4, 1933 and Hoch to JL Leonard November 13, 1933 Box 1, Folder: Appointments, October 1933-June 1934 NLRB Riverside. For information on L'Estrange's film career see "Richard L'Estrange," Internet Movie Database http://www.imdb.com/name/nm0478298/ [accessed September 24, 2012].

⁶⁶ MacCulloch to Wagner, n.d. Box: 1, Folder: Appointments, October 1933-June 1934 NLRB Riverside.

conservative interests wanted weak candidates for labor or if they were left as a compromise after the dismissal of Buzzell, but regardless, the fractured condition of labor leadership in LA made it impossible to generate consensus around any field of candidates.

The Chamber of Commerce and Los Angeles Merchants and Manufacturer's Association (M&M) had no trouble coming together to protest any union presence on the board at all. In a letter to US Senator Robert Wagner, William Simpson of the LA Chamber complained that only 10% of the city's workers were actually organized into unions, and he requested that non-union employees also be represented in the Labor Board. He told Wagner, the "merchants and Manufacturers Association here largely represents non union employee groups and will, we are sure be glad to cooperate."67 It is not surprising that the Chamber hoped to have some nonunion labor representatives, but the suggestion to use the notoriously anti-union M&M for assistance clearly indicates their desire to minimize any organized union presence. The Labor board did not accept the appointees suggested by the M&M; instead, the board kept a group of representatives for labor that was resented by business and distrusted by organized labor, distancing the board further from each body. In this context, worker militancy continued to have a subversive effect on the structures of economic power because, rather than forcing business, labor, and government to come together to mediate disturbances, it exacerbated increasingly irreconcilable tensions within Los Angeles's political economy.

Johnson's Labor Day pronouncement that section 7a explicitly sanctioned the open shop coincided with a reinvigorated defense of the system from the business elite. Comparing the open shop to a religion, director WL Stevens, of the Crown Laundry Company, remarked, "Every religion needs a revival. They all tend to decay if there is not a revival once in a while and a few exhorters bring the faithful back into the fold." Stevens described a state of siege for

⁶⁷ Simpson to Wagner, November 4, 1933 Box 1, Folder: Appointments, October 1933-June 1934 NLRB Riverside.

employers fending off attacks from both unethical competitors and "labor union agitators." He concluded by stating, "every man interested in the welfare of Southern California if he be an employer of labor himself or a professional man or merely a retired capitalist he cannot overlook the fact that if we do not keep this white spot in an open shop or free labor situation it is going to be one of the greatest calamities that could possibly happen to the industrial life of our nation." The business elite continued to display equal hostility to both union organizers and "chiseling competitors," while discussing the need for regulation over open competition. The problem, business leaders felt, was that government had become too susceptible to popular pressure that could be marshaled by unions to create legislation that would hamstring business stewardship in the economy. They gradually came to distinguish *governance* as a form of order where responsible stewards directed the economic affairs of Los Angeles from *government* as an institution that could be corrupted by politicians more concerned with keeping their elected positions than with developing responsible polices.

Almost immediately after the creation of the Labor board, the M&M began to discourage employers from attending hearings, claiming that section 7a did not protect striking workers since they were no longer considered employees. JL Leonard, an economics professor at the University of Southern California and chair of the Board, reminded members of the M&M that, according to the US Supreme Court, workers could not lose their employment by striking. M&M general manager, E.R. Perry, responded by claiming, "since the entire Constitution of the United States had been set aside, [the court's] decision also had no validity at this time." No doubt tired from attempts to compromise with business organizations, MaCulloch reported to Wagner

⁶⁸ Stenographer's Report September 14, 1933, 13 LACC.

⁶⁹ MacCulloch to Wagner December 2, 1933 box: 8, Folder: Wagner NLRB Riverside.

that the Los Angeles Labor Board would simply ignore the M&M's pronouncements and pursue their own course, insulating the board further from the influence and goals of organized business in the city. Acting independently, the board would forcefully combat the open shop in Los Angeles. In February 1934, MacCulloch asked Wagner for help in removing the Labor Board from the jurisdiction of the NRA in order to negate the influence of Johnson's pro-business announcements. He told Wagner, "our situation here is that we have one of the last stands of the open shop and unless some force can be put behind the National Labor Board the old reactionary conflict will continue to upset industrial progress in this area." In Los Angeles, NLB board members no longer defined progress in labor relations in terms of a stability achieved through informal cooperation between labor and business. Instead, given the lack of any history of cooperation in the city, the board worked independently towards the elimination of the open shop while attempting to transcend what they viewed as the narrow intransigence of business and labor alike.

The escalating conflict between the Chamber and the NLB reveals the emergence of a split between two different conceptions of economic order in Los Angeles. While the Chamber clung ever more tightly to the open shop, members of the NLB began to shift towards a policy of detached arbitration rather than facilitating negotiations between labor and business. Though MacCulloch identified the open shop as the main impediment to industrial progress, the NLB prioritized neutrality above all else. They constantly reminded investigators to strive for impartiality when dealing with labor conflicts and, if the occasion called for it, issued decisions that denied union control through a closed shop. ⁷² By the end of the NRA period, members of the

 $^{^{70}}$ MacCulloch to Wagner December 15, 1933 box 8, Folder: Wagner NLRB Riverside.

⁷¹ MacCulloch to Wagner February 24, 1934 box 8, Folder Wagner NLRB Riverside.

⁷² See box 1, Folder "Bloom" for the importance of impartiality and for commendations from both labor and business for WH Bloom's efforts to settle a dispute in the packing industry in October 1933. In April 1934, the NLB

NLB eventually looked to create a board of disinterested experts to achieve neutrality, but during the winter of 1933-1934, they still hoped to develop a consensus around labor disputes by bringing together representatives from business and labor.

Despite their drive for neutrality, business leaders in the Chamber of Commerce viewed the NLB's actions as a union-led campaign of "open warfare." The conflict went beyond the NRA itself, challenging the business elite's conception of governance in Los Angeles. During the garment strike, police did occasionally arrest strikers, at times booking them late in the day so that they would be forced to spend the night in jail. Chamber officials, however, claimed this was not enough and felt the judges dismissed the charges against the strikers far too quickly. They called for the creation of a business review board to oversee the city's judiciary. ⁷⁴ Director Stevens reiterated that business wanted to be fair and liberal with labor, but drew a line when it came to including labor representatives on the code authorities. He stated, "I feel when we come against that unmitigated gall of demanding an equal representation on our Board of Directors and our code authorities governing our business, it is time we went very definitely on record as opposed to any such proposition."⁷⁵ Ironically, Chamber directors echoed MacCulloch's request for more local autonomy, although while MacCulloch sought to be free from the influence of NRA director Hugh Johnson, Chamber officials viewed local independence as a means to preserve business control over the NRA. In both cases, outside forces, ignorant of the special conditions in Los Angeles labor relations, were stymieing efforts to bring order and peace to the city's economy.⁷⁶

reported a successful effort to deport "radical" strikers, examples of decisions denying the closed shop can be found in Press Releases for March 1934 in Box 3, Folder: "press releases" NLRBLA.

⁷³ Stenographer's Report September 14, 1933, 15 LACC.

⁷⁴ Pesotta, *Bread upon the Water*, 52 and Stenographer's Report November 2, 1933, 19 LACC.

⁷⁵ Stenographer's Report February 21, 1934, 10 LACC. Italics added.

⁷⁶ Board of Director Minutes March 15, 1934, 4 and Stenographer's Report March 15 1934, 7-9 LACC.

The great Pacific Coast maritime strike of 1934 forced the business elite to abandon any pretensions to democratic concerns while using the city's police force to defend their vision of order and governance. Like the dressmakers, the casual nature of maritime work placed the strikers on the fringe of the working community in Los Angeles. 77 However, while the garment strike occurred in what the Chamber viewed as a peripheral industry plagued by chiseling communistic employers, the maritime strike threatened the very core of the Chamber's vision for development. When the Panama Canal opened in 1914, Los Angeles emerged as the first US port of call in the west and, by 1920, the harbor in Los Angeles surpassed San Francisco as the busiest seaport on the west coast—a point of pride for Los Angeles area boosters who viewed the harbor as their own pet project. 78 The docks stood at the intersection between Los Angeles's developing industry and the larger domestic and international markets boosters targeted. In a speech before the Chamber, Chief of Police James Davis recognized the importance of security and stability on the docks. He reminded the business leaders, "So if we could assure every one coming here to invest their capital in any kind of industry that they could continue production for the next 50 to 75 years without the probability of social unrest or industrial disorder...it then would become the safest place in the nation for such investment and would be an extremely valuable inducement to invest." The dockworker strike not only threatened to undermine the relationship between prosperity and industrial security, but it did so at the central location for goods to pass in and out of Los Angeles's economy.

⁷⁷ Perry and Perry, *History of the Los Angeles Labor Movement*, 362.

⁷⁸ Arnoll to Harry Baine October 9, 1934 and William Archie Maston to Reverend Alan Hunter January 8, 1934 box 67, Chamber of Commerce Correspondence, folder, 1934 John Anson Ford Papers, Huntington Library. For background on the harbor's development see Errol Wayne Stevens, *Radical LA: From Coxey's Army to the Watt's Riots, 1894-1965* (Norman: University of Oklahoma Press, 2009), 142-143.

⁷⁹ Stenographer's Report June 7, 1934, 1 LACC

Davis visited the Chamber to get the business elite's support for the police department's violent repression of the strike. After asking the members of the press attending the Board of Director's meeting to show discretion when reporting on some of the more inflammatory portions of his speech, Davis stated that unlike the northern ports, the police department, with the approval of the Mayor's office, planned to take whatever steps were necessary steps to keep the port open during the strike. ⁸⁰ The actions necessary to accomplish this, Davis predicted, risked alienating some 60,000 to 100,000 voters. He believed, however, that the police department could ride out popular anger if it had the unqualified and undivided support of business interests in Los Angeles. The steps to maintain order, Davis informed the Chamber, involved preventative measures and violent action that on the surface may be hard to justify politically to the public.

Davis continued:

so if you don't want this city to go into the gas stage in riots and disorders, we have got then to use the force necessary to remain in the club stage... so we are going to use clubs even more freely...and if we go into the gas stage the transition to the machine gun stage is very quick...I will tell you very frankly that I would use the machine gun to take 100 to 500 lives if in my judgment I thought it was necessary to do that to save the lives of a great many law abiding people and protect property generally in this city.⁸¹

In quite stark terms, Davis had drawn a line between the law and order of the business community and the disorder coming from the docks, making clear that those workers were easily expendable if they threatened law and property. The cooperation between public and private sectors was nothing new to Los Angeles, but the threat of a shutdown at the docks forced business leaders to more explicitly link their hold on the city's economy with the police power of the city. The Chamber went on record in support of "whatever force may be necessary to preserve peace and order" and expressed their appreciation for all of Chief Davis's efforts.

⁸⁰ Davis's speech can be found in the Stenographer's Report June 7, 1934, 1-11 LACC.

Stenographer's Report June 7, 1934, 8 LACC.

Just one year before, Davis had earned the Los Angeles Joint Labor Council's endorsement for reappointment as chief of police. 82 His virulent anti-communism and propensity for violence were hardly secrets in Los Angeles, but during the upheavals of the NRA period, and, in particular, the waterfront strike, the Chamber of Commerce and the Police Department intensified their relationship. Davis got public support from the business elite and funds for the department to combat his very loosely defined communist threat and the Chamber gained access to state police power to root out those subversives they felt were poisoning the minds of an otherwise pliant workforce. The waterfront employers all had their own private security forces, but as the strike intensified, those employers happily placed their security guards under the control of the Police Department. The employers also provided extra pay for policemen keeping order on the docks and purchased tear gas equipment for police use. 83 The coordinated efforts of business and police proved effective in making the ports in San Pedro and Long Beach the only active port on the Pacific coast during the strike. During the month of May, the first month of the strike, Los Angeles harbors shipped more tonnage than any other month going back to January 1931.

When workers returned to their posts on July 31st, businessmen praised the work of the police department in keeping order and celebrated the eventual settlement in October as maintaining the open shop. During the strike, the hardware distributor Shannon Crandall bragged to a colleague in Seattle that because of the fine work of the police department, "as far as metropolitan Los Angeles is concerned, we would not know that a vicious strike is being

⁸² Minutes of the Joint Executive Boards of Los Angeles Councils July 7, 1933 box 6, folder "Joint Executive Boards of Los Angeles Councils, 1933-1936" Los Angeles County Federation of Labor Papers (LACFL), series 1998 California State University, Northridge.

⁸³ Stenographer's Report June 7, 1934, 11 LACC and Perry and Perry, *History of the Los Angeles Labor Movement*, 367.

prosecuted."⁸⁴ The Chamber of Commerce organized a public meeting at the Elks' club where they could express their appreciation to Mayor Shaw and Davis for their efforts, thereby deflecting some of the criticisms pertaining to brutality. In addition, the Chamber also donated \$1000 to build a library extension for the police department clubhouse.⁸⁵

The alliance with the police department helped the chamber and harbor employers win the short-term battle to keep the docks open in Los Angeles. However, the reliance on force also illustrates the weakening position of the business elite in the city. The 1934 settlement resolved very little, it granted workers a wage increase but left the hiring halls under joint control, which proved difficult within a climate of mutual distrust between the union and the employers. The next major strike in 1936 revisited the same issues as 1934 only with each side more prepared and organized. The fight over the waterfront lasted until 1948 when both sides grudgingly accepted basic collective bargaining structures that allowed for mediation between unions and employers. The temporary victory in 1934, however, did little to inspire business leaders to cooperate more fully in the NLB's attempts to quell worker unrest through mediation. While business clung ever more tightly to local police power, labor leaders and New Deal administrators saw the strike as another sign of the need to integrate labor into the machinery of the state to rein in worker militancy while also challenging the open shop.

After the 1934 strike, the labor board began to look at the traditionally cozy relationship between business and the police with increasingly critical eyes. In 1935, the board's new attorney reported being invited by Davis out to the department's pistol range for lunch. One of

⁸⁴ Crandall to Charles Black June 15, 1934 box 10 Crandall Papers.

⁸⁵ Board of Director Minutes, August 9 and August 16, 1934 LACC.

⁸⁶ Errol Wayne Stevens covers waterfront labor before the New Deal in *Radical LA*, 142-164; Perry and Perry have a chapter on maritime workers in *History of the Los Angeles Labor Movement*, 362-397; also see Bruce Nelson *Workers on the Waterfront: Seamen, Longshoremen, and Unionism in the 1930s* (Urbana: University of Illinois Press, 1988) for more general information on waterfront unionism during the 1930s.

Davis's favorite ways of entertaining guests was to bring the group to the range and shoot a lit cigarette from the mouth of a fellow officer with his pistol. The Labor Board's attorney said he saw a group of about 150 businessmen and professionals being deputized to serve as auxiliary police during strikes. Davis apparently had complained that the city council was not providing enough funds to maintain "an adequate force in San Pedro," and was looking to private sources within the business community to subsidize the force's presence in strikes. The L.A.P.D. commonly issued honorary badges to friendly members of Los Angeles society. An investigation in 1938 found that Davis had issued 7843 such badges, recipients included Homer Ayers, a plumber, and Mrs. Earl Gilmore, listed as a housewife, alongside movie stars like Clark Gable and Shirley Temple. However, in a climate of heightened violence in labor disputes, Davis's actions were less for publicity and more for strengthening the bond between the business community and police department. The Labor Board's attorney saw the occasion as an opportunity to discredit the open shop by finding proof of financial agreements between business organizations and the Los Angeles Police department.

The business elite justified their behavior as acting for a greater public good, operating free of the corrupting influence of popular politics that pressured judges or tried to rein in the behavior of the police department. However, the strike waves and union organization drives of the NRA years changed the context within which business leaders claimed the mantle of public good. By funding police strike-breaking activities and, more generally, trying to undermine union organization, business interests acting through the M&M and Chamber of Commerce

⁸⁷ Reuben Borough, "Jubilant Crusader [1967]," 231 Box 24, Folder 2 Reuben Borough Papers Charles E. Young Research Library University of California Los Angeles. The progressive activist Borough wasted no time in declining when Davis invited him to hold the cigarette.

⁸⁸ "Enclosure E, Red Squad," n.d. and "Enclosure C, Merchants and Manufacturers' Association," n.d. Box 1, Folder, "Correspondence 21st district June 15, 1935 – January 30, 1936" NLRBLA.

⁸⁹ "Police Badge Holders List Checked by Mayor" Los Angeles Times October 28, 1938.

further eroded the foundation upon which they could claim to be representative of "the people" of Los Angeles, and appeared instead as a minority attempting to exercise control through coercion. In the years following the NRA period, business leaders would continue to advocate for the value of their leadership in the economy. Yet the experience of the NRA years further convinced them the dangers of relying upon a government that they felt all too easily fell under the sway of union influence and popular pressure.

Early Wagner Act Period, 1935-1938

In May 1935, the Schecter decision declared the NIRA unconstitutional while, at the same time, members of Congress in Washington debated the merits of the National Labor Relations Act, or Wagner Act. These two national developments, along with the general antibusiness sentiments expressed by Roosevelt during the 1936 election, helped sharpen business attitudes towards the proper role of government in the Los Angeles economy. 90 The Chamber's Board of Directors viewed the Wagner Act as a divisive union-led initiative. They felt the act would create an antagonistic relationship between employees and employers by using unions to gain control over employers' profits. The Chamber's Board of Directors reported that the American Federation of Labor, "state frankly that the employee must obtain a greater share of the profits of industry and that this can best be accomplished through economic pressure which can be exerted by national labor organizations, but in which company unions or employee conferences would be of no value."91 In contrast, price fixing agreements under the NRA spoke to a community or mutuality of interests between employer and employee, retailer and consumer. While the administration of the NRA had, in the eyes of the Chamber, "become a vehicle for

⁹⁰ For Roosevelt's anti-business turn see David M. Kennedy, Freedom From Fear: the American People in Depression and War, 1929-1945 (New York: Oxford University Press, 1999), 278-279. ⁹¹ Board of Director Minutes May 16, 1935, 4 LACC.

labor rather than fair trade practices," the board of directors saw in the Schechter decision an opportunity for business leaders to retake the initiative in determining fair prices, setting wage and hour standards, and ensuring "that destructive competition be avoided." They linked business prosperity to purchasing power and anticipated a return to elite stewardship of the local economy, the Wagner Act, in contrast, would only drive a wedge between employers and employees.

Congress did pass the Wagner Act on July 5, a little over a month after the NIRA was declared unconstitutional. Business leaders in Los Angeles refused to abide by the act until it too passed a constitutional test, which did not happen until NLRB v. Jones and Laughlin Steel Corporation in 1937. 93 Besides the labor boards they tried to ignore, the business elite also had to contend with an insurgent left in California politics as Upton Sinclair's End Poverty in California (EPIC) campaign launched the careers of a new slate of political officers during the 1934 election eager to challenge the Chamber's position as an official governmental body in Los Angeles. In this context, members of the Chamber began to emphasize campaigns to win public sentiment over to their vision of private governance rather than rely upon their direct influence within local government. During the unsettled first years of the Wagner Act, 1935-1937, business leaders channeled their estrangement with government-led labor relations into a new strategy designed to enlist public opinion to pressure elected officials externally in defense of their open-shop system of regulation.

The candidates running during EPIC campaign, described by historian Errol Wayne Stevens as "the political equivalent of an earthquake on the San Andreas Fault," invoked the New Deal while challenging both business-friendly Republicans and "bourbon Democrats," who

⁹² Board of Director Minutes May 29, 1935, 12 and November 27, 1935, 136 LACC.

⁹³ Perry and Perry, A History of the Los Angeles Labor Movement, 417-419.

were charged with being New Dealers in name only. While Sinclair himself lost his bid for Governor to Republican Frank F. Merriam, the 1934 campaign started the political careers of Culbert Olson, who became the first Democratic governor for California since James Budd in 1895, Sheridan Downey, elected to the US Senate in 1938, and Jerry Voorhis, who served in the House of Representatives from 1936 until 1948 when he lost his seat to Richard Nixon. EPIC had a large following in Los Angeles—46 percent of Sinclair's statewide vote came from Los Angeles County. John Anson Ford became the leading EPIC representative from the county, serving as a County Board of Director from 1934 to 1958. Ford saw himself as part of a new liberal bloc in California politics and grouped members of the Chamber of Commerce and labor leaders like Buzzell together as the conservative establishment standing against progressive change. 94 Ford was as an outspoken advocate for good government in Los Angeles, a term that had multiple meanings: elimination of graft and waste in government contracts, the demand for government to do more to assist those most in need during the depression, and a desire to make government programs instill a greater sense of morality and rehabilitate those citizens of Los Angeles who had fallen on hard times. In terms of labor relations, Ford and the other EPIC officials supported labor's right to organize and looked to overturn the open shop in Los Angeles.

One of Ford's first targets was the Los Angeles County exploitation fund, a yearly appropriation made by the Board of Supervisors to the Chamber of Commerce. During the 1930s, Los Angeles County spent \$2,878,895 in exploitation funds. These expenditures, while seldom itemized, could include brochures, good-will trips to foreign and domestic markets, and recruiting efforts to bring manufacturing to the region. Chamber officials viewed the fund as an

⁹⁴ Ford to *Utopian News*, *United Progressive News*, Municipal League, and *Hollywood Citizen* April 16, 1936 box 5, Folder Administrative, consolidation, 1936 Ford Papers.

⁹⁵ Ford to Robert LaFollette, February 13, 1940 box 67, Chamber of Commerce, folder 1940-1949 Ford Papers.

essential component in their efforts to build a balanced industrial landscape in Los Angeles, one diversified enough to maintain high levels of production so that, as Arnoll explained to Ford, if "one group was 'soft,' the other groups would maintain the high average of production necessary to keep our people employed in large numbers." The goal of building a balanced industry reflected both the Chamber's vision of shared interests between employers and employees as well as the importance they placed on stewardship, directing industrial growth along the proper channels. In the margins of the letter, Ford scribbled, "labor paid less than standard wages. Labor and masses buy goods and make business, depression shows this." Ford and Arnoll both agreed about the importance of purchasing power, but Ford did not trust in the benevolence of the Chamber's directors to adequately share the city's wealth. ⁹⁶

By 1936, Ford and other members of the emerging liberal bloc began to challenge the Chamber's status as a semi-official governing body in Los Angeles. In a hearing before the County Board of Supervisors in June 1936, Anthony Pratt from the Los Angeles Municipal League told the Supervisors that his organization did not object to the county spending money to promote industrial growth. For Pratt, it was that the Chamber was serving in a governmental role in administering those funds when in reality the Chamber was no more than a particular special interest. He added that the prestige of being awarded county funds helped legitimize a false image of the Chamber as a steward for the general community. A parade of witnesses all testified to the ways in which the Chamber drained the community's resources—taking funds which could otherwise be used for relief, quelling union organization, and putting limits on democratic decision making. Pratt described the chamber as an "incubus [laying upon] the backs of the hard

⁹⁶ Arnoll to Ford January 23, 1936 Box 67, Chamber of Commerce files, 1931-1939 Ford Papers.

working tax payers of Los Angeles City." ⁹⁷ The Chamber's visibility as an anti-union organization, at a time when organizing activities were so prevalent, cemented Pratt's critique of the parasitic and self-interested nature of business leadership.

Byron Hanna, the lone representative for the Chamber, sat unmoved throughout the Municipal League's presentation. Rising to take his turn, he commented, "I was impressed with the statement of Mr. Pratt that this meeting indicated the tremendous foment of protest in Los Angeles County and looking around the room, I should judge there are all of fifty people here." Fighting laughter and catcalls from the audience, Hanna went on to defend the judicious use of county money by the Chamber, while assuring the supervisors that the Chamber's actions always take into account the needs of workers. 98 The ensuing debate revolved around determining the difference between special interests and the general good in Los Angeles society. Supervisor McDonough testily told Pratt that if there was indeed the level of popular opposition as claimed, he would have expected to see "a much larger group of substantial citizens." After the Board of Supervisors decided to form an oversight committee as a compromise, the Chamber's defenders on the board turned the tables on the assembled union leaders and municipal reformers. The conservative bloc on the board categorized the municipal league and labor unions as special interest civic associations, one of many in the county, and refused to give their representatives a spot on the committee. The liberal and conservative members of the board were unable to reach an agreement and the whole initiative was dropped. Ford continued to protest the exploitation

⁹⁷ Transcript of Board of Supervisors hearing relative to proposed contract with Los Angeles County Chamber of Commerce, June 19, 1936, 1-4 (quote p. 4) Box 67, Chamber of Commerce, folder, 1931-1939 Ford Papers.

⁹⁸ Transcript of the Board of Supervisors hearing, 10-13 (quote p. 13).

⁹⁹ Transcript of the Board of Supervisors hearing, 15.

fund, while the Supervisors voted to renew the subsidy every year until 1958 when the Chamber decided it no longer needed county funds. 100

The election of 1936 helped cement organized business's perception of the fragility of their elite status. The Chamber tried to make the election into "a show-down with the Government's labor policy" and, after Roosevelt's overwhelming victory, had to recognize that large numbers of the voting public approved of government's labor policies. 101 Just as in the earlier organization drive at the beginning of the NRA period, many Chamber directors looked first to problems among employers. They reminded themselves that if business could increase employment on their own it would negate the need for government action. By looking inward, the Chamber's directors reaffirmed their commitment to a sense of *noblesse oblige*. Two days after Roosevelt secured the election, the Chamber's president told the board of directors, "I think it is up to this Board and all civic organizations in the United States to do their duty and know that we have to accept and think in terms of all the people—127,000,000 because 6,000,000 hire everybody and have everything and we have to take care of the 120,000,000." The years 1937-1938 saw a flurry of activity in the battle over the open shop in Los Angeles. Nationwide, there were more strikes in 1937 than in any other previous year. 92% of the strikes in Los Angeles revolved around issues of union recognition or demands for a closed shop. 103 The unrest led members of the business elite to reaffirm their public defense of open shop labor relations and responsible stewardship for the economy.

Disorganization and infighting among unions helped business leaders' efforts to paint a picture of instability that accompanied attempts to overthrow the open shop. Initially, CIO and

¹⁰⁰ John Anson Ford, *Thirty Explosive Years in Los Angeles County*, 2ed. (San Marino: Huntington Library Press, 2010), 37.

¹⁰¹ Senographer's Report March 5, 1936, 12 LACC.

¹⁰² Stenographer's Report November 5, 1936, 7 LACC.

Perry and Perry, A History of the Los Angeles Labor Movement, 420, 432.

AFL unions coexisted while labor consolidated the gains made under the NRA, but by 1937, tensions had begun to emerge between the two rival unions. The revived open-shop campaign of 1937-1938 still made for a powerful common enemy, but, on May 14, 1937, Buzzell and Sherman heeded AFL president William Green's call to expel CIO-affiliated unions from the Los Angeles Central labor council. Both unions accused the other of bending the NLRB to their advantage, a testament to the labor board's importance in settling the jurisdictional disputes that were becoming commonplace in the city's growing industries in rubber, auto manufacturing, and oil. 104 In May 1938, the AFL unions in Los Angeles reached out to Paul Shoup, head of the antilabor organization Southern Californians Incorporated to band together against the CIO. Representatives of the AFL requested a private meeting with Shoup, "on the theory that the federation and Capital face a job of taking care of the situation created by the influx of nonresidents, the moving into California of the CIO, and the communistic groups—to the end that even if the Federation and Capital should later have their own family wars, that as far as the protection of American institutions goes, they can start this relationship shoulder to shoulder and settle family wars at a later date." ¹⁰⁵ In this instance, the craft union leaders mirrored the Chamber's rhetoric of branding the CIO organizers as outsiders and communistic. In Chicago, radical unionism helped cement ties between the Federation of Labor and business leader. In contrast, business leaders in Los Angeles rarely made a distinction between AFL and CIO unions, and the Los Angeles craft unionists' appeals to solidarity within the "family" fell on deaf ears. The period between 1937 and 1938 was one of the most chaotic in the history of labor relations in Los Angeles. Competition between AFL and CIO unions accelerated organizing

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¹⁰⁴ Perry and Perry, A history of the Los Angeles Labor Movement, 417, 419-425.

¹⁰⁵ DM Reynolds to Paul Shoup, May 23, 1938 Box 2, Folder 16 Paul Shoup Papers Department of Special Collections, Stanford University.

drives for each body while the Chamber renewed its defense of the open shop while still adamantly refusing to build alliances with conservative unions or the state.

Discussions among the Board of Directors grew paranoid as their economic worldview proved increasingly inadequate to explain the constant challenges to their leadership. One director reported that it was now futile to convince Roosevelt to appoint pro-business members to NLRB. He blamed a domestic agreement between the Roosevelts, with Eleanor, acting on behalf of Francis Perkins, dissuading the president from seeking business input in labor relations. "In other words," the director explained, "the President is not a free agent at the present time, as his wife has definitely committed him to a non-interference policy so far as Miss Perkins' Department is concerned." For workers, the Chamber directors looked at the series of strikes erupting across the city as the work of a "super astute mind" creating false notions of discontent among workers in order to use unions as a vehicle to take over government. 107 Chamber directors looked beyond a strategy of quarantine, keeping out radical intruders, and investigated "sociological" explanations for why a workforce that should be content with its material conditions would participate in strikes. They turned to Dr. Nelson, an invited guest with patients among the longshoreman. Nelson explained that the workers at the docks felt disconnected from their employers and their community and had followed unions into strikes as part of a emotional sympathy for "the under dog." Nelson suggested that the Chamber form a citizen's committee, rather than work through the M&M, composed of members of the Chamber along with representatives from religious organizations, fraternal groups, school districts, and the State

 ¹⁰⁶ Board of Director Minutes, December 10, 1936, 5 LACC.
 ¹⁰⁷ Board of Directors minutes, December 10, 1936, 5 LACC.

Federation of women in order to rebuild communal ties and prevent strikes caused by what he identified as worker alienation.¹⁰⁸

When trouble erupted in the garment industry again in July 1937, Chamber directors decided against utilizing their traditional allies in the police force. Seeing police repression as, at best, an effective temporary solution to force open work places and protect property, Chamber directors proposed a two-pronged strategy: First, they would continue their efforts to organize the business community, building solidarity to combat occasions where one business might seek to exploit a competitor facing strike conditions. Second, they would begin diverting their funds to a public relations campaign to craft a new public image for unions. ¹⁰⁹ In doing so, they moved away from an internal rhetoric designed to justify their repression of "foreign intruders," besmirching the white spot of Los Angeles. Instead, they fashioned a public vision that combined calls for both industrial freedom and regulation. It was a platform that stressed freedom to hire, without employers or employees being compelled by unions into closed shopped arrangements. But this rhetoric of freedom existed in tandem with their paternalist notions of industrial responsibility, which elevated a rational distribution of market share and standards of wage and hour conditions above free market competition for employers. ¹¹⁰

This is not to say that the Chamber rejected violence outright. Unions and employers were each willing to resort to violence during the struggle over the workplace. One director suggested following the plan adopted by employers upstate in Stockton where each business was assessed a dollar per employee to hire an anti-union "beef squad" that promised to beat up two union men for every one non-union strikebreaker assaulted. Another reported that he had hired a professional football team, "all bigger than the USC squad," to serve as a deterrent to union

¹⁰⁸ Board of Directors minutes, December 10, 1936, 6-7 LACC; quote on p. 6.

¹⁰⁹ Stenographer's Report, July 15, 1937, 1-12 LACC.

¹¹⁰ Board of Directors minutes, March 18, 1937, 7 LACC.

violence after one of his workers had his jaw broken by strikers.¹¹¹ Despite the martial calls of some of the directors, the chamber decided against using their funds to assemble a private army of "pug uglies." Instead the directors began to set up a series of cover institutions to carry on the anti-union fight. Creating new organizations served a dual purpose: They would keep the Chamber's involvement outside of the public eye while also directing the anti-union campaign away from the discredited M&M towards organizations that might be better able to project an image of neutrality, acting for the public good rather than as a tool of employer interests.

The Chamber created Southern Californians, Incorporated (SCI) to work primarily with employers, pressuring businesses against settling with unions and, in general, serving as an umbrella organization to coordinate all open-shop activities in the city. Byron Hanna, a former Chamber president, served as chairman and after three months, the organization had 320 firms and 89 individuals on its membership list. While discussing the SCI with the LaFollette committee during its investigation of labor conditions in Los Angeles, Hanna described the group's labor activities as a departure from normal Chamber disinterest in labor relations. He explained, "we had built up here in this community a very highly developed industrial and commercial activity...and we didn't want any situation to develop here which would annul that work or cause Los Angeles to become stagnant in its growth." In private correspondence, Hanna talked about the need to go against public opinion, which had overwhelmingly expressed its support for Roosevelt's policies in 1936. He saw SCI as a way to combat the popularity of New Deal programs by rallying support among the business elite for the open shop. The SCI offered the Chamber a new vehicle to reassert their traditional claims of business stewardship in the

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¹¹¹ Stenographer's Report July 15, 1937, 9-10 LACC.

economy, viewing Los Angeles not as a collection of competing interests, but as a collective entity dependent upon elite rule to maintain order and prosperity.¹¹²

While SCI served as a way for the Chamber to try to maintain order among employers, business leaders also looked to sponsor a separate organization that would appear to be composed of working class housewives to take the fight against unions to the workers themselves. Meeting again in the fall of 1937, members of the business community agreed to fund a group called The Neutral Thousands, which would be a women's organization designed to advance anti-union messages through workers' families. The businessmen hired Bessie Ochs, who had previously worked as a speaker for the M&M, to lead the group. Though almost 98% of TNT's income came from the Chamber and SCI, business leaders kept donations confidential to maintain the appearance of independence. In weekly radio broadcasts, newsletters, and speeches, Ochs told stories of economic hardship for striking workers' families. The group did not collect membership fees or hold meetings but claimed to represent thousands of women in Los Angeles. Later investigation revealed that many names in the group's registration had simply been copied from telephone directories and direct mail catalogues. The group's bias was plain enough for most to see. The Federal Communications Commission even ordered Ochs to discontinue her radio broadcasts for being too one-sided in their condemnations of unions. Though the TNT failed to appear neutral in fact, its creation signaled a shift in business strategy to appeal directly to voters through the appearance of impartiality. They no longer looked to government agencies like the NRA and the police department to serve their own interests, but instead sought to

¹¹² Hanna testimony and Letter Hanna to Frank Partridge, October 22, 1937 in transcript for the Meeting in Los Angeles of the Subcommittee of the Senate Committee on Education and Labor, January 1940 box 31, unemployment Ford Papers and Stevens, *Radical LA*, 237.

generate public support, to rebrand business in Los Angeles, discredit union organizers, and advance anti-union legislation like anti-picketing ordinances. 113

One thing that Chamber officials sought to do in their public relations campaign was to soften the image of the business elite as greedy and exploitative. In a presentation to the Los Angeles Chamber, William Mullendore spoke of the need to rehabilitate business leaders' image to prepare for the moment when Americans tired of looking to politicians for leadership. Mullendore had been an early advocate for the brand of free enterprise conservatism that would take root in the post war years. He stood out among Los Angeles businessmen for his outspoken criticism of the NRA and the price fixing agreements chamber directors sought to enlist in their efforts to order the city's economy. 114 At the November 1937 meeting, however, Mullendore emphasized community and the need for Chamber officials to describe business as an organic part of the local economy. He stressed that the rhetoric should appeal to the "average man" and stated, "to restore a true picture of itself, business must establish its local responsibility and personality. That the ogre of business which the public had been taught to fear was always in another city or in some remote place, a vague sort of scarecrow, a straw man who had been built up to frighten the public, but was not made to exist locally."115 Chamber president Hanna called Mullendore's presentation "one of the most important" of the time. His call for a coordinated business-led public relations blitz fits with the Chamber's involvement with the TNT and SCI by developing institutions to shape public opinion in order to generate political change.

¹¹³ Meeting in Los Angeles of the Senate subcommittee, January 1940 Box 31, unemployment and "Neutral Thousands Not Neutral" Municipal League Bulletin, February 1938 v 12, no. 10, p. 2 box 67, supplemental Ford Papers; Perry and Perry, A History of the Los Angeles Labor Movement, 426-428; and Stevens, Radical LA, 237. 114 Kim Phillips-Fein, Invisible Hands: The Making of the Conservative Movement from the New Deal to Reagan (New York: W.W. Norton, 2009), 15-19.

115 Board of Director minutes November 4, 1937, 6 LACC.

Mullendore eventually grew frustrated with the Los Angeles Chamber, complaining about a meeting the following year that "was quite discouraging so far as leaving much hope that there is any chance of a solidity of viewpoint among so-called business leaders themselves." ¹¹⁶ Mullendore's protégé in Los Angeles, Leonard Read would soon use the Chamber as a vehicle to mobilize businessmen around an ideological vision of the free market and in the post-war years he created the Foundation for Economic Education as a free-market think tank. 117 While the Foundation for Economic Education demonstrates the legacy of strategies developed during the New Deal battles over shop floor control, depression-era business leaders were still more wedded to a vision of hierarchical control rather than ideological commitment to free market theory. As another Chamber member, Shannon Crandall, described the Chamber's responsibility to the community, "We are outnumbered by the ignorant, thriftless, and ne'er-do-wells, and must make the best of it until they recognize their own incompetence and turn to the better-endowed as a child to its mother for protection." The Chamber's view of the city's economy as a country club, governed by strict admission standards rather than ideological principles, offered them a great deal of flexibility while exploring ways to resuscitate an ailing economy. However, it also made compromise with labor unions that much more onerous. In the eyes of the business elite, New Dealers had essentially ceded control of the state to the unions, giving the caddies control over the country club.

The crumbling of the open shop as a system of economic and social organization came because worker activism forced business leaders to try to rule without popular consent. Like the craft unionists in Chicago, the business elite attempted to map an informal economic organization based in violence, intimidation, and regulation onto the evolving New Deal state by

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¹¹⁶ Quoted in Phillips-Fein, *Invisible Hands*, 19.

¹¹⁷ Phillips-Fein, *Invisible Hands*, 19 and 279 no. 34.

¹¹⁸ Crandall to WL Hughson, August 6, 1938 Box 7 Crandall Papers UCLA.

trying to exercise control through local agencies during the NRA years. The amount of attention they paid to reigning in employers who would not abide by what the chamber had decided were fair standards of wages and hours testifies to the limits of their control over other members of the business community in Los Angeles. Yet as a symbol, the Chamber, M&M, the "white spot," and the open shop were all bound together at the heart of the struggle over what the New Deal would be in Los Angeles. Business leaders in the Chamber never abandoned their vision of themselves as a higher form of governance in Los Angeles, but they did shift strategies during the New Deal years. With their public influence called to question and federal administrators growing increasingly adversarial, chamber officials turned away from using government power to compel the private order they sought. They did not call for *laissez faire*, as much as highlight the pressures politicians faced from popular opinions and the need for elite control to reign in the excesses of New Deal democracy.

The NRA served as the capstone for the collection of legislation historians designate as the first New Deal, but the agency was hardly a model of centralized governance. Its sprawling and decentralized structure is perhaps even the defining feature of the act. In Chicago, business and labor leaders responded to the incentive to organize and built alliances between the city's craft and industrial economies. In Los Angeles, ambiguities surrounding enforcement damaged the agency's reputation in the city. However, those flaws were not just signs of the difficulties of national planning, but point even more directly to the particularities of the local political economy and the antagonisms that developed out of those particularities in the context of the NRA. Business leaders initially tried to use the NRA to enforce agreements among employers, but their inability to maintain informal discipline among the wider business community undermined their effort to use the NRA to enforce private agreements. Labor unions, in turn, saw

organization as a way to break up the cozy relationship between business and the local state. They turned to the local branches of the NLB who by the end of the NRA period had given up on reaching mediation agreements through compromise between labor and business and settled instead on a detached neutrality that only further provoked the distrust of business and labor alike. The sense of a collective commonwealth animating New Deal liberalism never really took root in Los Angeles. Rather, the expansion of federal programs served mostly to increase distrust in government. Labor and business continued to proclaim their loyalty to Roosevelt and the recovery program, but each continued to accuse the other of perverting local agencies to pursue their own narrow interests.

In this context, it is not surprising that Read's call for a renewed commitment to free market conservatism in the post-war years began to gain adherents. During the 1930s, Read and Mullendore were largely isolated from the mainstream of business thought that still prioritized a rationalized market over a competitive one. However, the progression towards a conservative defense of free market principles did not require too large of a leap from the Chamber's defense of the open shop as an "American" system of free choice for workers. The open shop had always combined individualism among workers with solidarity among employers. The New Deal experience sharpened fears of outside interference, instilling among the business elite a feeling that government was too susceptible to popular control and could thus be a vehicle for "foreign" unions to infiltrate and distort the harmonious relationship between materially satisfied employees and benevolent employers. Liberals and conservatives did not enter the New Deal years already aligned along a strict dichotomy marked by an embrace of centralized government and *laissez faire* governance. Their experience with federal programs during the New Deal helped create different strategies for working *with* the state. In Los Angeles, the business elite

¹¹⁹ Phillips-Fein, *Invisible Hands*, 19.

continued to pursue strategies to enlist government in furthering the city's economic growth. However, they also developed a sharp critique of government programs under the sway of special interests that threatened the prosperity that they claimed Angelinos had built for themselves. During the post-war years, business leaders would concentrate their efforts on convincing the public the same thing.

Chapter Five

A New Deal in Every Backyard

"When the WPA program was first started, many communities labored under the misconception that it was to be a purely Federal program and thought of it only as a means of providing some sort of employment for persons in need, whereas it was designed to operate as a partnership between the local and Federal government...As a better conception of the objectives of the program developed, there grew a closer relationship between the local community and the WPA."

"Final Report of the Illinois Works Progress Administration," April 30, 1943

When the Works Progress Administration began in May 1935, unemployment rates were already in decline and, in Chicago, relief administrators could approach recovery from a vantage point removed from what Edward Ryerson called "those tense and significant years" between 1928 and 1933. Managing recovery, as opposed to relieving an emergency, did not mean that local New Dealers expected an immediate end to the depression or a rapid retreat of federal programs. Rather, they began to discuss the ways in which federal programs might play a more permanent and lasting role in helping individuals become reabsorbed into civic life in Chicago. WPA administrators embarked upon a rehabilitative program aimed at community development that promised to remedy not only the problems of depression-era unemployment, but also inequalities of class and race by increasing connections between federal programs and local communities within Chicago.

During the WPA years, local administrators and community activists began to articulate a vision of New Deal liberalism distinct from notions of consumer-based fiscal management that, at the time, were gradually moving to the fore in policy discussions in Washington DC. As Alan

¹ Chas. P Casey, "Foreward," "Final Report of the Illinois Works Projects Administration," April 30, 1943 Government Documents, Chicago Public Library

² Edward L. Ryerson, "Out of the Depression," *The Survey* v. LXX, no. 1, January 1934, 1. [listed as Exhibit 2 in Edward L. Ryerson, *The Ryerson Chronicle, 1886-1964* (Chicago: printed privately by Johns-Byrnes Company, 1964). A copy of the book is available at the Newberry Library in Chicago.]

Brinkley shows, during the late 1930s and war years, New Dealers abandoned antimonopoly policies to embrace "a set of liberal ideas essentially reconciled to the existing structure of the economy and committed to using the state to compensate for capitalisms inevitable flaws."³ Using a Keynesian approach to fiscal management, New Dealers in Washington DC embraced mass consumption to stabilize the nation's economy. Under the IERC in Chicago, trade union and business leaders looked at the infusion of federal funds as a way to increase purchasing power and "put men back into established firms in a permanent relation." Federal funds would serve as a temporary tool to revive the economy without threatening local institutions and economic habits. The limits of this view of political economy became all too apparent for the city's African-American community, industrial workers, and settlement house reformers. The jobs program under the WPA in Chicago approached employment as more than a means to prime the pump of economic recovery. Prodded by settlement workers and African-American community leaders, WPA administrators viewed the city through a social rather then economic lens, using federal funds to generate community engagement and maintain social bonds under the belief that the city's private economy might never be able to reach full employment.

The Chicago experience during the New Deal was not typical, except for the fact that, like in other cities, local administrators enjoyed a great deal of leeway while adapting vague and shifting federal policies into local practice. Lizabeth Cohen argues otherwise, claiming that during the New Deal, "The most revealing contrasts were not between one city and another but

³ Alan Brinkley, *The End of Reform: New Deal Liberalism in Recession and War* (New York: Vintage Books, 1995), 6. See also Jefferson Cowie and Nick Salvatore, "The Long Exception: Rethinking the Place of the New Deal in American History," *International Labor and Working-Class History* 74 (Fall 208), 8. Mason Williams makes a similar argument for the New Deal's "Lost Legacy" in building community resources while describing the "special relationship" between Roosevelt and New York mayor Fiorello La Guardia that was based in a shared ideological approach to role of the state in society. See Williams, *City of Ambition: FDR, La Guardia, and the Making of Modern New York* (New York: W.W. Norton, 2013), esp. 175-211.

⁴ Letter P.W. King, exec director of War on Unemployment, to Chester Wright, managing ed. International Labor News Service, March 17, 1932, box 50, Victor Olander Papers Chicago History Museum (CHM). For full discussion, see Chapter 1

rather between worker communities and factories within a city like Chicago." In making this argument, Cohen is showing how workers developed a national identity as consumers, voters, and union members that transcended parochial interests. While making her case for the merits of Chicago as a case study, she points to the vast amount of social research conducted in the city during the interwar years, concluding that aside from the *Middletown* books, "all major social science research during the 1920s and 1930s took Chicago as its locale." These studies not only provide useful material for historians to excavate Chicago's past but also played an important role in formulating social policy and shaping relief programs during the WPA.⁶ Through their work in Chicago's neighborhoods, social investigators defined the problems of the depression as a crisis of community, inspiring relief directors to work through and create community groups to develop policies designed to prevent social erosion caused by chronic unemployment by using federal funds to increase community engagement. As a result, the latter years of the New Deal saw an expansion of organized civic activism directed not towards national politics, but to local issues ranging from access to municipal services and health care to housing and recreation services. Those involved knew they were making a New Deal for Chicago, but, in doing so, they directed their efforts towards their own backyards rather than to Washington DC.

Setting up the WPA

In the summer of 1934, members of the Illinois Emergency Relief Commission began to reevaluate their original mission to provide relief in the context of a short term economic emergency "the causes of which," they believed, "would disappear in a relatively short time."

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⁵ Lizabeth Cohen, *Making a New Deal: Industrial Workers in Chicago, 1919-1939* (Cambridge: Cambridge University Press, 1990), 7.

⁶ For a discussion of the relationship between social science studies and policy during the New Era, see Mark Hendrickson, *American Labor and Economic Citizenship: New Capitalism from World War I to the Great Depression* (New York: Cambridge University Press, 2013), esp. 5-6.

Expecting a quick recovery, the IERC worked through normal channels of union organization and private charities providing short-term support for "an otherwise economically independent people." However, by the middle years of the decade, their discussions shifted from strategies to combat the short-term causes of depression-era unemployment to dealing with the long-term effects of social disintegration caused by a permanent dependent class of relief recipients. The members of the IERC began to consider the unemployment on the same terms as "old age, illness, widowhood, and other causes of individual and family inadequacies." Calls for developing a permanent welfare plan, however, were tempered by the IERC superintendent of Public Works, Dr. Martin Beckham, who worried that relief might push the unemployed "into the proletariat class as in other European countries." Bickham, a sociologist and Methodist minister who would later become active in housing and civil rights struggles, worried that relief only stabilized the crisis, without providing any means to "hold" the unemployed to the community. 8 These concerns led Wilfred Reynolds, executive-secretary of the IERC, to conclude that perhaps the best way to address the problem of permanent unemployment would be to have government form a "partnership" with private business, providing them with funds to pay the salaries of the unemployed while removing them from government public relief and works projects. Reynolds plan reflected the IERC's original preference of working through established channels in the city's economy, but rather than use government funds as a temporary subsidy or jump start for the economy, he envisioned a more long-standing "partnership" that prioritized the need to sustain communal ties.9

⁷ IERC Minutes, June 15, 1934 Box 75, Folder June 11-15, 1934 Victor Olander Papers, Chicago History Museum (CHM).

⁸ Minutes of the Work and Rehabilitation Division of the IERC, February 25, 1935, Box 78, Folder February 19-26, 1935 Olander Papers.

⁹ Work and Rehabilitation minutes, February 25, 1935, Olander Papers.

The idea that federal funds might play a lasting role in unemployment relief also led Chicago's charities to reconsider their own responsibilities if government programs continued to shoulder the burden of family relief. The Chicago Community Fund welcomed the opportunity to relieve their charitable hospitals, orphanages, and child caring facilities from "overwhelming burden of free care," in order to instead pursue, "larger opportunities for constructive and experimental work, for the establishment and maintenance of standards and quality of service, which will be beneficial to the service as a whole." So while federal funds could provide the bulk of care, the city's charitable services might narrow their responsibilities to developing new strategies of providing that care through private facilities that might later be adopted for wider public use. While they welcomed an expanded governmental role in basic welfare services, the Community fund still maintained, "There is one remaining major field of social work which, however, must remain the peculiar function of private initiative for many years to come. That is the fief of what is called character building or neighborhood work." It was through community organizations, like YMCA and YWCA, settlements, and neighborhood houses, that the community fund thought private donations would have the most positive impact, where character building was virtually synonymous with neighborhood work. As a result, before the WPA began to operate works programs, private agencies were already directing their efforts towards building up community organizations. 10 Their efforts mirrored the new policy that would be pursued through the WPA to use federal funds to rehabilitate individuals and communities rather than channeling those funds through unions and business networks to rejuvenate a stagnate economy.

The transitions in relief came during the summer of 1935. In June, control over work relief passed from the IERC, which had coordinated CWA projects and other works programs funded through government grants, and became divided between the WPA and the Public Works

¹⁰ Chicago Community Trust Bulletin, April 20, 1934, Box 75, Folder April 17-30, 1934 Olander Papers.

Administration (PWA). The PWA was established with the National Recovery Administration in 1933 and conducted large-scale construction projects. The new WPA would, like the CWA, operate works programs on a smaller scale and, ideally, at a more rapid pace. For the majority of the IERC's staff, the transition of relief administration to the WPA resulted in little more than a change of name for works programs in Illinois. Nine members of the IERC board went to work at the same jobs for the WPA in Illinois. ¹¹ Robert Dunham even transferred from head of the IERC to assume the executive position on the WPA. Despite the carryover in personnel, the WPA took shape within an atmosphere of experimentation, constant incremental reforms, and more than a little chaos. Although Chicagoans still ran the works program in the city, they operated the WPA as a centralized relief program under federal authority rather than an informal subsidy to private markets. The difference in practice was that where members of the IERC reluctantly accepted federal funds to sustain local networks, WPA administrators created an independent distribution network designed to be more reflective of the growing New Deal political coalition.

All works programs during the New Deal attempted to balance the need to employ people with the desire to build lasting and useful projects. In terms of scale and structure, however, the WPA differed from both the earlier CWA and the PWA. Harold Ickes ran the PWA with scrupulous attention to detail, willing to sacrifice haste in the interest of limiting waste of taxpayer dollars. For example, Ickes at one point assigned 150 investigators to spend the night going through the desks of his staff in Washington DC to monitor their dealings. At another time, he inserted passages from *Alice in Wonderland* into works contracts to make sure his lawyers were reading the documents carefully. When some of the contracts came back approved, he

¹¹ "Minutes of the IERC Meeting, July 12, 1935," box 82 Olander Papers CHM.

assembled his staff and read the passages aloud. ¹² Eager to develop a works program that would do more to alleviate unemployment quickly, Roosevelt approved an initial expenditure of \$4.88 billion for the Works Progress Administration. In Illinois, WPA programs spent approximately \$58 per capita compared to \$32 for the PWA. ¹³ The WPA also departed from both the PWA and, its predecessor, the CWA by employing workers directly, bypassing the private contractors that controlled earlier projects. As a result, WPA administrators decided questions concerning work conditions, employment, and pay independent from the agreements between trade unions and contractors that had framed similar debates in the IERC.

WPA administrators built new organizational structures to insulate the new works programs from the influence of both private elites and elected officials. The decision to set up a new distribution network meant that the WPA's start was marked by constant change and uncertainty. As federal funds shifted from direct relief to work programs, administrative delays in the approval of projects kept government dollars mired in bureaucratic backwaters. During the WPA's first year, the Chicago Federation of Settlements complained, "The problem of maintaining morale in under-privileged districts surrounding the settlements and other group work agencies is becoming impossible due to the periodical withdrawal of relief and delay in approving WPA projects for Illinois:"

During one weekend in January 1936, WPA enrollment jumped from 65,000 to 95,000. Relief clients classified with physical impairments were assigned to construction work and then denied relief when they were unable to perform their tasks.

Delays came not because relief clients were timid about accepting WPA jobs or that government

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¹² Jason Scott Smith, *Building New Deal Liberalism: The Political Economy of Public Works*, 1933-1956 (Cambridge, Cambridge University Press, 2006), 62-66.

¹³ Smith, Building New Deal Liberalism, 86-87 and 116-117.

¹⁴ Chicago Federation of Settlements to Harry Hopkins and Franklin Roosevelt, [1935] Box 10, Folder "1935 undated items," Lea Taylor Papers Chicago History Museum (CHM).

¹⁵ National Federation of Settlements Bulletin, January 1936 box 4, folder NFS January – June, 1936 Taylor Papers CHM.

officials were wary of spending, but because WPA administrators set about creating a new understanding of the role of federal work programs in the community and took time developing their own criteria for selecting proper projects.

The WPA came to Chicago during a time of increased community activism and engagement. African-American leaders in the Urban League and NAACP were vocal critics of trade union control over works programs under the IERC and sought to mobilize community unrest to gain greater influence over the new federal program. At the same time, as Michael Dennis shows, CIO organizers pushed the city's industrial workers to view unions as "instruments of social transformation," combining control over the shop floor with demands for "decent housing, health care, racial tolerance, job security, full employment, and rational economic planning for the entire country." ¹⁶ Charles Casey, the WPA administrator for Illinois echoed these statements claiming that the WPA was more than a program to relieve unemployment by sponsoring useful projects, but also an opportunity to act upon the belief that "Every man should have the right to work for a living." Casey viewed employment as a social right rather that went beyond the IERC's limited view of work programs as a means to increase purchasing power to revive the city's economy. Casey's statements regarding the purpose of the WPA also revealed a thread of paternalism that shaped the ways in which the administration attempted to deliver the rights of economic citizenship to Chicagoans. Casey went on to explain that it was up to the WPA to restore "to the individual worker his self-respect and selfconfidence." The program would bridge "the gap between employment and unemployment" by both developing individual skills and work habits as well as empowering local community

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¹⁶ Michael Dennis, *The Memorial Day Massacre and the Movement for Industrial Democracy* (New York: Palgrave Macmillan, 2010), 7.

groups to determine policy on their own.¹⁷ The growing belief that government should play a role in securing the right to employment, as an end in itself rather than as a means to advance general recovery, meant that the WPA could aspire to more than just economic goals, that the program would help maintain the bonds of community that the city's limited private economy was unable to sustain.

WPA officials wanted to create a democratic federal works structure, but moved first to create democratic citizens out of the unemployed. They looked at works programs as a means to rehabilitate workers left despondent by the moral crisis of the depression. Bickham, who moved over to the WPA from the IERC, explained that the WPA would not only provide useful projects to build up the nation's physical infrastructure but also provide its workers with employment to help maintain "their future usefulness in the social order." Taking an expansive view of useful projects meant that for Bickham, "WPA activities, whether building roads or playing a violin or acting in a play, provide opportunities for maintaining work habits", Though its projects were described as work relief, the goal was not simply to ameliorate the conditions of unemployment but instead to reintegrate workers back into the civic order. The WPA would maintain work habits and provide its employees with checks they could spend at stores as customers, not relief clients cashing in script. By allowing the unemployed to act as both workers and consumers, Bickham concluded, "the WPA activities have helped to preserve in our Illinois communities those essential attitudes of participating citizenship so vital to our continuance as a forward looking democratic nation."²⁰

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¹⁷ Chas. P Casey, "Foreward," "Final Report of the Illinois Works Projects Administration," April 30, 1943 Government Documents, Chicago Public Library

¹⁸ Martin Bickham, "Achievements of WPA Workers in Illinois, July 1, 1935 to June 30, 1938," (Chicago: Works Progress Administration, 1938), 25 Government Documents, Chicago Public Library.

¹⁹ Bickham, "Achievements of the WPA," 27.

²⁰ Bickham, "Achievements of the WPA," 30.

WPA administrators were keenly aware that the most successful projects appeared to emerge almost organically through the community. To speed up this organic process, they worked to build more politically active communities. Developing projects through the community required a great deal of trial and error. In his report, Casey noted that those councils, "attempting to have all elements of the community represented were not as a rule either long-lived or particularly effective." Instead, developing programs involved located community leaders who could "command respect and confidence" and bring those leaders "face to face for the first time with the acute need for community planning." The trend for developing works programs then moved towards greater investment with community organizations, rather than centralization of operations under the WPA. In doing so, the WPA programs equated community engagement and leadership with the practice of developing and carrying out federally funded programs.²¹

Advancement and Relief in the Black Community

From the outset, tensions emerged between WPA administrators and the community of relief recipients over whether works programs would create a more just economy by empower those who felt left on the margins of Chicago's political economy or whether the programs would be directed towards the immediate material needs of the unemployed population. Because of the racial dynamics of employment opportunities, the tension became most acute in the African-American community. Leaders in the black community saw government-managed works programs as an opportunity to gain access to skilled labor positions and found more willing allies among federal bureaucrats than among the trade union leaders managing employment under the IERC. As such, conflicts over the purpose of WPA programs became an arena where WPA

²¹ Casey, "Final Report of the Illinois Works Projects Administration," 79.

administrators and civic leaders determined the degrees to which the WPA would either create a new set of economic opportunities or relieve unemployment within existing Chicago's existing occupational hierarchies. As such, the interpretation of unemployment statistics became an important site for determining whether the inequalities of race, gender, and skilled employment should be read as a static blueprint for where WPA should direct funds to meet the immediate needs of the relief population or as a call to enlist government to create skilled positions in public employment for those denied access to skilled occupations in the private economy.

In Cook County, about one out of every ten residents was eligible for some form of relief. Although they only comprised roughly 6% of the total population, African-Americans accounted for approximately 20% of the relief load. The demographic information collected for relief recipients illustrates the limited opportunities available for black workers. Union control over skilled labor limited opportunities for black workers to find positions in those occupations resulting in 51% of African-American men being classified as unskilled labor, compared to a white male population fairly evenly dispersed between skilled, semi-skilled, and unskilled. In addition, among white relief recipients, there were about 3.5 males applying for relief for every one female, while among African-American relief recipients, the ratio dropped to only 1.7 males. Among those African-American women applying for relief, just under half were classified as servants, compared to 16% of white women.²² In taking into account discrepancies in employment and skill classifications, WPA administrators had to choose whether to administer to the immediate needs of the black community by funding unskilled work and placing domestic servants in employment or to help open new opportunities for black labor by creating new skilled positions outside of trade union control.

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²² Elizabeth A. Hughes, *Illinois Persons on Relief in 1935: A Report of a Project Sponsored by the Illinois Emergency Relief Commission and Conducted Under the Auspices of the Works Project Administration, Illinois* (Chicago: Works Projects Administration, 1937), xiii-xv; 107-109 Government Documents, Chicago Public Library.

As with most New Deal programs, once initiated, expediency trumped ideals as administrators developed policy on the fly while being flooded with applicants. The first employees began to work on WPA projects on August 16, 1935. During that month, the WPA employed 4,200 workers. The number of workers gradually rose during the fall until, in November, enrollment jumped from 18,271 to 140,706. At its high point in August 1938, the agency had 249,963 individuals on the payroll. Workers did not remain on WPA rolls continuously, Bickham observed that some worked "only long enough to recover their courage and work spirit and earn money to buy some new clothes so they would be presentable in hunting a new job." Many did move on to private employment only to return to the WPA during the winter of 1937-1938.²³ The division of operations, which oversaw construction projects, handled 83% of works projects in the state of Illinois, while only 16.5% of the projects came from the division of Women's and professional projects.²⁴ This split was particularly hard on the African-American community where a greater proportion of women looked for relief, but, no matter their race, women in general had a harder time finding WPA employment than their male counterparts.

Basic construction projects became the most prominent way to employ relief recipients because they required more manpower than skill and little machinery to complete. 41.2% of all WPA employees in Illinois worked on jobs associated with road, street, and highway construction. In Chicago, the construction of Parks and Recreation facilities also proved to be key to the WPA's early success in the city. These projects, like roads, involved grading, landscaping, and only minor construction and could employ all types of labor with relatively little advanced planning. The Chicago Park District sponsored the largest recreational

Bickham, "Achievements of the WPA," 4.
 Bickham, "Achievements of the WPA," 5.

construction program in the state, building park areas around Lake Shore Drive and Lincoln Park. This work was done at the same time as WPA workers also expanded Chicago's outer drive in the same area. These two projects relieved congestion along Michigan Avenue and Lake Shore drive (during rush hours traffic moved at a reported five miles per hour) and separated recreation facilities from high-density traffic areas, helping to better order the work and play of Chicago residents.²⁵

Although far from perfect, the WPA provided a better forum for African-Americans to demand greater access to federal relief dollars than CWA works programs managed by the IERC and filtered through local contractors. One of the key differences between the CWA and WPA was that, under the WPA, officials in Washington decided to conduct work on a force account basis; meaning federal administrators would supervise projects directly rather than rely on the contractors organizing work under the CWA and PWA.²⁶ Though no less prone to corruption and discrimination, the key figures in managing work on WPA projects were onsite foreman and timekeepers. These individuals were not private employers operating government contracts, but employees of the federal government, just like the relief recipients. Where public pressure against the hold of contractors threatened the IERC's desire to keep works projects governed by private industry, appeals to correct discrimination in the WPA helped officials achieve their goal of creating a balanced works program that prioritized need, as defined by social workers, over the hierarchies of Chicago's craft economy. ²⁷ As such, the WPA in Chicago proved more receptive to critiques because complaints of inequality helped them solidify their authority over private contractors and furthered the shift away from the informal hierarchies of the craft economy.

²⁵ Casey, "Final Report," 97-100.

²⁶ Smith, Building New Deal Liberalism, 111.

²⁷ Cohen, Making a New Deal, 280 and Smith, Building New Deal Liberalism, 150-151.

By 1939, one third of all WPA employees were African-American. ²⁸ The average WPA wage of \$55 a month was designed to be low enough to encourage workers to return to private employment. However, for many African-American workers with fewer employment options than their white counterparts, the paycheck represented a welcome improvement. Discrimination still existed, and African-Americans continued to bring unfair treatment, especially the lack of skilled and professional employment, to the attention of government officials. Many of those complaints concerned the still unresolved question of whether WPA projects should offer opportunities for advancement or conform to the statistical realities of African-American employment at the moment. For example, in 1935, the WPA set up a training program to teach housekeeping skills to women aged 18 to 45 and place them in private employ. The program offered federal funds for jobs that were overwhelmingly staffed by African-Americans, which administrators cited as proof that the WPA pursued a racially progressive agenda. ²⁹ Yet for black leaders hoping to use the WPA as leverage to give educated African-Americans access to skilled jobs, the program would only continue to pigeonhole them in the most menial of professions.

The shift away from the IERC after 1936 made Claude Barnett's national connections more effective for producing changes in relief policies in Chicago. He became a frequent correspondent with Alfred Smith, an administrator in the WPA national office. In April 1937, Barnett appealed to Smith to make WPA funds available for a land grant to build a tuberculosis institution adjacent to Provident Hospital, which was a teaching hospital affiliated with the University of Chicago. At the time, most African-American tubercular patients could only use the dilapidated facilities at the County Hospital while white patients also had access to the better

²⁸ Cohen, *Making a New Deal*, 279. ²⁹ Casey, "Final Report," 87.

facilities at the Municipal Tuberculosis Sanitarium. Barnett hoped that the new hospital at Provident would provide African-American patients with equal services even if housed in separate facilities.³⁰

Under the CWA, Barnett had protested the collection of racial statistics in employment because it helped contractors maintain discriminatory policies by forcing applicants for jobs to identify their race. While WPA administrators still collected the race and skill level of applicants when applying for positions, they did not account for the racial composition of white and bluecollar work, effectively obscuring any remaining discriminatory behavior based upon occupation. In one of his own surveys of WPA employment Barnett observed, "There is no information as to the division of white collar jobs among white and colored since the WPA does not make any such discrimination or keep such records. However, the visible evidence is that there are few, very few, colored white collar workers in the administrative offices in the Merchandise Mart."³¹ To assist in his efforts to open up more skilled positions, Barnett convinced Smith to travel to Chicago and meet with WPA administrators to close the loopholes that still allowed private contractors to work with trade unions in maintaining control over employment on work relief construction.³² Barnett reported that many construction projects originating in organizations like the parks district or sanitation commission combined WPAsupervised unskilled labor with contracted skilled labor. Although the WPA had an official antidiscrimination policy, African-Americans were still limited to unskilled labor because the sponsor organizations, often working with trade unions, had the right to select all supervisory positions such as engineers and foreman. In this way, the WPA could not be accused of

³⁰ Barnett to Alfred E. Smith, WPA Washington, April 14, 1937 box 281, folder 5 Barnett Papers.

³¹ "Report on Survey of WPA Jobs for Skilled Colored Workers," n.d. Box 281, Folder 5 Barnett Papers.

³² Barnett to Smith, April 14 1937; Smith to Barnett, May 6, 1937; and "Report on Survey of WPA Jobs for Skilled Colored Workers," n.d. Box 281, Folder 5, Barnett Papers.

discrimination but African-Americans still remained excluded from skilled positions. Barnett concluded that the prime opportunities for skilled African-American workers existed within the personnel department of the WPA itself, leading him to emphasize white-collar work government employment rather than direct confrontation with contractors over openings in skilled construction.³³ Working with Smith, Barnett concentrated on finding employment for young, college educated African-Americans in stenographic and personal positions within the WPA staff as well as locating jobs for black engineers on federal projects outside of Chicago.³⁴

WPA administrators were somewhat receptive to complaints against discrimination and, at least publicly, trumpeted the benefits of a racially egalitarian works program. Casey remarked in the final report that racial problems did not come up frequently at all. When they did, he claimed, the problems primarily involved white workers who objected to the supervision of black foremen. Casey still tended to view WPA programs in terms of immediate need rather than advancement. He explained that the lack of African-American workers in skilled positions existed because white workers had better access to higher education and work training. He did find some examples of African-American workers in high-level personnel jobs. For example, he pointed out that the chief interviewer for the Chicago district and later sate office was "a negro lad of fine character and ability who handled all complaints and interviews at the central information office." Casey rejected calls for a special office to investigate racial discrimination claiming that any attempt to positively select positions based upon race would only foment racial difference. It was his belief that simply increasing interactions between black and white workers in normal work conditions would ease racial tension. He claimed, perhaps naively, "By 1942 our workers had practically lost the feeling of race consciousness so far as working together was

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³³ "Report on Survey of WPA Jobs for Skilled Colored Workers," n.d. ca April 1937 Box 281, Folder 5 Barnett Papers.

³⁴ Barnett to Smith, April 14 1937 and Smith to Barnett, May 6, 1937 box 281, folder 5 Barnett papers.

concerned."35 The claim, whether factually correct or not, reflects the particular integrative goals of the WPA which allowed African-Americans a voice in the politics of relief but still tended to view their employment in terms of present need rather than a means for future advancement.

Representing Unemployed Workers

The WPA policy toward representatives of the unemployed mirrored in many ways the open shop definition of section 7a advanced by business leaders during the NRA. Individuals and organized groups were all allowed to present grievances to WPA officials, but the WPA officially refrained from recognizing any one particular organization or from making membership in an unemployed group a mandatory feature of employment. However, in practice, the Illinois Workers Alliance (IWA) operated as the de facto representative of relief clients, largely because of connections between the settlement workers that staffed the IWA and WPA administrators. Project supervisors and foremen initially greeted IWA representatives with hostility and veterans' organizations and trade unions also refused to recognize the organization viewing their tactics of demonstrations, mass-meetings, picketing, occupying WPA offices, and the presentation of excessive demands to gain lesser goals as radical, un-American, and disruptive to their own goals.³⁶ These groups tried to maintain control over employment on works programs through traditional connections in the craft economy. However, especially after the recession of 1937, the need for employment and WPA connections with IWA members combined to reduce union abilities to exert control over work conditions on project sites through supervisors. Work and wage conditions would instead be influenced primarily through political and popular pressure on administrators rather than a union presence at the workplace. The

³⁵ Casey, "Final Report," 67-68.
Casey, "Final Report," 69.

declining influence of trade unions in the WPA, coupled with the rising stock of IWA representatives reflects the shift in relief calculus from IERC's preference to use federal funds to generate recovery through "established" economic channels towards the WPA's recognition of the social value of federally funded employment.

Members of the IWA and WPA administrators shared a similar vision for the way federal programs could help incubate a greater sense of community among the unemployed. The IWA evolved from the Chicago Workers Committee, which was sponsored by the settlements. After the CWC's first president, Karl Borders, accepted a job with the WPA, Frank McCulloch took over and incorporated the group as the Illinois Workers' Alliance, establishing a tenuous affiliation with the national Workers' Alliance movement.³⁷ The two organizations, the IWA and WPA, emphasized the social consequences of unemployment. Even in conflicts between workers and supervisors, when the IWA became involved, WPA officials would generally support their position. In one instance, a supervisor fired 30 IWA workers for wearing organizational badges. The supervisor was employed by the private sponsor of the project and acted under the sponsor's directions. The WPA intervened and ordered the supervisor to accept the workers back onto the project. To ease tensions between supervisors and IWA representatives, WPA administrators issued a series of directives giving their support to the IWA. They also started hiring full-time employment officers so supervisors could concentrate on the project while removing them from the adjudication of workplace grievances.³⁸

Like its predecessor, the Chicago Workers Committee, the IWA used public protest combined with political lobbying to pressure officials to provide more funds for relief agencies to dispense. While still viewing themselves as slightly to the left of New Dealers in federal

³⁷ Eventually McCulloch would be expelled from the Workers Alliance after refusing to give up the organization's incorporated status, which he felt provided the IWA with a measure of independence from the national organization. ³⁸ Casey, "Final Report," 70.

offices, they also understood their role to be allies of the administration and directed their political activities to improve and increase relief operations. For McCulloch, WPA grievances represented an opportunity to develop a sense of political consciousness among relief recipients, using protests over work conditions to generate political activism that could lead to the expansion of federal services like the WPA. On the political front, he suggested the IWA combine formal action through electoral channels, like creating coalitions during aldermanic elections, with direct lobbying that included calling legislators at their homes along with staging public demonstrations and hearings. He also wanted to develop stronger relationships with labor groups and called for the IWA to assist on picket lines and cooperate with consumer strikes.³⁹ Just as with their interactions with the IERC earlier, the IWA's efforts to get more money often led them to the state legislature in Springfield. Once there, they painted a volatile picture of unemployment. On July 13, 1936 McCulloch told IWA organizer Charlie Rossio that after Lieutenant Governor Thomas Donovan allowed the IWA delegation to speak, "we did manage to make the Senate feel however, the danger of riots and disorders arising from an inadequate handling of the relief situation."⁴⁰ At the time, McCulloch was in Springfield trying to get more funds because the relief stations had closed at the beginning of the month. In addition to lobbying the state legislature, the IWA also took over the chambers of Chicago's city hall and planned a hunger march along the city's streets. On July 15th, McCulloch and other leaders of the unemployed organizations met with Chicago mayor Edward Kelly who agreed to loan the city \$2,500 of his own money to pay for the shipping of food orders to the unemployed paid for by \$855,000 of state relief funds.⁴¹

³⁹ Frank McCulloch, "Techniques of Social Action," Box 4, Folder 3 Frank McCulloch Papers CHM.

⁴⁰ McCulloch to Charlie Rossio July 13, 1936 Box 4, Folder 11 McCulloch Papers.

⁴¹ McCulloch to Rossio July 15, 1936 Box 4, Folder 11 McCulloch Papers and "Mayor Puts up \$2,500 to Mail Relief Orders," *Chicago Tribune* July 16, 1936.

Sometimes there was not enough popular unrest to stir up in order to accomplish the goals of IWA organizers. This was especially true in the fall of 1936 as Roosevelt geared up support for reelection. One unnamed IWA representative wrote to McCulloch, "I believe that at present we must make the workers feel dissatisfied even if the conditions are not as bad as they were. There is a tendency among the unemployed to become too easily satisfied." Perhaps even more so than the CWC, which held hearings of the unemployed to develop their platforms, the IWA was more of an organization for the unemployed rather than a body of the unemployed. As representatives of the unemployed, IWA members used the threat of an unemployed mass to justify their calls for changes to federal policy. Charlie Rossio, a frequent correspondent with McCulloch expressed his dissatisfaction after receiving only three responses to a questionnaire sent to the unemployed, "I hardly know what to think of the unemployed. They of course no longer disgust me as I have passed that stage long ago.... With this kind of cooperation there is little that we can do."42 Despite these complaints, the unemployed were still restless enough for members of the IWA to gain the ear of local and federal officials. In 1935, McCulloch appeared before the US Senate committee on Finance to advocate increased relief spending. He was also a somewhat frequent correspondent with Mayor Kelly with whom he discussed rents and evictions, public works, police intimidation, and internal Democratic Party politics. In 1938, Kelly also invited McCulloch to be a part of a committee on relief he was assembling to deal with problems stemming from the 1937-1938 recession. 43 After World War II, McCulloch continued his political career as Chairman of the National Labor Relations Board from 1961 to

⁴² Unnamed IWA Representative to McCulloch August 17, 1936 and Rossio to McCulloch November 3, 1936 Box 4, Folder 11 McCulloch Papers.

⁴³ "Speech to the Hearing on the Economic Security Act S-1130, before the Committee on Finance of the U.S Senate" Box 4, Folder 3; McCulloch to Kelly June 17, 1935 Box 4, Folder 4; McCulloch to Kelly June 13, 1937; and Kelly to McCulloch March 4, 1938 Box 4, Folder 12 McCulloch papers.

1970 before replacing Earl Warren on the United Nation's International Labor Organization in 1974 44

McCulloch and the IWA's increased political stature did little to endear the organization to the trade union leaders in Chicago. The WPA's formal commitment to open shop representation at work sites combined with informal sanction of the IWA put trade unions in the unfamiliar position of being on the outside of the political process determining standards of employment and work. Despite many overtures to leaders like William Green, John Fitzpatrick, Reuben Soderstrom, and Victor Olander throughout the 1930s, the trade union leadership remained openly hostile to the IWA labeling them radicals and communist sympathizers. In 1935, the Federation News went so far as to accuse the IWA of joining into a "curious combine" with the Illinois Chamber of Commerce to prevent passage of a sales tax bill to provide the necessary matching state funds to draw federal relief dollars, thereby sabotaging the New Deal. Trade unions had traditionally opposed a sales tax because it made the tax burden fall disproportionately on those who spent larger portions of their paycheck on basic purchases. In 1935, they reluctantly threw their support behind the proposal as a compromise to help generate the funds needed to continue relief payments. Soderstrom and Olander were both incensed when the IWA called them on their compromise and attempted to block the proposal. In a published statement in Federation News, they proclaimed that the IWA and Chamber of Commerce "have both assumed a ruthless attitude which can only be expressed in the cold blooded announcement: 'Let the people starve rather than furnish state funds. If they must be fed—if they must have

⁴⁴ "Frank Waugh McCulloch," *Chicago Tribune* July 11, 1996 http://articles.chicagotribune.com/1996-07-
http://articles.chicagotribune.com/1996-07-
http://articles.chicagotribune.com/1996-07-
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bread!—let them get it all from the federal government or go without!",45 In this regard, the trade union leaders painted the IWA challenge to their moderate position in support of a tax for increased New Deal spending as impractical radicalism, which was no better than business hostility to the New Deal. An amended tax bill eventually passed, allowing relief to continue, but the rift between trade unions and the IWA remained, thwarting McCulloch's hopes to create a united front with organized labor.

Alongside accusations of business partnership, Olander also charged the IWA with being controlled by communists as well as attempting to take over the responsibilities of "legitimate" unions. While being questioned about the IWA's overtures to labor, Olander responded, "I think that is for the purpose of inducing the unions to quietly surrender to them certain functions, first in work relief, then in W.P.A. matters, later in P.W.A. cases and finally to give them a place in the regular movement." ⁴⁶ McCulloch responded by attempting to bypass the trade union leadership and appeal directly to members and individual locals. Following the article in the Federation News, the IWA circulated pre-printed resolutions to various ISFL locals asking them to repudiate the actions of the union's leadership. In trying to get financial support from locals, the IWA also circulated another petition indicating that the Workers' Alliance had the support of both William Green and John Lewis and were ready to help build solidarity among "all members of the working-class."⁴⁷ Eventually, after the election of 1936, tensions softened a bit between the ISFL leadership and the IWA. In November 1937, Olander approached McCulloch for assistance in blocking the incorporation of an organization called the Macomb Workers' Alliance, a company union for a firm that was locking out AFL members. Olander asked

⁴⁵ "Ruthless attitude of Chamber of Commerce and Workers' Alliance Expressed in Cold Blooded Announcement to Let People Starve" *Federation News* May 18, 1935.

⁴⁶ Olander to Chester White October 5, 1936 Series 1, Folder 157 Olander Papers UIC.

⁴⁷ IWA Bulletin Series 1, Folder 157 Olander Papers UIC and IWA resolution Box 4, Folder 10 McCulloch Papers.

McCulloch to write a letter to Secretary of State Edward Hughes to protest that the Macomb Workers' Alliance was infringing on the name Workers' Alliance.⁴⁸

The WPA marked a shift in the way trade unionists interacted with the New Deal. By the time the WPA took over responsibility for works projects, Olander's tenure in the IERC had already come to an end. On June 6th, he resigned from the IERC and two other state boards to protest the state legislature's inability to pass a law designed to overturn a series of Illinois Supreme Court decisions that had invalidated two acts concerning occupational health and safety which Olander had personally fought vigorously to enact in 1933. The Chicago Employers' Association, Illinois Manufacturers Association and the Illinois Chamber of Commerce all opposed the passage of new occupational health and safety legislation. Olander and the rest of the CFL believed Horner had capitulated to their demands rather than lending his support to the labor position. Horner refused to accept Olander's resignation, stating "I hope he will reconsider his decision made in a moment of justified dissatisfaction at the failure of the legislature to pass legislation for the benefit of the workers he so earnestly represents." The IERC kept him on its official roll call for the rest of the year, but Olander ceased attending meetings. ⁴⁹ Fitzpatrick, president of the CFL, also resigned from all of the boards and commissions that he belonged to and he urged the rest of organized labor to do the same. He stated, "I do this in the hope that all union men connected in any capacity with this administration will stand squarely behind Brother Olander in refusing to be used as catspaws in making it appear that Labor can get any kind of a square deal while any of the old party politicians are in power."⁵⁰ The protest met with some success, giving labor leaders an idea of the power of outside pressure compared to inside

⁴⁸ Olander to McCulloch November 8, 1937 Box 4, Folder 12 McCulloch Papers.

⁴⁹ Federation News June 6, 1935 and "Minutes of the IERC meeting, June 28, 1935, Box 82, Folder "June 15-30 Olander Papers CHM.

⁵⁰ Federation News July 13, 1935.

influence. One writer informed Fitzpatrick, "The Governor only agreed to listen to Labor's appeal for justice on the matter after Victor Olander and yourself resigned and severed all connections with the positions to which you were both appointed, and made that fact public." However, the Governor's resolution to the matter called on labor and business to work out a compromise, a sign that outside the WPA there was still a lasting tendency to seek private solutions to policy issues. While labor leaders would continue to serve on Mayor Kelly's advisory committees, they would no longer participate as members of the federal agencies administering New Deal policy. Instead they could use their political power to pressure the increasingly professionalized bureaucracy of the WPA, but in doing so, they were just one of many groups attempting to influence policy.

Reviewing the relationship between labor and the WPA, Casey remarked, "The WPA program probably placed the Union organizations in as critical a dilemma as any other movement in the history of Unionism." Having already left the IERC, Olander did not follow his fellow members into the WPA. In addition, the WPA's new State Administrator, Robert Dunham, had already gone on record publicly renounced the influence of organized labor in relief administration. When the WPA set up operations, it established a policy to "provide work to all needy persons, without distinction as to Union membership," and paid "security wages" below the union scale, shifting their focus away from using federal funds to fortify the industrial and craft economy to instead provide individuals with the relief needed to maintain bonds with civic society. Union requests for preferential treatment for their members, Casey concluded, were "contrary to the very nature of the program." The WPA did not allow workers to bargain

⁵¹ Letter box 20, folder 138 Chicago Federation of Labor Papers CHM.

⁵² Casey, "Final Report," 64.

^{53 &}quot;Accuse Labor Officials," *Chicago Tribune* December 24, 1933, see also ch.1.

⁵⁴ Casey, "Final Report," 65.

collectively which meant unions could not negotiate for employment contractors. Workers had the right to submit grievances individually or through any organization of their choosing. In theory at least, the trade unions were no different from the IWA or even individual relief recipients in the eyes of the WPA.⁵⁵

Trade union leaders first looked to contractors to help regain some control over work conditions on WPA sites. They were upset that the WPA refused to give preference to union workers and so their members often had to work side by side with nonunion workers. The trade unions appealed to project sponsors who could control employment for their share of the project. They encouraged sponsors to use WPA employment for unskilled work and use private contractors and union labor for the skilled positions. This was of course just the sort of continuation of the status quo that African-American leaders like Barnett protested. Many of the sponsors who already had contract agreements with the unions went along with the plan. For example, a project might use WPA workers to excavate a site and lay the groundwork. Then use union labor for the masonry and framework. Unions also tried to force the WPA to staff certain categories of work with union members exclusively. If, for example, a non-union carpenter showed up at a project, not only would the union contractors walk out but also other craft workers, especially, Casey recalled, "those workers whose removal would most seriously impair the operation of the project; such as, equipment operators, and those hauling or processing materials needed by the unskilled and intermediate workers." In these ways, trade unions attempted to use techniques like labor agreements with contractors and strategic walk outs, which had maintained craft economy conditions in the pre-depression economy, to force changes in WPA procedure. Pervasive unemployment made walk outs untenable, and labor unions instead turned to lobbying WPA officials to change policy. The IWA protested union attempts to

⁵⁵ Casey, "Final Report," 64-65.

officially classify some positions as "closed" to union members and the WPA sided with the IWA even though their decision provoked more union protest. 56

In 1937, union protests did succeed in gaining prevailing wage rates after the passage of the Emergency Relief Appropriation Act of 1937. The gains then applied to all workers regardless of union affiliation. Defense mobilization between 1939 and 1941 pulled unions off of works projects earlier than other workers, finally ending the tension between organized labor and the WPA. Despite troubles over recognition and wages, Casey felt that "on the whole, the Unions were as cooperative as possible, and the program certainly would have failed without the assistance of the top workers who worked with WPA to smooth out misunderstandings."⁵⁷ In the end, defense spending made the WPA a temporary fixture in the local economy. Unionists did their best to influence policy, but, as opposed to their involvement with the IERC, unionists had to rely more on their political strength than their organizational power within the WPA and at the workplace.

The "Alphabet Era"

Reflecting the WPA's preference for social worker expertise over union organization, settlement workers enjoyed a great deal of success creating and operating projects with WPA funds. Before the WPA, settlement workers developed a position of influence within the New Deal by their work defining the social problems of depression-era unemployment. During the CWA years, local and national settlement organizations held hearings and conferences to outline both the communal costs of unemployment and possible policies government agents could pursue to ameliorate the social conditions of unemployment. In defining the problems, they also positioned themselves as experts in determining the solutions to those problems and federal

⁵⁶ Casey, "Final Report," 65-66.⁵⁷ Casey, "Final Report," 67.

officials often welcomed their input. During the first years of the New Deal, settlement workers stressed the impermanence of federal programs and discussed ways in which federal funds could help strengthen and expand local agencies and leadership.⁵⁸ By the time the WPA emerged on the scene, their perspective changed to finding ways to build permanent structures linking the local community to federal policy. By defining the problems of depression era unemployment through social dislocation, settlement leaders joined with sociologists from the University of Chicago developing the Chicago Area Plan and CIO organizers like Saul Alinski working in the Back of the Yards neighborhood to integrate economic problems and government policy within a drive to make the community more active.

While adopting to what they believed would be a more permanent role for federal programs, settlement workers felt compelled to developed a systematic set of standards to justify their positions of influence within the New Deal administration. Lea Taylor, for example, spent much of 1934 as chair of a committee organized by the National Federation of Settlements to work in conjunction with the American Association of Social Workers to develop a set of work standards and personnel qualifications for settlement work. Head workers, the committee concluded, needed to not only have a broad understanding of the community and group work, but also firm groundings in sociology and economics. Taylor pointed to graduate programs beginning at schools like Northwestern in Chicago to train and certify the next generation of settlement leaders. The impulse towards professionalization was not only a means to legitimize settlement work at a time when unemployment relief itself became increasingly codified, but also served as an opportunity to develop standards of efficiency for the disbursal of funds.⁵⁹ As the

⁵⁸ Minutes of the Meeting of the National Education-Recreation Council November 28, 1933 box 3, folder "national Education and Recreation Council" Lea Taylor Papers CHM; see also the discussion of settlement workers in Ch. 1. ⁵⁹ Taylor to Robert A. McKibben October 16, 1934 Box 10, folder "Chicago Federation of Settlements, October 1934 – February 1935" Taylor Papers CHM.

chair of another committee on group work activity informed Taylor, "With the increasing critical-mindedness of the community toward all social and educational agencies, and with the expression of this in surveys and limitation of funds available, it will be particularly to our advantage to formulate our own standards by which our work should be judged rather than to have our work judged superficially." In other words, the transition from small-scale private relief to large-scale federal programs made those programs a greater target of criticism. It was up to the settlements to develop the standards by which their own activities would be judged rather than cede the field to critics who did not share their perspectives on unemployment and community.

In Chicago, Lea Taylor and Harriet Vittum each carved out their own positions in the federal administration by focusing on women's work and recreation. Both found greater opportunities under the WPA to pursue projects initially proposed to the IERC. Vittum began the WPA era serving as chair of the projects committee for the Chicago Recreation Commission. The commission coordinated the activities of private community groups and translated their initiatives into WPA policies. What began as a very loose organization of small neighborhood committees ranging in size from 6 to 30 members and meeting in individual houses, restaurants, schools, and offices, gradually evolved into a federation of public and private agencies designed to ensure that WPA funds reached as many residents as possible by involving the community in the administration of those funds. The groups requested money to rehabilitate vacant lots, sponsor safety and public information programs, and repair public parks and swimming pools

⁶⁰ Roy Sorenson to Taylor December 17 1934 Box 10, folder "Chicago Federation of Settlements, October 1934 – February 1935" Taylor Papers CHM.

⁶¹ Walter Roy to Dr. Philip L. Seman and Robert Dunham July 25, 1935 Box 13, Folder "Chicago Leisure Time Service Project, 1935-1939," Taylor Papers.

and, by organizing, legitimized the spending of federal funds for privately organized community development. 62

Federal officials in Washington were initially very reluctant to use federal funds for these projects. With the WPA just getting started they remained wary of negative publicity. While trying to organize private community organizations under the banner of the Chicago Leisure Time Service (CLTS), one settlement worker reported that people in Washington feared "that recreation, especially in private agencies, might be a good target for the press." In Chicago, critics described the program as "superficial," a public relations stunt that through its disorganization would harm the WPA program by offering promises that would never be fulfilled, in sum, a "'Frankenstein' which is rapidly returning to demolish its master." Despite these fears and criticisms, the CLTS prospered and, by the middle of 1937, oversaw \$1,700,000 worth of WPA projects. Settlement workers viewed the organization as a model of community and government relations for "the alphabet era."

The CLTS established the framework for a system of bureaucratic democracy. Their goal was to ensure that the WPA would "reach all areas within the city of Chicago." CLTS administrators managed a federation of private organizations given responsibility for managing public funds at the neighborhood level. The CLTS administrators did not create projects, but would instead, in the words of one WPA official, "achieve a forced cooperation between agencies," both public and private. Like a percolator, projects under the WPA did not just rise up

⁶² Chicago Recreation Commission, "Information bulletin" October 15, 1935, p. 5-11 Box 13, Folder "Chicago Recreation Commission, 1926-August 1937 Taylor Papers.

⁶³ Chicago Leisure Time Service Agency Meeting, October 14, 1935, p. 2 Box 13, Folder "1935-1939 Chicago Leisure Time Service Project," Taylor Papers CHM.

⁶⁴ HB Trecker to Taylor, October 31, 1935 Box 13, Folder "1935-1939 Chicago Leisure Time Service Project," Taylor Papers CHM.

⁶⁵ Report to National Federation of Settlements, January 1, 1937, p. 1; Edward Burchard to Lea Taylor, April 5, 1937; and Walter Roy to Dr. Philip L. Seman and Robert Dunham July 25, 1935 Box 13, Folder "Chicago Leisure Time Service Project, 1935-1939," Taylor Papers CHM.

on their own accord. With the CLTS as a catalyst, communities were urged to form organizations and catalogue local needs that were then translated by the administrators in the CLTS, a private organization, into projects ready for WPA certification, projects which would then return to the committee in the form of jobs and construction.

The recreation program helped New Deal administrators embed federal programs within local communities. In operating these programs, the settlement workers became key components in the larger WPA program of using federal funds for community rehabilitation. Vittum's work coordinating community recreation projects eventually led to her appointment on the WPA's committee on recreation in 1937. For Taylor, her efforts later led to work in the Chicago Housing Authority as the person in charge of developing recreational space and guidelines for residence within the housing complexes. Compared to the relief and works programs administered under the IERC, settlement workers saw the WPA as a far more centralized organization with more tightly drawn institutional boundaries. In such a context it was essential to have a clearly defined role to justify their participation in the agency. The CLTS advisory committee recognized that "in a field as un-standardized as is recreation, this is a problem of the first magnitude. It requires hours of investigation and study on the part of the field supervisors, and, of course, by the private agency staff supervisors."66 Their success fed into the larger transition within the WPA of emphasizing social rather than economic consequences of unemployment. When Roosevelt's cuts in relief programs came into effect in 1937, Vittum regretfully observed that WPA officials worried more about how the forced reduction of personal would harm the recreation program than they did about the number of unemployed who would suddenly lose their paychecks. By the end of the decade, members of the CLTS marveled at the way participation in the WPA had

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⁶⁶ Report to advisory committee, March 16, 1936 box 13 Folder "Chicago Recreation Commission, 1926-August 1937 Lea Taylor Papers CHM.

pushed the recreation program beyond their own boundaries of harnessing works programs to community participation and had made recreation itself a component of city planning.⁶⁷

For settlement workers, the "alphabet era" offered a unique opportunity to interpret and define the relationship between members of the community and the federal government. Using recreation services as a pretext, they launched a drive to organize the city at the block and neighborhood level, mapping out the community in terms of open space, libraries, community centers, and playgrounds. By the time the war industry started opening up jobs in the private sector again, the surveys, committees, and hearings organized by settlement workers pointed the way towards a permanent system for employing federal funds in the local community, empowering neighborhood associations through their engagement with the federal state.

New Deal Housing

Like the WPA recreation program, the federal housing campaign in Chicago took shape through the proliferation of committees and agencies, all tied to the New Deal and pursuing their own agenda. Several organizations operated concurrently, developing studies and plans to give meaning to the still undefined promise of federal dollars for low cost housing. Settlement workers' experience conducting surveys and coordinating community planning made them natural partners in the campaign to use the New Deal to improve housing in the city. They found allies with the Metropolitan Housing and Planning Council (MHPC) created in 1934 to assist with PWA sponsored slum clearance. The members of the MHPC worked alongside the Chicago Urban League to eliminate substandard housing during the 1930s. At the same time, although they seldom cooperated, the Commercial Club, headed by Edward Ryerson, looked at federal

⁶⁷ CLTS advisory meeting June 10, 1937 Box 13, Folder "Chicago Leisure Time Service Project, 1935-1939," and "Excerpts of speeches delivered at the Dinner meeting of the Planning conference of Chicago Sponsoring Agencies, April 25, 1939 box 24, Folder 1936-1944 Taylor Papers CHM.

funds as an opportunity to advance the Burnham Plan in Chicago. While Victor Olander sat alongside university economists, business leaders, and building contractors on the Chicago Housing Authority, Kelly's desire to include CIO unions in city planning after the Memorial Day Massacre led to George Patterson's appointment on the City Council Committee on Housing alongside other leftist organizations like the IWA and National Negro Congress. Housing policy, however, did not function in the same way as the assignment of projects under the WPA. Politically, the housing program provided another venue to strengthen the bonds of the New Deal coalition, but in a practical sense, the various commissions proved far more adept at creating plans then in carrying them out.

As the mediators between federal officials and community organizations, settlement workers anticipated that they would occupy a central position in any federal housing program. After federal officials first announced plans to make PWA grants available for public housing, the National Federation of Settlements announced, "No other group in the community is so well equipped as the settlement workers to supplement the work of the PWA in the advancement of its housing policy and program, by reason of their knowledge and experience." Settlement workers saw the federal programs as a chance to jumpstart local initiatives to manage public housing, leading to the creation of permanent, locally controlled housing authorities. By 1938, members of the recreation commission were fielding calls from both housing officials and from community residents hoping to turn vacant lots turned into playgrounds and parks. That spring, the commission completed a survey using about \$250,000 of WPA money to study private and public recreation opportunities in the city. The survey mapped the location of bowling houses, taverns, billiards halls, betting parlors, and other places of "dubious entertainments." In doing so,

⁶⁸ "Housing" National Federation of Settlements Bulletin November-December, 1933 Box 3, Folder "National Federation of Settlements, July – December, 1933" Taylor Papers CHM.

it provided a moral geography of Chicago neighborhoods, concluding, in one of the surveyor's own words, that the "red lights burn brightest in deteriorated or neglected neighborhoods,' [and] that the cure is not moral indignation, nor character education, but better living conditions." As D. Bradford Hunt remarks in his history of public housing in Chicago, land-use surveys helped planners map and read the city in order to systematically reorder the geography and population. As such, surveys conducted by settlement workers defined the problems for housing policy in Chicago. As such, their knowledge of the city's moral geography made settlement workers important components in the effort to remedy problems caused by class and racial inequality by using the federal housing program to reform the physical landscape.

By 1938, housing reformers had an even greater blank slate to draw their plans then at the beginning of the decade. The first steps for the housing program in Chicago involved more demolition than construction. Through federal works programs, some 4000-5000 homes were demolished between 1934 and 1936 exacerbating what was already a stressed housing stock in the city. Elizabeth Wood, executive director of the MHPC, explained, "We believe that only by the complete removal of such buildings so that the question of decent habitation is squarely faced, can habitation become a respectable commodity again." For Wood, substandard housing, even if lived in by squatters rent free, was simply unacceptable. Although those living in substandard homes became pawns in the political game to pressure officials into action, Wood believed that the demolition was a necessary precondition for remaking the city's housing. Only

⁶⁹ Quote from a reprint of *Time Magazine* April 4, 1938 in Chicago Recreation Commission Activities of the Month, March, 1938 Box 13, Folder Chicago Recreation Commission, September 1937 – December 1938 Taylor Papers CHM

⁷⁰ D. Bradford Hunt, *Blueprint for Disaster: The Unraveling of Chicago Public Housing* (Chicago: University of Chicago Press, 2009), 10.

then, she argued would there be demand for new studies and commissions to make low cost housing available through a new plan for the city's housing arrangements.⁷¹

The efforts of settlement workers in the recreation commission and housing reformers like Wood in the MHPC differed from the city elite looking to enact elements of the Burnham Plan for Chicago. The Burnham plan focused on public spaces such as city buildings, wider streets, and better transportation networks, creating a "Paris on the Prairie." In contrast, the new wave of housing reformers focused on using federal funds to reshape the residential landscape. They looked to family housing and playgrounds to provide a sense of ownership in the community and distract residents from the taverns and gambling halls. Not everyone welcomed this shift. One editorial in the *Chicago Tribune* dismissively linked the residential focus with the gender of housing reformers working through settlements and the MHPC, "What a new deal is in store for Chicago! The government is employing innocent young things like Miss Elizabeth Woods[sic], who is styled 'secretary of the metropolitan housing bureau,' to make the rounds of women's clubs and tell them how lovely federal housing is."⁷² Despite these protests, when Mayor Kelly put together the Chicago Housing Authority in 1937, it was Wood, 35 at the time of the editorial, who was appointed executive secretary. Business leaders were not excluded from housing plans, but they would no longer enjoy the same exclusive control as they had through the Chicago Commercial Club. As Hunt observes, the Chicago Housing Authority quickly developed into one of the city's most progressive agencies. Its membership derived from a diverse collection of representatives including Victor Olander of the ISFL, the Northwestern economist Coleman Woodberry, T.J. Carney from Sears Roebuck, building contractor W.J. Lynch, and John Fugard, chairman of the Metropolitan Housing Commission. A year later,

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⁷¹ Elizabeth Wood to Lea Taylor June 28, 1934 Box 17, Folder "Housing 1927-1940" Taylor Papers.

⁷² "About Housing," December 12, 1934 *Chicago Tribune*.

Mayor Kelly heeded the demands of Robert C. Weaver, a member of Roosevelt's "Black Cabinet," and appointed Robert R. Taylor to the committee as its first African-American member, setting a precedent that would be followed by Chicago mayors into the 1970s.⁷³

In the *Chicago Tribune* editorial, the writer dismissed Wood's efforts to draw attention to overcrowding and impoverished living conditions by focusing on family life. Wood, for example, pointed to mothers who had resorted to cooling baby bottles in their toilets as a sign of lack of sanitation in the slums. The author remarked, "Just how PWA housing was to supply the extra beds, or educate the people to other uses for a toilet, she didn't make clear."⁷⁴ Yet, it was precisely these goals, improving lives by improving living conditions that guided Wood and other members of the housing authority. Housing planners proposed using up to 70% of the acquired property for recreation purposes, including spaces for small parks, playgrounds, schools, libraries, and community centers. The environmental approach to civic uplift was certainly not unique to the time, but, as the WPA evolved into the model for New Deal administration, the approach to environmental planning took on some distinctive characteristics. Just as with the NRA, WPA administrators marveled at the way federal programs inspired new levels of cooperation between public and private authority, leading one administrator to describe the WPA as "the most remarkable modern experiment in terms of agency and group cooperation."75 However as opposed to continued sanction for elite rule under the NRA, WPA administrators looked to create and inspire new levels of organized community participation rather than operate exclusively through the old guard civic elite. They combined community

⁷³ "Chicago Seeks \$100,000,000 of U.S. for Housing," October 12, 1933 and "Kelly Appoints Five to Form a Housing Authority for the City," January 6, 1937 *Chicago Tribune*; Biles, *Big City Mayor in Depression and War*, 91; and Hunt, *Blueprint for Disaster*, 36.

^{74 &}quot;About Housing," December 12, 1934 Chicago Tribune.

⁷⁵ Excerpts of speeches delivered at the Dinner meeting of the Planning conference of Chicago Sponsoring Agencies, April 25, 1939, box 24, Folder 1936-1944 Taylor Papers CHM.

organization with a systematic approach to strengthen the relationship between democratic participation and federal policy. Community engagement, however, exacerbated tensions within the federal program over the degree to which the New Deal should be employed to create opportunities for advancement or simply alleviate present conditions. For housing, the tension became increasingly pronounced as the rights of economic citizenship collided with the racial geography of segregation in Chicago.

In November 1937, the Chicago Housing Authority began plans to take control of three housing projects constructed from federal funds. These were the Jane Addams Houses, Julia Lathrop houses, and Trumball Park homes. The board decided to continue the PWA policy of making the racial composition in new housing developments match the existent racial composition already present in the neighborhood. Harold Ickes, who was himself a former settlement house resident and member of the NAACP, established the policy out of a desire to make federal programs seem less threatening to local practices. The Lathrop and Trumball park homes were located in white areas and excluded African-Americans. The Jane Addams development was the only one among the early housing projects set in a racially mixed neighborhood. 76 Lea Taylor, who had been asked to help develop standards for tenant selection, immediately became inundated with letters from the Chicago Urban league requesting her help in combatting discrimination in the selection of tenants. They claimed that officials in the Jane Addams houses had earlier discouraged African-American applicants, which meant that their applications would be low on the list and not likely to be accepted for tenancy. The Reverend A.L. Scott reported, "It is elementary knowledge that Negroes are not wanted in these projects. When they apply for admittance, they are approached and addressed in such a way that they soon

⁷⁶ Arnold R. Hirsch, *Making the Second Ghetto: Race and Housing in Chicago, 1940-1960* (Chicago: University of Chicago Press, 1998), 14.

leave, knowing they are not wanted."⁷⁷ The Urban League urged Taylor to deliberately select African-American applications for consideration so that the housing project could begin to practice a true non-discriminatory policy. Taylor was able to secure some spots in the coveted project for African-American tenants, but those tenants were segregated into only one of the buildings in the new development leading to charges by critics of the New Deal that the CHA was instituting a new Jim Crow regime in Chicago's public housing.⁷⁸

Rather than push for integration in the Addams homes, Barnett devoted much of his attention to a long simmering proposal to build a separate federal housing project on the south side geared specifically towards African-American tenants. Housing officials had promised another development called South Park gardens that would be open without restrictions to African-American residents, though, it should be added, no official restrictions were placed on white residents. Have a life of the Negro population of Chicago at the moment which is as important as the South Park Garden project. At the time, the South Park project was under threat of being abandoned due to changes in federal housing policy but Kelly claimed to have personally intervened to convince housing officials in Washington to keep the project under control of the PWA to secure its construction. Kelly's efforts reflect his desire to satisfy the city's African-American constituency, however the appeal did little to fast track the development of South Park Gardens. The South Park Gardens, renamed Ida B. Wells homes, did not begin accepting tenants until 1941.

⁷⁷ "Negroes Charge Jim Crowism in Federal Housing," *Chicago Tribune* June 28, 1939.

⁷⁸ AL Foster Exec secretary of Chicago Urban league to Taylor, November 24, 1937 Taylor Papers, box 17 and "Negroes Charge Jim Crowism in Federal Housing," *Chicago Tribune* June 28, 1939.

⁷⁹ "Only 35 Negro Families in 3 Home Projects," *Chicago Tribune* June 25, 1939.

⁸⁰ Barnett to Kelly November 11, 1937 Barnett Papers box 346, folder 3.

While neither Barnett nor Taylor could do much to get construction moving, they both took part in developing plans for the operation of South Park Gardens. In 1938, they joined the Housing Area Relationships Committee, which was charged with keeping rental prices down at the South Park by paring down operating costs to the minimum of what would be allowed for a healthy community. Working with CHA officials, the committee decided on a compromise plan for the development that included large apartment style houses combined with single-family row houses and garden homes that would have front and back yards to provide for recreational space. Though not as efficient on the usage of space, members of the committee hoped that using row and garden houses for the majority of the dwellings would better instill a sense of community and ownership among the tenants. 81

The committee worked to balance two competing uses for the housing project in their plans for its operation: On a practical level, the South Park Gardens needed to fill a real need for affordable housing after all the various WPA demolition projects had reduced available homes in an already strained housing market. The other use, of particular importance to Barnett, was the way in which the South Park Gardens could become a model showcasing the African-American community to the rest of the city. These two competing uses came into conflict over discussion of maintenance in the facilities. Planners hoped that the residents of garden and row houses could be responsible for the upkeep of their own areas thus negating the need to employ a janitorial staff to keep rents down. Some on the committee believed that educational programs would be enough to impress upon the new tenants the importance of keeping their own property clean. However, Barnett and Alderman Robert Jackson worried that maintaining appearance was too important to trust to educational programs. Barnett felt, "that in many cases the people occupying

⁸¹ "Minutes of the Housing Area Relationships Committee, September 12, 1938" Box 13, Folder: Chicago Recreation Commission September 1937-December 1938, Taylor Papers.

the project would be those with a poor background. Much education would be needed to keep up the houses and grounds." And he insisted that "the houses must be kept looking well even if this means a sacrifice of other items by the tenants to pay higher rents, as the Negro in this project...will be subject to much observation and possible criticism." The rest of the committee eventually agreed with his point of view and decided to include a janitorial service despite the need to increase rents to pay for the service.

The debate over rents and janitorial services illustrates a key tension between race and class in the black community. Barnett's arguments for employing a janitorial staff fit with the rest of his efforts to use federal programs to uplift the African-American community during the decade. His efforts, however, required him to work within, rather than challenge, a system that perpetuated inequalities. They also created an image of a ghetto population in need of paternalistic care that did not fit with what was a diverse black community where internal class tensions were just as vibrant as movement activism. The concentration of federal funds in public housing, and the studies compiled to justify those expenditures make the formation of public housing ghettos seem a foregone conclusion, but during the 1930s, there were a wealth of conflicting and intersecting approaches to the politics of advancement. In addition to the local branch of the NAACP and the Chicago Urban League, a dense tapestry of neighborhood groups and community organizations cooperated and fought against each other while pursuing programs such as neighborhood beautification, municipal repairs, WPA projects, assistance to local business owners, and advocacy for openings in government work. During the New Deal, African-Americans filtered federal programs through established patterns of neighborhood politics. The combination of old and new, Jeffrey Helgeson writes, "reinforced black

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⁸² "Minutes of the Housing Area Relationships Committee, September 12, 1938" Box 13, Folder: Chicago Recreation Commission September 1937-December 1938, Taylor Papers.

Chicagoans' connections to local communities and created interracial tensions with those communities."83

The same was true for the rest of the city during the WPA years. Shifts in federal policy during those years strengthened bonds between grass roots political organizations and federal programs. As such, bureaucratic politics under the WPA encouraged a form of grassroots activism in which community organization occurred in the context of developing and administering local projects with federal funds. As a result, participation in New Deal programs opened up new avenues of political activism that did not cohere within a singular definition of New Deal liberalism. While political identities became more fragmented and multi-faceted, organizations like the CIO, CFL, CFS, CLTS, CUL, NAACP, block clubs, and neighborhood groups all gained status as legitimate elements or components of the New Deal during the WPA. Just as earlier programs like the NRA and CWA had been administered through an extragovernmental elite; it was the mix of new and old organizations, animated by the profusion of federal programs, that brought the New Deal to the people, allowing them to advocate for policy changes and translate the federal presence to a local audience. These local organizations were indispensible to the administration of the New Deal, not as clients or interests lobbying for legislation, but rather, as the vessels and arteries that pumped federal funds into the community.

Conclusion: Politics over Political Economy

The settlement workers, social scientists, and WPA administrators managing New Deal community politics during the late 1930s occupied the "near Left" of the American political spectrum. They elevated social relations over economic practices, seeking to alleviate poverty

⁸³ Jeffrey Helgeson, "Striving in Black Chicago: Migration, Work, and the Politics of Neighborhood Change, 1935-1965" (Ph.D. Dissertation, University of Illinois at Chicago 2008), 46-129; quote on p. 47.

and racism by building bonds between individuals and their communities at the neighborhood level. 84 The wealth of community studies conducted in Chicago during the interwar years did not only make the city exceptionally well documented, but also turned it into the laboratory for putting social liberal ideas into practice with the backing of federal funds during the New Deal. With WPA funds, neighborhood and community groups flourished, building connections between local and federal politics and grounding the WPA's success in community engagement. However, in housing, community politics were also, as Tom Sugrue observes, "ineluctably a politics of place," where the long-standing tension between localism and centralization became most acute during times of federal expansion. 85 Centralized planning and community engagement co-existed more comfortably under the distributary politics of the WPA where a wide variety of programs could be pursued at the same time. The federal housing program, which dealt with a more limited politics of space, brought citywide plans for development into greater tension with neighborhood interests.

In the post-war years, the growing disconnect between expert driven centralized planning and community engagement led some former planning advocates to give up on the idea that government could provide remedies for social ills. In a study published the same year as Richard J. Daley began his tenure as mayor of Chicago, Martin Meyerson and Edward C. Banfield published a case study of political decision-making and housing policy in Chicago criticizing the city as a "weak mayor" polity where the machine thrived through a weak executive and strong political structure. They state, "In Chicago, political power was highly decentralized *formally* but

⁸⁴ The term "near Left" is from Howard Brick, *Transcending Capitalism: Visions of a New Society in Modern American Thought* (Ithaca: Cornell University Press, 2006), 10-14.

⁸⁵ Tom Sugrue, "All Politics is Local," in Meg Jacobs, William J. Novak, and Julian E. Zelizer, *The Democratic Experiment: New Directions in American Political History* (Princeton: Princeton University Press, 2003), 302 and 305.

highly centralized *informally*."86 As a result, Meyerson and Banfield argue, Chicago had a highly democratic government that was powerless to do anything but fulfill the most narrow of neighborhood demands while those in city hall sat powerless, unable to muster the support for city wide projects. The weak mayor structure of Chicago reached its apotheosis under Mayor Martin H. Kennelly, who served from 1947-1955, however the structure had its origin in the New Deal years under Kennelly's predecessor Edward Kelly. As Roger Biles observes, "Ironically, Kelly's efforts to strengthen the Democratic Party led to his own demise. The machine he helped make became so powerful that the mayor was no longer in complete control, and it unmade him."87 In Chicago, the immediate legacy of the New Deal was not centralized government, but a crisis of management where the structures of political participation outpaced executive control. By 1970, Banfield came to the conclusion that centralized planning could not coexist with a democratically engaged citizenry. The aggregate demands on government service, pulling in a multitude of directions based in individual interest rather than a sense of common good, would "render the measures ineffective or even injurious." His arguments mirrored the market-centered critique of New Deal planning being developed at the same time by Milton Friedman at the University of Chicago. 88 Banfield's disillusionment with New Deal liberalism reveals the tensions between experts' dreams of the New Deal as a moment of rationalized planning through a central state and the practical efforts of administrators to ground federal expansion in decentralized local control to maintain popular support for the New Deal.

The promise and potential of the New Deal was great; encouraged by federal administrators, settlement workers, and community leaders, local organization blossomed in step

⁸⁶ Martin Meyerson and Edward C. Banfield, *Politics, Planning, and the Public Interest* (New York: Free Press, 1964), 287.

⁸⁷ Roger Biles, "Edward J. Kelly," in Green and Holi, *The Mayors*, 124; see also Biles *Big City Boss*, 147-148. Brick, *Transcending Capitalism*, 237.

with the proliferation of federal services. More so than other New Deal programs, the WPA could be and in fact strove to be all things to all people, building connections between the federal government and the diverse array of local interests. In doing so, the program was part of a larger shift in the New Deal from a focus on economic structures to social citizenship. The shift to social citizenship, however, was fraught with paradox because it involved a greater emphasis on the structures of political participation at the expense of debates over the outcome of economic policy. The expansion of political opportunity, not surprisingly, helped foster a sense of the impossibility of centralized planning. In Chicago, already a city that got along best when everyone went their own way, the New Deal incubated a brand of liberalism that strengthened connections between local and national politics while reaffirming the boundaries that separated the diverse localities within the city. After World War II, the city would continue to embrace New Deal liberalism without ever reaching a consensus of what the New Deal was supposed to be.

⁸⁹ Hunt, for example, describes the failure of public housing in Chicago as a negligence of management more than those flaws present at its inception. See Hunt, *Blueprint for Disaster*, 13.

Chapter 6

Creating Order in the New Deal

"The present state administration stands today in the popular mind as a complex of privileged interests intent upon looting the commonwealth. It does not represent the public: it represents the public exploiters."

---Reuben Borough on the campaign to recall California Governor Frank Merriam in 1936¹

While the continuing depression cemented feelings of a limited private economy in Los Angeles, the New Deal period was also imbued with a language of progress. The business elite and a new self-conscious liberal insurgency riding the wake of Upton Sinclair's EPIC campaign each sought control over New Deal programs to further a vision of development in Los Angeles that they promised would modernize the city's economy, workforce, and government. By the end of the decade, even before wartime mobilization transformed the city's demographic and economic bases, there was a growing sense that Los Angeles was reaching a new stage of maturity. Announcing, "Los Angeles Grows Up," in 1938, Oliver Carlson described the city's gradual adoption of collective bargaining as a sign that its political economy had finally put aside the youthful disruptions that came in the early stages of industrial growth.² Carey McWilliams' 1943 account of Southern California describes the 1930s as a time when he was "growing up and Los Angeles was becoming a city," moving past its "insular stage." In each case, the New Deal was a moment of adolescence where the growing pains of a city had become most acute, but would, in time, give way to the modern postwar metropolis.

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¹ "Interview on the Recall of Governor Merriam," July 21, 1936 Box 43, Folder 7 Reuben Borough Papers, University of California, Los Angeles Special Collections.

² Oliver Carlson, "Los Angeles Grows Up" *The Nation January* 8, 1938.

³ Carey McWilliams, *Southern California: An Island on the Land* (Salt Lake City: Peregrine Smith Books, 1946, 1973), xxi and 373.

Historians have also taken up the language of growth and maturity to describe the 1930s as a moment of transition. Robert Gottleib and Irene Wolf mirror McWilliam's stage model of growth to describe how the contest for control of New Deal programs pushed what they refer to as Los Angeles's "fundamentalist period" to its breaking point. Tom Sitton titled his account of Mayor Fletcher Bowron's tenure from 1938 to 1953, Los Angeles Transformed to describe Bowron's importance in creating trust in government so that the city could move forward as a modern polity. For Gottlieb and Wolf, the fundamentalist period was a time of Wobblies and anti-labor plots, EPICs and Better America Federations; which, by the 1940s, had begun to be replaced by the planned sprawl of a modern metropolis complete with freeways and smog. Sitton points to Bowron's election as having a moderating influence, taming the political passions of both left and the right to create a pluralist political structure.⁴ Contemporary and historical accounts of the depression-era transformations in Los Angeles each see the New Deal as a moment of creating order and stability in Los Angeles politics, dampening the enthusiasms of earlier expressions of popular politics. Nationwide, the New Deal polarized liberal and conservative political rhetoric. However, in terms of political practice, the drive to create economic stability in Los Angeles led liberals and conservatives to narrow their political visions and converge in a program of managed growth steered by responsible government.

New Deal liberals in Los Angeles viewed themselves as an insurgency seeking to transform the local political economy. They looked unseat a political establishment that included the Chamber of Commerce as well as old guard Democrats and conservative leaders in the

⁴ Robert Gottlieb and Irene Wolf, *Thinking Big: The Story of the Los Angeles Times, Its Publishers, and their Influence on Southern California* (New York: G.P. Putnam's Sons, 1977), 236; Tom Sitton, *Los Angeles Transformed: Fletcher Bowron's Urban Reform Renewal, 1938-1953* (Albuquerque: University of New Mexico Press, 2005), vii. See also Sitton, "Another Generation of Urban Reformers: Los Angeles in the 1930s," *Western Historical Quarterly* v. 18, no. 3 (July 1987), 316 and Don Parsons, "This Modern Marvel:' Bunker Hill, Chavez Ravine, and the Politics of Modernism in Los Angeles" *Southern California Quarterly* 75 (Fall/Winter 1993): 333-350.

Central Labor Council. In office, liberals like John Anson Ford championed good government reforms and austerity in government spending as a way to limit business influence and more efficiently direct government programs to benefit the people of Los Angeles. The cooperatives played a central role in liberal visions to construct an alternative political economy that did not follow the dictates of the business elite. The liberal vision for a cooperative economy emphasized the politics of political economy; they recognized that a capitalist economy undergirded the political influence of the business class. As such, liberals saw the cooperative economic program of production-for-use as inseparable from their political goals of rehabilitating the unemployed to be moral citizens. The leaders of the Chamber of Commerce shared in the liberal belief that the New Deal presented an opportunity to build a better government and transform the city's workforce. They saw the Works Progress Administration as a vehicle to transform the city's white-collar workers into industrial workers ready to fill the factories as the city progressed towards their goals of balanced prosperity through managed industrial growth. Even more so than in Chicago, the New Deal in Los Angeles was anything but a fixed and constant set of policies. As such, there was a drive to create order out of the chaos, even if competition between liberal and conservative programs made it impossible to settle on one particular vision of order.

EPIC Dreams

John Anson Ford arrived in Los Angeles on Halloween in 1920. He established his own business in publishing and advertising, using contacts he made as a writer for *Popular Mechanics*. Like many other native and transplant Angelinos, the depression left Ford scrambling to find enough funds to provide for his wife and young child. When his neighbor, a

local political activist, suggested he run for a vacant seat on the County Board of Supervisors in 1934, the prospect of securing a stable \$5,000 yearly salary carried the same amount of appeal as the opportunity to become more involved in politics. Ford's campaign was run on a shoestring, he borrowed his Pastor's phone for communications and for promotion he rented a flat-topped truck for a trio of young musicians to travel around distributing circulars and homemade posters. His campaign headquarters was located two blocks away from a skid row restaurant catering to the unemployed, where Ford would go for lunch, paying a nickel for one stale donut and coffee. Fortunately for Ford, 1934 was a good year to have such visceral experience with unemployment. Running on Upton Sinclair's End Poverty in California (EPIC) program, Ford joined Supervisor Gordon McDonough, who had suddenly begun advocating liberal measures with his own campaign looming in the future, to establish a beachhead for a new cohort of local reformers self-consciously styling themselves as a liberal insurgency in Los Angeles.⁵

Both Ford and Reuben Borough, who edited the *EPIC News* during the campaign and would later serve as secretary for the Los Angeles Municipal League, started their professional careers as reporters in Chicago. In Los Angeles, Ford only entered politics after being assured that there were some pockets in the city that lacked the "sordidness of Big Bill Thompson's Chicago politics." As a member of the Board of Supervisors, Ford saw good government and an activist state as two sides to the same coin, pursuing austerity to eliminate graft, transferring expenditures into the hands of professional technocrats, and advocating nonpartisanship as a way to wrest control from the region's Republican leadership. Borough's time in Chicago, during which he explored the city with his longtime friend Carl Sandburg, revealed to him the extent to

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⁵ John Anson Ford, *Thirty Explosive Years in Los Angeles County*, 2ed. (San Marino: Huntington Library Press, 2010), xxxviii, 9-11 and Reuben Borough, "Jubilant Crusader," 226 [unpublished manuscript] box 24, folder 2 Reuben Borough papers University of California Los Angeles.

⁶ Ford, *Thirty Explosive Years*, xxxvii; for a discussion of Ford's belief in good government see Michael R. Adamson's intro to *Thirty Explosive Years*, esp. vii-x.

which "overworld" domination undermined popular democracy. He described the local saloons run by the city aldermen like Michael "Hinky Dink" Kenna as a "' lumpen proletariat dive' …the kind of place where the bosses got their scabs and murderous thugs to beat up the workers and break their strikes." Both saw the New Deal as an opportunity to launch an insurgency against entrenched power—underworld corruption and overworld domination—to create a government in Los Angeles that would work for the interests of the people and be responsive to democratic impulses. In doing so, their efforts tended to give equal weight to both good government campaigns against sitting politicians as well as rehabilitative programs aimed at the population at large; finding ways to build better citizens deserving of good government, rather than a "lumpen proletariat" dulling their mind with intoxicating spirits and the bankrupt promises of the city's entrenched oligarchy.

Upton Sinclair's 1934 End Poverty in California (EPIC) campaign drew its popular support from the same milieu as the self-help cooperatives. The campaign itself provided an experiential connection with the burgeoning liberal movement in Los Angeles. Sinclair's campaign manager sent out copies of the pamphlet he wrote to introduce his candidacy, *I*, *Governor of California and How I ended Poverty*, asking recipients for a donation of one dollar and a list of fifteen additional individuals who might be interested in the campaign. By the end of the campaign, Sinclair's staff had distributed almost a million copies of the pamphlet. People who supported Sinclair's campaign formed their own EPIC clubs and, by the time of the election in November 1934, there were about two thousand clubs statewide with the majority in Southern California. Despite Sinclair's eventual defeat, Carey McWilliams described the campaign as

⁷ Borough, "Jubilant Crusader," 120, 215.

"one of the most successful experiments in mass education ever performed in the country." Sinclair himself lacked the speech making abilities of a captivating demagogue, as Borough recalled, for those traveling with him to speaking events "the monotony could be deadly," but he did have a talent for explaining economic issues with clarity while building a case for an economy based upon "production for use" over profit.

Sinclair's campaign drew an unprecedented level of opposition from business interests and the old guard in both Republican and Democratic parties in California. In doing so, the campaign created the stark divisions necessary to begin to define a new liberal identity, sharpening their interpretation of the New Deal in opposition to an entrenched business oligarchy. McWilliams reported that the "reactionary elements of the state" spent over \$10,000,000 to defeat Sinclair. Borough also recalled being informed confidentially that those same interests tried to undermine the campaign, first by attempting to bribe Sinclair and later trying to discredit him by hiring a "glamorous blonde" to seduce him on the campaign trail. When these measures failed, they launched an advertising campaign that historian Greg Mitchell describes as one of the first modern media campaigns. ¹⁰ In advertisements, newsreel and movie footage, and newspaper stories, Sinclair's opponents played upon the popular belief that unemployed outsiders were primarily responsible for the economic problems in Los Angeles to paint the EPIC program as something that would open the state's doors to the entire country's indigent population. ¹¹

¹¹ Stevens, *Radical LA*, 231.

⁸ Carey McWilliams, *Southern California: An Island on the Land*, 298 and Errol Wayne Stevens, *Radical LA: From Coxey's Army to the Watts Riots*, 1894-1965 (Norman: University of Oklahoma Press, 2009), 222-223.

⁹ Borough, "Jubilant Crusader," 194.

¹⁰ Greg Mitchell, *The Campaign of the Century: Upton Sinclair's Race of Governor of California and the Birth of Media Politics* (New York: Random House, 1992).

After the election, the EPIC movement, as a vehicle for Upton Sinclair, declined fairly quickly. Amidst fears of Communist infiltration within the movement, Sinclair had already begun centralizing control of the campaign in the latter months of the election. Borough explained, "he was no longer the adroit advocate of the EPIC cause, winning by wit and logic—he was a frightened and flustered dictator." After the election, Sinclair faded from the scene to concentrate on writing while those involved in the campaign looked to set up an institutional foundation for the gains made in the election. While Sinclair himself lost, the campaign won 24 seats in the state assembly, elected future governor Culbert Olson to the state senate, and placed Ford in the Los Angeles County Board of Supervisors. Borough and other members of the campaign established the "California Congress" to work within the Democratic Party to push its platform further to the left in line with EPIC principles. The EPIC members set up networks across the state, but Southern California was ground zero for the movement. Los Angeles County provided 46% of Sinclair's statewide vote and after his election many of those most active in the campaign remained in the area. 12

Sinclair's contribution to the insurgent liberal movement lay less in the details of the EPIC plan and more in the morality story his campaign constructed. Talking about Sinclair's campaign to a group of "progressive Democrats" in 1936, Ford returned to Sinclair's run two years earlier, "thank God we had a man who performed a modern miracle, and went up and down the state in 1934, and revealed to more people than had ever seen the light before, an appalling system of economic injustice." Ford went on to explain that it did not matter if those in attendance disagreed on the details of "the secondary principles involved," because "life itself is

 $^{^{\}rm 12}$ Borough "Jubilant Crusader," 205 and 214; Stevens, Radical LA, 230-231.

at stake." Ford's liberalism was an article of faith and his religious life was deeply connected to his political activism. In Henry Wallace, Ford found a fellow liberal who also understood "the spiritual side of the New Deal." A spirituality that Ford found in his own church in West Hollywood, where he was made "more receptive to the broader and deeper implications of Christianity." ¹⁴ Just as southern evangelicals in Los Angeles saw themselves as carrying on a moral mandate to push back the New Deal, liberals in Los Angeles were also fueled by a moralistic and, at times, evangelical fervor. 15 In letters of introduction and pledges of support for future candidacies and programs, members of the EPIC network continuously vouched for each other's claims to be a "real liberal." In doing so, they furthered a narrative of "us against them" with the liberals cleaning up government, removing the "reactionary" element in control, and returning politics to the people.

The crusade to take government back from the "rich and the powerful" created a new form of class-based politics that drew many working-class voters who had supported Sinclair's campaign into a coalition opposed to the political influence of business in Los Angeles. ¹⁶ Despite garnering the support of working-class voters, the insurgent liberals did not enjoy a close relationship with the established leaders in organized labor. In part, organizations like the Central Labor Council still wanted to be included alongside the Chamber of Commerce in the city's civic elite and wanted to avoid charges of radicalism. For example, while the Central Labor Council provided some start up funds for the Municipal League's newsletter, *Progressive News*, they still requested that the name "organized labor" not be included among the participating groups listed

¹³ John Anson Ford Address to "Progressive Democrats" Los Angeles, April 25, 1936 Folder 4, Box 43 Borough

⁴ John Anson Ford to Jerry Voorhis, February 26, 1937 Box 46, political correspondence and Ford to Clifford Clinton July 20, 1936 Box 63, correspondence, 1937 John Anson Ford Papers, Huntington Library.

¹⁵ Darren Dochuk, From Bible Belt to Sunbelt: Plain-Folk Religion, Grassroots Politics, and the Rise of Evangelical Conservatism (New York: W.W. Norton & Company, 2011), 75-76.

¹⁶ Special Edition to the *Progressive News*, transcript n.d. [1936] folder 6, Box 43, Borough Papers and Laslett, Sunshine Was Never Enough, 121.

on the paper's masthead. Ford, for his part, also distrusted the motives of labor leaders and their aspirations to be part of the "establishment." When a committee formed to simplify county government, a cause he also advocated, Ford still balked at the committee's findings for the reason that the committee's membership, which included both members of the Chamber of Commerce and JW Buzzell of the Central Labor Council, was made up of individuals with a "conservative point of view." Ford presented himself as a supporter of organized labor but never received official endorsement from either the AFL or CIO organizations in Los Angeles. As such, the liberal movement in Southern California relied upon working-class voters for support, but progressed along a trajectory that was separate from labor leader's attempts to gain greater power through organization drives.

The EPIC movement did not touch upon problems of race in Los Angeles. For Sinclair in particular, social problems had their roots in economics and, as Douglas Flamming explains for the EPIC movement, "they did not really understand race." Sinclair even instructed his supporters not to discuss racial problems but to explain that the EPIC program would alleviate poverty for everyone, with race not a consideration. Bespite this neglect, the EPIC program contributed to a changing of the guard in the black community, much like how the New Deal provided opportunities for a new generation of leaders in Chicago. With little initial support from black voters, Augustus Hawkins defeated the Republican incumbent Frederick Roberts for the state assembly seat representing the the 62nd ward. Hawkins cobbled together an unlikely coalition of EPIC and utopian club members, racist white unionists putting aside their views on

¹⁷ Los Angeles Central Labor Council Executive Board and Council Minutes June 21, 1935 box 5 Los Angeles County Federation of Labor Papers, California State University, Northridge and Ford to *Utopian News*, *United Progressive News*, Los Angeles Municipal league, and *Hollywood Citizen*, April 16, 1936 box 5, Administrative John Anson Ford Papers, Huntington Library.

¹⁸ Douglas Flamming, *Bound for Freedom: Black Los Angeles in Jim Crow America* (Berkeley: University of California Press), 316.

race to support a pro-labor candidate, black college graduates, and followers of Father Divine's growing Peace Mission Movement. His defeat of Roberts, who was the first African-American elected to the state assembly, signaled the beginning of a shift away from an early generation of middle-class "uplift" reform. The switch was not immediate, as late as 1940, the Los Angeles Urban League reported to Gunnar Myrdal that while progressive groups had helped bring in a new set of community leaders, conservative ministers in the churches still held great sway over "the masses" who were also more likely to vote in the interests of their white employers than in the interest of racial advancement. Still, Hawkins' election was a key pivot in the transition from what Flamming describes as the "Western ideal" where black community leaders responded to the Chamber of Commerce's promises of cheap housing and material respectability as a step up from their degraded status in the South to the "Liberal ideal," where state power could be employed to enforce black equality more effectively than moral suasion. ¹⁹

The new EPIC liberals labeled those same markers of material comfort—home ownership, automobiles, and consumer goods—that formed the core of the Chamber-centered "western ideal," as obstacles to any real class-centered radical movement. As future Congressman Jerry Voorhis explained in a 1935 address, Americans "will starve themselves to keep their cars, and sacrifice almost anything to give their children the thing we call education.... Social equality with terrific chasms of economic inequality is a condition which must be taken full account of in all our calculations." For Voorhis, the capitalist economy was no longer capable of providing people with funds to remain active consumers, while, at the same time, developments in Europe showed how easily Marxian radicalism could devolve into fascist states. The solution for Voorhis and other EPIC leaders lay in the cooperatives, which had formed

¹⁹ Flamming, *Bound for Freedom*, 316-320, 332 and box 2 folder 7 Carnegie-Myrdal study—form II "Political Activity Schedule" n.d. [1940] Box 2, Folder 7 Los Angeles Urban League Papers, University of California Los Angeles.

before Sinclair's campaign and provided him with the inspiration for his end poverty program. The idea would be to systematize the barter relations at the center of cooperative operations, creating a separate currency system for those unable to find private employment to spend on consumable goods also produced through cooperative enterprise. In short, the EPIC liberals saw a lack of capital as the central cause of the depression and proposed a separate government supervised monetary system that would finally create the consumer base where "pump priming" recovery programs had failed.²⁰ Production for use was not a way to return to pre-depression prosperity, but a way to manage permanent unemployment.

Production-for-use became a dividing line among California's Democrats who were flush with power due to Roosevelt's popularity and, especially in Los Angeles, eager to build upon electoral success by taking positions in local agencies away from the city's Republican establishment. Liberals like Ford talked about building up the party machinery in order to give Democrats their "fair share" of nonpartisan offices in Los Angeles. However, it was Conservatives like the US Senator from the Democratic Party, William Gibbs McAdoo, who had the most control over the party machinery. Much to the liberal's dismay, McAdoo and Public Works Commissioner Hamilton "Ham" Cotton, channeled most federal patronage positions towards their own allies in the party. In a speech made near the end of 1935, McAdoo explicitly drew a line between "100%-for-Roosevelt Democrats and Roosevelt Democrats who also are for production-for-use." Ford complained to Roosevelt's political advisor James Farley that the support from conservative Democrats was merely opportunism and that they would

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²⁰ Statement by Jerry Voorhis, January 1935 box 51, "Addresses" Ford Papers.

²¹ George Ashley to Ford, September 27, 1935 box 45, Political, Ford Papers.

²² Cotton, a wealthy financier before the depression, also gained favor with federal administrators by entertaining Roosevelt in his trips to the west coast at his 20 acre villa in San Clemente, holding horse races at his private track and hosting poker games. After the Cotton family sold the property, it eventually became the "Western White House" of Richard Nixon, who got his start in politics by defeating Jerry Voorhis in 1946 in a campaign that featured significant red baiting. Frank Messina, "Long Before Nixon, There was FDR at San Clemente," *Los Angeles Times* December 27, 1991.

abandon him at a moment's notice should political winds shift. Farley himself had little time for ideological differences among Democrats, lecturing Ford that "Mr. Roosevelt is <u>the</u> source of Democratic strength in California and you liberals and conservatives better forget your troubles and get together." For Farley, California was a political territory to be managed and he looked to build up the Democratic Party as an institution in Los Angeles founded upon party affiliation rather than ideological consensus.

The conflict between established party regulars like McAdoo and Cotton and liberal insurgents like Ford was central to the question of what the New Deal would mean in Los Angeles. By 1936, the *Progressive News* reported that the "rich and powerful" were abandoning the "rugged individualism" of Herbert Hoover and flocking to the Democratic Party to maintain their hold on the region's political system. The story continued, "It is Ham Cotton's job to make over the Democratic Party of this state so that it will serve the exploiting classes in the future as shamelessly and as efficiently as has the GOP in the past."²⁴ While New Deal labor laws struck at the economy of the open shop in Los Angeles, federal administrators like Farley still looked at the traditional networks of party leadership and patronage to manage the New Deal in Los Angeles. For progressives and liberals, they used the titles interchangeably; party affiliation mattered less than ties to the business establishment. As such, in conflicts over the New Deal in Los Angeles, the central issue was not the legislation and New Deal programs themselves, but their management during the implementation of policy. Liberals like Ford felt that the New Deal could enact true democratic reforms in the city only through an upheaval in the public/private nexus of civic leadership normally tasked with administering public programs.

²³ Ford to James Farley January 2, 1936 Box 71 Federal Correspondence, Ford Papers.

²⁴ Transcript for special edition of the *Progressive News* [1936] box 43, folder 6 Borough papers.

The warring between factions in Los Angeles, each trying to craft their own New Deal, led to unevenness and shifts in the implementation of federal policy. After defeating Sinclair in the general election in 1934, Republican governor Frank Merriam vetoed a bill that would have allowed the Los Angeles County Board of Supervisors to bypass the indigent laws to fund cooperatives even if all their members did not meet the definition of pauper required to receive county funds. Ford initially appealed to Rexford Tugwell in the Department of Agriculture, asking him to survey rural relief operations and approve funds for production for use cooperatives in rural homestead settlements. Ford even went so far as to offer to introduce Tugwell to his contacts in the motion picture industry if he would agree to travel to California himself to survey the scene. Tugwell still declined Ford's request for "at least one comprehensive relief measure in this State, dictated by progressive considerations."²⁵ Sympathetic state administrators in the WPA, which was just beginning operations at the same time as Ford's correspondence with Tugwell, periodically gained enough power to filter funds into cooperative programs, but, in doing so, they just as often added to the confusion of federal policy through rapid policy changes and shifting structures of oversight and management.

The Los Angeles Chamber of Commerce fared little better than the liberals in the Board of Supervisors in their attempts to manage the New Deal locally. They preferred PWA projects operated through private contractors over direct work relief programs they described as merely welfare work. Seeing the PWA as an extension of their own sponsorship of civic development, using county exploitation funds, they set up numerous advisory bodies to both direct PWA programs and secure support for their implementation. However, PWA director Harold Ickes still refused their request to appoint a regional planning director, explaining that he would not appoint

 $^{^{25}}$ Ford to Tugwell, June 10, 1935, July 15, 1935, and September 30, 1935 Box 71, Federal Correspondence, Ford Papers.

anyone from the Los Angeles Chamber of Commerce because he considered the organization a "ballyhoo outfit." For the Chamber's Board of Directors, Ickes' charge of "ballyhoo" was a challenge to their claims of expertise in civic planning. ²⁶ The difficulties members of the city's civic elite and liberal insurgency faced in securing federal support for their agendas illustrates the degree to which the language of civic authority was in flux during the middle years of the 1930s. The EPIC campaign had provided an institutional vehicle for those who wished to build a political regime that would "mobilize the common people" and temper the influence of "the interests" on conservative politicians in elected office. 27 While the movement and the resistance it inspired helped create stark divisions between "the people" and "the interests," federal administrators still also looked to operate New Deal programs through the path of least resistance, initially turning to establishment Democrats and the civic elite to operate the New Deal. As such, the tension at the heart of the New Deal in Los Angeles, whether it was a conservative recovery program or radical moment of reform, became played out as a contest over management at the local level. In practice, federal programs met both agendas, as local factions developed their own niches within the decentralized administrative state of the New Deal.

Work Relief in Los Angeles

The WPA did little to clarify or provide a more coherent structure for settling many of the questions regarding what the New Deal would mean in Los Angeles. In operation, WPA programs continued to delegate the administration of federal funds downward to the state and local level. In Los Angeles, the agency took shape during the summer and fall of 1935 in a

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²⁷ Borough, "Jubilant Crusader, 191 box 24, folder 2 Borough Papers.

²⁶ Stenographer's Report of the Board Meetings of the Los Angeles County Chamber of Commerce February 8, 1934, 6 and Minutes of the Board of Directors of the Los Angeles County Chamber of Commerce November 1, 1934, 3, Los Angeles Area Chamber of Commerce Papers, University of Southern California.

contentious climate of debate over which organizations would have authority to regulate the conditions for relief work. City and county politicians, members of the Chamber of Commerce, local citizens' committees, and social workers in the State Emergency Relief Administration (SERA) advanced competing definitions for unemployment relief and indigent care. Each organization sought control over the process of defining relief policy while also maintaining a safe distance form the program's operation to protect their own budgets when opportunities arose to pass relief burdens to other jurisdictions. As a result, there was little direct control over the WPA as a monolithic or singularly coherent program.

WPA administrators at both the national and local level continued to look first towards citizens' associations as a means to insulate work programs from electoral politics. However, due to the early dominance of the Republican Party in Los Angeles, before the New Deal and Sinclair's EPIC campaign swept a new cohort of Democrats into office, Republicans dominated most of the early citizens' committees. The first organization, appointed in September 1934 by the Los Angeles County Board of Directors contained many members who, like their counterparts in Chicago, had been active in community chest activities and the Country Emergency Relief Committee. From the start, the organization had a tumultuous relationship with both county government and the state relief administration and it only took a month for its members to make the first of what would be multiple threats to resign from public service. After the Board of Supervisors swore in liberal members like John Anson Ford after the November 1934 election, they sought to remove the conservative appointees chosen right before the election and seat new members more sympathetic to a progressive view of the New Deal. Their efforts, however, led the old guard conservatives to accuse the new liberals of politicizing relief in Los

Angeles by seeking to appoint members of the citizens' committee on the basis of political ideology.²⁸

At the same time, the Board of Supervisors felt pressure from its left when a Communistorganized commission of the unemployed had to be forcibly removed from a meeting of the
supervisors after demanding the right to appoint six people of their own choosing to the elevenmember committee. Much of the difficulty in assembling the citizens' committee can be ascribed
to the inchoate nature of the New Deal coalition in Los Angeles. In Chicago, the IERC could call
upon labor, business, and community chest representatives to present at least a façade of pluralist
balance. As late as 1935, no one in Los Angeles could really describe who belonged in the local
New Deal coalition with any certainty. As Margaret Workman explained while bemoaning the
lack of "liberal-minded" members of the LACRA, a liberal committee did not have to include an
official representative from labor, but that labor should still be represented. In other words, there
was a consensus that the LACRA should have a balanced collection of civic-minded individuals
but that the members themselves should not be beholden to any specific constituency, as that
would constitute a corruptive politicization of relief.²⁹

There were two issues at stake in regards to how work relief would be implemented in Los Angeles: The question of categorizing relief recipients and the purpose of works projects. The Categories had both fiscal and ideological importance. In September 1935, Rex Thomson, head of the Los Angeles County Department of Charities, refused to accept about 4-5 thousand cases that the LACRA wanted to transfer to county charities after deeming them ineligible for

²⁸ "County Aid Data Ready," September 10, 1934; "Relief Move List Drawn," October 1, 1934; and "Politics and Relief," March 16, 1935 *Los Angeles Times* and Lester, "Building the New Deal State on the Local Level," 260, n. 45.

²⁹ Minutes of the State Relief Commission, February 16, 1935 Box 6, Folder 2 Margaret Workman Papers, Loyola Marymount University Special Collections; Resolution by Congress of Permanent Rehabilitation Box 64, Correspondence 1933-1939 Ford Papers; Barclay Brakley to Ford Box 45, Political Ford Papers; and Board of Supervisors Weekly Report April 1, 1935 Box 52, Newsletters Ford papers.

work relief. Thomson instead referred approximately 3500 additional cases back to the LACRA. Thomson cited a definition of indirect unemployment he claimed other cities in the east used that counted individuals requiring relief because of the unemployment of a second or third party as an economic, rather than social, condition, which made the applicant eligible for federal work funds as opposed to county charity. Both organizations still operated under a divide that categorized indigency as an individual/social problem and unemployment as a systemic economic problem, but each attempted to work within the greyer margins of these definitions to reduce their own relief loads.³⁰

The divide between social and economic causes for unemployment animated much of the discussion for what works programs should be accomplishing. Thomson hoped to develop programs in the Department of Charities that, as he explained in a report to the Board of Supervisors, might make "some definite contribution to the ultimate goal of returning these men to useful citizenship." One example he advocated would involve grouping all indigents with addiction problems at the Midnight Mission in order to exert a more strict control over their rehabilitation process than would be possible if the population remained disbursed in various rooming houses and hotels in the city. The rehabilitation agenda shared by Thomson and the liberal members of the Board of Supervisors contrasted sharply with the plans for the work program coming from the Chamber of Commerce. For them, the self-respect works programs were designed to preserve among the unemployed was wasted if made available to the indigent class through a program of rehabilitation. The dole, one director remarked in an April meeting, was cheaper and a better fit for workers incapable of performing the heavy labor of construction projects. Another director worried that by sacrificing productivity, in order to provide

³⁰ Rex Thomson to Everett Mattoon, September 6, 1935 Box 64, Department of Charities Correspondence Ford Papers.

Thomson to Board of Supervisors, July 15, 1935 Box 64, Department of Charities Correspondence, Ford Papers.

employment for those unsuited to the task, would have a "demoralizing influence on our whole industrial setup." ³²

The Chamber saw public works as an opportunity to usher in a shift for the Los Angeles workforce away from what they deemed as unproductive white-collar work towards a more stable industry rooted in skilled and semi-skilled manual laborers. As Clark Davis shows, the large number of service and clerical positions in the Los Angeles economy meant that the city's white-collar workers had a disproportionately higher rate of unemployment compared with the rest of the country. As a result, Davis argues, "the scope of economic peril placed Anglo-Saxon manhood in a state of crisis." The Chamber's Board of Directors saw the federal works program as a "splendid opportunity" to provide the city's clerks and salesmen with a more useful, and masculine, set of skills and, through training in industrial labor, "many of these men will be turned to good account permanently." The directors were worried that the city's unemployed would not be able to perform the work made available by federal grants and so the city would lose out on its share of the funds. In contrast to white-collar work, the directors repeatedly outlined the different instances where they needed "Men that have the strength to handle the work," whether that work be digging ditches, moving around large wheelbarrows, or laying pipe. 35 They still cautioned against rewarding the idle unemployed by treating them the same as workers willing to labor, but in thinking about the potential for a works program in Los Angeles, their focus was on building up the strength of the city's unemployed white-collar clerks and salesmen ability to perform the physical and masculine tasks required of an industrial economy.

³² Stenographer's Report of the Los Angeles Chamber of Commerce, April 25, 1935, 4-8; quote, 7.

³³ Clark Davis, *Company Men: White-Collar Life and Corporate Cultures in Los Angeles, 1892-1941* (Baltimore: Johns Hopkins Press, 2000), 199.

Minutes of the meeting of the Board of Directors, October 17, 1935, 4.

³⁵ Stenographer's Report, April 25, 1935, 6-7.

Works projects under the WPA continued to operate through a sponsorship program, which kept the responsibility for organizing and proposing projects at the local level.³⁶ Not only did sponsorship lead to a disproportionate amount of construction projects, leaving few opportunities for the men and women who were either not allowed or were ill-suited to perform heavy labor, but the reliance on sponsors also made it difficult to differentiate projects that were useful to the "public" and those that more narrowly benefitted the sponsor. In February, for example, county Supervisor John Quinn urged the state relief agency to take a more "liberal interpretation" of the rules governing sponsorship than their counterparts in the county offices. Quinn sought funding for a road that would pass through an underdeveloped area in Los Angeles that would make it easier for a private developer to build and market housing in the area. Pointing to federal housing programs already in place, he saw this as an opportunity to bring unemployment relief more closely in line with private business enterprise.³⁷

Skilled workers were in perpetually short supply in Los Angeles, which made it difficult to operate works programs beyond the most basic shovel ready projects while also maintaining a labor pool for any increase in private construction. Members of the Chamber of Commerce and relief administrators engaged in a constant tug of war for the select few workers able to perform skilled tasks. For construction projects, the WPA had 20,000 available workers eligible for employment in 1936, but only 2500 of them had a "Class A" classification as skilled workers. These workers were needed to perform the complicated tasks essential to the large-scale jobs that would to give employment to an additional 14,000 unskilled workers. When the Los Angeles Chamber of Commerce suggested that WPA officials should adopt programs to "forcefully release" skilled construction workers who were reluctant to take lower paid jobs in private

³⁶ WPA Report [n.d.], Box 4, Folder 7 Workman Papers and Lester, "Building the New Deal State at the Local

Minutes of the State Relief Commission, February 16, 1935 Box 6, Folder 2 Workman Papers.

employment, the flood control supervisor in the WPA replied that he would then be forced to hire contract workers regardless of the price to continue the project. Private employment still paid more than WPA work, but the Chamber's Board of Directors complained that WPA projects only required thirty to forty hours a week of work, allowing construction workers to supplement their WPA work with private contracts and gain a greater monthly income. Construction work still laid at the center of both public and private visions for a productive New Deal works program, allowing the unemployed to perform physical labor for relief checks and build needed infrastructure for the city's development. While chamber officials delighted in drawing contrasts between an idyllic Los Angeles and industrially blighted eastern cities, their vision of the WPA still involved utilizing federal funds to build the infrastructure and workforce necessary for an industrial economy.³⁸

Women's employment in the WPA peaked in early 1936 when approximately ten thousand women worked on sewing projects where local sponsors provided the material and equipment and federal funds paid the women's wages. From that peak, changes in sponsorship and administration led to a near constant state of incremental reduction in funds for the sewing project. Similar to construction work, those women least likely to find private employment were also the most likely to be cut off from WPA, while those with the most employable skills tended to be more secure in receiving federal unemployment funds.³⁹ Mothers with small children became the first group cut off from the sewing project. The women workers were casualties of poor planning in the works program. In the summer of 1936, the overall program in Los Angeles had a balance of \$27,000,000 in unspent funds due to the lack of skilled male workers in the county. At the same time, the sewing program had less than \$80,000 to provide jobs to needy

³⁸ Minutes of the Meeting of the Board of Directors of the Los Angeles County Chamber of Commerce, June 4, 1936, 3 and July 9, 1936, 2-3.

³⁹ Major Lee S. Dillon, Army Corps of Engineers to Ford April 12, 1938 Box 71, Federal, WPA Ford Papers.

female workers. Over the objections of the Los Angeles Chamber of Commerce and the Board of Supervisors, the state administrators looked to cut spending by removing mothers from work relief because they felt that these women would be eligible for more direct relief funds because they had dependent children and, as one administrator summed up, "The truth is that these women don't belong in employment." The consequences of the shift from WPA employment to direct relief however threatened more than just the "self respect" of the workers, it would also reduce their monthly income from \$55 to \$32.50. 40

The 2000 women cut from the sewing project took matters into their own hands, staging a sit down strike in the Los Angeles WPA headquarters. The goal was to arrange a hearing with WPA director Colonel Donald Connolly, but the regional director refused to meet with the protestors who then decided to remain in the offices until he relented. While staging the sit-in, there were reports that WPA officials were physically abusive to the women, that they brought in outside "thugs" who roamed the building at night drinking and making noise while strikers slept, and denied them access to bathrooms and food brought from supporters. At the end, two women were arrested for disturbing the peace and creating a public nuisance. Their efforts, however, and those of the Los Angeles Workers Alliance and County Democratic Central Committee proved successful and the WPA reinstated those workers cut off from the sewing project. 41

The WPA administration in Los Angeles, with Connolly in charge, did try to create some balance in the mismatch between sponsors who favored construction projects and an unemployed population that contained more "broken down real estate salesmen" then workers ready for "pick

⁴⁰ "Finances for employment of professional and clerical persons and women," November 24, 1936 Box 3, Folder 3 Workman Papers and Lester, "Building the New Deal State on the Local Level," 459. For the objections of the Chamber of Commerce and Board of Supervisors see Board of Director Minutes, June 4, 1936, 3 and "Motion of Supervisor John Anson Ford at meeting of Board of Supervisors, November 24, 1936" Box 51, Addresses Ford Papers.

⁴¹ Meeting of Committee and Representatives of 2000 Women Recently Released by WPA, December 9, 1936 Box 51, Addresses Ford Papers; Lester, "Building the New Deal State," 459.

and shovel work." At times WPA officials accepted lower sponsorship contributions for white-collar projects. In other cases, the agency would practice "over-sponsorship" for construction projects, averaging out the surplus to subsidize white-collar work. Despite these efforts, white-collar and women's work remained at the margins of the WPA as one of the first lines to be cut when budgets needed slimming. The sewing projects stayed in constant peril and, when the WPA lowered its appropriations during the 1937-1938 fiscal year, it was also the garden projects, providing light work for those unable to do construction, that was counted alongside the sewing project as expendable. As

Besides white-collar and female workers, African-American and Mexican unemployed also had to navigate the margins of the WPA. The agency drew charges of discrimination when African-American workers received a disproportionate amount of lower grade assignments such as poorly paid household work or assignments in the County Salvage Division, regardless of training and experience. For the most part, African-American and white workers were at least assigned comparable relief budgets, although the Los Angeles Urban League did note some individual cases where social workers complained that African-American relief recipients "are inclined to spend their money for 'other things than food, rent, and utilities.'" While Mexican workers may have been treated more equal to white workers by unions on the jobsite, social workers still established a reduced "Mexican budget" under the assumption that "the Mexican standard of living is lower" than black and white relief recipients. Like Chicago, the main source of segregation in works programs came as a result of geography and the economics of racial inequality. The Urban League pointed to discrepancies in relief allowances where budgets tended

⁴² Lester, "Building the New Deal State," 431 and 451.

⁴³ Ellen Woodward to Margaret Workman, January 15, 1938 Box 5, Folder 6 Workman Papers; Ford to Jerry Voorhis February 25, 1938 Box 46, Correspondence Ford Papers; and Lester, "Building the New Deal State," 480, n. 18.

to be higher in the predominately white "west side" of town and lower on the "east side" which had a higher proportion of minority workers. Racial quotas also tended to ignore the spatial concentrations of black and Mexican workers in distinct areas of Los Angeles, creating a uniform quota for works projects in Los Angeles that often did not reflect demographic realities in specific neighborhoods. At the same time, the quotas were fixed to population levels without regard to the racial statistics of unemployment where black and Mexican workers tended to be among the first fired by private employers.⁴⁴

Both members of the Chamber of Commerce and the insurgent Democrats saw the WPA as an opportunity to remake the working population of Los Angeles. In part their efforts reflected a general belief, which was reinforced in the campaign advertisements against Sinclair's EPIC campaign, that it was the unemployed, rather than the structure of the economy, that were responsible for the city's poor economy. Earl Jensen, the County Superintendent of Charities expressed the general feeling that the problems of the depression had their roots outside the city limits. He explained, "Los Angeles has the reputation of being a fine place to live, a fine place to come to, enjoy the climate and be taken care of. I wish something would happen, a catastrophe, a storm or a pestilence, anything that could happen without injury to those who are deserving, but something to frighten away from our community people who come here because they like our system of giving aid." 45 Los Angeles Chief of Police James Davis took Jensen's sentiment to heart when, in February 1936, he sent Los Angeles police officers to the Oregon, Arizona, and Nevada borders to establish checkpoints in what soon became known as the "bum blockade" to prevent undesirable migrants from entering the state. The police officers gave vagrants attempting to enter the state a choice of either returning to their homes or working in a rock

⁴⁴ Carnegie-Myrdal study—form Vi "Relief and Housing," n.d., 2-5 Box 2, Folder 11 Los Angeles Urban League Papers, University of California, Los Angeles; Lester "Building the New Deal State," 431.

⁴⁵ Address of Earl Jensen, August 28, 1933 Box 64 John Anson Ford Papers, Huntington Library.

quarry in the city. Davis's actions, which had the support of Mayor Shaw, earned him particular praise from the business community and the *Los Angeles Times*. The blockade lasted until April and never really proved effective, usually only applying to single males rather than entire families. ⁴⁶ It serves however, as the most extreme example of the otherwise general practice of focusing recovery efforts on unemployed individuals.

Despite the expectation that the appointment of Col. Connolly, an army engineer, as the head of the WPA for Los Angeles County would insulate the agency from local politics, the works program still became centrally enmeshed in local struggles over the execution of New Deal policy in Los Angeles. Connolly himself was able to maintain the support of the region's various factions, but his commitment to decentralization meant that local administrators still served as fodder for battles over what the New Deal itself would mean to the region. Members of the Chamber of Commerce praised Connolly's actions in firing a group of striking WPA workers on a storm drain project who were protesting the attempted transfer of a worker on the site trying to organize other relief recipients. For the Chamber's Board of Directors, Connolly was guarding the line between relief work as a valuable service keeping the unemployed off of charity and as a potentially subversive education that would politicize workers and lead them into rebellion against the Chamber's civic authority. ⁴⁷ During the WPA years, the Los Angeles County Democratic Central Committee began to mirror the Chamber of Commerce in setting itself up as a supervisory authority monitoring the operation of relief programs. In a study of WPA activities near the end of 1936, the committee found that Connolly did not warrant any criticism he received that claimed he was influenced by political favoritism. Instead, the committee found that it was his subordinates in local offices who were acting in the interests of project sponsors

⁴⁶ Stevens, *Radical LA*, 231-232 and Leonard Leader, *Los Angeles and the Great Depression* (New York: Garland Publishing, 1991), 203-217.

⁴⁷ Stenographer's report of the Board of Directors, April 9, 1936, 7.

and local political sub-divisions who were corrupting the administration of works programs in the county. The Democratic Committee certainly wanted to ensure that the New Deal maintained a solid reputation for sound and efficient administration so that the political movement that brought the Democratic Party to power in California would keep going. At the same time, however, it is not surprising that in seeking to expel political favoritism from the WPA the committee found that most of those guilty of political maneuvers were Republicans given positions in the New Deal administration that the Democrats hoped to gain for themselves.⁴⁸

There was little discussion in Los Angeles about "priming the pump" or building up consumer power. The few times members of the Chamber of Commerce discussed consumer power it usually revolved around efforts to coordinate campaigners to persuade retailers and wholesalers to stock goods produced in the city as part of a larger discussion of using the Chamber to set minimum prices for goods to avoid price cutting. When those on the left mentioned consumers, it was generally to discuss consumer cooperatives as a way to challenge the Chamber's power in the local economy by shifting to production-for-use or in establishing regulations that would benefit farmers and consumers over producers. Few discussed the WPA in terms of bringing recovery by bringing forward a greater distribution of wealth within the structure of a consumer economy. ⁴⁹ Instead, members of the Chamber of Commerce saw the path to recovery by building skills among the city's workers to participate in an industrial economy. Still not recognizing the problem of white collar unemployment, they hoped the WPA could subsidize a series of night classes so that the "common laborer" could attend after their WPA

⁴⁸ Statement by John Ford, January 12, 1937 Box 51, Addresses; Lawrence Gilson to Ford, December 16, 1936 and Ford to Harry Hopkins January 15, 1937 Box 71, WPA in Ford Papers.

⁴⁹ Stenographer's Report for the Chamber of Commerce, April 28, 1932, 5; statement by Jerry Voorhis "America is Different," January 1935 box 51, addresses Ford Papers; and Culbert Olson State Senatorial Campaign to Ford, April 6, 1936 box 46, political correspondence Ford papers; "Self-Help Cooperative Rehabilitation Act," Box 4, folder 1 Workman Papers.

work assignment was over for the day and learn the skills that would enable them to "re-enter private employment." ⁵⁰

Aligning themselves against the entrenched business interests of the region, liberal progressives like Ford promised to create a more democratic society. As an addendum to their efforts, they looked at federal funds in works projects as an opportunity to rehabilitate the citizens of Los Angeles. In Chicago, settlement workers seized on the WPA as an opportunity to build community, organizing their effort in the Chicago Leisure Time Service (CLTS). The focus in Los Angeles was more at the individual level. Ford, for example, appealed for federal funds to start an "opportunity camp" for single men. Convinced that private employment would not bring forward recovery, the camp was not intended to return these individuals to private employment. Its primary mission was to collect men suffering from tuberculosis, venereal disease, and alcoholism to prepare the "unemployables...for self-support." One of Ford's most popular programs was the Toy Lending Library, where WPA workers repaired broken and discarded toys to be lent free of charge to children in Los Angeles. If the child returned the toy in good condition and on time, he or she would receive a "satisfactory mark" on their card and, if they gained twenty marks, they received a free "honor gift." As Ford explained, "The influence of fine character building is apparent. The child learns to take care of his playthings; learns unselfishness, and respect for the property of others. These are the first steps in making the child an asset to the community and a good citizen."52 In addition, young girls were given dolls to take home. Every two weeks they returned to the library for inspection and after six weeks, if

⁵⁰ The Chamber stopped short of directly endorsing the program, opting instead to study the feasibility of using public schools to carry out the plan; their chief concern was that unions might coopt the apprentice program without the proper organization. Minutes of the Board of Directors Meeting on September 17, 1936, 3.

⁵¹ Statement by Ford, October 23, 1938 Box 51, Addresses Ford Papers.

⁵² "Origin of the Toy Lending Centers in Los Angeles County," n.d. Box 65, Department of Charities, Toy Loan 1936 Ford Papers.

everything remained in good condition, the girls became the "legal guardian of the doll and [received] adoption papers similar to a legal document of adoption." Between 1936 and 1937, 1871 dolls were adopted. By 1938, there were 35 libraries with 14,014 members and 279,093 toys. The Toy Library outlasted the depression and in 2009, following the economic collapse, reported a 30% increase in borrowers. 54

Despite the popularity of the Toy Library, the poor fit between the needs of the majority of unemployed and the available sponsorship funds for works programs quickly created a sense of crisis among WPA administrators in Los Angeles. They did not have enough workers to fill WPA quotas for Los Angeles and they had an excessive number of unemployed who were qualified for WPA relief but would soon be placed on the already stressed county relief rolls because they were not qualified for the jobs available. Responding to the turmoil, members of the LACRA, the County Board of Supervisors, and state relief administrators began to cast about for a coordinated plan, which would provide for what they saw as a permanent class of unemployed. Sha John Anson Ford explained just as works programs were beginning in the county, "we must recognize that this program, which [is] helping business, is not materially improving the unemployment situation. Made work, synthetic jobs and the like are not the final solution. The solution for Ford, and many other relief workers at the state and local level, lay in the cooperatives which were just beginning to accept federal subsidies for their activities.

⁵³ Ford Statement on the first anniversary of the Toy Library, May 6, 1938 Box 51, Addresses Ford Papers. ⁵⁴ Floyd Fisher and Herman Stark to Karl Holton, February 29, 1939 Box 65, Department of Charities, Toy Loan

¹⁹³⁷ Ford Papers. For the Toy Library in 2009 see Esmeralda Bermudez, "Toy Loan Program Busier than Ever," *Los Angeles Times*, May 4, 2009, accessed July 23, 2013, http://articles.latimes.com/2009/may/04/local/me-toys4. ⁵⁵ "Summary of Relief Administration Problems and Recommendations Respecting Immediate Difficulties and Future Policies as Presented to the State Relief Commission by the Los Angeles County Citizens Relief Committee" December 28, 1935 Box 7, Folder 7 Workman Papers.

⁵⁶ "Paragraphs From Speech by Supervisor Ford at the Joint Meeting of 56th Assembly District Democratic Clubs, Los Angeles Junior College," October 2, 1935 Box 51, Addresses Ford Papers.

With federal funds and the proper supervision, they hoped to transform the cooperatives from barter networks trading in surplus to a coordinated production-for-use network.

The WPA and the Cooperative Economy

Upton Sinclair dramatized the self-help movement in his 1936 novel Co-op: A Novel of Living Together. In his work, Herbert Alding is the young and even younger looking federal agent given the "high sounding title" of "Co-ordinator of Statistical Research of the Self-Help Division of the California Emergency Relief Administration." Alding is forced to balance his idealism and inexperience, navigating the dangerous shoals of Los Angeles politics while also confronting what Sinclair sees as the inherent contradiction of Depression era capitalism: "The president was announcing that no one was to be allowed to starve; while at the same time his aides were confronting the basic fact that under a profit economy the threat of starvation is what keeps people at work."57 Sinclair contrasts the rational approach of cooperatives to the ridiculous lengths federal works programs would go to provide relief within the constraints of a profit driven economy. While marshaling his critique of the profit motive, Sinclair still does not stray far from the individualist focus of Ford and other relief administrators working at the time. Like the Toy Libraries, Alding would soon discover that the cooperatives could act like a machine: Outlining Alding's mindset, Sinclair explains, that the profit system was "making hundreds of 'unemployables' every day. It was Herbert's theory that, by applying the science of economics, plus that of psychology, he could reverse this trend and cause most of these people to become self-supporting and self-respecting American citizens."58 With his Princeton accent and fine clothes, Alding was unfamiliar with the members of the working class and, "In his heart,"

⁵⁷ Upton Sinclair, Co-op: A Novel of Living Together (New York: Farrar & Rinehart inc., 1936), 249-251, quote on p. 250. Sinclair, *Co-op*, 252.

Sinclair explains, "Herbert was afraid of the workers in mass, and wanted to give them the careful guidance of conscientious and instructed persons." Sinclair uses Alding to embody the central tension that stood in the way of success for the cooperative movement: Naïve federal administrators needed to learn from the unemployed how best to allow them to take care of themselves, but at the same time, the cooperatives would not gain self-sufficiency unless they could explain and demonstrate their importance to theoretically inclined administrators like Alding. The novel ends on a cliffhanger, as one of the cooperative leaders, after gaining an audience in the White House through a network of female reformers affiliated with Eleanor Roosevelt, waits to hear whether the president will offer support to the cooperatives and allow the unemployed to bring an end to the depression.

Sinclair's interpretation of the cooperative movement was but one among many during the latter years of the 1930s. Multiple opinions circulated throughout Los Angeles concerning what should be done with the cooperatives, how to properly assess their significance, and how to ensure that the members themselves would not fail in accomplishing whatever purpose administrators and intellectuals decided the cooperatives should serve. Clark Kerr and Paul Taylor, for example, argued that as cooperatives began to branch out from simple barter arrangements in 1934, the movement faced the danger of transitioning from a system that provided work for the unemployed to a vehicle for them to make demands upon government and private business for charity. Government had money to give and needed outlets for spending, the problem, Kerr and Taylor identified, was to still provide cooperatives with money to operate without making its members dependent upon government or radicalizing them further when government handouts failed to meet their needs. The cooperatives had mobilized large numbers

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⁵⁹ Sinclair, *Co-op*, 254.

of the unemployed, as such, Kerr and Taylor felt they could either be a key constituency for achieving sensible reform or a volatile force for social unrest.⁶⁰

Like the relief program in Los Angeles in general, one of the biggest obstacles in developing a coordinated self-help program in Los Angeles was in resolving divisions arising over the issue of leadership. Both the LACRA and the State relief administration had their own divisions for cooperative work and developed separate plans for the use of federal funds. In addition, the Los Angeles County Board of Supervisors established its own division of rehabilitation immediately after the 1934 election. The Department was approved unanimously by the normally divided Board and charged with shifting spending on unemployment away from the department of charities to use county funds instead as support for the county's cooperatives. Initially, representatives from the SRA, LACRA, and county rehabilitation department tried to coordinate their efforts and often exchanged proposals. ⁶¹ In general, they were united behind the idea that federal funds should be spent to rehabilitate the unemployed rather than provide charity through direct relief or "make work" assignments. The preference again shows that administrators involved with cooperatives did not emphasize increased consumption as a means to combat the depression but rather saw the New Deal as an opportunity to lift up the working classes in Los Angeles. As the State Department of Self-Help described in a report on cooperative activity, "cooperative self-help falls within the category of 'rehabilitation', not 'emergency relief." Rehabilitation, the report continued, "Assumes that the return to self-support will probably not come to pass automatically. Some conscious effort must be made, either by the individual himself (as in the case of a coal miner who learned cabinet making in a trade school)

⁶⁰ Paul S. Taylor and Clark Kerr, "Whither Self-Help?" *Survey Graphic* v. 23, n. 7 (July 1934), 328, accessed July 24, 2013, http://newdeal.feri.org/survey/34328.htm.

⁶¹ Ford, *Thirty Explosive Years*, 11; HAR Carleton to Margaret Workman, February 19, 1935 Box 4, folder 1 Workman Papers.

or by a group of such individuals joined together for mutual aid, by the community at large."⁶² Their view of recovery contained within it a rejection of the profit system as an efficient way to distribute economic resources to the entire population of Los Angeles.

The plan for cooperatives took shape in tension with the efforts of business leaders in the chamber of commerce to closely guard the competitive market against intrusion by the cooperatives. They approved of the self-help movement, as a rehabilitative tool, in theory, and focused their efforts on ensuring it remained self-contained. As a result of the tension between the radicalism of advocates of cooperative economy and the concerns of the business elite, proposals for the cooperative program became both more ambitious and more firmly walled off from the mainstream profit economy between 1935 and 1940. Because the radicalism of its plans for an alternative economy was predicated on the degree to which cooperative efforts did not compete with private industry, visions of a self-help economy became increasingly intricate in order to provide for all the needs satisfied in a market economy while remaining self-contained. The difficulties of creating an economy based in production-for-use that still required startup capital, but did not infringe upon the profit economy ultimately proved to be the undoing of the self-help movement in Los Angeles.

SERA director Frank McLaughlin had previously supported cooperatives with federal funds by using them to distribute relief. For those looking to develop a production-for-use economy, their first step would be to divorce cooperatives from the relief apparatus to form its

⁶² "Department of Self Help Cooperative Service Report and Proposed Program," march 1, 1935 Box 6, Folder 6 Workman Papers; See also Department of Rehabiliation, "Proposal of the Commission of 15," January 1936 Box 63, Correspondence 1935 Ford Papers.

⁶³ Minutes of the Meeting of the Los Angeles County Chamber of Commerce Board of Directors, October 11, 1934, 3 LACC.

own independent operation.⁶⁴ Winston Carlton, a Harvard educated transplant who very well could have been the model for Herbert Alding, was the first to offer a structured plan for developing a cooperative economy. As director of Cooperatives for the State Relief Administration, Carlton proposed offering state loans to cooperatives so that they could establish a network of processing plants to produce goods and then sell them back to County Welfare Departments in order to repay the initial loans. Carlton's plan would shift the relationship between cooperatives and welfare offices by having the cooperatives produce goods for welfare departments to distribute rather than have cooperatives distribute goods supplied by the county welfare office through warehouses they had created during the bartering stage of the self-help movement.⁶⁵

Carlton's proposal required a monopoly arrangement with the county welfare office and his efforts to implement the plan coincided with an attempt by the County Department of Rehabilitation to apply for WPA funds to set up its own production-for-use network. The Rehabilitation department planned to apply for federal funds to pay the wages of cooperative producers and the goods they produced would, in turn, help alleviate the county welfare budget. The two departments were not rivals, but operating within ill-defined lines of communication, while doing their best to utilize the resources available, they put into place two cooperative systems that ended up having to compete for limited public funds. Both plans tried to straddle a line between creating a non-cash exchange system that was inscribed within a larger cash economy. Under Carlton's plan, state loans would provide the investment for cooperatives to

⁶⁴ Los Angeles County Board of Supervisors Weekly Report for March 12, 1935 Box 52, Newsletters Ford Papers and "Department of Self Help Cooperative Service Report and Proposed Program," march 1, 1935 Box 6, Folder 6 Workman Papers.

⁶⁵ "Outline for Proposed Plan for Self-Help Cooperatives in Southern California," July 1935 Box 4, Folder 7 Workman Papers and "Suggested Memorandum for Los Angeles County Board of Supervisors to Submit to Mr. Jacob Baker, administrator, Division of Self Help Cooperatives" September 12, 1935 Box 31, Unemployment Ford Papers.

purchase the necessary equipment for production and county welfare offices would then supply the state with capital to repay the loan. Under the rehabilitation plan, federal funds would pay the wages of unemployed cooperative workers and county welfare offices would distribute the goods they produce so they would not enter the private market. Rather than compete for control over the cooperatives, Campbell and Rehabilitation manager George Knox Roth eventually decided to work together to ensure that the program did not fall victim to, as Roth described, "the selfish, uncompromising, non-cooperative or careerist attitude of government officials."

Roth's comments reflect the level of distrust that government administrators had for other members of government amidst the uncertainty generated by the creation of new government agencies and programs. Campbell and Roth sought to centralize control to insulate the cooperative program from the larger chaos that was the New Deal state at the local level. The cooperative system became a rallying point for liberals still working to define themselves as a distinct constituency in Los Angeles. When the Board of Supervisors attempted to gain control over a proposed \$4,500,000 in state and federal funds designated for cooperatives in Los Angeles County, Ford, himself a board member, appealed directly to Harry Hopkins to allow Carlton to maintain his position as director from the state relief offices. The other supervisors, led by Gordon McDonough, chair of the committee on rehabilitation, wanted to maintain local control over a cooperative program because they feared Campbell's program would present too great a threat to private industry. ⁶⁷ While trying to regain control over the cooperatives, Campbell and Ford framed their efforts as part of a movement to crystalize the liberal insurgency in Los Angeles. With the cooperatives, Campbell informed Ford, "It may be that the Liberals' strong advocacy in this small matter has done more than anything else to make Washington feel that it

⁶⁶ George Knox Roth to Winston Carlton, October 11, 1935 Box 31, unemployment Ford Papers.

⁶⁷ Board of Supervisors, Weekly Reports, November 8, 1935 and December 10, 1935 Box 12, Newsletters; Ford telegram to Hopkins, November 8, 1935 Box 31, unemployment, Ford Papers.

has not been given an altogether correct picture of the California situation." The cooperatives were a way for liberals to link federal activism to a policy that would assist the general public without bending to the influence of business power. In a letter to a Democratic youth club, Ford separated the cooperative movement from efforts to achieve economic recovery. He explained, "The best service California can render President Roosevelt is to recognize that hand in hand with business recovery must go a humanitarian program based on the sound American principle of giving a chance to every citizen, no matter how humble. Modern industry and business are so geared that hundreds of thousands, perhaps millions, will have no place in the ranks of private employment for years to come." Business recovery, in other words, had little to do with the daily well being of the majority of citizens, who needed the cooperative program to create a space for them to live productive lives outside of a limited private economy.

In January 1936, county and state administrators were still trying to develop a coordinated plan for the cooperatives. A citizens' committee, established to advise the county Rehabilitation Department, put forward a plan designed to incorporate federal WPA funds into a self-contained relief economy. The plan called for Federal funds to provide wages for the employable unemployed clients to work in county factories producing food, clothes, and other basic necessities. These workers would be the only participants acting on a cash basis. The goods they produced would then become the commodities binding together a larger economy based upon the exchange of labor. The county would give all garbage contracts to workers registered with the rehabilitation department, who would collect the waste and convert it to fertilizer to distribute to area farmers in exchange for produce. The commodities collected from farms and factories would be stored in warehouses staffed with more individuals from the county charity rolls. The goods in the warehouses would either be sold on contract to county hospitals and

 $^{^{68}}$ Ford telegram to Robert Riddell January 8, 1936 Box 46, politics Ford Papers.

sanitariums or distributed on the basis of script to other unemployed who would gain labor credits for doing such tasks as "beautification of the County, free entertainment, safety work, or anything for which they might be fitted." Their standard of living would be a product of how much work they performed in whatever task they chose, rather than adhere to a uniform charity budget. The key remained keeping production self-contained, utilizing federal funds to provide work while making sure that the products did not compete with private industry.⁶⁹

The proposal passed unscathed through the divided Board of Supervisors, but the project never came to fruition due to stipulations that county tax dollars could only be used to aid indigent paupers not able-bodied unemployed. The cooperatives themselves were already bristling under increased control by government administrators who were struggling to create a unified cooperative plan while also managing relations with the heterogeneous collection of existing cooperatives. The Unemployed Co-Operative Distribution Association of Los Angeles County, for example, complained that the SERA valued their work creating cooperative gardens so much that the agency took over their garden plots to start a new program for their own relief clients. For the most part, the liberals making plans for cooperative economy were more concerned with the principles of cooperation than they were with existing cooperative organizations. The program faced both pressure from the Chamber of Commerce not to encroach on the competitive market and a complicated calculus of funding restrictions where the laws in place restricted federal funds to the employable unemployed and county funds to unemployables. As such the goal of paying the unemployed to produce goods for a market of direct relief and charity clients proved ultimately unworkable.⁷⁰

⁶⁹ "Proposal of the Commission of 15," January 1936 Box 63, Correspondence Ford Papers.

⁷⁰ Ford to Hollywood Young Democrats Committee on Relief, November 19, 1937 box 64, correspondence and Unemployed Co-Operative Distribution Association to Board of Supervisors [n.d.] Box 31, employment and unemployment, 1935 Ford Papers.

Eventually the work of cooperative advocates evolved into efforts to create separate communities for the unemployed and indigent to operate their own local self-contained agricultural economy and, for those staying in the city, a food stamp plan initially proposed to distribute surplus agricultural goods. These two directions mirrored a divide at the federal level over whether relocation or surplus management would be the best approach to recovery. ⁷¹ In Los Angeles, the formation of rural communities was designed to appeal to both liberals and conservatives by containing agricultural production, industry, and consumption in a discrete geographic area. The program used the cooperative ideal of production-for-use to guard against surpluses in both agriculture and industry while still providing government-financed employment to a population few thought would be reabsorbed back into private employment. 72 The food stamp program harkened back to the earliest stages of the cooperative movement where organizations formed to collect and distribute crops that were not worth the labor costs of picking to distribute as a dietary supplement for those on relief or struggling to stay off the rolls. However, under the new system, proposed by the Department of Agriculture, the value of the stamps would be set in accordance to retail, not wholesale, prices in an effort to increase private employment in retail stores. The program had the support of large and small grocers, the business community, organized labor, and the local board of the Workers' Alliance. The program's funding also still contained within it a redistribution of wealth in the form of a tax on imported goods including Scotch whiskey, Norwegian sardines, and Russian caviar. As County Administrator Wayne Allen explained to the Board of Supervisors, "We might say that the

⁷¹ The food stamp plan was discontinued during World War II, but the distribution of surplus food became a key component in the development of the school lunch program, which also had its roots in New Deal agricultural policy. See Susan Levine, *School Lunch Politics: The Surprising History of America's Favorite Welfare Program* (Princeton: Princeton University Press, 2008), 45-46, 207n. 31.

⁷² Vernon Campbell to Herbert Legg, May 6, 1936 Box 31, Employment and Unemployment and Senate bill 947, introduced January 22, 1937 Box 32, Labor, Ford Papers.

'foreigner' pays the bill, but if that statement is scoffed at, then let us say the bill is paid by the upper-strata who can afford (or who are so foolish) as to buy foreign made goods!"⁷³

Where added purchasing power in Chicago might help revitalize an already established industrial economy, recovery in Los Angeles became intertwined with an effort to expand upon the regional basis of its economy and make it less dependent upon manufactured imports. Chamber leaders informed the Workers Alliance, for example, that its businesses had no desire to create jobs simply for the sake of providing the unemployed with paychecks. The Board of Directors claimed they were still the "best friend" of the unemployed because they were "the one agency in the country that was out building markets, [to] increase industry and thereby increasing jobs."⁷⁴ In this way, liberals' attempts to create a cooperative economy, concentrating in particular on industries not present in Los Angeles, mirrored the way the Chamber of Commerce used county exploitation funds to build a balanced industry and hasten recovery through economic development. While building markets and economic networks, the WPA provided a way for liberals and conservatives to continue to place the problem of unemployment on individual workers whether it was through lack of appropriate skill or a need for rehabilitative care, they incorporated federal funds into their efforts to remake the economic, social, and political landscape in Los Angeles. While the conservative old guard and liberal insurgents both saw the New Deal as an opportunity to further Los Angeles's development for the future, their visions of progress were grounded in a view of Los Angeles that was quickly becoming a remnant of its past. Chamber leaders achieved their goals of industrial growth and, at the same time, lost the control over business regulations that they enjoyed while policing the open-shop

⁷³ California State Relief Administration, Monthly Report for February 1939, 19-21 box 146, Monthly Reports for July 1938-June 1939 and "Report of Investigation of Application of Food Stamp Plan in Seattle," September 1939 Box 146, Farm and Food, Ford Papers [quote on p. 4].

⁷⁴ Minutes of the Meeting of the Los Angeles Chamber of Commerce Board of Directors, August 24, 1939, 36.

economy. The liberal insurgents based their critique of the old guard on the argument that a business-led recovery would fail to support the entire working population and they designed the cooperative system to provide for a permanent unemployed population that largely disappeared as wartime industry quickened the pace of industrial growth in Los Angeles.

"Los Angeles Grows Up"

Oliver Carlson announced that Los Angeles had come of age in a 1938 article for *The Nation* that defined the city's maturity in terms of both continued industrial growth and the legitimation of organized labor after a "swaddling" period of unrest where newly formed unions battled violently against the last gasp of the open-shop forces. Maturity for Carlson meant a form of stability that could only come through the economic organization provided by collective bargaining. 75 The newly elected mayor, Fletcher Bowron, echoed Carlson's remarks, speaking in front of a CIO conference, he stated, "Even the most conservative manufacturers have come to realize that workers must organize, that bargaining cannot be with individuals, and that the effort to maintain the open shop is a lost cause." While some conservative manufacturers strongly disagreed with Bowron's statement, the simple fact that he uttered those words at an official CIO event speaks to the degree to which those conservative voices had become marginalized in the shifting center of public opinion in Los Angeles. Carlson was perhaps premature in his declaration that Los Angeles had come of age; the population explosion and economic growth during World War II created a new set of challenges in both city planning and race relations for city leaders. However, in the latter years of the 1930s, struggles over control of the recovery efforts and attempts to bring a greater sense of order and stability over political and economic

⁷⁵ Oliver Carlson, "Los Angeles Grows Up" *The Nation* January 8, 1938, 43-44.

⁷⁶ Quoted in Louis B. Perry and Richard S. Perry, *A History of the Los Angeles Labor Movement, 1911-1941* (Berkeley: University of California Press, 1963), 521.

relations all set the foundation for how the city would adapt to the transitions of the wartime years.

Manufacturing activity in Los Angeles grew steadily after reaching its low point in 1933, and returned to pre-crash levels in 1937. Industrial employment in Los Angeles reached predepression levels as early as 1935 and peaked in 1936 with over 14,000 additional jobs created through either new industries opening or the expansion of existing firms. By 1940, Los Angeles County was third in the nation in job creation behind Wayne County, Michigan and Alleghany County, Pennsylvania.⁷⁷ AG Arnoll of the Los Angeles Chamber of Commerce attributed the growth to a nationwide trend towards the "decentralization of industry." Arnoll predicted that Los Angeles was destined to become the regional manufacturing center, taking the place of the eastern industrial cities to provide goods for western markets. To take advantage of the growth in industry, Arnoll again called upon the WPA to subsidize a program of night schools, aimed in particular at white-collar workers, to teach them the skills necessary for employment in automobile, aircraft, and rubber manufacturing, so that the new firms setting up shop in the region would not have to import skilled workers from the east. The aircraft industry in particular fueled the growth in manufacturing in Los Angeles. In 1929, the industry employed 1,277 workers, growing to 3,482 in 1935 and 11,526 in 1937 before skyrocketing during wartime production. 78 Business leaders in the city looked to the aircraft industry as a model for how Los Angeles could progress away from a base of white-collar employment towards what they viewed as a modern industrial workforce.

⁷⁷ Frank L. Kidner and Philip Neff, *An Economic Survey of the Los Angeles Area* (Los Angeles: The Haynes Foundation, 1945), 52; Los Angeles Chamber of Commerce, "Statistical Record of LA County Industrial Development," [n.d.] Box 31, Labor; and Leonard Read to John Anson Ford, January 26, 1940 Box 67, Chamber of Commerce Ford Papers.

⁷⁸ LG Michener to Ford April 24, 1936 Box 31, unemployment Ford Papers and Margaret S. Gordon, *Employment Expansion and Population Growth* (Berkeley: University of California Press Institute of Industrial Relations, 1954), 105-106.

By 1940, the Los Angeles Urban League identified the "tremendous influx" of migrants looking for work in the expanding wartime industries as one of the most "crucial problems" facing the African American community in Los Angeles. Echoing earlier calls to limit migration to the state, they blamed the newcomers for driving down wages in the region noting that African-American workers were even losing domestic work to incoming white migrants. The League's executive secretary Floyd Covington noted how migration, recovery, and increased unionization hardened the color lines in Los Angeles. He explained that once a firm became a union shop, African-American workers would have to wait until all of the union's white unemployed workers found work before they would issue union cards to black workers. Employment did increase for African-American workers within the borders of the Central Avenue district, which was the center of the black community but became increasingly difficult elsewhere. Covington also saw industrial education as a way to increase economic power and called for schools to provide technical training for black youths, particularly in the aviation and rubber industries.⁷⁹

According to the Urban League, the waves of new migrants entering into Los Angeles during the 1930s, especially in the latter years of the decade, had a "southernizing" effect on the region. In a report to the Carnegie-Myrdal study, the Urban League remarked, "California is becoming a state as southern in influence as the states largely contributing to its population; namely, Texas and Oklahoma." As a result, the League reported that their attempts to open up employment opportunities at the large firms like the Firestone Rubber company and Douglas Aircraft faltered because they were told by managers that the racial attitudes of white workers already employed there would require them to open up separate factories for African-American

⁷⁹ Floyd Covington to Arnold Hill, February 13, 1940 Box 2, Folder 4 and "Survey of the Negro Wage Earner," Carnegie-Myrdal Study Form IV [1940] Box 2, folder 9 Los Angeles Urban League Papers.

workers, which was an inconvenience they were unwilling to bear. As a result, the Urban League reported that in 1940, outside of a few janitors and one wing inspector, African-American workers had largely been excluded from work in both the rubber and aviation industries.⁸⁰

Aircraft manufacturing drove the industrial recovery in Los Angeles, but the business did not take on the characteristics of other mass production firms until World War II. In California, the majority of aviation work consisted of airframe assembly where the plants manufactured the frame and installed parts such as engines, propellers, and instruments made in other factories. Despite steady growth during the 1930s, production was still based in custom work without assembly lines and workers were highly skilled but had low wages and uncertain employment. Organizing by outside unions met with little success, however, and employees and employers built strong bonds through frequent personal contact and a shared "pioneering spirit" that elevated technological advancement over profits. Donald Douglas, for example, began his business with \$600 in capital and a drafting table set up in the backroom of a barbershop before finding success with the DC-1 design that became the standard for transport aircraft. When AFL representatives called for an election during the NRA at Douglas Aircraft, the company union, which counted Douglas himself as a member, won with a large majority. The managers of aircraft plants did their best to live up to the ideals of corporate welfare in the face of the depression. The general manager of Lockheed, for example, mortgaged his house and car to meet payroll on Christmas week in 1931. Employees at the Douglas plant were assigned to gardening and maintenance work to stay on the payroll after orders plummeted in 1932.81 In each case, the

 ^{80 &}quot;Survey of the Negro Wage Earner," 1-5, quote on p. 3, Carnegie-Myrdal Study Form IV [1940] Box 2, folder 9
 Los Angeles Urban League Papers. See also James N. Gregory, *The Southern Diaspora: How the Great Migrations of Black and White Southerners Transformed America* (Chapel Hill: University of North Carolina Press, 2005).
 81 Arthur P. Allen and Betty V.H. Schneider, *Industrial Relations in the California Aircraft Industry* (Berkeley: University of California Institute of Industrial Relations, 1956), 2-8.

plants remained on a personal level of management with little separation between owners and workers until wartime mobilization transformed the industry into a mass production set-up.

Attempts to unionize the airframe industry became caught up in jurisdictional battles between the AFL and CIO. Shortly after being granted a charter by the CIO-affiliated UAW, local organizers called a strike at the Douglas plant in Santa Monica. The ensuing sit-down strike involved only 400 of the plant's 5,600 workers and quickly ended after the police threatened to arrest the strikers. 342 of the strikers were later indicted in one of the largest mass arraignments in Los Angeles County history. The executive board of the AFL Central Labor Council publically condemned the District Attorney's actions in arresting the strikers, but, in private encouraged the prosecution because they believed that the CIO called the strike prematurely in an effort to seize momentum from the CLC's attempts to organize in the plant. 82 Organized labor faced similar difficulties in the region's other airframe manufacturing plants. When the plants became unionized during the war, it was not just because the number of workers increased, but the entire nature of their operation changed from small-scale custom work to assembly line mass production. As Wayne Morse of the National War Labor Board explained in 1943, "Production methods, managerial procedures, job classifications, and many other employment factors have so completely changed since January 1, 1941, that it is much more accurate to treat the plants concerned as new industries." The mass production airframe plants concentrated industry and employment to an extent that had, before World War II, been unknown in Los Angeles. By the mid 1950s, approximately 55% of employment in the region was either directly or indirectly

⁸² Report on the Municipal League Dinner, March 9, 1937 Box 8, Folder 7 Joseph E. Shaw Papers, University of California, Los Angeles Special Collections; Minutes of the Executive Board and Council of the Los Angeles Central Labor Committee, March 5, 1937 Box 5, 1937 Minute Book Los Angeles Federation of Labor Papers, California State University, Northridge; Allen and Schneider, *Industrial Relations in the California Aircraft Industry*, 11-19; Perry and Perry, *A History of the Los Angeles Labor Movement*, 447-448.

⁸³ Morse quoted in Allen and Schneider, *Industrial Relations in the California Aircraft Industry*, 18-19 n.10.

related to the aerospace industry, a considerable shift from the 1930s where no one industry accounted for more than 25% of the city's employment.⁸⁴

Despite its centrality for postwar employment, the airframe manufacture industry initially had appealed to city boosters' dreams of creating a "city of balanced prosperity" in Los Angeles. As Roger Lotchin shows, the airframe industry was an ideal fit to overcome the city's geographic isolation and lack of raw materials required for heavy industries such as steel. Airframe manufacture initially only required wood which was more plentiful in the region and, because the finished products could be transported through the air, would avoid the high cost of rail travel from a remote outpost like Los Angeles. In addition, city boosters saw the industry as an opportunity to both increase regional manufacturing and diversify the economy by promoting secondary industries such as parachute making, flight schools, and airborne shipping. ⁸⁵ Although the beachhead established through the numerous airframe plants proved to be enormously successful in attracting federal dollars during and after World War II, the growth of the industry into a mass production enterprise actually went against the Chamber of Commerce's goals of keeping the region's economy embedded within a diverse and small to medium-scale manufacturing base.

In Chicago, union strength before the Wagner Act rested upon a public economy that was based in service and transportation with little separation between employees and managers. The city's union tradition rested more firmly in the craft economy rather than the walled-off mass production plants, which only later became unionized through collective bargaining agreements

⁸⁴ Roger W. Lotchin, *Fortress California 1910-1960: From Warfare to Welfare* (Urbana: University of Illinois Press, 2002), 65 and Perry and Perry, *A History of the Los Angeles Labor Movement*, 524.

⁸⁵ Lotchin, *Fortress California*, 69-72; "City of Prosperity" appeared on Chamber of Commerce letterhead in 1936, see A.G. Arnoll to John Anson Ford, January 23, 1936 Box 67, Chamber of Commerce, 1931-1939 Ford Papers.

backed by federal law. ⁸⁶ In Los Angeles, the same small-scale service employment provided the backbone for the city's open shop economy. The city was often compared with Detroit as another fast growing open shop economy. However, while almost half of the employment in Detroit came in manufacturing, in Los Angeles, manufacturing only accounted for one-fifth of employment while, as late as 1940, service and trade work provided 68.3% of employment. As such, organized labor had to focus on gaining status in civic government rather than establish beachheads in firms that could serve as a central choke point in the city's economy. In this context, labor leaders in Los Angeles tried to follow their counterparts in Chicago who embedded their power in the city's economy within networks of local politics. ⁸⁷ Throughout much of the open shop period, their efforts came to little success, but with increased labor activism and strikes during the 1930s, as Carlson shows, the city's political leaders began to appreciate the value of recognizing responsible union leaders as a way to quell popular unrest and upheaval in the city's economy.

By 1938, continued economic turmoil and a lull in the pace of recovery had shifted the debates over economic policy away from the emergency climate of relief to discussions over how the right kind of labor organization might create a greater sense of economic stability. In an article in the *Saturday Evening Post*, George Creel discussed the organizing efforts of CIO leader Harry Bridges and the AFL's Dave Beck in Los Angeles to explain the continued intransigence of the open shop. His conclusion, which he claimed to have arrived at through "Intimate contact with…housewives, small merchants, skilled and unskilled laborers, clerks and professional men and women," was that it was not the anti-union efforts of organizations like the Merchants and Manufacturers' Association or Southern Californians Incorporated that prevented unionization,

See Andrew Wender Cohen, *The Racketeer's Progress: Chicago and the Struggle for the Modern American Economy, 1900-1940* (Cambridge: Cambridge University Press, 2004), esp. 16-21.
 Cohen, *The Racketeer's Progress,* 19.

but rather "the war that wages in labors' own ranks." Creel held up the acceptance of collective bargaining by Southern Californians Incorporate, which had taken up the open shop mantle from the Merchants and Manufacturers' Association, as a model of responsible industrial relations. Paul Shoup, the newly elected president of SCI, quickly clarified that the organization did not accept collective bargaining as a general principle, but reserved the right to distinguish between "good" and "bad" unions to extend recognition to those organizations who did not disrupt economic growth engaging in strikes. Shoup's distinction was part of a larger shift in anti-union policies to soften businesses public image as the dogmatic enemy of unions, while at the same time protecting managerial control over union recognition—in this case determining "bad" unions from "good" unions—from government interference.⁸⁸

The Central Labor Council took to the radio to claim the mantle of responsible union leadership. In a series of broadcasts, the CLC warned listeners of "a sinister group of men and women who are organizing tremendous resources and a gigantic pool of money for the sole purpose of creating industrial discord and strife in this community," which would allow them to "dominate the political and economic life of Los Angeles and perhaps of the entire state." The broadcast charged that Shoup's high salary of \$36,000 represented a tax placed on employers that would inevitably be recouped through higher prices for the consumer and pledged that if Shoup would continue a program of divisiveness than he would face the united front of all the "bona fide labor unions of Southern California." The labor council's definition of a "bona fide" union did not include the CIO and about a week after the broadcast representatives of the Central Labor Council reached out to Shoup to express regret for the broadcast and offered to work with

⁸⁸ George Creel, "Closed During Altercations: The Unions Fight of the West Coast, With the Public in Between," *Saturday Evening Post*, May 14, 1938 box 8, Folder 108 Paul Shoup Papers, Department of Special Collections, Stanford University. Shoup's comments in handwritten note in the margins on p. 107.

⁸⁹ J.W. Buzzell, "The Voice of American Labor," transcript of Los Angeles Central Labor Council broadcast on KFWB May 2nd, 1938 Box 10, Folder 126 Shoup Papers.

the employers' organization to combat what they described as the threat of outside intruders such as the CIO and Communist Party. 90 Amidst the name-calling and backroom deals, the general sentiment, even for most employers, was to figure out a way to build stability through some form of economic democracy that, while keeping subversion (however it was defined) at bay, would make workers and employers feel like members of the same polity.

Through his office in the Board of Supervisors, John Anson Ford tried to bring employers and workers together within what he described as a democratic community. He lamented the "chasms that are created through lack of personal acquaintanceship between employee and employer," which he felt were responsible for most of the labor unrest at the time. His view on labor relations were not far in this regard from those expressed among the Chamber of Commerce Board of Directors who felt that outside union organizers were driving wedges between employers and employees. Pointing to the rise of fascist states in Europe, Ford predicted that Los Angeles needed to evolve into an economic democracy of shared prosperity or else fall victim to a dictatorship arising out of insurmountable antagonisms. 91 George Kidwell, the director of the California Department of Industrial Relations, described organized labor as the "bulwark and hope of democracy itself." Kidwell's praise was not rooted in a reflexive sympathy towards workers; he noted that workers in Los Angeles had been disenfranchised before without threatening the fabric of democracy. The state, Kidwell explained, "exists largely to protect and forward the interests of the state's dominant economic groups and to accommodate those interests when they conflict." By transforming itself into a political entity during the 1930s, organized labor had developed into an important component in the preservation of economic citizenship for workers and employers. The state, for both Ford and Kidwell, was passive and

⁹⁰ D.M. Reynolds to Paul Shoup May 11, 1938 and May 23, 1938 Box 2, Folder 16 Shoup Papers.

⁹¹ Undated draft of letter from Ford to W.S. Rosencrans, President of the Chamber of Commerce, Box 67, Chamber of Commerce, 1939 Ford Papers.

existed to supplement civic governance among economic interests. Labor's activism during the 1930s meant that any attempt to subordinate the new found voice of workers would be a disruptive force and subversion of American democracy.⁹²

The debates over economic citizenship came at a moment of transition in the exercise of state power in Los Angeles. Early in Ford's career, when the Chamber of Commerce had greater control over the spending of county funds, he was a champion of austerity. He chastised the conservative members of the Board of Supervisors for increasing county expenditures by \$5,600,000 after winning reelection in 1936. The funds, he claimed, "May be the first step toward an attempted reopening of this channel of special privilege."93 Ford fought against spending for special interests on multiple fronts. He compared the Chamber of Commerce's exploitation fund to a government bureau that, once established, "never passes out of existence." He also used county control over the gasoline tax to fight graft in the Los Angeles city government. Los Angeles Mayor Frank Shaw had been paying a premium in street repairs for a "patent paving" mix of concrete that studies had concluded offered no measurable advantage to cheaper paving processes. When the city ran out of road repair funds and could not afford street sweeping, Ford refused to authorize funds from the gas tax to go to sanitation services in the downtown area. As the dirt, paper, and cigarette butts piled up and Ford weathered attacks in the Los Angeles Times, he continued to refuse to provide funds until Shaw abandoned the patent paving contracts. The controversy ended after the publication of an anonymous tip that the city had the funds to keep street sweepers employed but Shaw had transferred them to other areas to

⁹² George Kidwell speech, enclosed in letter Zana Jeffery to Margaret Workman, January 2, 1940 Box 5, Folder 4 Workman Papers.

⁹³ Statement by John Anson Ford, September 30, 1936 Box 51, Addresses Ford Papers.

put public pressure on Ford.⁹⁴ In these campaigns, Ford saw government spending as a symptom of corruption and special interest; still an avid New Dealer, Ford saw "good government" as a fundamental component of an active government. He connected the municipal power exercised by both the Chamber of Commerce for the maintenance of the open shop and by Mayor Shaw in establishing his local machine to the expenditure of city and federal funds. To bring the New Deal to Los Angeles, he sought to remove the control of spending from personal networks grounded in both political favors and the open shop economy.

In the lexicon of Los Angeles-area corruption, Mayor Frank Shaw's name eventually rose above criticisms of both the Chamber of Commerce and unions as the chief obstacle to good government and popular confidence in the state. Just as Chicago's mayor Edward Kelly campaigned under the slogan "Roosevelt is my religion," the Republican Shaw based his own appeals to voters upon his ability to bring the New Deal to Los Angeles. Shaw claimed to deliver federal funds to Los Angeles through his own "personal friendship" with Roosevelt and during his campaign for reelection, circulated a photograph with himself and Roosevelt with an altered background to make it seem as if the two were meeting in Washington DC rather than Los Angeles. With Shaw's recall in 1938 came a repudiation of the personal style of politics in which the mayor tried to stake out the center by connecting Los Angeles residents to the New Deal through their support of his claims to local power. The new mayor, former Superior Court judge Fletcher Bowron, represented a consciously modern approach to politics where countervailing interests would be managed by a professional executive office and bureaucratic

⁹⁴ Statements by Ford, November 20, 1935 and January 6, 1936 Box 51, Addresses Ford Papers and Ford, *Thirty Explosive Years*, 22-23.

⁹⁵ Roger Biles, *Big City Boss in Depression and War: Mayor Edward J. Kelly of Chicago* (DeKalb: Northern Illinois Press, 1984), 83-84; Tom Sitton, "Another Generation of Urban Reformers: Los Angeles in the 1930s" *Western Historical Quarterly* v. 18, no. 3 (July 1987), 317; Shaw campaign materials, bullet points for precinct workers [n.d.] Box 8, Folder 7 Joseph E. Shaw Papers, University of California, Los Angeles Special Collections; Jerry Voorhis to John Anson Ford, April 28, 1937 Box 46, politics, correspondence Ford Papers.

checks and balances. It was an ideal that proved just as fragile as the coalition that put Bowron into office.⁹⁶

Shaw did himself no favors by presiding over an administration that was unashamedly corrupt when it came to spending federal dollars. Chicago probably has the greater reputation for municipal corruption, but whatever Mayor Kelly may have done to bend federal dollars towards his own political uses, he at least had the good sense to hide it well. When Harry Hopkins sent his top investigator Lorena Hickok to Chicago to make sure WPA funds were not used to provide political favors, she found no evidence of political favoritism or spoils, concluded that "someone apparently had put up a fight to keep politics out of this Chicago show—and pretty successfully too." During the 1937 election against John Anson Ford, Shaw's campaign distributed cards among WPA workers who supported his candidacy with talking points for whenever politics would come up in worksite discussions. Members of his staff would visit WPA work sites during the campaign to make sure that the project leaders were doing everything they could to distribute campaign materials among workers. The campaigning efforts of WPA workers proved important enough that Shaw's campaign advisors complained that the actual work performed on WPA projects hampered the ability of some workers to contribute to the campaign.

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Ultimately it was his reputation for corruption that provided the recall campaign with the ammunition to succeed in their efforts. The rivalry between Shaw and Clifford Clinton, the successful cafeteria owner who bankrolled the recall effort, began after Ford asked Clinton to inspect cafeteria services at the County General Hospital in 1935. Shortly after his investigation revealed a reported \$100,000 in waste at the county hospital, health inspectors visited Clinton's

⁹⁶ Tom Sitton, *Los Angeles Transformed: Fletcher Bowron's Urban Reform Revival, 1938-1953* (Albuquerque: University of New Mexico Press, 2005), esp. 23-26.

⁹⁷ Quoted in Biles, *Big City Boss*, 75.

⁹⁸ Bert Wood to Chas. Welch March 12, 1937 Box 8, Folder 1936-1937 Shaw Papers.

cafeterias and catalogued a number of violations, which Clinton interpreted as acts of revenge and intimidation. After Shaw defeated Ford in 1937, Clinton assembled the Citizen's Independent Vice Investigation Committee (CIVIC) to investigate vice in the city. CIVIC initially had Shaw's support until the mayor began to feel threatened by the committee's political turn, claiming its members were "temperamentally incapable of distinguishing sincere investigation from irresponsible snooping, and are unable to avoid confusing a concern for civic betterment with propaganda calculated to destroy confidence in the duly elected and legally authorized representatives of the people." The tensions escalated into a fully realized recall campaign after a bomb nearly killed Harry Raymond, a paid informant for Clinton who was, at the same time, trying to blackmail the mayor's office. After the investigation revealed that the Los Angeles police department had a secret division to do political work for Shaw, Clinton's accusation that the bombing was meant to silence Raymond became fairly easy for the public to believe.

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The recall movement was comprised of what Tom Sitton describes as an opportunistic mix of "disparate political elements" that formed in a fragile coalition united primarily by their opposition to Shaw's centrist politics. The group included moral conservatives seeking to stamp out vice in the city, liberal Democrats hoping to put one of their own in the mayor's office, conservative businessmen worried about the city's reputation and fearful of Shaw's pro-labor policy, leftist reformers angry at Shaw's support for the LAPD "Red Squad," disappointed officeseekers, communists who "charged that Shaw was oppressing the working class and ethnic minorities [and] middle-class professionals [who] complained about how Shaw received the

⁹⁹ Sitton, *Los Angeles Transformed*, 15-17; Ford statement, "The Political Scene," February 4, 1941 Box 51, Addresses Ford Papers. Shaw quote in letter Shaw to CIVIC, c/o Clifford Clinton, August 7, 1937 Box 8, 1936-1937 Shaw Papers.

electoral support of those very same groups in every election."¹⁰⁰ Shaw defeated Ford a year before the recall by campaigning as the city's leading New Dealer, his claims were buttressed by Roosevelt's unwillingness to provide an endorsement for the Democrat Ford. His recall, however, was not a repudiation of the New Deal, but reflected instead many of the frustrations that accumulated from civic management of New Deal programs during the decade.

The transition can be seen in the way labor split during the 1937 election and 1938 recall. Overall the CLC remained officially ambivalent in their support of elected officials, especially during the 1937 election when there was little separation between the two candidates on labor issues. The CLC decided to avoid the risk of endorsing a losing candidate when they would be just as satisfied with whoever won. Shaw's support was strongest in the central labor council, because workplace radicalism made the conservative leaders in the CLC appear more palatable for inclusion in the political center. Shaw treated the CLC as a political constituency that needed wooing and he welcomed CLC leaders into the informal sphere of his personal politics. 101 He personally intervened to settle strikes where AFL unions were involved while looking the other way when the LAPD red squad used violence to break up rival CIO strikes, as in the case of the Douglas airframe plant. Not surprisingly, the elimination of the red squad was one of the chief motivations for the CIO's participation in the recall effort. In their criticism of the status quo, insurgent liberals and CIO unionists alike called for an end of personal politics whether it was exercised in the halls of the Chamber of Commerce or in the mayor's office. They looked to legal arrangements and collective bargaining to structure agreements among countervailing

¹⁰⁰ Sitton, "Urban Politics and Reform in New Deal Los Angeles: The Recall of Mayor Frank Shaw," (Ph.D. dissertation, University of California, Riverside, 1983), 2-3.

¹⁰¹ Chas. Koenneker to Shaw May 20, 1937 Box 8, 1936-1937 and Report on Municipal League Dinner, March 9, 1937 Box 8, folder 7 Shaw papers.

powers, a demonstration of the degree to which the reformers absorbed a zero-sum approach to politics that had earlier animated business leader's defense of the open shop.

The narrative created by the victors in the recall election of 1938 equated the personal style of Shaw's brand of centrist politics with corruption and special interests. Just as in Chicago, civic authority and public power remained closely intertwined. However, while in Chicago, the process of managing the New Deal locally gave rise to new forms of community politics, the New Deal left a legacy of upheaval in Los Angeles. Shaw's failure to use federal funds to build a machine by staking out the political center failed in part because the New Deal itself lacked an administrative center at the local level in Los Angeles. With its decentralized and overlapping agencies and administrations, Shaw's opponents had just as much ability to influence policy by staking out their own positions in local agencies and bureaus. While engaged in a battle over the distribution of political power during the New Deal, insurgent Democrats and the business elite shared a concern that government was incapable of managing New Deal policy. Shaw's recall helped solidify the idea that elected officials were just another special interest trying to direct policy towards their own parochial interests; on par with the Chamber of Commerce and labor unions. The language of special interest and corruption did not remove private influence over public policy, but provided a new vocabulary to continue to justify the relationship.

As the depression crisis ended and the tumult of wartime mobilization and growth began, the city's progressives and conservatives each framed their relationship with the state in terms of a language of progress and corruption that carried over from the New Deal experience. The New Deal in Los Angeles, like Chicago, took shape through the contours of local politics. Members of the Chamber of Commerce looked to insulate New Deal programs from elected officials who they felt were too susceptible to the corruption of popular politics and too easily swayed by

special interests. However, the ground was already shifting beneath their feet, as the very companies they courted to bring industry to the city, firms like RCA, Firestone tires, Dow Chemical, and Bethlehem steel, viewed the Chamber's open shop rhetoric as an out of date relic. In addition, far more than in legislation like the Wagner act and Fair Labor Standards Act, it was federal dollars, in the form of wartime industry that effectively regulated the end of the open shop. 102 For the liberal insurgency, a group that struggled throughout the decade to gain recognition from federal administrators who were just as concerned with political expediency as ideological synergy, good government was a means to justify activist government by freeing it from the corruptive taint of political favoritism. They advocated non-partisanship as a means to combat the influence of Republican politicians in local politics. During the war years, municipal politics continued to waver between pro-growth business development and liberal planning based in a program of rehabilitation and uplift, as each faction used charges of corruption by special interests to justify their own claims to managing the city's progress.

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¹⁰² John H.M. Laslett, *Sunshine Was Never Enough: Los Angeles Workers*, *1880-2010* (Berkeley: University of California Press, 2012), 172-173.

Conclusion

A Legacy of Delegated Government

In the presidential election of 2012, the incumbent Barack Obama decided to embrace the term "Obamacare," a term fashioned as a pejorative by the Republican Party to critique the 2010 Affordable Care Act. With the two candidates, Obama and Mitt Romney, taking clearly opposing views on the health care law, Obamacare became one of the central issues in an election that 55% of Americans felt would make "a great deal of difference" in their lives. This percentage represented a 10% increase from the 2004 election and was nearly double the levels from 1996 and 1992. In part, the centrality of Obamacare in 2012 was because the Affordable Health Care Act had already been passed in 2010. The stakes for the election concerned how the health care act would be implemented. After roughly a year into Obama's second term, the difficulties encountered in the act's rollout would strike familiar chords to the individuals covered in the pages above as they navigated through the decentralized administration of programs like the National Recovery Administration and Works Progress Administration. In California and New York, the state health care boards refused to honor Obama's decision to allow Americans to keep current low-benefit plans for another year, deciding instead that residents in each state would be forced to sign on to new plans meeting federal minimum requirements. In Vermont, officials are using the opportunities presented by Obamacare to develop a single-payer system designed to take effect in 2017. The program will combine new taxes with funding from medicare, medicaide, and money made available through the act to cover all state residents under a single government program, going beyond the regulations for private coverage under the national act.

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¹ Ezra Klein, "The Most Important Issue of this Election: Obamacare," *Washington Post* October 12, 2012 http://www.washingtonpost.com/blogs/wonkblog/wp/2012/10/26/the-most-important-issue-of-this-election-health-reform/

In Oregon, 70,000 people had signed up for new health care by November 2013 while in Texas, a state with more than six times the population of Oregon, about three thousand people have signed up for new plans.² As such, Obamacare retains many of the characteristics of federal administration as its New Deal predecessors. While the program itself remains closely tied to notions of executive leadership, its implementation still reflects the heterogeneity of local politics in the United States. Its successes and failures will be measured by how individuals administer and navigate the act in locales far away from the halls of legislative power in Washington DC.

New Deal agencies delegated administrative responsibility to the local level, allowing each locality to develop their own versions of the New Deal within a loose and evolving set of basic federal guidelines. In major cities like Chicago and Los Angeles, these programs initially took shape within a political context that utilized private sector leadership as a way to insulate New Deal programs from partisan politics. During the 1920s, urban business elites solidified their claims to civic influence in city affairs through what Elizabeth Clemens describes as "obligation hoarding," which not only affirmed membership within the business class through the practice of charity and civic welfare, but also solidified elite leadership in the city as a whole. Hoover attempted to corral private sector business charities as the cornerstone of a nationwide associational response to the Great Depression. The New Deal changed but did not sever the links between civic leadership and public policy. In Chicago and Los Angeles, the justifications for influence in New Deal programs combined the tradition of equating elite stewardship and the general common good with new claims to civic legitimacy rooted in both notions of social and racial democracy to generate a more equitable division of federal funds and a growing rhetoric of

² John Cassidy, "Americans Like Healthcare Where They Can Get It" *The New Yorker* November 19, 2013 http://www.newyorker.com/online/blogs/johncassidy/2013/11/americans-like-obamacare-where-they-can-get-it.html

professionalization from social workers using claims of expertise to legitimize their own claims for control over public policy. The New Deal politicized civic governance by keeping federal programs decentralized, embedding New Deal policy within competing networks of indirect government that turned questions of influence in the New Deal into a referendum on civic authority.³

In Chicago, business and trade union leaders easily transitioned from private positions coordinating private charity to a role in administering federal funds under the IERC. However practices such as using private contractors for works programs inspired challenges to elite control, in particular from black community leaders and settlement workers. Under the WPA, city planning programs brought together a coalition of University of Chicago sociologists, settlement workers, and members of the black elite to discuss problems of unemployment in terms of social disorganization, connecting the rapid social change and unemployment of the depression era to anti-social behavior and disintegrating family life. Social reformers saw the WPA as an opportunity to encourage community involvement and looked to the organization of the urban environment, mixing residential, commercial, and recreational spaces, as a means to strengthen communal bonds. In this way, they could soothe the social dislocations coming out of the depression without relying upon economic recovery to bring full employment. World War II replaced the crisis of unemployment with a housing crisis caused by pent-up demand and a limited housing supply. In the postwar years, the sociological language of urban ecology provided a framework for white urban planners and the black elite to generate a housing program that favored middle class interests in slum clearance and urban redevelopment programs while

³ Elisabeth S. Clemens, "From City Club to Nation State: Business Networks in American Political Development," *Theory and Society* 39 (May 2010), 377-396.

also subsuming class difference in the black community within a racial advancement agenda centered around middle class progress.⁴

The social disorganization approach to discussing economic problems had its roots in the years before the stock market crash of 1929, when settlement workers connected unemployment to structural faults inherent within capitalist economy, rather than as failures of individual initiative. Members of the National Federal of Settlements used studies of unemployed families to educate the public about the social costs of unemployment.⁵ In contrast, in Los Angeles explanations of systemic unemployment remained firmly rooted in a language of individual moral failing, and county relief officers and the business elite designed relief efforts to limit what they saw as the contagious nature of indigency. Even the cooperative movement became partly animated by the desire to avoid the stigma of indigency. However, rather than describe the causes of indigency as individual moral failing, cooperative organizers blamed a limited market economy that could not adequately distribute jobs and resources effectively. In doing so, cooperatives challenged the visions of growth and prosperity advanced by the Los Angeles Chamber of Commerce and inspired visions of an alternative economy that would provide a better vehicle for individual energies to thrive in a system organized by production-for-use rather than profit. While the cooperatives began as a grassroots drive to distribute surplus commodities among individuals and families attempting to avoid relief, federal administrators incorporated the movement into planned economy based in production-for-use to provide for what they assumed would be a permanent class of unemployed. In doing so, New Deal programs furthered a compartmentalized vision of community in Los Angeles, simultaneously empowering those on

⁴ Preston H. Smith II, *Racial Democracy and the Black Metropolis: Housing Policy in Postwar Chicago* (Minneapolis: University of Minnesota Press, 2012).

⁵ Abigail Trollinger, "Some Folks Won't Work," Presentation to the Newberry Library Urban History Dissertation Group, November 21, 2012.

the margins through federal subsidies to cooperatives while solidifying definitions of deserving and undeserving poor. The massive wartime mobilization effort in Los Angeles eliminated the problems of unemployment, creating a foundation for growth through government military spending. In the rapidly growing suburbs of Orange County, as Lisa McGirr shows, a new conservatism emerged that combined individualism and anti-government sentiment as cornerstones of the All-American success story that residents saw themselves as personifying.⁶

The difference in labor relations and political economy in Los Angeles and Chicago explains how unions in Los Angeles would develop the organizing strategies that would make that city the laboratory for 21st century unionism. In industrial cities like Chicago and Detroit, the bulk of New Deal era labor mobilization took place in mass production factories that sought competitive advantage in a national market through economies of scale. In contrast, the bulk of organizing in Los Angeles took place in smaller firms operating in competitive local markets. During the New Deal, teamsters, garment workers, and construction workers waged campaigns that operated outside of NLRB structures, relied upon strong occupational cultures, and sought to take wages out of competition between firms. The dressmakers strike, for example, featured parades of the striking women dressed in their finest clothes utilizing media images and political theater to demonstrate the demeaning conditions of sweatshop labor. They struck for union recognition to monitor minimum wage agreements under the president's reemployment campaign, knowing that any firm based wage agreement would do little to combat low pay while dressmakers worked primarily on a day-to-day basis. These organizing campaigns relied upon a public form of politics aimed at pressuring employers rather than winning NLRB elections.

⁶ Lisa McGirr, Suburban Warriors: The Origins of the New American Right (Princeton: Princeton University Press, 2001).

⁷ Ruth Milkman, *LA Story: Immigrant Workers and the Future of the U.S. Labor Movement* (Russell Sage Foundation: New York, 2006), 26-28.

When the BSEIU, which began among janitors in Chicago, started organizing in Los Angeles, the union adopted much of the same campaign elements—organizing by occupation, taking wages out of competition, and operating outside of NLRB elections—as its predecessors among the teamsters, building trades, and garment workers.⁸

The CIO's emergence as a collective voice for workers was a product of the growth of mass production industry, coordinating the efforts of a large population of workers in a single plant to take advantage of the legal protections provided by the NLRB. While these initial structures ultimately limited the union's effectiveness in the postwar years, leading to a shift from social movement unionism to wage and benefit bargaining on an individual plant basis, the experience of organizing in the CIO in Chicago opened doors for workers like George Patterson to participate more fully in the city's civic politics. 9 For Patterson, the fight for greater industrial democracy extended beyond the factory walls to provide workers with a voice in housing and public health policy. Serving on a committee for public housing with Arthur Bohnen, a consultant to the Chicago Housing Administration, and David Mackelman from the Metropolitan Housing Commission, Patterson offered to mobilize the resources of the Steel Workers Organizing Committee to place public pressure on state legislatures in Springfield to fund public housing programs in the city. At the same meeting, Mineola Ingersoll, Director of the Women's Auxiliaries of the SWOC, stated that the women's auxiliaries had begun to direct their efforts to enlist WPA funds to decentralize the functions of the Chicago Board of Health and establish a free clinic and branch of the Cook County hospital on the south side of Chicago. 10 In the

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⁸ Milkman, LA Story, 29.

⁹ For the transition to firm-centered bargaining see Nelson Lichtenstein, *State of the Union: A Century of American Labor* (Princeton: Princeton University Press, 2002), 122-125.

¹⁰ Report to Delegates on the Second Congressional District Legislative Conference, October 22, 1938 Box 6, Folder 8 George Patterson Papers, Chicago Historical Museum.

aftermath of the Memorial Day Massacre, their position as representatives of the CIO provided access to the citizens' committees used in Chicago to create and administer municipal policy.

The war years saw the continuation of many of the same forms of civic politics that provided the structure for New Deal programs. In Chicago, the Office of Civilian Defense (OCD) decentralized power into a vast patchwork of neighborhood organizations with leaders elected democratically by neighborhood residents, a practice that earned the city national attention. Neighborhood OCD branches not only organized against possible attack and kept up community morale but were also responsible for monitoring war time rationing, conducted surveys of housing vacancies, and, when needed, provided emergency fire and police services.¹¹ Initially many of the defense contracts flowed to the coasts, but Chicago's industrial history and the successful lobbying efforts organized by Mayor Edward Kelly and the Chicago Association of Commerce soon brought defense dollars to the city's factories and, by 1944, Chicago was one of the leading manufacturing centers of the war years. Responding to pressure from small business organizations, Kelly became one of the early advocates of subcontracting to spread defense contracts to multiple businesses. Subdividing production benefitted cities with more developed economies like Chicago and Kelly's appeals to Washington brought more contracts to Chicago's businesses to produce items like springs, knobs, and bearings that companies in the city already had the machinery set up to produce. 12 Finally, the decentralization of the wartime labor bureaucracy gave rise to a working-class race consciousness among Chicago's black craft

¹¹ Perry Duis and Scott LaFrance, We've Got a Job to do: Chicagoans and World War II (Chicago: Chicago Historical Society, 1992), 33-58.

¹² "Small Factories Must have War Jobs, Says Kelly," *Chicago Tribune* Feburary 20, 1942 and Duis and LaFrance, *We've Got a Job to Do*, 69-70.

workers that blended community activism, class politics, and racial liberalism among a new cohort of leaders outside the black civic elite.¹³

More so than Chicago, wartime mobilization changed the industrial landscape of Los Angeles bringing in mass production factories in industries such as shipbuilding and aviation. The effort to secure wartime contracts grew out of practices established during the New Deal to secure federal funds. During the 1930s, Los Angeles became one of the first cities to employ a full-time lobbyist, Ezra Scattergood, in Washington DC. Business organizations feared that the city's lack of skilled labor would prevent firms from taking full advantage of federal contracts. However, rather than training unemployed workers on relief rolls, city boosters resumed efforts to recruit skilled workers from other regions. ¹⁴ The city's wartime explosion in population happened quickly with more than a quarter of the 750,000 new residents who arrived in Los Angeles during the war years coming before December 1941. 15 With such high levels of volatility, they city's civic defense organizations operated primarily through private sector networks of business and industrial leaders, rather than the neighborhood associations utilized in Chicago. The war years strengthened the relationship between mayor Fletcher Bowron and the city's business elite who praised the mayor's efforts to raise the city's national stature, attract federal funds, and maintain social order. 16 Los Angeles lacked many of the natural resources that had traditionally had made cities great: water, a harbor, coal, timber, central location, proximity to migration routs, or access to nearby sources of excess population. Instead, the city's growth

¹³ Jeff Helgeson, "Striving in Black Chicago: Migration, Work, and the Politics of Neighborhood Change, 1935-1965" (Ph.D Dissertation, University of Illinois at Chicago 2008), 192-251.

¹⁴ California State Relief Administration, Report to Governor's Council, November 25, 1940, Box 146 State Relief Administration Files, 1940 Records of the California State Relief Administration, California State Archives, Sacramento.

¹⁵ John H.M. Laslett, *Sunshine was Never Enough: Los Angeles Workers, 1880-2010* (Berkeley: University of California Press, 2012), 175-176 and Jordan A. Schwarz, *The New Dealers: Power Politics in the Age of Roosevelt* (New York: Vintage Books, 1994), 307.

¹⁶ Tom Sitton, Los Angeles Transformed: Fletcher Bowron's Urban Reform Revival (Albuquerque: University of New Mexico Press, 2005), 52-55.

was generally attributed to the power of leadership and booster enthusiasm. Government dollars during the New Deal and World War II helped the city's planners and boosters approach their dreams of balanced prosperity and, in doing so, created a blueprint of booster statism for a new set of "improbable cities" in the nation's sunbelt.¹⁷

The importance of private sector coordination at the local level shows that the New Deal had a broader range of legacies than what is captured when describing the era as a period where government expanded to counterbalance business interest, either through regulations or by lending support to countervailing forces like labor unions. ¹⁸ In Los Angeles, federal investment in infrastructure projects complimented the Chamber of Commerce's pursuit of private investment and economic diversification. However, as Elizabeth Shermer notes for the sunbelt as a whole, "Hyper-growth policies were not grounded in crude antistatism." Rather, local boosters used governmental power to build a consciously anti-New Deal business climate. ¹⁹ In addition to booster statism, the business elite in Los Angeles continued to see the political arena as a means to further business interests during the New Deal. Members of the Chamber of Commerce advocated for legislation to reign in what they saw as excesses of charity during the early years of the depression and cautiously embraced wage and hour legislation to channel recovery through share the work programs rather than empower social workers under the FERA. As the open shop became increasingly discredited during the decade, they fashioned a public relations message extolling the virtues of industrial freedom in an effort to educate the electorate about the importance of local business leadership in the political sphere. They used free market language

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¹⁷ Roger W. Lotchin, *The Bad City in the Good War: San Francisco, Los Angeles, Oakland, and San Diego* (Bloomington: Indiana University Press, 2003), 54.

¹⁸ Ellis W. Hawley, *The New Deal and the Problem of Monopoly*, 2ed. (New York: Fordham University Press, 1995), 189.

¹⁹ Elizabeth Tandy Shermer, "Sunbelt Boosterism: Industrial Recruitment, Economic Development, and Growth Politics in the Developing Sunbelt" in Michelle Nickerson and Darren Dochuk, eds. *Sunbelt Rising: The Politics of Place, Space, and Region* (Philadelphia: University of Pennsylvania Press, 2011), 37.

as a political rhetoric. Booster politics were not, however, limited to the nascent conservative movement in the sunbelt. Prominent New Dealers like James Farley, Adolph Berle, and David Lilienthal became major figures within a network of New Deal liberals using private corporations to advance the ideals of New Deal liberalism without the burdensome responsibilities of government employment.²⁰ The separation between public and private vehicles to implement policy was often murky and porous during the 1930s, leaving a common legacy of delegated government to postwar liberals and conservatives.

We lose something, however, if these examples of business statism are used to show how the New Deal represented a consolidation of corporate control. In Alan Brinkley's phrasing, the New Deal marked "The End of Reform," with government providing a compensatory structure for capitalism's inequities rather than serving as the advance agent of progress. For Brinkley, and likewise in Lizabeth Cohen's analysis of Chicago, the key for understanding political change during the New Deal lies in the increasing centrality of mass consumption in American life. For Cohen, the New Deal was an era when parochial identities based on ethnicity and race gave way to a collective class identity, membership in the CIO, and support for the Democratic Party. The centrality of consumption, in Brinkley's analysis, also serves as the cornerstone for the mature version of New Deal liberalism taking root after 1937 when Keynesian monetary policy took precedence over programs, rooted in anti-monopoly concerns, geared towards managing economic institutions. ²¹ Cohen and Brinkley's narratives of centralized federal authority

²⁰ Jason Scott Smith, "The Liberal Invention of the Multinational Corporation: David Lilienthal and Postwar Capitalism," in Kim Phillips-Fein and Julian E. Zelizer, eds., *What's Good for Business: Business and American Politics Since World War II* (New York: Oxford University Press, 2012), 107-122.

²¹ Lizabeth Cohen, *Making a New Deal: Industrial Workers in Chicago, 1919-1939* (New York: Cambridge University Press, 1990) and Alan Brinkley, *The End of Reform*: New Deal Liberalism in Recession and War (New York: Vintage Books, 1995), 4-7.

reinforce an understanding of political participation that has citizens interacting passively with government as consumers, expressing their approval or disapproval through the vote.

To explain the passing of the New Deal moment, Jefferson Cowie and Nick Salvatore point to the superficiality of the collective identities formed during the New Deal in comparison with more fundamental continuities regarding the historical weakness of organized labor, pervasive racial divisions, and the continuing pull of religious identity. They describe the popular movements standing against the tide of corporate power as a "fragile juggernaut." The phrase comes from Robert Zeiger's description of the CIO, but is used by Cowie and Salvatore to characterize the brief political culture of the New Deal moment as a whole. "The New Deal alliances," they write, "seemed like an all-powerful force capable of implementing its progressive liberal policy regardless of conservative opposition. Yet simultaneously, when challenged, this same juggernaut shattered, its central contradictions revealed in its own compromises with the very real complexities of American history and politics."²² The New Deal, in this telling, is an extension of the CIO where a number of fragile alliances came together in support for a centralized government program of liberal reform. However, even while emphasizing the superficiality of the political identities Cohen describes as forming during the New Deal, Cowie and Salvatore still operate with an understanding of politics during the New Deal based in consumption, where individuals expressed their desire or objection to the services provided by a centralized government. Yet, in Chicago and Los Angeles, the animating force behind New Deal politics was not based in support or opposition to a fully realized liberal agenda, rather it consisted of a range of divergent interests attuned to the ways in which the

²² Jefferson Cowie and Nick Salvatore, "The Long Exception: Rethinking the Place of the New Deal in American History," *International Labor and Working-Class History* 74 (Fall 208), 5; for Zieger's introduction to the CIO as an irresistible and militant force see Robert Zieger, *The CIO*, 1935-1955 (Chapel Hill: University of North Carolina Press, 1995), 2.

emerging federal program operated on the ground. The New Deal, like Obamacare eighty years later, gained meaning through its implementation outside the legislative corridors of Washington DC. Labor unrest, the waves of picket lines and steady march of workers to extend democracy into the workplace, was fueled largely by the distance between perceptions of federal support and the intransigence of business anti-unionism as experienced differently in Chicago and Los Angeles. Upton Sinclair's cooperative members, when confronted with the duplication of effort and constant shifts of policy, doubted government's ability to manage its own affairs and saw local organization as they key to unlock a New Deal for the city's unemployed left outside a failing capitalist economy. In Chicago, Victor Olander's fears that government regulations would sap the labor movement of its independent spirit led him to play an active role in shaping early New Deal labor policy in Chicago. Members of the Chamber of Commerce in Los Angeles were perhaps the most sensitive to the fragility of their own power amidst such worker militancy. Yet it was not government, as an all-powerful force, that they opposed, but one too easily swayed by corruptible politicians eager to bend to popular will to maintain their own employment. Their efforts were oriented towards keeping control over state power.

The New Deal harbored a vision of state power that was grounded in the decentralization of federal agencies and the preference, even in Washington DC, for local control. For those caught up in the sweep of federal programs, the New Deal was both disorienting and monotonous, combining the unsettling feeling of a prolonged crisis and the reorientation of civic order with the day-to-day grind of filling out paperwork and reports, answering job requests, and keeping track of minute shifts in policy. In each city, local participants determined the meaning of the New Deal through their engagement with federal programs. This reality informed political activism during the era, where those on the outside of the local governing elite in Chicago and

Los Angeles witnessed first hand the ways in which public policy reaffirmed private influence and they directed their efforts to be included in the New Deal towards campaigns to pry open the doors of civic authority. They recognized the way state power and local activism converged in the shaping of federal programs. As such, the legacies of local politics during the New Deal offer more than a window into why political coalitions formed to receive the benefits of federal largesse. Popular movements in the 1930s quickly stripped away the promises of what the state could offer to instead engage with the realities of how the state functioned. And it is this legacy of the New Deal, sensitive to the delegation of government and informal networks of state power, that offers the greatest insight into how the state continues to function.

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Wallis, John Joseph. "Why 1933? The origins and Timing of National Government Growth, 1933-1940," in *Research in Economic History: A Research Annual Supplement 4: Emergence of the Modern Political Economy*, edited by Robert Higgs. London and Connecticut: Jai Press inc., 1985.

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EDUCATION

Ph. D. University of Illinois at Chicago, History, 2013

Concentration in Work, Race, and Gender in the Urban World

Major Field: United States History

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Dissertation Title: "A New Deal Everyday: Civic Authority and Federal Policy in Chicago and Los Angeles, 1930-1940"

Committee Members: Robert D. Johnston (Chair), Leon Fink, Susan Levine, Kim Phillips-Fein, and Jeffrey Sklansky

- M.A. San Francisco State University, History, 2006
- B.A. University of California, Berkeley, History, 2001

EMPLOYMENT

2013-2014 Visiting Instructor, University of Illinois at Chicago

2011 Adjunct Instructor, Aurora University

PUBLICATIONS

Journal Articles

"Re-Making an Older Deal: Chicago Employment Politics, 1932-1936." *Labor: Studies in Working-Class History of the Americas*. 7(1) (Spring 2010), 67-91.

Book Reviews

Review of Paula Baker, *Curbing Campaign Cash: Henry Ford, Truman Newberry, and the Politics of Progressive Reform.* H-SHGAPE, H-Net Reviews. March 2013. https://www.h-net.org/reviews/showrev.php?id=37605.

Encyclopedia Entries

"Civil Rights and Liberties," "Race Relations and Conflict," and "Foreign Affairs." *American Century: The Ideas, Issues, and Trends That Made U.S. History.* Volume Five: The Twentieth Century, edited by Robert D. Johnston (Facts on File, 2011).

"Morrison R. Waite" and "Edward D. White," *Encyclopedia of U.S. Political History*. Volume Four: 1878-1920, edited by Robert D. Johnston, (Facts on File, 2010).

AWARDS

- 2012 Leo Shelbert Prize, University of Illinois at Chicago
- 2011 Marion S. Miller Dissertation Award, University of Illinois at Chicago
- 2011 Huntington Library Research Fellowship
- 2011 Chancellors Supplemental Research Fellowship, University of Illinois at Chicago
- 2010 Robert V. Remini Scholarship for United States History, University of Illinois at Chicago
- 2010 King V. Hostick Award for Illinois History, Illinois State Historical Society
- 2010 Provost's Award, University of Illinois at Chicago
- 2006 History Doctoral Award, University of Illinois at Chicago
- John Mullin Prize for Best Graduate Paper, "Trials & Troubles: Organization, Cooperation, and Administration in the Arvin Migratory Labor Camp" *Ex Post Facto: Journal of the History Students at San Francisco State University*

CONFERENCES

Panels Organized

- 2014 "The Politics of Vulnerability: Citizenship and the Caretaking State," Policy History Conference, Columbus, OH, June 4-7, 2014
- 2010 "Grassroots Bureaucracy: Activists, Bureaucrats, and the State," Policy History Conference, Columbus, OH, June 3-6, 2010

2009 "Craft Unionism and its Alternatives in Chicago and Detroit," Labor and Working Class History Conference, Chicago, IL, May 28, 2009

Papers Presented

- 2013 "The Conservative State in the New Deal: Public and Private Power in Los Angeles" Business History Conference, Columbus, Oh, March 21-23, 2013
- 2013 "Crafting the New Deal Economy" Newberry Urban History Dissertation Group, Chicago, IL, February 2, 2013
- 2012 "The National Recovery Administration and Local Struggles over the New Deal Economy in Chicago and Los Angeles," Business History Conference, Philadelphia, Pa, March 29-31, 2012
- 2011 "The National Recovery Administration and Local Struggles over the New Deal Economy," New School for Social Research Conference on Power and the History of Capitalism, New York, NY, April 15-16, 2011
- 2010 "Old Friends and New Deals: Local Politics in 1930s Chicago," Social Science History Association Conference, Chicago, IL, November 18-21, 2010
- 2008 "Bringing It All Back Home: A New Deal in Chicago's Labor Community, 1932-1936," Midwest Labor and Working Class History Colloquium, UIC, Chicago, IL, April 19, 2008
- 2008 "Bringing It All Back Home: A New Deal in Chicago's Labor Community, 1932-1936," Missouri Valley History Conference, Omaha NE, March 6-8, 2008

Discussant

- 2014 "Lost Voices of Working Class Radicalism, 1910s-1920s" Midwest Labor and Working Class History Colloquium, April 5, 2014
- 2013 "The Culture of Capitalism in the United States during the 18th and 19th Centuries," Windy City Graduate History Conference, Chicago, IL, November 2, 2013
- 2011 "Cultural Politics in Post-1960s America" Windy City Graduate History Conference, Chicago, IL, November 5, 2011

TEACHING EXPERIENCE

Instructor

The Worker in American Society Modern America: From Industrialization to Globalization Introduction to U.S. Government

Teaching Assistant

American Civilization to the Late Nineteenth Century American Civilization since the Late Nineteenth Century Western Civilization to 1648 (Online Course) Western Civilization Since 1648 World History (Online Course) Russian History

RESEARCH AND PROFESSIONAL SERVICE

| 2012-2013 | Co-coordinator, History of Capitalism Reading Group, University of Illinois at Chicago |
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| 2010-2011 | President, History Graduate Society, University of Illinois at Chicago |
| 2010-2011 | Research Assistant, Processing records of the Cook County Forest Preserve, Richard J. Daley Library Special Collections, University of Illinois at Chicago, |
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| 2007-2008 | Research Assistant, Professor Richard John, University of Illinois at Chicago, |
| 2001-2005 | Teacher, Alameda High School, Alameda, CA |

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American Historical Association

Organization of American Historians

Labor and Working Class History Association

Business History Conference

Appendix

| PUBLICATION AGREEMENT FOR LABOR |
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| (Note: Production work cannot begin until each author has signed and returned this form.) |
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