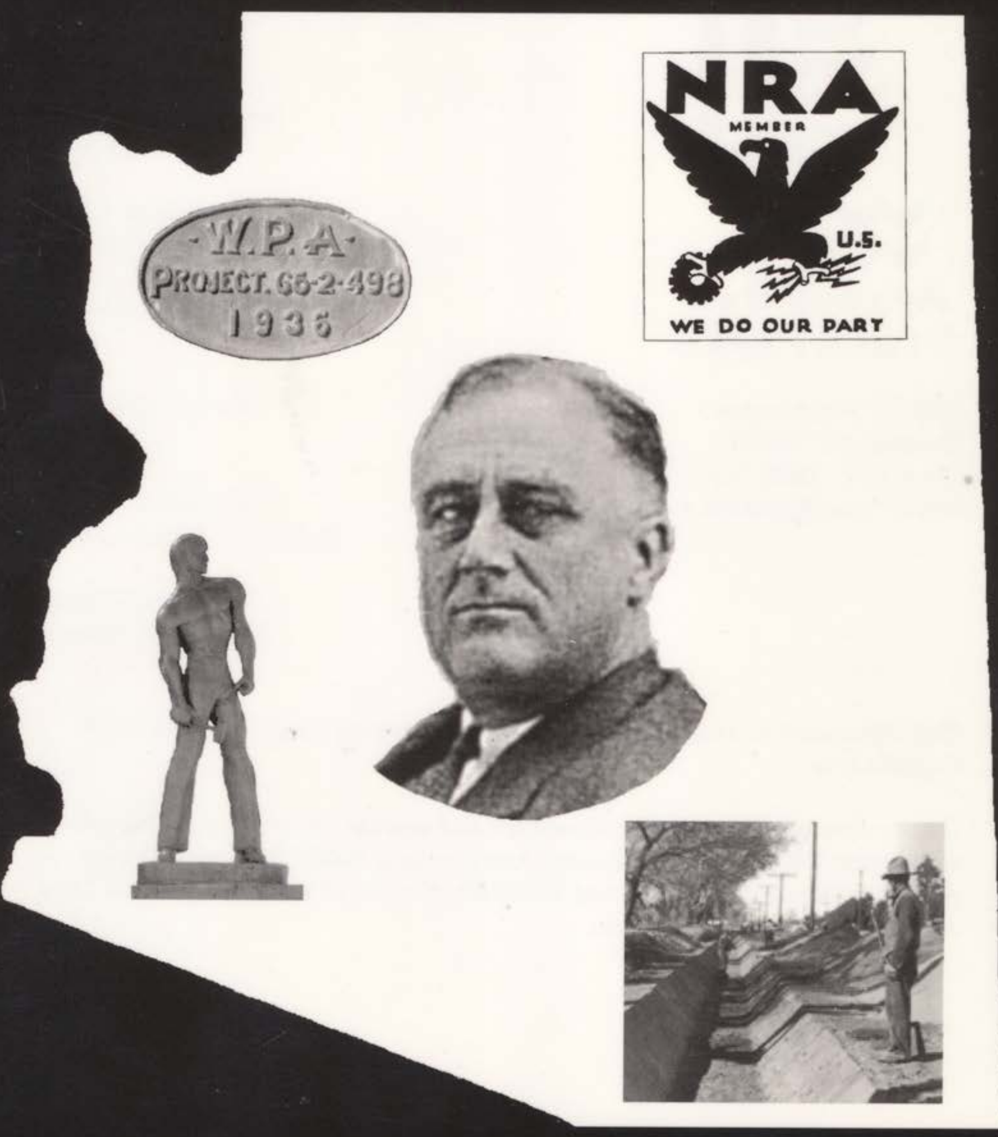
William S. Collins

The New Deal in Arizona



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To my father, John D. Collins, from whom I inherited my love of history.

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THE HISTORIAN'S NEW DEAL

The topic of this study is the experience of Arizona and its citizens with the many programs initiated by the Roosevelt Administration to combat the Great Depression. The focus on Arizona will illuminate many issues related to the implementation of New Deal programs that are not fully explored in national level studies. Arizona presented conditions that varied considerably from those found in many other parts of the country, and gave the New Deal a unique set of challenges. This study also describes the impact of this massive expansion of federal power on the evolving American federal system of government. The focus, in other words, is on the impact and interplay of programs, ideas, and personnel in Arizona, an approach that is possible only because the state was relatively small. This is neither a study of Arizona politics during the 1930s, nor of Arizona during the depression. Instead, by examining federal policies within the state this study attempts to provide a new perspective on certain aspects of the New Deal, a much-studied topic.

The era of President Franklin D. Roosevelt's New Deal program is significant because it reworked the structure of the American political economy. The devastating force of the Great Depression tilted the delicate balance of federalism, first by crushing the people's self-reliance with mass unemployment, and second by paralyzing state and local authorities through financial starvation. It required the force of widespread deprivation for the majority of Americans to turn against a century and a half tradition of fearing the centralization of authority. The New Deal relaid the political foundation of the American economy with the federal government as its major support. Public approval of a new balance between the central government, local powers, and private enterprise solidified after Roosevelt led the nation in a second nationalizing effort, victory against the Axis powers during World War II. Victory in war, renewal of prosperity, and the death of its architect in 1945 tested the long-term durability of the new structure, and it held strong at least through most of the remainder of the twentieth century.[1]

Unless one views the 1920s as an aberration, the elections of 1920, 1924, and 1928 indicate that the American people preferred to remain on the road of economic development through support of individualism and private initiative. Although federal involvement in the economy had expanded considerably during the Progressive era and during World War I, its role was far more limited than in the post-New Deal era.

[1]Frank B. Freidel in Wilbur Cohen (ed.), *The Roosevelt New Deal: A Program Assessment Fifty Years After*, (Austin: Lyndon B. Johnson School of Public Affairs, 1986), 3-4.

Reformers had found only limited success in implementing their ideas at the national level, and many returned to the states to promote new ideas. Though liberal thinkers debated amongst themselves many of the ideas that eventually formed the New Deal, many probably would have remained in the political wilderness had not a number of forces converged to make Roosevelt president in 1933. The New Deal was not inevitable. It required the Great Depression to be both severe and enduring; it required President Hoover to be frustrated in his program of recovery and to be both personally and ideologically repudiated by the voters; it required the Democratic party to overcome its internal conflicts and nominate a strong candidate in 1932; and it required the personality of Franklin Roosevelt who could both instill renewed hope in the people and convince them to accept liberal prescriptions for restoring prosperity. Long-term trends and sudden events all played a part. Roosevelt set the nation on a new course; not in an opposite direction (the path of contemporary communists or fascists), but oblique, a path that led to both private and public development, which required both individual initiative and common effort.[2]

The New Deal was an evolving set of new laws, agencies, and programs that was implemented throughout Roosevelt's first two terms. It was enacted in waves of legislation alternated with periods of implementation, reconsideration, and planning for new proposals. The first two waves coincide with the first sessions of new Congresses with election years the periods of respite. The most active legislative sessions of Congress occurred in 1933 and 1935 immediately following the elections of 1932, when Roosevelt led a Democratic sweep, and 1934, when the party defied tradition by strengthening its majority in both houses. Congress moved most famously in two periods dubbed the First and Second Hundred Days. The First Hundred Days refers to the special session of Congress called by Roosevelt to face the crisis of nationwide bank failures and the potential complete collapse of the American financial structure. After instilling new confidence in the private banking system with the temporary bank holiday and a relatively conservative Banking Act, the President decided to push for even more legislation. By the time the session ended on June 16, Roosevelt had shepherded fifteen pieces of major legislation through Congress. Following the Banking Act came the Economy Act, which slashed federal spending; a beer bill which renewed an industry; the creation of the Civilian Conservation Corps; the National Industrial Recovery Act, which created the National Recovery Administration and the Public Works Administration; and the Agricultural Adjustment Act, which

[2]Ibid., 6-7.

responded to the crisis in agriculture by implementing a "domestic allotment" program. Acts passed in June aided the nation's debtors by creating the Farm Credit Administration and the Home Owner's Loan Corporation. The Tennessee Valley Authority fulfilled an old dream of public power advocates. The Securities Act attempted to rein in the speculators of Wall Street, while the Glass-Steagal Banking Act created the Federal Deposit Insurance Corporation. These acts fulfilled Roosevelt's pledge of a "new deal for the American people."

The overwhelmingly Democratic Congress of 1935 charged into action beginning in May. In the Second Hundred Days, Congress passed momentous legislation including the Wagner Act, which created the National Labor Relations Board; the Social Security Act; a major progressive tax act; and the Public Utilities Holding Company Act, which reformed the organization of private public utilities. Creation of the Rural Electrification Administration helped bring modern consumer life to the American hinterland. The Banking Act of 1935 shifted control of the Federal Reserve decisively from private bankers to the federal government. The Works Progress Administration provided work for millions of unemployed people.

Active (and sometimes reactive) Congresses again reshaped the New Deal in 1937, 1938, and 1939, though in ways far different than earlier. In 1936 Roosevelt and the Democrats again overwhelmed the Republicans. When the President in his second inaugural address stated his vision of "one-third of a nation ill-housed, ill-clad, ill-nourished" he raised expectations of a new round of legislative action. Roosevelt shocked the political order not by proposing new agencies, but with a scheme to pack the Supreme Court. This was a defensive move meant to protect New Deal legislation from a conservative court that had already eliminated the National Recovery Administration and decimated the Agricultural Adjustment Administration. Fearing for New Deal legislation passed in 1935, such as the Social Security Act and the Wagner Labor Relations Act, Roosevelt hoped to place new and sympathetic justices on the bench. The proposal proved disastrous, for it provided conservative opponents of the New Deal with a popular issue to rally around. Congress defeated the proposal in 1937.[3] Congress approved little that the President requested that year, though it did pass a liberalization of the Federal Housing Administration program (created in 1934) and passed the Wagner-Steagal Housing Act which created the U.S. Housing Authority. After that year, an increasingly conservative Congress sharply limited its willingness to create innovative programs or support

[3]William E. Leuchtenburg, *The Supreme Court Reborn: The Constitutional Revolution in the Age of Roosevelt*, (New York: Oxford University Press, 1995), 132-62.

earlier ones. Still, the powerful New Deal coalition scored some notable triumphs in the next two years. A new Agricultural Adjustment Act in 1938 renewed the federal commitment for rationalizing agricultural production. That year also saw a vast stepping up of federal spending on programs of public works and public employment. The Fair Labor Standards Act contributed to the elimination of child labor and establishment of minimum wages and maximum hours. Congress passed a major liberalization of the Social Security Act in 1939. A major federal reorganization that year created the Executive Office of the President, which modernized the presidential branch of the government.

Moving from description to interpretation, historians' models of the meaning and significance of the New Deal have evolved over the past half-century. The first words of interpretation came from contemporary participants and opponents. Participants defended the programs they helped create and implement as the saviors of the nation, or at least of capitalism. Opponents scorned the panoply of alphabet agencies as eroding the American traditions of self-reliance and local authority. Beginning in the 1950s, historians began to weigh the sources, question the underlying meanings of liberal and conservative philosophies, compare continuities with changes, and measure the limitations in which New Dealers operated. Recurring reevaluations have seemingly left us with as many New Deals as there are New Deal historians.[4]

In the larger realm of American political commentary in the first two decades after World War II, the New Deal became the target of ideological diatribe and the model for contemporary reform dreams. The major early New Deal historians, Arthur M. Schlesinger, Jr., William Leuchtenburg, Carl Degler, and James MacGregor Burns, represented liberal intellectuals, generally praising the achievements of Roosevelt's program. Even when noting the limits of reform in the 1930s—often in terms of missed opportunities for even deeper reform—these historians portrayed the New Deal as a victory of the "vital center" of American politics. In their model, the nation tottered precariously on a political razor's edge that but for the personality of Franklin Roosevelt might have fallen either to radical revolution or fascist reaction. This influential model retains its adherents as does the conservative hypothesis that the magnitude of the Great Depression owed much to unwise policies of

[4]For a fuller description of the historiography of the New Deal, see Roger Biles, *A New Deal for the American People*, (DeKalb: Northern Illinois University Press, 1991); Melvyn Dubofsky (ed.), *The New Deal: Conflicting Interpretations and Shifting Perspectives*, (New York: Garland Publisher, 1992), and Harvard Sitkoff (ed.) *Fifty Years Later: The New Deal Evaluated*, (Philadelphia: Temple University Press, 1985).

Congress and the Federal Reserve, and would have ended much sooner had the economy been left to work itself out.[5]

In the 1960s, New Left historians publicized a different perspective. To these intellectuals, the saving of American capitalism was itself evidence of the failure of the New Deal to achieve significant change in American society. Programs like the NRA appeared little more than surrender to demands that the government support monopoly. Beneath the claims of monumental legislation, study of the legislative process revealed the repeating pattern of real reform proposals emasculated by congressional conservatives and Roosevelt's willingness to compromise. Even Herbert Hoover found rehabilitation as leftist historians showed new appreciation of his philosophy of American individualism and its distinctions from *laissez-faire* capitalism. In this interpretation, the New Deal itself was a conservative operation that successfully defeated challenges from the poor and disenfranchised.[6]

Stung by this intellectual challenge, even sympathetic historians reevaluated the New Deal in the 1970s and 1980s, placing greater emphasis on the limitations that politics and American culture set on the Roosevelt Administration. James T. Patterson's pathbreaking work revealed the importance of Congress in setting parameters for New Deal reform. Today there is greater appreciation that some New Deal programs did not restore prosperity and, indeed, may have been counterproductive. If nothing else, it appears to have acted as a 'holding operation' for the economy and for society. The New Deal was rarely radical and often conservative in intent and implementation. Still, the New Deal marked a major turning point in American politics and society. If Roosevelt imposed a federal welfare state on a capitalist economy, at least America now had an institutional basis for social security that did not exist previously. The balance of political power decisively shifted from state and local to federal institutions. This had important consequences in such later movements as the Civil Rights struggle of the 1950s and 1960s, the Great Society expansion of liberal programs in the 1960s, and the revival of conservatism since the 1970s.[7]

[5]Biles, 2.

[6]Paul Conkin, *The New Deal*, (New York: Thomas Y. Crowell, 1967), 73.

[7]Biles, 4; Anthony J. Badger, *The New Deal: The Depression Years, 1933-40*, (New York: Hill and Wang, 1989), 10. On the restraining influence of Congress, see James T. Patterson, *Congressional Conservatism and the New Deal; the Growth of the Conservative Coalition in Congress, 1933-1939*, (Lexington: University of Kentucky Press, 1967).

The 1980s, the New Deal's fiftieth anniversary, provided the occasion for thoughtful reappraisal and synthesis of two generations of historical thought. Several conferences took up the anniversary theme to examine the legacy of the New Deal on America in the last years of the twentieth century. The issue seemed particularly relevant in these years of the Reagan presidency. Reagan, the most outspokenly conservative presidents since the 1930s, often stated his positions as reversing some of the negative effects of the New Deal legacy. Indeed, the reform of Social Security finances proved one of the most challenging issues of Reagan's early years. A symposium in 1983 at the University of New Hampshire revealed some of the current topics of concern among historians. Most historians were equivocal on the achievements of the Roosevelt administration; they noted the power of conservatives in Congress and traditional attitudes among the public to limit the possibilities of reform. Despite these qualifications, most approved the New Deal.[8]

Much of modern New Deal historiography is directed toward the inclusion of previously excluded social groups. Roosevelt was unwilling to strongly challenge Jim Crow in the South, a pragmatic and probably wise choice given the strength of southern politicians in Congress. Additionally, the local administration of so many New Deal programs gave ample opportunity for local prejudice to taint the provision of relief. Despite these problems, the New Deal offered greater federal assistance to blacks than at any time since Reconstruction. Black voters rewarded Roosevelt by turning away from their traditional alliance with the Republican Party. The issue of the New Deal and minorities at the national level has tended to concentrate on black Americans, particularly in the South. Hispanics and Indians, groups particularly relevant to Arizona, have received far less attention, although that is changing. An appreciation of the role of women in the New Deal has moved well beyond the contributions of Eleanor Roosevelt. We now know that women played an important role in the lower echelons of New Deal administration. Susan Ware anticipated that historians "may soon say that women founded the modern welfare state." This is a view that Theda Skocpol has brought to the fore. This study of Arizona finds much to add to this issue.[9]

[8]Sitkoff, 5-9.

[9]Sitkoff, 93; Susan Ware in Sitkoff, 119; Theda Skocpol, *Protecting Soldiers and Mothers: The Political Origins of Social Policy in the United States*, (Cambridge: Belknap Press of Harvard University Press, 1992).

Recent interpretive works reflect a growing consensus that recognizes the great complexity and ambiguity in the New Deal era. Works by Anthony J. Badger and Roger Biles conclude that the New Deal brought about significant changes in the American political economy, but that these changes were far short of anything revolutionary. Historians are now careful to balance initiatives undertaken by the Roosevelt Administration with the constraints imposed by numerous other political, social, and economic forces. It is no longer acceptable simply to praise the New Deal for its achievements or condemn it for either its limitations or the extent of its changes. What recent works reveal is the incredible complexity of the New Deal, which was not simply Roosevelt's plan. The philosophical turmoil in the Administration and in Congress opened the New Deal to conservatives, progressives, New Nationalists, New Freedomers, planners, decentralizers, welfare capitalists, and radicals, who could find a congenial place for themselves somewhere in the expanding federal domain. Also now recognized is the importance of state and local authorities, private persons, and corporations. Historians have abandoned simple explanations and no longer try to impose any sort artificial uniformity over a program whose basic premise was immediate, wide-scale action to resolve the national emergency. Roosevelt himself did not try to make the New Deal ideologically pure or consistent; he probably could not have succeeded even if he himself was a self-consistent doctrinaire. The vast extent of the New Deal was the direct product of the terrific ferment of ideas debated at the time.

Badger and Biles reveal the number of influences affecting the shape of federal activities in the 1930s. Because history is not a science of measured forces, reinterpretation will continue as long as historians find the New Deal a relevant topic. Part of this continuing process of reinterpretation is further in-depth study of what occurred in the 1930s. The present study is premised on the belief that there is much to be learned about the New Deal in general by studying it where the pick hit the ground. We already know that there was a great gulf between the hopes of the New Dealers in Washington and what actually occurred in the states. The difference lies in the many intervening powers, public and private, that existed between the President and the millions of Americans in need.

Slowly, a body of literature exploring many of the New Deal agencies has grown. These include *The Civil Works Administration, 1933-1934* by Bonnie Fox Schwartz (1984), John A. Salmond's standard reference, *The Civilian Conservation Corps, 1933-1942: A New Deal Case Study* (1967), James S. Olson's, *Herbert Hoover and the Reconstruction Finance Corporation, 1931-1933* (1977) and *Saving Capitalism: The Reconstruction Finance Corporation and the New Deal, 1933-1940* (1988), and

Theodore Saloutos, *The American Farmer and the New Deal* (1982). Unfortunately, no modern historian has taken on the Public Works Administration so that we are left with the older account by Harold Ickes' *Back To Work* (1935). Many other agencies have yet to find their definitive historian. These studies have in common a Washington centered orientation. They describe the important national administrators and the policy issues they confronted. Yet there is a clear and recognized pattern that these agencies struggled with complicated local issues that often made implementation of national goals difficult. Most of these agencies did not have a large body of federal administrators and relied on state and local authorities to develop specific projects and distribute resources. These local figures had wills and agendas of their own, and used whatever leeway was available to shape the programs to their own notions of what the situation called for. Rampant exploitation of agricultural programs by landowners in the South, for instance, meant that tenants and sharecroppers often suffered discrimination in the distribution of relief. This occurred despite the wishes of the Washington administrators because local authorities could often ignore rules they found inconvenient or offensive and rely on the political power of their representatives in Congress to shield them from federal mandates.[10]

This study seeks to expand our understanding of the New Deal by building on that emerging sense of complexity and local influence. National and regional studies continue to offer important research opportunities, and there is a clear need for additional studies of individual agencies as they operated in Washington and in locations around the nation, but examining how numerous agencies implemented their programs in one state—in this case, Arizona—makes it possible to understand the continuities, conflicts, and interrelationships between programs, the effects of those programs in a specific environment, and the role in running programs and reshaping government played by people outside the nation's capital.

Arizona can serve well as a case study of how local conditions determined the course of the New Deal. Many New Deal agencies affected many, if not all states. These include the Federal Emergency Relief Administration, Civil Works Administration, Public Works Administration, and Works Progress Administration. However, certain agencies had more effect in some states than in others. For example, the Tennessee Valley Authority specially influenced the four states in that region, while the Wagner Act greatly affected the industrial states of the Northeast and Midwest. Similarly, Arizona was also touched more by certain agencies and initiatives than were other states. Thus, although

[10]Sitkoff, 93.

there are many similarities, its experience differed in some ways from other states and presents a less familiar pattern. One important difference was the large amount of land in the stated owned by the federal government. The Departments of Agriculture and the Interior controlled approximately 43 percent of Arizona's land, with another 27 percent set aside as Indian reservations. Federal land management policies had far reaching consequences on the Arizona economy. This meant that for Arizona, the Taylor Grazing Act of 1934 stands out as one of the most important pieces of New Deal legislation. The state also contained numerous Indian tribes, many with sizable reservations. The Indian Reorganization Act of 1934 and the "Indian New Deal" implemented by Office of Indian Affairs Commissioner John Collier were also crucial parts of the New Deal in Arizona. The state's large Hispanic population raises another racial question. Here, a study of Arizona will provide a useful addition to a literature that has concentrated primarily on the New Deal and blacks.

Studies of Arizona during the 1930s are currently very limited. As a small state, Arizona has rarely caught the attention of historians interested in the national scope of the New Deal. Larger states such as New York, Pennsylvania, Illinois, and California or regions like the South have served usefully as case studies of how the New Deal programs were implemented in particular areas of the country. Industrialized states of the North and Midwest are important because of mass unemployment and issues of unionization. The South draws attention because of agricultural and racial concerns. The West also has special features that affected the implementation of the Roosevelt program. Among these are the survival of Indian tribes and numerous reservations, the high percentage of land remaining in the public domain, the agricultural, pastoral, and extractive nature of the western economy, and the arid character of its climate. Richard Lowitt's *The New Deal and the West* (1984) is the broad overview from which numerous state studies are likely to follow. Even in this work, though, Arizona receives relatively little attention. Most of Arizona's great dams and reclamation projects had either been built, or, like Hoover Dam, were under construction by 1933 so there was nothing on the scale of PWA development of the Columbia River. Arizona politics was neither as turbulent as neighboring California, nor as significant to the national Administration.

The premiere study relating Arizona to the New Deal is Donald L. Parman's *The Navajos and the New Deal* (1976). The Navajos were, and still remain, the largest tribe in the United States and their reservation, also the largest, was untouched by the allotment era of the Dawes Severalty Act of 1887. For these people, the New Deal came at a time of great need as drought and severe winters devastated their pastoral economy, while the depression cut off avenues for wage labor off the reservation. Collier used the CCC, PWA, and Soil Conservation Service to bring jobs to the poverty-stricken Navajos, but for all the much needed relief, the New Deal also brought its share of misery to a people who had suffered much misery at the hands of the federal government. While tribal reorganization might have found favor with the Navajos in the right circumstances, the government was simultaneously implementing a conservation program on the reservation that forced reductions of livestock. Ill-prepared for this latest assault on an important part of their traditional culture, the Navajos struck back at Collier by rejecting reorganization and resisting other aspects of his program. Parman deftly balances his discussion of internal division within the tribe between traditionalists and modernists. He also shows the important relationship between federal policy, the tribe, and state politics, though emphasizing New Mexico rather than Arizona. Parman's work is an important contribution to New Deal history, western history, Indian history, and Arizona history. Unfortunately, it is not one that has been emulated by later historians. The large Apache reservations, White Mountain and San Carlos, and the Tohono O'odham (then called Papago) Reservation with their sizable populations had their own experiences with Collier and the New Deal which differed significantly from the Navajos and deserve equivalent treatment—to say nothing of the many smaller tribes and reservations.

A small number of studies have examined important aspects of Arizona politics and social conditions during the Great Depression. Richard Valentine's study of the two gubernatorial terms of Benjamin B. Moeur reveals the limits of state initiative in dealing with the economic collapse. Valentine is critical of Moeur and state legislators for failing to do more than they could to provide aid to the unemployed at the state level. General considerations of the impact of the depression are found in Leonard J. Arrington's short study at the state level, and Jay Edward Niebur's more detailed work on Phoenix. Community studies have also been done on Tucson, Prescott, and Casa Grande. Studies on the impact of the depression on particular communities emphasize that while no part of Arizona escaped the nation's economic woes, conditions varied considerably. The depression devastated the copper industry and the communities dependent upon it, while the more diversified economy in Phoenix suffered relatively less. These social histories also reveal the role played by important people, such as Prescott's Grace Sparkes, in organizing relief and work projects in response to the depression and New Deal. Other social histories of Arizona during the 1930s include Jervey's detailed description of Arizona during the banking crisis of early

1933, and Weisiger's look at the experience of migrants from the Dust Bowl who passed through or settled in Arizona.[11]

Only three studies specifically examine New Deal agencies in Arizona. Booth's study of the CCC ranks only behind Parman's work as an important contributor to our knowledge of the New Deal in Arizona. Building on the Salmond's Washington-centered study of the CCC, Booth covers such topics as administration, work projects, daily life, education, and Indian CCC activities in the local context. This study will build further on the literature of the CCC by integrated it into the whole of the New Deal in Arizona, and to the broader program of conservation promoted by Roosevelt. Two other studies offer detailed, though limited considerations of particular projects of two agencies. Carriker's history of the Phoenix Homesteads describes one project of a small New Deal agency, the Division of Subsistence Homesteads, and its attempt to solve the problems of the depression by resettling families on small plots that could serve as part-time farms to supplement inadequate wage labor.[12]

The New Deal for the first time turned the federal government into a significant patron of the arts, providing employment for a number of artists, writers, musicians, and actors. Art historian Daniel August Hall described art projects sponsored by agencies like the CWA, FERA, and WPA, providing biographical information on several of the artists supported by government programs, drawing on both documentation and interviews with several persons involved in the projects. Hall also traces the locations of many of the major works produced. Modern exhibitions of New Deal art have provided the occasion for research and publication of aspects of these projects in Arizona. Exhibitions of

[11]Richard Valentine, "Arizona and the Great Depression: A Study of State Response to Crisis, 1932-1937," (Master's Thesis, Flagstaff: Northern Arizona University, 1968); Leonard J. Arrington, "Arizona in the Great Depression Years," (*AR: Arizona Review*, 1968); Jay Edward Niebur, "The Social and Economic Effect of the Great Depression on Phoenix, Arizona, 1928-1934," (Dissertation, Tempe: Arizona State University, 1967); C. L. Sonnichsen, "Hard Times in Tucson," (22, *The Journal of Arizona History*, Spring, 1981) 23-62; Margaret F. Maxwell, "The Depression in Yavapai County," (23, *The Journal of Arizona History*, Summer, 1982, 209-228); Melissa Keane, "Cotton and Figs: The Great Depression in the Casa Grande Valley," (23, *The Journal of Arizona History*, Autumn, 1991, 267-290); William H. Jervey, Jr., "When the Banks Closed: Arizona's Bank Holiday of 1933," (10, *Arizona and the West*. Summer, 1968); Marsha L. Weisiger, "Mythic Fields of Plenty: The Plight of Depression-Era Oklahoma Migrants in Arizona," (32, *The Journal of Arizona History*, Autumn, 1991).

[12]Peter MacMillan Booth, "The Civilian Conservation Corps in Arizona, 1933-1942," (Master's Thesis, Tucson: University of Arizona, 1991); Robert M. Carriker, "A New Deal Program: The Phoenix Homesteads, 1933-1948," (Master's Thesis, Arizona State University, Tempe, 1993).

individual artists such as Lew Davis and Philip Curtis also included publication of exhibition catalogues with valuable information. More recently, the art and biography of Philip Curtis of Scottsdale has been captured for television and was the subject of a second major exhibition at Arizona State University in 1997. Unfortunately, little has been done on the acting, writing, and musical projects undertaken in this state.[13]

The current literature on the New Deal in Arizona covers a fairly limited number of topics. Aspects of Arizona politics have been examined, as have important aspects of the economic and social conditions, providing a useful background for understanding Arizona in the 1930s and the impact of the depression. Little has been done to examine specific agencies, although Booth's study of the CCC is a notable exception. This dissertation departs from these types of studies by examining all of the major New Deal agencies in order to understand how they interacted, and how, combined, they exerted an important influence on the development of the state. Chapter two introduces the physical, demographic, political, and economic conditions of the state at the trough of the Great Depression from 1932 to 1933. Some of the significant points include the impacts of the economic collapse on the state's primary industry, copper, and the resulting effects on people living in the mining towns—then some of the largest communities in Arizona. Also significant is the dominance of irrigated, reclamation-based agriculture that survived well the drought that coincided with the depression, and of cattle ranching which suffered grievously from the same. The New Deal contributed only marginally to reclamation in Arizona, providing improvements to several existing projects though starting almost none. Politically, this period saw two gubernatorial administrations, those of George Hunt and Benjamin Moeur, both Democrats, and solidly Democratic legislatures. Both struggled to do something in response to economic collapse but faced the problem of a shrinking tax base and a conservative belief in the need for economy. Both agreed, however, on the need for federal intervention and moved quickly to take advantage of every new program initiated under both the Hoover and Roosevelt Administrations. Governors and legislatures moved to modernize the relief and tax systems of the state—often in response to federal demands. The chapter also describes the banking crisis that faced Roosevelt when he took office.

[13]Daniel August, Hall, "Federal Patronage of Art in Arizona From 1933 to 1943," (Thesis, Tempe: Arizona State University, 1974); Peter Bermingham, "The New Deal in the Southwest; Arizona and New Mexico," (Tucson: University of Arizona Museum of Art, 1980).

The succeeding chapters separately cover the major New Deal agencies, excluding such agencies as the Securities and Exchange Commission, the Tennessee Valley Authority, and the Export-Import Bank of Washington, which had little or no direct impact on Arizona. The Reconstruction Finance Corporation began in the last year of the Hoover Administration, when it set important precedents in the role of the federal government, providing loans to banks, railroads, and to the states for relief purposes. During the New Deal, the RFC's direct involvement in the economy expanded significantly and its vast lending capacity provided a convenient source of funds for numerous other New Deal undertakings. The next chapter looks at the primary dispenser of aid to the unemployed, the Federal Emergency Relief Administration, and the Civil Works Administration, the innovative work relief agency that operated briefly and temporarily simultaneously with the FERA, and with much the same personnel. While the FERA initiated direct federal grants to the states for relief and the CWA provided federal employment, both were operated at the state and local levels with only general guidance from Washington. In relation to work projects, both the FERA and CWA involved federal, state, county, municipal, and private agencies—an unprecedented mobilization of effort that aided thousands of unemployed men and women.

The National Recovery Administration and the Public Works Administration were organized to promote recovery. Between 1933 and 1935, the NRA tried to create a system of codes of fair competition. These codes attempted to provide a floor to both prices and wages that were suffering from an extended deflationary spiral, and protect the right of workers to bargain collectively. The codes covered much of the spectrum of commerce and industry and created authority boards composed of members of the industry. Most important for Arizona was the copper code, and the creation of that code illuminates an underappreciated aspect of NRA history. The PWA was allocated $3.3 billion dollars for public works to stimulate recovery. As with NRA, the PWA started with high hopes, though its ultimate achievements in Arizona were limited. Within the PWA were fought out basic issues of efficiency of operation versus impact, a debate that affected all efforts to revive the economy and provide work. The PWA is also important not only because of the actual projects it accomplished, but also because of its many connections with other agencies.

Two of Arizona's largest agricultural commodities, cotton and citrus, suffered because of overproduction nationwide which drove down prices, while the state's other major agricultural product—cattle—was threatened by a severe drought in 1934. The Administration responded to the political demands of farmers and ranchers for federal aid with a program of production controls and loans administered primarily by the Agricultural Adjustment Administration and the Farm Credit Administration. The AAA's production control programs for Arizona's major commodities were considerably different, reflecting both the differing needs of the sectors and differing political pressures applied by farmers and ranchers for federal assistance. The New Deal's program for agriculture evolved over the years. After 1936, soil conservation—another important concern of New Dealers—was integrated into the methods of production control. This concern for soil erosion also led to the creation of another new agency, the Soil Erosion Service (after 1935, the Soil Conservation Service). In its early years, the Soil Conservation Service took advantage of PWA funding and the availability of CCC, CWA, and FERA labor to undertake soil erosion control demonstration projects, two of the largest being on the Navajo Reservation and the upper Gila River valley. Although a national problem, soil erosion had a special significance in Arizona where the landscape was arid and livestock raising was a major economic activity. The New Deal responded to droughts and overgrazing of public lands by enacting the Taylor Grazing Act which transformed the relationship between the federal government and public land users, increasing the role of the former to that of land manager. Of all the New Deal activities in Arizona, the Taylor Grazing Act provoked the largest immediate opposition. Still, stockmen proved adaptable to the new system of land management, particularly since it allowed them a large voice in how the land was managed.

The interrelationship between New Deal programs and agencies is especially apparent in the aid they provided to Arizona's Indians. John Collier took advantage of the CWA, CCC, PWA, and other agencies to provide significant relief and employment on the reservations. In addition to providing much needed assistance to the Indians, Collier's program shifted federal Indian policy with the enactment of the Indian Reorganization Act of 1934, which halted the allotment of reservations into private parcels, and established a process by which tribes could create new and more effective forms of self-government. Most Arizona tribes cooperated with this reorganization plan, although the nation's largest tribe, the Navajos, opposed this and other aspects of the Indian New Deal.

The New Deal's relief program evolved between 1933 and 1935. From FERA relief grants to the states and funding of public works by the PWA, the New Deal shifted to direct employment with the CWA and the later work program of the FERA. The experience of these early efforts led to the creation in 1935 of the Works Progress Administration, an agency that provided employment on hundreds of small-scale projects dispersed across the state. Although many of the work projects under

WPA differed little in character from those under FERA or CWA, the WPA expanded opportunities for women's and professional employment beyond what earlier programs had offered. Arts, theater, and writers' projects provided a relatively small percentage of overall employment, yet gave aid where little or none existed before, and produced a variety of extraordinary products. A division of the WPA, the National Youth Administration, provided aid to young people both in school and out.

The Great Depression staggered the property-owning middle class, forcing thousands of farm and homeowners into default on their mortgages and taxes. Many lost their land, contributing to the migration of the unemployed throughout the country. The loss of property threatened the existing capitalist system by shaking the self-reliance of many. The New Deal responded with a variety of aid programs that provided loans and mortgage refinancing. Through agencies such as the Home Owners' Loan Corporation, the homes of thousands of Arizonans were saved. In addition, other agencies such as the Federal Housing Administration and the RFC Mortgage Corporation worked to revive the secondary mortgage market and stimulate the housing industry. The FHA in particular contributed to not only a renewed housing boom in Arizona, but to new designs in both homes and communities. Prominent Arizona bankers like W. Roy Wayland and Walter and Carl Bimson of the Valley National Bank immediately appreciated the potential of these and other New Deal agencies and worked to make them effective, both for the benefit of the state and for their own institution.

One of the most important permanent programs created by the New Deal was Social Security. In addition to the nationally administered program of contributory old age insurance, the Social Security Act of 1935 provided federal aid to encourage states to undertake a number of public welfare programs, including aid to dependent children, unemployment insurance, old age assistance, and aid to the blind. The incentives built into the Social Security Act encouraged all states, including Arizona, to develop more effective and efficient welfare systems. This process did not always occur smoothly, as in Arizona where controversies over Indian eligibility and indigent medical care delayed implementation of Social Security old age assistance, and caused the loss of tens of thousands of dollars in potential federal grants to aid Arizona citizens. The enactment of Social Security at both the national and state levels illuminates the evolution of American federalism. While the New Deal increased the prominence of the federal government, it did not do so at the expense of state authority. States also significantly expanded their powers and responsibilities in economic and social areas.

In February 1934, CWA field examiner Pierce Williams told reporters in Phoenix "We haven't had any trouble in Arizona such as we have had in some sections of the country relative to graft and political messes."[14] Although specifically referring to the administration of the CWA, Williams' point is generally true for the entire New Deal in Arizona. The implementation of most New Deal programs went relatively smoothly and without the political or administrative turmoil that occurred in some other states. That Arizona was a solidly Democratic state accounted for much of the lack of political controversy. In Washington, Arizona's Democratic congressional delegation, Henry Ashurst and Carl Hayden in the Senate and Isabella Greenway in the House, could always be counted on to support Administration measures. Arizona's governors—Moeur and R. C. Stanford—generally supported federal initiatives and were eager for the state to get its share.

At the beginning of 1933, Arizona was a state in need. Many of its crucial industries—copper, construction, railroads, and banking—were on the verge of collapse. State officials declared that only the federal government had the resources to help the thousands of unemployed men and women and their families. Between March and June 1933, Roosevelt and Congress enacted many laws, created new agencies, and appropriated billions of dollars to provide relief and restore prosperity. After June, the programs moved to the states, the cities and towns, and the countryside to implement the promises made in Washington. The New Deal did more than give aid to Arizonans, it changed the state, and it changed what people expected from their government. Many programs did not live up to expectations; others were effective in ways not anticipated by their creators. Understanding the impact of the New Deal is essential to understanding the development of Arizona in the twentieth century.

[14] *Arizona Republic*, February 9, 1934, 1:1.

2

THE BOTTOM OF THE TROUGH

This chapter examines important characteristics of Arizona at the beginning of the depression and evaluates how the Great Depression affected its people. Some of these characteristics include the dominance of the copper industry in the economy, the state's large Indian population, and the prominence of the federal government as a landowner. With this background in mind, the narrative summarizes some of the significant actions taken by state officials in response to the immense needs generated by widespread unemployment during the worst period of the depression from 1932 to early 1933. Important developments both at the state and national level greatly influenced the future course of events after the New Deal came into being. Within Arizona, the period saw a change in gubernatorial administrations from long time governor George W. P. Hunt to Benjamin B. Moeur. At the national level, Franklin Roosevelt replaced Herbert Hoover. Major policy changes occurred because of these transitions. The Roosevelt Administration and the New Deal are introduced in the narrative relating the local aspects of the great banking crisis that witnessed the near complete collapse of the American financial system.

The political response to the depression in Arizona was dominated by two figures, Governor George Hunt, and his successor, Benjamin Moeur. Both men were Democrats, and in the parlance of the times, progressives. Although a Republican occupied the White House in 1932 and early 1933, both governors looked to Washington for a solution to the crisis. Both believed that the state was at the end of its financial capacity to deal with the situation alone. Hoover limited the federal response to the depression, but under pressure from a Democratic Congress, he did accept several precedent setting innovations that would have great consequences during Roosevelt's time. Approving these federal undertakings, Hunt and Moeur did what they could to facilitate the transfer of federal aid to the state. The legislature, in general, passed the measures that the governors or federal officials stated were necessary for the implementation of federal programs. The cooperation of state officials to maximize federal aid to Arizona is a continuing theme throughout this study.

Roosevelt's first efforts in office were directed to resolving the terrific banking crisis that was devastating the nation's financial resources. At that critical moment, he demonstrated his unwillingness to experiment with radical ideas, such as nationalization of the banks. Instead, he seized upon plans worked out by Hoover's advisors and made them his own. He did this because they offered a reasonable course of action that could be implemented immediately. The banking situation in Arizona had only become critical following the closure of banks in California. The important figure who recognized the interconnectedness of the

Arizona banking with California, and who convinced Governor Moeur of the danger, was Walter Bimson, who had only recently come to Arizona to head the Valley Bank and Trust Company. This was the beginning of a connection between Valley Bank and the New Deal in Arizona that would have profound implications. The success of the New Deal in Arizona depended upon the cooperation of state political figures such as Moeur and business leaders like Bimson.

THE INITIAL CONDITION OF THE STATE

To understand the impact of the Great Depression and the significance of the New Deal to Arizona, it is important to interpret certain facts regarding the state's population. The total population, 435,573 persons, placed Arizona 43rd of the 48 states. Since federal funds were often tied to population, Arizona attracted fewer resources from New Deal programs during the 1930s. It was also the fifth largest in area, making it one of the least densely populated. Size dictated that what funds were available were often stretched quite thinly. This was particularly true of major land improvement efforts undertaken by agencies such as the Soil Conservation Service, the Office of Indian Affairs, the Civilian Conservation Corps, and the National Forests. The New Deal occurred at a smaller scale of operation than in the major industrial states. Other factors besides total population affected the significance of the New Deal. The prominence of the federal government as a land owner and the large number of Indians living on reservations are two factors that helped make the New Deal important in this state. On balance, these many characteristics of Arizona in the 1930s contributed to making its experience with the New Deal unique.

Though small, Arizona was a rapidly growing state, its population rising nearly one-third between 1920 and 1930. Most areas of the state shared in this general increase with the urban-rural ratio little altered (see Table 2.1). Only the farm population, though growing, lagged behind significantly from the overall rate. That the state's farm population grew at all was unusual since the number of farmers nationally declined in the 1920s. The reason for this disparity was the rapid expansion of irrigable lands because of the construction of reclamation dams on the Salt and Gila Rivers. Arizona had a diverse ethnic mix with nearly 40 percent of the total identified as non-white by the census of 1930. Hispanics, of both American and Mexican citizenship, accounted for the largest minority, 114,173, or 26.2 percent of the total. Indians made up the second largest minority population with 43,726, or ten percent of the total. Blacks trailed third in proportion with only 10,749, accounting for only 2.5 percent of Arizonans. Whites and blacks concentrated somewhat in urban areas where they made up 68.1 and 3.4 percent of the

Table 2.1. Rural-Urban Population.

	1920	1930	Percent increase
Total Population	334,162	435,573	30.2
Rural	216,635	285,717	31.9
farm	90,167	98,819	9.6
non-farm	126,468	186,898	47.8
Urban	117,527	149,856	27.5
Percent urban	35.2	34.4	
Percent rural-farm	27.0	22.7	

Source: *Fifteenth Census of the United States: 1930, Population*, Volume III, Part I, (Washington: U.S. Government Printing Office, 1932), 143.

population, respectively. In Phoenix and Tucson, Indians were all but nonexistent, a mere 475 in both cities. Both, however, had sizable Hispanic populations, making up 15.2 percent of Phoenicians and 31.5 percent of Tucsonans.

Arizona was also unusual in that the proportion of the urban population actually declined slightly between 1920 and 1930 despite rapid urban growth. The two largest urban areas were Phoenix and Tucson. Both experienced tremendous growth, Tucson by 60 percent to 32,506, and Phoenix bursting with an almost two-thirds increase to 48,118. In addition, communities around Phoenix, such as Tempe, Mesa, and Glendale, also grew substantially. Maricopa County as a whole grew from 89,576 to 150,970. Though they remained physically separated by agricultural land in the 1930s, this growth foreshadowed the eventual emergence of a single metropolitan area. A notable fact about the distribution of population is the prominence of communities whose primary industry revolved around the copper industry (see Table 2.2). Combined, the communities of Bisbee, Clifton, Douglas, Globe, Jerome, and Miami surpassed Tucson in size. It was the stability or even decline of population in some of the mining towns that lowered the rate of urban growth in the state as a whole.

The 1930 census provides a convenient standard for measuring the impact of the Great Depression. Much of its information dates from relatively early in 1930, or even 1929 in some areas, a time when the economic decline was just beginning to take its harsh toll. The 1920s had been prosperous for most areas of Arizona, as it had been for the country at large. The 1930 census recorded 165,304 persons as gainfully

Table 2.2. City and Town Populations, 1930.

Community	1920	1930	Community	1920	1930
AGRICULTURE			MINING		
Florence	1,161	1,077	Bisbee	9,205	8,023
Glendale	2,737	3,665	Globe	7,044	7,157
Buckeye	—	1,077	Jerome	4,030	4,932
Holbrook	1,206	1,115	Miami	6,689	7,693
Yuma	4,237	4,892	Clifton	4,163	2,305
Mesa	3,036	3,711	Douglas	9,916	9,828
Nogales	8,460	6,006			
Chandler	—	1,378			
Safford	1,336	1,706	LUMBER and OTHER		
Tempe	1,963	2,495	Prescott	5,010	5,517
Casa Grande	948	1,351	Flagstaff	3,186	3,891
Winslow	3,730	3,917	Williams	1,350	2,166

Source: *Fifteenth Census*, Population; Vol. 1, 35, 40, 47; Vol. III, 156, 163.

employed, of whom, 135,209 were males and 30,095 females. While an examination of the broad categories of employment (see Table 2.3) indicates a significant diversity of employment, in fact, a few key industries dominated particular areas of the state. Copper constituted nearly all the value of minerals extraction and provided wages for 15,564 persons. Railroads employed more than half of all transportation workers. Non-owner and non-tenant farm laborers made up 20,502 of the employment under agriculture. The building industry accounted for 8,082 of the manufacturing and mechanical industries. Each of these industries had its own unique characteristics and contribution to Arizona's economy. Between 1929 and 1933, the economy spiraled downward as declines in one industry reverberated in others. The interconnectedness of the economy, industry to industry and region to region, meant that the Great Depression, with few exceptions, was general. Few communities escaped significant unemployment, whether they were unemployed copper miners, construction workers, railroad employees, or those dependent on their incomes such as local merchants.

In 1930, railroads employed 7,876 workers in Arizona. Railroads were already suffering from increased competition from cars and trucks for passenger and freight when the depression struck, further reducing

Table 2.3. Major Employment Categories, 1930.

Industry	Persons over 10 years gainfully employed
Agriculture	38,697
Manufacturing and mechanical industries	28,245
Minerals extraction	17,566
Transportation	16,200
Domestic and personal service	16,155
Professional service	13,041
Public service	6,018
Textile industries	2,602
Iron and steel industries	2,350
Not specified	4,839
Total	165,304

Source: Fifteenth Census, Population, Vol. III, 151.

traffic. Numerous bankruptcies afflicted the industry across the country. Economic hardships fell on those employed by the railroads and the communities where they were prominent. The Atchison, Topeka, and Santa Fe Railroad operated the northern transcontinental route linking the towns of Holbrook, Winslow, Flagstaff, Williams, and Kingman. Across the southern portion of the state, the Southern Pacific linked Willcox, Benson, Tucson, Phoenix, and Yuma. Numerous other points in between these towns provided water stops and other services necessary in this age of steam. Other rail lines linked the copper producing areas with the transcontinental routes. When copper production fell, these lines cut their operations.

The building industry in 1929 contributed $12,932,000 to the Arizona economy. Highway and street improvements was the largest category of construction, with $2,402,549 worth of work. Residential construction totaled $2,353,213, followed by commercial at $1,954,334, educational at $601,128, and public works and utilities at only $397,261.[1] Construction too, was relatively concentrated. By 1930, the copper towns had already passed their periods of growth and were largely

[1]Fifteenth Census of the United States: 1930, Construction Industry, (Washington: U.S. Government Printing Office, 1933), 189. Chapters 6, 12, and 13 consider the fall and revival of the building industry.

stable in population. Phoenix and Tucson were the highest growth areas and construction of new housing naturally ranked high as a source of employment there. The depression virtually put a halt to construction in both the public and private sectors, except for highway work which was significantly subsidized by federal funds. Revitalization of the building industry became a major component of the New Deal.

Three other economic sectors of note produced significant portions of the state's wealth, copper, cattle, and cotton. The greatest of these was copper. In 1930, 68 mines produced copper ore valued at $113,980,541. Smelting and refining provided another $10,400,779 in value added. The copper industry was the single largest employer in the state, giving livelihood directly to 17,009 persons, and indirectly to thousands more. Copper comprised nearly all of minerals extraction; lead production in 1930 was a mere $770,543, while gold and silver combined amounted to only $515,135.[2] The cattle industry had been an important source of wealth and livelihood since the earliest days of American settlement in Arizona. The census of 1930 inventoried 695,118 head of cattle in Arizona, a decline from 1,068,727 head in 1925 and 821,918 in 1920. The value of these cattle in 1930 amounted to $33,670,800, considerably higher than the next highest category of livestock, sheep at $9,084,649. The value of all stock sold was $12,143,576, a fourth of the value of all agricultural products sold in 1930. Also, in 1929, dairy products added $4,933,396 to the contribution of cattle to the state's economy. In comparison, the total value of field and orchard crops, vegetables, and farm gardens totaled $32,366,573. The advance of irrigation agriculture pushed the value of cotton production past cattle by the end of the 1920s. Arizona produced $17,050,059 worth of cotton in 1930.[3]

Federally-sponsored reclamation projects and irrigation agriculture were important features of Arizona's agricultural economy, and they differentiated it from most of the rest of the country. Dams constructed on the Salt and Gila Rivers allowed controlled use of their water for a variety of crops. Among the important crops were alfalfa to support the cattle industry, citrus, and cotton. Further developments were planned for these rivers and other. Plans for storage dams on the Verde River

[2]Fifteenth Census of the United States, Mines and Quarries: 1929, General Report and Reports for States and for Industries, (Washington: U.S. Government Printing Office, 1933), 74-76. The copper industry is further considered in chapter 5.

[3]*Fifteenth Census of the United States: 1930, Agriculture*, Volume II, Part 3 - The Western States, (Washington: U.S. Government Printing Office, 1932), 342; Volume III, Type of Farm, Part 3-The Western States, 33. The cattle industry is considered in greater detail in chapters 7 and 8.

would have a significant interplay with New Deal programs. The most ambitious reclamation plans were directed to gaining control over the Colorado River with the monumental Hoover Dam, built between 1931 and 1935 in Boulder Canyon, as the centerpiece. Arizona in 1930 had 14,173 farms and ranches worth, in land and buildings, approximately $184 million. The vast majority of these farms, 11,294, were operated by their owners, the rest by tenants. Most of these farms were fairly small, 7,802 being less than 50 acres. Only 718 were a thousand acres or more and these were largely cattle ranches, a land-intensive industry. In 1929, cotton production accounted for 211,178 acres with an output of 149,488 bales. Citrus, primarily oranges and grapefruit was a growing sector. In 1930, the state had 96,564 orange and 177,068 grapefruit trees of bearing age. Another 358,914 orange and 495,254 grapefruit were not yet of bearing age, having been planted in the peak years from about 1925 to 1929. These would begin bearing fruit about 1933. In 1929, Arizona citrus growers shipped 137,371 boxes of oranges and 364,182 boxes of grapefruit. The Salt River valley was a major area of citrus development. Farmers planted thousands of trees in the early 1930s and by 1933, there was almost 20,000 acres in citrus.[4]

Politically, Arizona was a strong Democratic state. Voter registration in 1932 recorded a lopsided Democratic majority of approximately 91,000 to 27,000 Republicans. Between statehood in 1912 and 1930, only two Republicans sat in the governor's chair for three two-year terms. The rest of that time Democrat George W. P. Hunt occupied the governor's chair. His political beliefs were progressive by standards of the early 20th century. His vocal support of workingmen even seemed radical at times. Still, he was an active booster for Arizona and could work with business interests to that end. The onset of the Great Depression, which tarnished the reputation of the national Republican administration, only increased the tendency of Arizona voters to elect Democrats. Hunt returned again in 1930 to serve his final term, and was succeeded for two terms by Benjamin B. Moeur, and then single terms each by R. C. Stanford and Robert Jones. Democrats dominated the legislature as well, at times reducing the Republicans to a vestigial minority. Arizona Democratic ideology, however, was anything but uniform. While Hunt symbolized the party's progressive wing, conservatives and Jeffersonian traditionalists also held significant influence. One of the leading figures of this wing was Lewis W. Douglas, whose father and grandfather were

[4]Ibid., 357; Michael J. Kotlanger, "Phoenix, Arizona: 1920-1940," (Dissertation, Tempe: Arizona State University, 1983), 79; *Arizona Republic*, Resource Edition [November 1933], 6:3.

important figures in the state's copper industry and banking establishment. Douglas served as Arizona's only congressman for three terms between 1927 and 1933. He resigned this office after his fourth election to serve Roosevelt as Director of the Budget. There he espoused conservative fiscal policies and fought against the increasing tendency of Roosevelt to expand the budget deficit until his break with the Administration in 1934.

Democratic party dominance in state government was a crucial characteristic of Arizona in the 1930s, smoothing the implementation of the New Deal. The major New Deal era governors, Moeur and Stanford, supported the Administration, complaining only that they could not get more. Both pushed the legislature to pass laws and create agencies to administer New Deal programs. They might hesitate to call a special session because of the cost, but when told that such measures were necessary to receive funds, the sessions were held. While Moeur was a fiscal conservative in matters relating to state government, he eagerly promoted increased federal responsibility and took advantage of any programs the New Deal had to offer. He could in this way balance the state budget and hold down taxes while still helping provide relief and economic development projects. In this regard, Moeur followed a long-standing tradition in the West where the federal government played an important, though often unappreciated roll in the region's economic development. This included continuously seeking funds for reclamation projects, highway development, and improvement of national parks and monuments to promote tourism. Only with Social Security legislation did the legislature temporarily fail to follow federal directives (see chapter 14). Politically, Arizona presented the ideal opportunity for the New Deal to proceed with a minimum of obstructions.

THE STATE'S REACTION TO THE DEPRESSION

While the stock market crash of October 1929 is the symbolic beginning of the Great Depression, certain areas of the national economy, such as automobile production, had already weakened. Through most of the 1920s, American agriculture suffered from overproduction and low prices. In Arizona, the cattle industry contracted as ranchers reduced the size of their herds following the recession of 1921-22. Copper, on the other hand, remained fairly stable until national industrial production dropped precipitously. From 1930 to 1932, commodity prices dropped to staggeringly low levels. Copper, which had been 18.1 cents per pound in 1929, fell to 5.6 cents—below the cost of production. Mines across the state closed or cut production. The value of copper production fell from nearly $114 million in 1930 to only $14.7 million in 1932. Mine wages were reduced from $37,329,270 in 1929 to $4,276,630 in 1933. Farm and livestock prices collapsed as well.

Total farm production fell from $41.8 million in 1929 to $13.8 million in 1932. Cotton production declined from 152,000 bales ginned in 1929 to 69,000 in 1933. Cattlemen found that their yearlings that earned $40 to $43.5 a head in 1930 brought only $15 to $10 in June 1931. Livestock production fell from $25.5 million to $14.7 million. Only citrus held it own in the early depression years. After rapidly expanding acreage in citrus in the late 1920s and early 1930s, a bumper harvest coincided with poor harvests in California and Texas. The respite was only temporary, however, as recovering production in those states led to a terrific drop in prices in 1934. Grapefruit fell from as high as $76 per ton in 1927 to only $15 in 1934. By 1937, when Arizona's grapefruit harvest exceeded California's, the price had fallen to $2.32 per ton.[5]

Closing mines threw thousands out of work. By 1933, only about 3,300 men still worked in the few open mines, less than a fifth of the pre-depression employment. Declining freight traffic reduced jobs on the railroads. New construction and repair practically ended. As these production jobs disappeared, commerce and service declined, leading to more lost jobs and further decline. The economic drop turned into a spiral that seemed impossible to stop. As people tapped their savings, banks and other savings institutions were forced to liquidate their assets to meet the demand for cash. Homeowners found they could not renew their mortgages and faced foreclosure. The total salaries paid to all Arizona workers declined by nearly half from $253 million in 1929 to only $132 million in 1933, driving down the average income per person from $592 to $321.[6] Many of the unemployed and their families moved

[5]Bradford Luckingham, *Phoenix: The History of a Southwestern Metropolis* (Tucson: University of Arizona Press, 1989), 102; Valentine, 6-7; Kotlanger, 79-80. Luckingham's economic figures vary somewhat from the figures in the 1930s census presented above. Care should be taken in accepting figures from this era as exact. Measurements were made by different people using differing methods and at varying times. The important point is the magnitude of the decline to the trough of the depression in 1932-33. Luckingham's source is Ernest J. Hopkins, *Financing the Frontier*, (Phoenix: Arizona Printers, 1950), 193, which provides the following table:

Year	Farm Production	Livestock Production	Mining Production	Total
1929	41.8	25.5	155.7	223.0
1930	29.1	23.5	79.7	132.3
1931	16.9	19.0	40.6	76.5
1932	13.8	14.7	14.7	43.2

[6]Office of Government Reports, Statistical Section, "Consolidated State Reports: Arizona" No. 10, Vol. II (mimeographed), 5, quoted in Valentine, 5.

in search of jobs. Others stayed where they were, sought local aid, and waited for better times.

Declining production and income also severely affected state and local tax collection. Thousands of property owners fell behind in their taxes. A special legislative committee reported on June 30, 1932 that delinquent taxes totaled $7,250,00—more than the total assessment for the fiscal year. Almost a quarter of the state's property tax assessment became delinquent in the 1932-33 fiscal year. The most severe offender was the Phelps Dodge Corporation which stopped making property tax payments in 1933, arguing that the severe drop in copper prices left its properties overassessed. For three and a half years, Phelps Dodge made no tax payments while the issue progressed slowly in litigation, until it had accumulated $5,196,074 in delinquent taxes and interest. The second largest delinquent taxpayer was the Central Arizona Light and Power Company which accumulated $305,374 in back taxes, exclusive of interest, by 1937. A severe cash shortage began to plague the state, affecting public employees' pay. Increasing delays in cashing outstanding state warrants led merchants in early 1932 to refuse or discount them. This situation would last for the next several years.[7]

In 1929, the character of Arizona's institutions of public and private aid for the needy reflected the national pattern. While much of private charity involved simple church soup houses or individual giving, the rise of the social worker as a professional, backed by prestigious institutions such as the University of Chicago, helped turn charity into an efficiently organized bureaucracy. Social work became a science of sorts, studying the pathology of poverty and developing the practice of case study to diagnose the underlying reasons for a particular person's fall into destitution and, hopefully, suggesting a solution. Despite progress into understanding poverty and the poor, there remained a strong belief that poverty was the just reward for ignorant or immoral behavior. Gambling, intemperance, or the ominously vague "idiocy" were all cited as causes of poverty, each impugning the character of the poor as being responsible for their plight. Only a few limited categories of the "worthy poor" found sympathy. These included widows,

[7]Valentine, 10-11; *Arizona Republic*, February 5, 1937, 1:1, 1:8; February 7, 1937, 1:1. A warrant is an authorization to make payment from the state treasury. When the state is on a cash basis, a warrant is much like a check, which merchants and banks will cash. It is not, however, a true demand deposit as the state may delay payment of the warrant, in which case, it accumulates interest. Phelps Dodge finally settled its tax bill in February 1937 after adverse court rulings and an order by the attorney general to begin property seizures. Payment restored not only the state, but also several counties to a cash basis.

orphans, and those unable to work due to handicaps. Even these groups found aid limited and often degrading to accept. Whether provided by private individuals or groups or by the government—usually counties—aid often took the form of "relief in kind," that is, as food, clothing, fuel, and sometimes shelter. A poor person was rarely entrusted with cash. While many social workers believed poverty could be dealt with on a case by case basis, the depression presented them with a challenge they could not meet. Mass unemployment challenged the notion that individual behavior was the key to economic circumstances. With millions unemployed, the definition of the worthy poor had to be refined. Many who sought aid did so as a last resort and they would gladly take any job offered if only there were any available. Both public and private agencies had to accept a more generous definition of the indigent to include those for whom work was unavailable.

In Cochise County, which relied heavily on mining operations in Bisbee and Douglas, local public and private resources were stretched as far as they could go. In January 1932, 3,281 people in the Bisbee District were receiving relief, with over 900 more unable to get on relief and forced to rely on family and friends. The County spent $58,200 from October 10, 1931 to February 10, 1932 with donations coming from the employed, the mining companies, and the County Indigent Fund. This was in addition to thousands raised and distributed by the Warren District Unemployment Committee and the Red Cross. The county was forced to ask for an emergency appropriation of $40,000 to supplement its indigent fund. Meanwhile, road work funded by an expanded highway program gave work to only 96 men. In northern Arizona, communities were burdened by transients moving across the state along Route 66 or on freight cars of the Santa Fe. Residents of Ash Fork and Seligman complained when transients jumped off trains and immediately moved from door to door begging for relief. Dozens of men slept in Ash Fork's roundhouse every night seeking shelter from the winter cold.[8]

In Tucson, several charitable institutions operated under the umbrella of the Organized Charities of Tucson. Begun in 1915, the Organized Charities coordinated the activities of the Pima County Health Center and organizations such as the Travelers Aid Society, the Community Chest, and the Red Cross. In Phoenix, the Community Chest organized the major private relief efforts, taking in funds, contributions of food,

[8]Letter from Judge John W. Ross, Cochise County Superior Court, to Gov. Hunt, March 3, 1932; J. G. Flynn, et al, to Hunt, February 11, 1932, Hunt Papers, Arizona Department of Library, Archives, and Public Records; Letter from Mrs. G. A. Johnson to Grace Sparkes, July 1, 1932.

clothing, and other materials, and rallying the labor of volunteers. In Prescott, the Yavapai County Chamber of Commerce became an important sponsor of work relief and charitable campaigns. Nogales also had an Associated Charities. These and other groups gathered and distributed a great deal of aid to the needy. Still, as the depression worsened in 1932, their resources proved inadequate to the task.[9]

While the challenges of the Great Depression stretched resources to their limits, several notable and many anonymous citizens worked to do their share. In Prescott, Chamber of Commerce Secretary Grace Sparkes spearheaded efforts to provide work relief and encourage private charity. In November 1930, the Chamber organized construction projects such as laying concrete curbing and erection of a grandstand at the city playground that employed 250 local men at $2.50 per day. The Prescott Rotary Club donated its $3,500 emergency fund for the aid of the unemployed. Such private efforts proved inadequate to the demand, and municipal funds had to be committed to complete these projects. Also in November 1930, Dr. John W. Flinn, director of the Prescott Tuberculosis Sanitorium, was named coordinator of unemployment activities in Yavapai County. Working with James Whetstein of the Bashford-Burmister Company, Lester Ruffner of the Chamber of Commerce, and Chris Totten, a local architect, Flinn was able to find jobs for over 150 local men and women. In Tucson in 1931, novelist Harold Bell Wright formed an Emergency Relief Committee and headed a fund-raising drive that replenished the Associated Charities' depleted reserves with $15,000.[10]

In Phoenix, where demand for work relief was reported 257 percent over the normal and 17 percent higher in 1932 over 1931, the Community Chest made extraordinary fund raising efforts. F. L. Grosse led the drive declaring, "The campaign must be based on getting the money from those who have it. The employed of Phoenix must assume within itself

[9]The First World War provided an important organizational boost for private charities in the U.S. Patriotic fervor and a rare concern for the conditions of the destitute of Europe, spurred record-breaking fund raising drives. The multitude of charities found it efficient to join together under umbrella organizations so that the public might give to all with a single pledge. Community war chests dispersed funds to aid families of men in service and charities aiding the victims of enemy aggression. After the war, a severe recession in 1921-22 created a legion of unemployed and destitute. Using the model of the war chests, charities continued to use financial federations to facilitate fund-raising. These groups continued through the 1920s and provided the backbone of the volunteristic response to the Great Depression.

[10]Margaret F. Maxwell, "The Depression in Yavapai County," *The Journal of Arizona History*, (23, Summer 1982), 211-214; C. L. Sonnichsen, "Hard Times in Tucson," *The Journal of Arizona History*, (22, Spring 1981), 31.

its just and proper share of this responsibility." The stakes, Grosse stated, were high. Desperate needs and inadequate means were leading to "the breaking down of character within our citizenship." If people do not give now "the backwash in the mental and physical breakdown of the community will extend into the next two or three decades." In March 1933, the Phoenix Community Chest used federal relief money to establish a wood yard on the old Fillmore School grounds and distributed thousands of sacks of wood to the needy. Even the children of the local Studio Theater Mickey Mouse Club gave their time to help those in need. Still, by the end of 1932, private and public relief resources had reached their limit. A Phoenix Social Service Center report in September 1932 commented that "There are constantly arriving in the Phoenix area families in broken down automobiles, or through any possible way, usually with children or sick members of the family, tragically searching for a place where the climate is milder through the winter." Statistics showed almost ten thousand people in Phoenix receiving aid.[11]

In August 1932, the Associated Charities in Nogales aided 1,767 persons in Santa Cruz County. In Globe, Gila County officials that same month listed 525 families and 150 non-family persons receiving $7,402 in relief aid each month. With the shut down of the Miami Copper Company operation, officials expected the figure to rise to 950 families and to continue at that level at least through January. The Red Cross in Mesa distributed 4,300 pounds of flour through the Mesa Welfare League in August, while League volunteers operated a clothing salvage shop and planted community gardens. In Prescott, local citizens did what they could to implement Hoover's call for local volunteer aid to fight the depression. One eager group was the Smoki People, a group of local businessmen interested in the study and preservation of southwestern Indian culture. The City of Prescott donated land to the Smoki People where they began construction of a rough stone museum to house their artifacts. The local Kiwanis Club sponsored the sale of seats to fund construction of a stadium on Gurley Street, but the project practically halted by March 1931 due to lack of funds.[12]

Minorities across the state suffered proportionately more than white Arizonans from the declining economy. Blacks in Phoenix found most

[11]*Arizona Republic*, September 27, 1932, 1:2; March 6, 1933, 1:2; March 9, 1933, 1:3; Luckingham, 103.

[12]Letter from Rev. O. A. Smith to Hunt, August 11, 1932; Telegrams to Hunt, August 24 and 25, 1932, Box 4, Folder 24 Hunt Papers; letter from C. B. Flynn to Hunt, August 11, 1932; Maxwell, 215.

charities uninterested in their plight. Solely dependent on their own community's meager resources, black leaders formed the Phoenix Protective League in 1931 to distribute food and clothing to their own needy. Community groups such as the National Urban League, the NAACP, the black Masons, Elks, and other segregated social groups worked to provide assistance to their members and the community. Protest eventually spurred the creation of an "all Negro Division" of the Phoenix Community Chest. Hispanics, both Mexican nationals and Mexican-Americans, suffered grievously during the depression. With jobs scarce for "Americans," the welcome to Hispanic farm and mining labor disappeared. Thousands of Mexican nationals removed back to Mexico. Some local charities provided aid to unemployed Hispanics to help them reach the border.[13]

Arizona's state government was slow to respond both to the needs of individuals and the financial challenges facing counties and municipalities. Governor John C. Phillips created an Arizona State Committee on Unemployment, with Dr. John W. Flinn as chairman and Grace Sparkes as secretary, to work with the President's Emergency Committee for Employment. Their work gathering information, however, was not completed until Hunt returned for his last term as governor in January 1931. Flinn and Sparkes hoped the new governor would establish a new committee to continue the needed study.[14]

In normal times, institutions of public aid and relief barely met the needs of the destitute and indigent. In both resources and attitude, they were inadequate to the challenge of aiding thousands of unemployed, able-bodied workers and their dependents. There remained considerable philosophical opposition even to work relief, let alone direct relief, of those in need. Many people fell into deprivation and poverty, as public officials debated what could and ought to be done. State action was hindered because the legislature met in regular session only once every two years, from January to March following their election, to set the budget for the next two fiscal years. Unless called into special session, no legislative means to addressing the critical issues that were rapidly arising could occur. The legislature, in January 1931, voted $650,000 to match available federal aid funds for highway construction under the first unemployment program enacted by Congress. Some 5,000 men found jobs on increased highway work, but this was the limit of the legislature's action. Hunt called the legislature into special session in

[13]Luckingham, 117; Sonnichsen, 31-35.

[14]Letter from Flinn and Sparkes to Phillips, January 2, 1931, Hunt Papers.

1931 to consider his two proposals regarding unemployment. The first, a bond issue to fund state programs, would have required a special election to amend the constitution. The second proposal was to create a relief fund paid by the state luxury sales tax that Hunt estimated would raise a million and a half dollars. The legislature rejected both proposals and adjourned without making any of its own.[15]

The speed up of federal highways projects was the only legislative response to the depression until the next legislature met in January 1933. This left Hunt with few alternatives and little authority to deal with the worsening situation. With the onset of winter in 1931, Hunt called on employed property owners to hire men for improvement projects like painting, paper hanging, roofing, brick work—anything that might give a needy man an income. Hunt faced pressure from fiscal conservatives to reduce the cost of government, including a 25 percent slash in state employees' salaries. Cuts, however, would throw state employees onto relief and reduce the state's ability to provide aid. To fend off such draconian proposals, Hunt created a Governor's Unemployment Relief Fund and called on all state employees to contribute one day's pay each month. Between December 1931 and August 1932, the Governor's Relief Fund collected over $53,000. One of the first work relief projects undertaken with the fund was on the grounds and buildings of the teachers' college in Tempe, giving temporary work to several men from Tempe and Mesa. Labor on the dam and reservoirs of the new fish hatchery at Papago Park was largely financed by the fund. Another project set men to work at the Arizona State Hospital. Hunt claimed the fund provided temporary employment for about 15,000 people within nine months. Despite the value of the work relief, limited though it was, Hunt was concerned about state employees not contributing their share. When some state employees stopped making contributions, Hunt warned of potential forced reductions in salaries. To make matters worse, banks were refusing to cash state employee wage and salary warrants. The state was in a cash crisis, since its tax anticipation bonds were unmarketable at current interest rates. Without cash, employees could not contribute to the fund.[16]

[15]Letter from Hunt to Gov. Pinchot of Pennsylvania, November 19, 1931; letter from Hunt to Atlee Pomerene, Chairman of the Reconstruction Finance Corporation, August 11, 1932; Hunt to Pomerene, August 26, 1932, Hunt Papers.

[16]Letter from Hunt to C. B. Flynn, August 11, 1932; Hunt to Pomerene, August 26, 1932, Hunt Papers.

Besides the Governor's Unemployment Relief Fund, Hunt could do little to relieve the increasingly stressful situation. Arizona had no statewide agency for relief aid except the State Child Welfare Board, so he turned to an existing private relief organization put together by the Arizona Industrial Congress, an association of many of the state's business interests. Committees were organized and they began collecting lists of the unemployed, including data on numbers of dependents and the work they were qualified to perform. Arizona Industrial Congress president P. G. Spilsbury complained to Hunt in mid-1932 that without funds, they no longer could do all that was needed. At Spilsbury's suggestion, Hunt appointed W. Val DeCamp as Emergency Director of Unemployment Relief, with DeCamp's time donated by his employer, the United Verde Company of Jerome. Without legislative cooperation, the governor could do little beyond exercising his powers of persuasion. At the behest of some cattlemen of Greenlee County, Hunt wrote to Secretary of Agriculture Arthur M. Hyde, supporting a 30 percent reduction in National Forest grazing fees. He appointed John W. Hay of the Salvation Army to represent charities to receive aid of surplus U.S. Army supplies and equipment. The vegetables he had distributed from the state prison farm doubtless helped a few hungry people, but did not begin to meet the growing need.[17]

DeCamp could do little other than make recommendations for an emergency relief plan. He understood that the problems of the depression were nationwide and that most individuals were not responsible for their predicaments. He urged that any program be administered in a humanitarian manner to preserve the dignity and self-respect of those whom circumstances had forced onto public assistance. Still, his recommendations were quite restricted in what they presumed possible. DeCamp preferred a program of work relief where recipients provided labor as a "work test" of their needs, rather than being paid the value of their labor as public employees. Whether recipients worked or not, they were to be given only commodities—free government flour and low priced staples—not cash or grocery orders. With funding so limited, holding down the costs of a relief plan was a priority. While promoting the idea of a central agency to administer relief, DeCamp could conceive it operating only with a "skeleton staff" of paid employees, with volunteers carrying on the bulk of the work. This agency would rally

[17]Governor's Proclamation, December 23, 1931; letter from P. G. Spilsbury to Hunt, July 28, 1932; Hunt to Spilsbury, July 28, 1932; telegram from Hunt to Sect. Hyde, August 27, 1931, Hunt Papers. Spilsbury was also an Arizona representative on the President's Committee on Unemployment Relief.

retired businessmen, society women, women's clubs, fraternal organizations, church groups, and even young people's groups such as the Camp Fire Girls and the Boy Scouts. DeCamp believed it essential to establish a public fuel yard to provide fuel for cooking and heating without cost to the relief agency, though he did not specify how this could be done. Communities were to help their own; no aid was to go to indigent transients, a class he believed had arisen because of the availability of public relief. In addition, the problem of undernourished children was especially important and should be handled through the central relief organization in cooperation with existing agencies. Using, in part, standards developed by the Red Cross, DeCamp set out a schedule for food distribution. The schedule classified recipients according to race. While Hispanics and Indians could survive on a supply of flour, milk, sugar, fresh vegetables, rice, and beans, whites were to receive an additional quota of potatoes, lard, baking powder and whole-wheat cereal. The relief agency would economize by spending only $3.66 per month for a Hispanic or Indian family of four compared to $6.69 for a white family. Single men were to be spared the necessity of cooking by receiving meal tickets.[18]

Hunt summarized his views in an address to the Western Governors' Conference in October 1931. "Many states, like Arizona, have already gone their financial limit in initiating enlarged programs of highway construction and other public works," he declared. "They have reached the point where further direct taxation would amount to confiscation of property." Hunt believed the depression was a national problem, and only the federal government had the financial credit to meet it. He criticized Hoover for hesitation, continually studying the problem when the emergency demanded immediate action. He felt that unemployment relief should be the highest priority when Congress met again in December. An opponent of direct relief on moral grounds, Hunt called for an expanded program of internal improvements "to be financed exclusively by the federal government." He also favored special legislation to aid Arizona including tariffs on copper, cotton, and oil. But while Hunt's views represented the liberal response to the crisis, conservatives, focusing attention on declining tax revenues, called for economy in state government. Both Benjamin B. Moeur, elected governor in November 1932, and many legislators were elected on pledges of economy, and when the legislature met from January to

[18]W. V. DeCamp, *Emergency Relief Plan*, Arizona Emergency Council; Unemployment & Indigent Relief Committee, n.d., DeCamp, *Suggested Schedule for Food Distribution*, n.d., ephemera file, Arizona State Dept. of Library, Archives and Public Records.

March 1933, they generally carried through on their promises. The two year budget covering the fiscal years from July 1, 1933 to June 30, 1935 totaled $6.99 million, down considerably from the just over $12 million budget for the previous two years. The *Arizona Republic* heartily endorsed state budget cutting, saying the people could do without government "luxuries." What these luxuries were was not stated.[19]

THE BANKING CRISIS

The deepening depression placed increasing stains on the banking system. Most banks in Arizona, as in the rest of the country, were small, single office businesses whose primary activity was to provide short-term commercial credit. A variety of other institutions such as savings and loan associations, mutual savings banks, insurance companies, and individuals provided credit for purchases of homes and consumer goods. Branch banking, where a single firm operates offices in different locations, had grown in the 1920s, but remained limited due to state banking legislation designed to protect smaller banks. Interstate banking was also highly restricted. Most banks and other financial institutions were closely connected to the particular commodities produced in their community or region. Their assets were tied up in farm or ranch mortgages and business loans. In Phoenix and Tucson, these institutions underwrote the real estate boom of the 1920s and held a large portfolio of mortgage assets.

The 1920s had not been kind to small rural bankers in Arizona. At the start of the decade there were about 60 state chartered banks and ten national banks. The agricultural recession of 1921-22 and continuing weakness in commodity prices throughout that decade led to a large number of closures, over half of the state banks and a third of the national banks. Many small banks survived to the end of the twenties. Seventeen state and six national banks had capitalization of less than $100,000 in 1929. Many could not withstand the pressures of a sustained depression where depositors withdrew funds and business failures destroyed assets.

State and federal governments, and the private market as well, tried to adjust to changing economic conditions and provide greater stability for the banking system. The Federal Reserve System was created in 1913 to provide commercial banks with credit and a means to rediscount their

[19]"The Unemployment Situation," Statement by Governor George W. P. Hunt of Arizona on Unemployment delivered to Western Governors' Conference, Portland Oregon, October 28, 1931, Box 3, Folder 1, Hunt Papers; *Arizona Republic*, March 9, 1933, 2:6; March 21, 1933, 2:1.

assets and boost their liquidity as needed. In 1922, the Arizona legislature passed significant regulatory legislation, creating a Banking Department whose Superintendent of Banks oversaw the state banks. The law enacted more stringent capitalization requirements for new banks, and limited loans to bank officers and directors. The legislature even debated a system of guarantees for bank deposits, though nothing came of it. Bank mergers were one way to consolidate banking assets and provide a more secure business. The Valley Bank and Trust Company of Phoenix and the Gila Valley Bank and Trust Company of Safford led this move towards concentration when they merged to form the Valley Bank and Trust Company, the state's leading lending institution and one that would play an important part in implementing the New Deal in Arizona. Branch banking also expanded and offered an alternative to undercapitalized single-unit banks. The last bank closure of the twenties occurred in March 1927. For the next three years Arizona's banking system held steady.[20]

The depression threatened the American banking system with total failure. Both need and fear drove depositors to withdraw their money from sound and shaky banks alike. Faced with a liquidity crisis, banks restricted new loans and demanded payment on debts due, where in normal times they might have extended credit. This severely affected homeowners with mortgages because mortgages were traditionally short term—three to five years. The rate of foreclosure rose steeply. Panic caused runs on bank, forcing many to close their doors. Beginning with Nevada in 1932, state governors began to declare banking holidays, indefinite periods in which all banks closed. While this protected banks from the threat of panic withdrawals, it also froze people's assets and restricted the flow of cash. Arizona business and banking was intimately tied to California. In support of the Western Cattle Marketing Association, California banks held "a large portion" of the loans on cattle in Arizona. Through the system of correspondence, Arizona and California bankers kept deposits in each other's banks in order to facilitate trade and check clearing. When the banking crisis spread to California, it threatened Arizona banks as well.

Falling commodity prices and the weakening economy spelled disaster for several Arizona banks. After three years with no failures, 1930 saw four banks close their doors. Another four failed in 1931, and then six in 1932. One of the largest of these failures was the Arizona Bank, with five branches. Its closure in June 1932 inflicted losses of 50 percent or more to its customers. Total bank deposits in Arizona shrank

[20]Jervey, Jr., 128-29.

from $72,833,828 in 1929 to $41,035,840 in 1932. Commercial loans, a major portion of commercial bank portfolios fell from $34,471,394 to $12,903,455. This reflected both a decline in business demand and an increased conservatism in bankers' loan policies.[21]

On January 1, 1933, Walter R. Bimson, an experienced Chicago banker, joined the Valley Bank and Trust Company as president. Valley Bank's deposits had contracted from $18 million in 1929 (one-third of the state's total) to $6.7 million at the end of 1932, and it lost its position as the state's leading bank. Bimson, who had headed Illinois' unemployment relief program, appreciated the severity of the deepening depression and did not hesitate to suggest that the government could play an important role in restoring prosperity. He believed that to restore prosperity and to boost his own institution, Valley Bank should become more deeply engaged in the consumer market, and ordered his officers to "make loans." Instead of hoarding reserves in case of a run, he began a bold policy designed to instill confidence in consumers and businessmen. This policy was not without risk, since the depression was clearly getting worse, and reducing the bank's liquidity to extend credit might threaten its solvency. In an expansionist mood, the Valley Bank had every reason to become a strong New Deal supporter.[22]

Despite the closures, most Arizona bankers expressed confidence about the general condition of the state's banks. Gordon Sawyer of the Southern Arizona Bank and Trust Company stated that "Tucson's banks are as strong as any in the United States. . . but they must be protected from out of state irregularities." The only fear was that widespread failures in California would cause a withdrawal of funds from Arizona, threatening otherwise sound institutions. The crisis came to a head when on March 1, 1933, the governor of California declared a bank holiday. On that day, both Walter Bimson and Governor Moeur happened to be staying at the Hotel Westward Ho in Phoenix. After receiving the California news, Bimson rushed to the governor's room and explained that if the state's banks remained open, Arizona risked a severe drain on its financial reserves that could put several otherwise sound banks in trouble. The next morning, after further discussion with Superintendent of Banks Young C. White, Moeur issued a three day bank holiday proclamation. The news of the holiday was spread by radio throughout the state and most banks closed their doors. White tried to allay fears by

[21] *Arizona Republic*, March 29, 1933, 1:1; Jervey, 131, 133.

[22] Larry Schweikart, *A History of Banking in Arizona*, (Tucson: University of Arizona Press, 1982), 84, 87-89.

stating that Arizona banks were "in good shape and the [closure] was not necessarily because of any local conditions but was taken to protect the Arizona banks affiliated with the California banks."[23]

On the first day of the bank holiday, a few outlying banks did not receive the word and remained open. A few others challenged the legality of the proclamation. One such challenger was James S. "Rawhide Jimmy" Douglas, a prominent banker with interests in Bisbee, Douglas, and Jerome, and the father of Roosevelt's Director of the Budget Lewis Douglas. "I challenge the right of the governor to close solvent banks under the law as it now stands," he blustered. Douglas stood in the best tradition of frontier wildcat banking. He dominated the Banks of Bisbee, Douglas, Clemenceau as his personal domain and did not take lightly to claims of government officials about how to run his banks. Otto H. Herold of the First National Bank of Nogales also spouted defiance of the governor. "The bank is liquid," he claimed. "We have a large available cash reserve and besides we do not consider the governor's order mandatory, although he may consider it such himself." Banks in Yuma, Winslow, and Holbrook also defied the governor's order and remained open until the national holiday began on March 6.[24]

Hoping that the crisis would be of short duration, Moeur's initial proclamation was for a holiday of three days, but circumstances soon forced extensions. When California extended its holiday through March 9, Moeur did likewise. These actions were part of a national phenomenon. By the time Roosevelt was inaugurated on March 4, all but one state had imposed a bank holiday. The new president immediately issued an executive order to close the national banks, so that by March 6, even the intransigent bankers like James Douglas gave in. Ending the banking crisis and restoring confidence in the American financial system were the new president's first priority. The magnitude of the problem became abundantly clear when the President indefinitely

[23]Jervey, 134.-35.

[24]Ibid., 135, quoting from the *Tucson Daily Citizen*, March 2, 1933; *Arizona Republic*, March 3, 1933, 1:1. In fact, the governor did not have explicit statutory authority to declare a banking holiday, and the proclamation's wording was not clearly mandatory. Both problems were quickly rectified. Because the legislature was in session, it rushed through a bill on March 2 legalizing the governor's actions. The distinction between the state and national bank holidays followed from the divided nature of the banking system. The regulatory power of state governments extended only over state chartered banks. The President's executive order applied to national banks and member banks of the Federal Reserve System.

extended the national bank holiday on March 10 and Governor Moeur did the same for the state holiday on the 11th.[25]

During this "holiday," Arizonans did what they could to survive in a bankless economy. People made do with what currency they had, and since no one was sure when or if any particular bank would reopen, checks might be refused. State and local government agencies, for example, did business on a cash-only basis. Many merchants returned the favor by refusing to accept state pay warrants. Cash did not disappear from the system, however, and some businessmen reported near normal business. Federal employees and those with veterans' benefits received a special dispensation as banks were allowed to open for two hours to cash their checks on March 11 and again on the 14th. While most of the attention was riveted on what Roosevelt and Congress would do, the Arizona legislature also took up the banking issue. In addition to legalizing the state bank holiday, the legislature granted banks authority to buy securities of the Federal Home Loan Bank. It also brought building and loan associations and securities companies under state banking regulations.[26]

Bankers and politicians most feared that without strong federal action, reopened banks would be hit again by runs. Bankers spoke with confidence about the new Administration. T. N. McCauley, president of the Consolidated National Bank of Tucson, stated that the President's actions would "bring about a restoration of confidence to the public not only in banking but in employment of several hundred thousand people within a comparatively short time." The issues being debated in Washington and around the country were larger than simply when would the banks reopen. Roosevelt's advisors divided over conservative and radical plans ranging from simply shoring up the existing banking system to outright nationalization. As Bimson astutely observed, "I would not be surprised if we had seen the last of one banking system and are watching the beginning of a new system, probably something on a national scale. It is silly to have forty-nine different banking systems in this country."[27]

The American banking system saw significant changes over the course of the New Deal including deposit guarantees, government-backed mortgage insurance, federal ownership of bank stock, and even

[25] *Arizona Republic*, March 8, 1933, 1:1; Jervey, 139.

[26] Jervey, 146; *Arizona Republic*, March 31, 1933, 2:1.

[27] Jervey, 139; *Arizona Republic*, March 9, 1933, 1:2.

direct lending. Not all of these occurred in direct response to the banking crisis of early 1933. Some were part of the New Deal's continuing response to the persisting depression. In March 1933, Roosevelt was primarily concerned with the emergency at hand, and he did not give his advisors time to work out a comprehensive reform package. In fact, the major provisions of the Emergency Banking Act, passed on March 9, 1933, were proposals worked out by Hoover's advisors.[28] Perhaps more important than the Emergency Banking Act was the revival of public confidence. If the banking system was to survive in its current form, future runs by depositors had to be forestalled. Bankers themselves and local public officials were always positive about the conditions of Arizona's banks, but it was President Roosevelt who calmed the nation's nerves. To his radio audience during his first "fireside chat," he reassured the public that their money would be safe in the soon-to-be reopened banks. "Let us unite in banishing fear," he stated, building on the most famous line of his inaugural address.

On Monday, March 13, the banking crisis began to end when banks in the twelve Federal Reserve cities reopened for business. Since Phoenix had a recognized clearinghouse association, its institutions were allowed to reopen the next day. Most of the remaining banks around the state reopened over the next few days. The success of the bank holiday, the Emergency Banking Act, and the President's revival of confidence was quickly apparent. Banks all across the state and nation reported a rush of customers coming to make deposits. By March 15, deposits in Arizona outstripped withdrawals by $1.5 million. In Phoenix on the first day of reopening, banks reported $60,000 in hoarded gold and gold certificates were returned. Gold was returned in large quantities in other towns, spurred on by the law against gold hoarding.[29]

The effects of the first three years of the depression and the banking crisis were severe. The Farmers State Bank and the Round Valley Bank of Springerville never reopened for business. The First National Bank of Florence opened for a time under a conservator but eventually closed for

[28]James Stuart Olson, *Herbert Hoover and the Reconstruction Finance Corporation, 1931-1933*, (Ames, Iowa: The Iowa State University Press, 1977), 106-07, 110-12. Major provisions of the act included formally legalizing the president's banking moratorium, granting the comptroller of the currency authority to appoint a conservator with power of receivership over all national banks threatened with suspension, authorization for the Reconstruction Finance Corporation to buy the preferred stock of banks to give them a secure, long-term source of capital, and authority to the Federal Reserve to discount previously ineligible bank assets. The RFC is considered in greater detail in chapter 3.

[29]*Arizona Republic*, March 15, 1:1; March 16, 1933, 1:1.

good. Other banks, like the Traders Bank of Wickenburg, though sound, closed voluntarily with no loss to their depositors. By June 1933, only eleven state-chartered banks remained in Arizona, down from 31 in 1929 and 60 in 1920. Only eight national banks remained of the fourteen in 1929. Two of Phoenix's six banks failed, along with two of its five building and loan associations. The value of commercial bank loans, the life-blood of much business activity had fallen by almost two-thirds. While Valley Bank was beginning a new era of prosperity under the direction of Walter Bimson, others struggled to remain in business. The First National Bank of Holbrook experienced "days when only two or three people wandered into the bank."[30]

The early years of the Great Depression continued the economic selection process begun during the recession of 1921-22. Economic conditions no longer allowed for an overabundance of small, poorly capitalized local banks. Larger, more secure banks, with branches throughout the state were on the rise. Valley Bank led in the merger movement. In January 1933 it absorbed the First National Bank in Prescott and it acquired other smaller banks in later years. Nationwide, a total of 3,423 banks did not reopen following the bank holiday, including four in Arizona.[31] For bankers, the end of panic runs by depositors indicated that the bottom of the trough had been reached. By no means was the Great Depression over, but one segment of the economy could look forward with a new sense of hope.

CONCLUSION

Arizona suffered from the Great Depression in unique ways. The virtual collapse of the copper industry was the primary cause of unemployment and declining business. The closing of copper mines and the economic collapse elsewhere in the country contributed to

[30]Jervey, 131, 150-51; Luckingham, 102; Schweikart, 84, 95-102; *Arizona Republic*, February 31, 1935, 1:2. Perhaps the strangest story in Arizona banking was the voluntary closure by James Douglas of his banking interests. Even though his own son was an important member of Roosevelt's inner circle, Douglas was convinced that the New Deal was "some sort of German Plot" or worse. Convinced that Roosevelt would destroy private enterprise, he voluntarily closed his Bank of Clemenceau in Clarkdale in November 1933 after paying off all depositors. He later closed the Bank of Bisbee and would have closed the Bank of Douglas except that his partner Frank Brophy was able to gain control of the latter and prevent closure. Brophy also later reopened the Bank of Bisbee. Thoroughly disgusted by the New Deal, Douglas eventually renounced his U.S. citizenship and returned to his native Canada.

31 Schweikart, 101.

unemployment among railroad workers. Cattle ranching suffered from both falling commodity prices and drought. All three of these factors made the depression extremely severe in most of the smaller communities around the state. Both Phoenix and Tucson benefited from having more diversified economies, but the collapse of the construction industry there sent thousands onto relief. Homeowners unable to make mortgage or tax payments faced loss of their property. Not all areas of the economy failed, but several key industries faced unprecedented stress, and unemployment reached levels never before experienced. Private charitable entities responded to the rise in destitution with an outpouring of relief. Food and commodities were distributed to the needy so that actual starvation was apparently avoided. Private charity, however, did not meet the level of need caused by growing unemployment. Nor did action by the state, county, or municipal governments make up the gap. Plagued by falling tax revenues, the state government did what it could to promote work projects using the employee-contributed Governor's Relief Fund and speed-ups of highway projects. After slashing the state's two year budget in early 1933, the legislature and governor left a void that only the federal government could fill. Unwilling to use state resources to meet the relief needs of the unemployed, the governor and legislature actively pursued obtaining the maximum of federal benefits.

Although a number of Arizona banks failed between 1930 and 1933, there is no indication that Arizona conditions were creating an imminent collapse of the system. The danger to Arizona banking came from its ties to California, and when the national crisis spread to that state, realistic bankers such as Walter Bimson understood that Arizona could not hope to stand on its own. The banking crisis further emphasized Arizona's interconnectedness with the national economy. President Roosevelt's handling of the banking crisis was a masterful political and economic triumph. The banking holiday, the Emergency Banking Act and the President's own demeanor helped to restore confidence in the reopened banks. The Emergency Banking Act, the first major legislation of the New Deal, foretold much that was to come. Roosevelt rejected radical suggestions and demanded immediate action to reopen the banks, even if it meant appropriating a Hoover Administration plan as his own. The Emergency Banking Act was practical, had wide support, and could be implemented quickly, all-important criteria that would be used in the formation of later New Deal policy and initiatives. The New Deal would rarely be about radical departures. The following chapter further illustrates how Roosevelt was willing to build on policies and agencies initiated under Hoover. The New Deal was most significant for charting new directions, but its character, successes, and limitations are also revealed by its relationship to existing programs and initiatives.

3 THE RECONSTRUCTION FINANCE CORPORATION

One of the most important, though least recognized agencies of the New Deal was the Reconstruction Finance Corporation. A Democratic Congress increasingly unsatisfied with the recovery efforts of President Hoover's Administration created the RFC in early 1932. Pressure on banks due to the flight of depositors and the failure of loans, and on railroads because of declining traffic and increasing competition, led to calls for federal action to come to the rescue of these important market sectors. In 1931, Hoover had encouraged private self-help initiatives for bankers. Their effort proved inadequate which led Hoover to accept the proposal for a federal loan program to stabilize banking and railroading. Later, Congress expanded the powers of the Reconstruction Finance Corporation to include loans to states for direct and work relief for the unemployed. The activities of the RFC from 1932 to early 1933 foreshadowed some important aspects of the New Deal. It was during Hoover's time that important precedents for federal action against the depression were established. The RFC broke down important ideological barriers that previously barred the federal government from directly intervening in the economy in peacetime. Never before had the federal government provided funds to aid the unemployed victims of the business cycle. Hoover resisted congressional pressure to expand further the activities of the RFC, keeping it to a fairly narrow realm of activities and maintaining the loan principle which forced those receiving aid to bear its costs.

From the very beginning of the New Deal, the Roosevelt Administration used the RFC. The Emergency Banking Act expanded the RFC's authority to provide capital to banks through the purchase of preferred stock. This new power broke with the loan principle and made the federal government a part owner of the banks. From this start, Roosevelt and Congress repeatedly expanded the RFC's powers and funding until it became one of the most important agencies of the New Deal. Its numerous subsidiary corporations provided funding and support for many other agencies and programs. The broad grants of power given the RFC by Congress allowed the Administration considerable leeway in shifting resources to priority programs.

Creation of the RFC fulfilled the demands of Hunt and other state politicians who wanted the federal government to take responsibility for providing relief to the unemployed. Hunt and his successor, Moeur, worked with the RFC to ensure that Arizona received a fair share of its benefits. This included agreeing to the administrative reforms which the RFC demanded to ensure that its funds were spent effectively. To get RFC loans, the state modernized its welfare system by creating the State Board of Public Welfare. This body became the primary state partner in the administration of several New Deal programs, distributing relief and planning work projects. Arizona participated in many of the expanded RFC programs in later years. These included the bank stock purchase program, loans for mining development, and direct business loans. Almost alone among Arizona banks, the Valley Bank took advantage of the RFC's capital investment program. Although the scope of the RFC's activities in Arizona was smaller than in larger, industrial states, its aid was no less important.

HOOVER AND THE RECONSTRUCTION FINANCE CORPORATION

Before Franklin Roosevelt entered the White House, and before the special session of Congress released the first wave of New Deal legislation during the First Hundred Days, President Herbert Hoover struggled to rescue America from its terrific plunge into the worst economic depression in its history. By the time his single term in office ended on March 4, 1933, Hoover was frustrated and weary of the fight. The end had been the worst. As a lame-duck president, Hoover was nearly powerless to formulate an effective program to combat the renewed banking crisis that was threatening to destroy the structure of the American financial system. Hoover considered the incoming president-elect dangerously negligent in not helping him devise a program that could be carried through the transition, but Roosevelt refused to bind himself to any agreement with Hoover that would restrict his own later freedom of action. Congress was little help. Not that there was any lack of proposals, but radicalism, whether in the form of renewed inflationist agitation or demands for federal management of the economy, threatened the traditional foundations of the American political economy.[1]

In March 1933, Hoover was repudiated by the majority of American voters. To a public, increasingly threatened by loss of their money in insolvent banks, by the specter of unemployment, and by the bankruptcy of the traditional institutions of charity and relief, Hoover's program to save the economy appeared a complete failure. Worse than that failure, was the widespread impression that the man simply did not care about the sufferings of millions of Americans deprived of the means of sustenance and increasingly drained of their hopes. What programs he did offer were directed to the top levels of the economy. The federal government had stepped in to save businessmen from the financial collapse—a debacle many perceived was of their own doing—yet the

[1]Joan Hoff Wilson, *Herbert Hoover, Forgotten Progressive*, (Boston: Little, Brown, 1975), 157-58, 165.

President gave grave moral warnings about the corrupting influence of similar aid to the poor and destitute.[2]

The turnaround could hardly have been more complete. In November 1928, arguably no man in public life was more respected than Herbert Hoover. His landslide election to the presidency capped a better-than-fiction American success story. As a young man he had earned a fortune as a world-renowned mining engineer. During and after the war he served in a variety of private and public positions administering relief. His eight years as Secretary of Commerce under Presidents Harding and Coolidge were noted for their energetic and progressive character. Hoover was the foremost administrator of relief and was a proponent of public works as a means of leveling out the business cycle. There appeared to be no man in America more qualified to face the challenges of the Great Depression.[3]

Hoover gained a reputation as a rigid ideologue, unbending in his support of a *laissez-faire* philosophy of political economy. To later historians, looking backwards with the activism of the New Deal in mind, Hoover appeared to follow a hands-off policy. Certainly he was wary of the implications of an expansive federal power. Traditional American federalism accepted axiomatically that concentrated power was a threat to liberty. The advent of an industrial, urban economy created new conditions that challenged these older concepts. Progressive reformers of the first two decades of the 20th century began to see the federal government as a countervailing power that could protect liberty from concentrated economic power. More recent historians recognize that Hoover was guided not by *laissez-faire*, but by what he termed "American Individualism." He did not accept the classical economic model of the economy as a fully self-correcting mechanism that always tended towards prosperity. He was fully aware of the business cycle and believed that its downward swings could be mitigated. His American Individualism combined a presumption of the value of liberty to the development of individuals and society with a set of moral guidelines emphasizing equality of opportunity and an ideal of public service. The federal government could either be a threat or an aid to American Individualism. The promotion of voluntarism was the key. The government could aid the economy by promoting self-help and voluntaristic solutions to important problems.[4]

[2]Ibid., 269-73.

[3]Martin L. Fausold, *The Presidency of Herbert C. Hoover*, (Lawrence: University Press of Kansas, 1985), 8-10, 15-17; Wilson, 117-18.

[4]Fausold, 151-55; Wilson, 43; Olson, *Herbert Hoover*, 24-32.

The idea of doing nothing in the face of an economic collapse and simply letting things work themselves out was inimical to Hoover as an engineer, as a progressive, and as a humanitarian. He recognized and accepted that in the face of severe conditions, individual and voluntaristic efforts might not be enough. He could, given severe enough circumstances, compromise his personal philosophy of American Individualism, but he kept his compromises to the absolute minimum that would allow him to retain a large degree of leadership over federal policy and he did not do so until voluntaristic or state and local efforts had proven inadequate. After 1930 he was increasingly pressured by a Congress dominated by liberal Democrats and progressive Republicans, but he never let himself become an irrelevancy; his vetoes kept most extreme proposals at bay. The original conception of the Reconstruction Finance Corporation was one such compromise; an admission that conditions were such that extraordinary measures had to be taken beyond those normally expected of the federal government. As the problems in the banking system intensified in 1931, private bankers themselves abandoned the rhetoric of *laissez-faire* and turned to the government to save them from self-destruction. The problem the Administration identified was simplistic, merely a liquidity crisis. Bankers were caught between a failure of confidence by depositors and an inability to quickly liquefy their assets since the drop in the securities market.

The model invoked as a solution was the War Finance Corporation of World War I. The WFC had been an important loaning agency that financed many of the programs of the war effort. It had continued into the early 1920s providing agricultural marketing finance before its final liquidation in 1930. Bankers asked for a new expanded version of the WFC that could provide the liquidity necessary to protect against current depositor demands. After the private National Credit Corporation failed in late 1931 to reverse the crisis of confidence, Hoover requested the creation of the Reconstruction Finance Corporation. Congress complied, and the RFC came into existence on January 22, 1932.[5] The RFC was authorized to make loans to financial institutions and to railroads, another major industry facing a financial crisis. The RFC operated on the principle of sound banking which required all firms to demonstrate a reasonable security for the loan. By July 1932, the RFC loaned more than $1 billion to 4,000 banks, railroads, credit unions, and mortgage loan companies, resulting in a significant decline in the number of failures.

[5]Fausold, 155-56; 162-64; Olson, *Herbert Hoover*, 38. Private bankers created the National Credit Corporation at the behest of President Hoover in hope that private banking could solve its own problems cooperatively. The NCC formally dissolved on January 21, 1936 after making 1,200 loans in 31 states. At its peak on February 21, 1932, it had $188 million in loans [*Arizona Republic*, January 22, 1936, 1:2].

Bankers did not use the liquidity provided by the RFC to create new business loans, but instead sat on their excess reserves in case of further panic. This situation frustrated the RFC under both Hoover and Roosevelt. Officials believed that bankers were unwilling to make loans, while bankers claimed that there was a lack of demand. Both claims later proved to have merit.[6]

The RFC's initial lending program slowed, but did not halt the economic spiral. Congressional Democrats again pressured Hoover into accepting a compromise expansion of federal responsibility. The Emergency Relief and Construction Act, enacted on July 21, 1932, expanded the authority of the RFC to give loans to states for direct relief and work projects. Although Hoover insisted that the RFC maintain the loan principle, the Emergency Relief and Construction Act established a strong precedent for federal intervention to aid the victims of the business cycle.[7]

ARIZONA AND THE RFC BEFORE THE NEW DEAL

Within three weeks of the passage of the Emergency Relief and Construction Act, Governor Hunt sent to RFC chairman, Atlee Pomerene, an application for a million-dollar loan. To back up the application and prepare for the distribution of funds, Hunt also named county coordinating committees to oversee the use of highway funds to provide work relief. Heads of these committees included prominent citizens such as Grady Gammage, president of the teachers' college in Flagstaff; Charles Stauffer, president of the *Arizona Republic* and *Phoenix Gazette*; Grace Sparkes of Prescott; and the Reverend O. A. Smith of Nogales. Since Pomerene was concerned that federal funds enhance, not replace, local relief efforts, he sent an RFC representative to Phoenix on August 23 to discuss Arizona's situation. To strengthen the application, the representative recommended that Hunt submit relief data from each county along with a detailed description of state relief efforts, all intended to illustrate the depth of need and the limits of Arizona's capacities. A committee representing various welfare and relief organizations in the state met at the offices of the Arizona Industrial Congress in Phoenix on August 26 to discuss the RFC loan. Some in the committee preferred that RFC funds go into direct relief rather than work relief, in order to stretch the limited funds to more people. The group

[6]James S. Olson, *Saving Capitalism: The Reconstruction Finance Corporation and the New Deal, 1933-1940* (Princeton, New Jersey: Princeton University Press, 1988), 13-16.

[7]Ibid., 67, 72. The act authorized $300 million for direct relief and $1.5 billion for work project loans, to be repaid from subsequent federal highway grants. Congress later forgave these debts.

called on the governor to ascertain his views. Although Hunt stated his belief that RFC funds could only be used for work relief on highways, the RFC representative indicated that part of the RFC funds could be used for direct relief. Responding to the worsening financial situation regarding relief, Hunt later amended his loan request asking that $100,000 of the loan be available to distribute as direct relief. With national demand for relief money unexpectedly great, the RFC initially awarded Arizona half of the money it requested to fund projects from September through December.[8]

Highway work was not the only project conceived to take advantage of potential RFC loans. Water projects were another area with a long history of federal support and a number of proposals were available to take advantage of RFC funding. Hunt had previously applied for a $20 million loan to finance the Verde River Irrigation and Power Project in May, before the RFC could even legally make such loans. The people of Cochise County had long sought a flood control dam on the San Pedro River near Charleston, and Hunt applied for a RFC loan of $800,000 to construct it. Other loan applications included funds for the Camelback Water Conservation District northeast of Phoenix and the Centennial Irrigation District of Yuma. Another work project was improvements to the new bass hatchery at Papago Park.[9]

Hunt established an Arizona RFC Commission to distribute relief funds and to oversee the work projects. Original members of the Commission included C. W. Van Dyke, chairman; J. W. Strode, secretary; D. W. Fountain; Harry A. Clark of Douglas; and Grace Sparkes. Stauffer, chairman of the Commission's Maricopa County Advisory Committee, stated his belief in the seriousness of the situation. "Not deprecating needs elsewhere in the state, or in the United States,

[8]W. V. DeCamp, *Reconstruction Finance Corporation Funds*, Arizona Emergency Council, Unemployment & Indigent Relief Committee, n.d. ephemera file, State Department of Library, Archives, and Public Records; letter from Hunt to Pomerene, August 11, 1932, Hunt Collection; *Arizona Republic*, August 24, 1932, 1:4. Hunt to Pomerene, August 26, 1932; Hunt to Pomerene August 27, 1932; Memo by Hunt, September 17, 1932. The committee included W. Val DeCamp, the Emergency Director of Unemployment relief; D. W. Fountain, chairman of the Governor's Unemployment Relief Committee; P. G. Spilsbury; W. F. Martens of Winslow, representing the American Legion; C. E. Goyette, director of the Organized Charities of Tucson; Hubert H. d'Autremont, also with the Organized Charities; J. S. Hardwick from the Transportation Brotherhoods in Arizona; and Sam H. Morris of the Gila County Welfare Council. Many of these names would continue to be prominent in support of New Deal programs.

[9]Letter from Hunt to RFC, May 24, 1932; Lewis Douglas to Hunt, June 11, 1932; Hunt to RFC, n.d.; Hunt to RFC, July 28, 1932; J. W. Bowers to Hunt, October 17, 1932; A. L. Brewster to Hunt, July 19, 1932. The Verde River and Charleston Dam projects were not funded by the RFC, but their advocates continued to seek federal support (see chapter 6).

relief needs per capita are exceedingly great in this valley." Such aid was needed to help prevent turmoil in the cities. "Under no circumstances must we run the risk of public rioting in Phoenix," he declared, adding that people no longer feared federal aid as "socialistic." The state channeled funds for in-kind relief to the counties that worked alongside of private charities to distribute aid. Cooperating with the Phoenix Community Chest, the local RFC organization established a wood yard at the old Fillmore School grounds. About 7,000 sacks of wood were distributed to persons on the relief rolls. At the end of 1932, the entire RFC Commission resigned to allow the incoming governor to appoint his own people. Governor Moeur appointed a new Commission consisting of T. H. O'Brien of Inspiration, chairman; Stuart Bailey, secretary; and Gordon Sawyer; with reappointments of Clark and Sparkes.[10]

The RFC was concerned about the state organizations that handled its loans and wanted to ensure that funds were being spent efficiently. The RFC pressured states, including Arizona, into replacing obsolete or *ad hoc* organizations with new welfare organizations by threatening to withhold loans. The RFC field representative, A. W. McMillen, encouraged Moeur and the RFC Commission to support creation of a permanent welfare board, preferably with the member of the Commission staying on to serve as the new board. McMillen stated the RFC's willingness to pay the salary of an experienced individual in any of the larger counties to serve as an executive secretary. At the time there was only one permanent state social welfare agency, the State Child Welfare Board. The Arizona RFC Commission was an *ad hoc* organization created by the governor when RFC loans became available. Bowing to RFC pressure, Moeur and the RFC Commission recommended to the legislature the creation of a new state agency. The legislature complied on March 9, 1933, approving a bill creating a State Board of Public Welfare to oversee the distribution of RFC fund received by the state.[11]

Hoover and the RFC feared that states would use federal funds to evade their own responsibilities. They pressured states to increase their appropriations to meet the needs of their citizens. Such pressure was certainly needed in Arizona. Both Governor Moeur and the legislature were elected on pledges of strict economy, and their severe cuts in the

[10]Minutes of meeting of RFC Commission, Dec. 21, 1932 and January 17, 1933, Records of the Reconstruction Finance Corporation, Examining Division, Records Relating to Emergency Relief to the State, 1932-34, Arizona: Correspondence to Loan #1, RG 234, Entry 86, Box 4, National Archives and Records Administration; Luckingham, 103.

[11]*Arizona Republic*, March 9, 1933, 1:3; March 10, 1933, 1:4. The legislature also authorized the state highway commission to seek a loan from the RFC to build the Charleston Dam.

state budget added to the relief burden. The legislature passed four bills to aid the needy. In addition to the creation of the State Board of Public Welfare, it created a state and county old age pension system. The legislature also diverted one-tenth of the state's five cent tax on gasoline to unemployment relief for two years, and it established a new privilege sales tax, ten percent of which could be diverted by the governor for unemployment relief. Combined, these last two actions were expected to provide a maximum of $800,000 for unemployment relief. These funds later provided the match required by many New Deal work programs.[12]

RFC funding initiated a number of work projects later continued by New Deal agencies. Starting in the spring of 1933, about 100 to 110 men were regularly employed for several months doing construction work on the Bush Highway, a project continued by the Civil Works Administration at the end of the year. At the grounds of the northern Arizona fair grounds outside Prescott, RFC-paid labor repaired the old grandstand and bleachers, development work also continued by the CWA and Federal Emergency Relief Administration. Between October 1932 and May 1933, Arizona received $1,448,269 under the Emergency Relief and Construction Act. By the end of December 1932, a total of 55,700 persons had received $352,000 in assistance. These were unemployed workers and their families who, but for this aid, might have faced total destitution. Of the over $1.4 million of RFC debt incurred by the state up to June 1933, $263,860 went for direct relief and the remainder for work relief. Although occasional arguments were made that direct relief was more efficient and would allow a greater dispersion of limited resources, most public officials preferred work relief. This preference was based on the belief that providing work, rather than a handout, preserved the moral stature of the unemployed. Both types of relief continued during the first two years of the New Deal until the FERA's assistance with direct relief ended in 1935. In the same period, contributions from county and local governments for unemployment relief amounted to only about $90,000. Whether these governments were unable or unwilling to meet the needs of the unemployed is debatable. What can be concluded is that they did not meet that need and the federal government moved to fill the gap even before the New Deal.[13]

[12]Ibid., March 29, 1933, 2:1. The old age pension is further described in chapter 14 in relation to the state's participation in the Social Security system.

[13]Ibid., December 7, 1933, 2:1; F. M. Warner, *Outstanding Projects in Arizona CWA, ERA,* Arizona Board of Public Welfare, Vol. 1, 1935, 37-42; E. D. Tetreau, *Unemployment Relief in Arizona From October 1, 1932, Through December 31, 1936, with a Special Analysis of Rural and Town Relief Households,* (Tucson: University of Arizona, College of Agriculture, Agricultural Experiment Station, Bulletin No 156, July, 1937), 72-75.

THE NEW DEAL AND THE RFC

Despite the addition to its authority and resources under the Emergency Relief and Construction Act, the $300 million for relief loans proved far too little to meet state and local demands. The requirement that loans for public works be self-liquidating so slowed the planning process that after nine months only $20 million of the approved $1.5 billion dollars had actually been paid out.[14] Even more damning, after more than a year of loans to financial institutions and railroads, both were weaker in 1933 than before, and the panic of February 1933 all but brought the banking system to a close.

Although the RFC had largely failed in its mission, Roosevelt recognized that it might still be of use if placed under more aggressive leadership and given wider authority. As a pragmatist, the new president understood that completely replacing the RFC would cause significant delays in his own program. To lead the RFC as a New Deal agency, Roosevelt chose Texas banker Jesse H. Jones. Jones was one of the original Democratic members of the RFC governing board and had witnessed its failure under Pomerene. With his connections to both the President and the politically powerful Texas delegation to Congress, Jones turned the RFC into an expansive financial giant. Congress expanded the RFC's authority under the Emergency Banking Act, which allowed the RFC to supply capital to financial institutions through the purchase of preferred stock. This movement away from the loan principle provided banks with new reserves without increasing their burden of debt. It also made the RFC a partial owner, and Jones did not hesitate to use his powers where necessary to protect the interests of his institutions and to promote an expansion of credit. Congress expanded the RFC's program on several later occasions during the 1930s until the agency effectively acted as the nation's largest bank, financing both private and public activities. By 1935, the RFC was deeply involved in nearly every aspect of the financial system. At the end of that year, the RFC reported loans and stock purchases of more than $4.1 billion to thousands of banks, building and loan associations, insurance companies, commodity credit corporations, and other financial institutions. The idea of the RFC as a temporary agency providing emergency liquidity to banks had given way to a broad based federal foundation to the entire financial system.[15]

[14]Olson, *Saving Capitalism*, 20.

[15]RFC, *Summary of the Activities of the Reconstruction Finance Corporation and its Conditions as of December 31, 1935*, 5, quoted in Olson, *Saving Capitalism*, 88.

The President often found it more expedient to create a new federal corporation to handle a particular initiative rather than to work through existing agencies. These included the Export-Import Bank of Washington, the Production Credit Corporation, the Commodity Credit Corporation, the Federal National Mortgage Association, the Disaster Loan Corporation, the Federal Farm Mortgage Corporation, the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, and the Industrial Credit Corporation. Many of these were direct subsidiaries of the RFC; others were independent of the RFC board, but all looked to the RFC as a source of capital.

Although quite important nationally, the RFC's capital investment program affected only a small number of Arizona banks. The RFC purchased preferred stock in only three banks, the Yavapai County Savings Bank of Prescott, the First National Bank of Douglas, and the Valley Bank and Trust Company (later Valley National Bank), and it acquired no debentures or capital notes for banks in Arizona. Its investment in the banks in Prescott and Douglas were fairly small, only $50,000 and $100,000, respectively, as of September 1936. Furthermore, the RFC retired these investments by end of 1941. The Valley National Bank, however, moved aggressively to take advantage of the federal investment program, selling $1,240,000 in stock to the RFC. This was a part of Walter Bimson's expansion policy that had already raised the assets of the bank from $6.7 million at the beginning of 1933 to $22.5 million two years later. Bimson, who supported the New Deal, was comfortable with an RFC's partnership, and the RFC maintained its VNB stock ownership until after World War II.[16]

The economy responded sluggishly to the RFC's expanding program and to the rest of the New Deal. Jones was convinced that there was a latent demand for commercial credit that was going unmet because of bankers' liquidity fears. The RFC lowered its interest rates and expanded its loans to boost bank reserves, but funds still remained in bank vaults or moved into government bonds. Finally, both to provide an immediate boost to the economy and to pressure private capital to extend more credit, the RFC began making direct loans to private businesses. Jones and the RFC discovered what private bankers had long claimed, that there was a significant lack of demand for credit by firms with any reliable standing. Unless the RFC was willing to loan money at high risk—which Jones was unwilling to do—it appeared that demand for

[16]Table of RFC Investments Outstanding as of Sept. 30, 1936, Records of the RFC, Office of the Controller-Treasurer, Statistical Reports on Preferred Stock, Capital Notes, and Debentures, 1933-47, July 25, 1933-Sept. 30, 1936 to Octo. 1, 1936-Dec. 3, 1941, RG 234, Entry 61, Box 3, National Archives and Records Administration.

credit, to a significant degree would follow, not lead, a business revival. At every turn it seemed, the Great Depression challenged accepted economic theories.[17]

The RFC provided loans to states, to quasi-governmental agencies such as irrigation districts, and to private firms. Loans to states ended in 1933 after the creation of the Public Works Administration, which took over the RFC's public works program, but the RFC expanded its loans to other entities after that. One such Arizona project was the Maricopa County Municipal Water Conservation District No. 1, which irrigated lands in the far west valley. After nine months of negotiations, the RFC approved a $1,350,000 contract to improve the Agua Fria dam, resulting in an estimated expansion of 19,000 acres of irrigated land. The project employed about 65 men to raise the dam spillway, correct structural defects, construct a new flume across the river, build new distribution system structures, and line part of the canal system. The RFC provided funds by purchasing the district's bonds.[18]

Reclamation projects and irrigation districts became the largest borrowers of RFC funds in Arizona. Parker Dam on the Colorado River, one of the major reclamation projects in the state, was financed not by the Bureau of Reclamation or the PWA, but by the Metropolitan Water District of Southern California, whose bonds were purchased by the RFC. The Roosevelt Irrigation District, near Buckeye, received a $1,284,500 loan at the beginning of 1935. In this case, the RFC stepped in to fund the project to line its canals and laterals because the PWA lacked the funds. Stepping in again for the PWA, in late May 1935, the RFC agreed to purchase water district improvement bonds to construct a dam on the Hassayampa and connecting pipeline for the Prescott water supply. Prescott voters had approved the bonds eighteen months earlier, but a later ruling caused a delay and eventual backing out by the PWA. The Roosevelt Water Conservation District east of Mesa received a loan of $1,490,000 to refinance its bonded debt, saving the district money by lowering its interest rate. Between March 4, 1933 and December 31, 1936, the RFC extended $6,358,344 in credit to Arizona, not counting credit provided by the Home Owners' Loan Corporation, the Farm Credit Administration, and the Commodity Credit Administration, all of which received RFC financing.[19]

17 Olson, *Saving Capitalism*, 162-70.

18 *Arizona Republic*, January 26, 1934, 1:1, 1:3.

19 Richard Lowitt, *The New Deal and the West*, (Bloomington, Indiana: Indiana University Press, 1984) 84-85; *Arizona Republic*, January 12, 1935, 1:1; June 1, 1935, 1:7; August 12, 1936, 1:8; Tetreau, 123.

Table 3.1. RFC Direct Business Loans in Arizona, 1934-40.

Firm	Loan Authorization	Estimated Loss, as of Dec. 31, 1940
Duncan Utilities	$34,000	—
Paul Lime Plant	35,000	—
Richard J. Walsh	10,000	—
White and Wesley	10,000	—
Albert Steinfeld	65,000	—
Arizona Baking Co.	15,000	—
Ariz-Sweet Corp.	67,909	$30,000
Smith's Mercantile Co.	4,000	—
Arizona Brewing Co.	15,000	—
Caferino Liano	4,000	—
Tiffany Construction Co.	20,000	—
Peter Riley	2,500	—
W.W. Mitchell	9,300	—
Fannins Gas & Equipment Co.	9,359	—

Records of the RFC, Office of the Controller-Treasurer, Reports on Loans to Industry and Business, 1934-46, RG 234, Entry 62, Boxes 2-5, National Archives and Records Administration (NARA).

Late in 1934, the RFC began offering credit to the state's largest industry, copper. The RFC made available two categories of credit to copper mining companies. For small mining properties, it offered loans up to $20,000 to support basic development work. For general mining, milling and smelting, there was no upper limit. The first such loan was for $8,000 to Southwestern Metal Mines, Inc. to removed water from the firm's properties. Numerous other mine loans followed. The Maricopa Chief Gold Mines Corporation took $20,000 to complete a mill, deepen a shaft, and open tunnels on its property in the Gila Bend Mountains. Mining loans varied considerably in size. R. Robert Maler of Hereford in Cochise County received $8,000 for small mining development work, while the Harqua Hala Gold Mines Company was approved for $750,000 for its property near Salome. Through the summer of 1935, Arizona had the most mining loan applications in the country. By mid-August 1935, there were more than twenty applications pending for amounts less than $20,000.[20]

Jones believed that business needed long-term credit which private lenders were not providing, and on June 21, 1934, the President authorized the RFC to provide loans to business up to $500,000 for periods up to five years. This was for business working capital, not for fixed capital. Jones initially estimated the national need for working capital at about $700 million in 1934. Congress authorized $300 million for the RFC and another $280 million for the Federal Reserve Banks for direct loans. The RFC Business Loan Division moved quickly to try to fill the gap, which they believed, that private bankers refused to fill. Jones was surprised by the lack of demand for loans by credit-worthy firms. During 1935 and 1936, the RFC took in only 6,214 applications for business loans and approved 2,286, disbursing only $78 million. Compared to the $2 billion loaned to banks and the $600 million loaned to railroads, the direct business loan program contributed little to reviving the economy, but this did not make it inconsequential to those businesses that did take advantage of it, and $78 million was more than some other New Deal initiatives ever received.[21]

A number of Arizona firms received RFC loans. The full value of the loans in terms of how they contributed to the firms' survival or expansion has not been discovered, but that most of them were able to repay the loans indicates that they were at least continuing to operate. Most of the loans were made in the late 1930s and 1940. Apparently, Arizona firms did not participate in the early phases of the direct business loan program. Loan sizes ranged from as little as $2,500 to a high of $175,000. Most were for fairly modest amounts with the average at about $21,500 (see Table 3.1).

[20] *Arizona Republic*, July 18, 1935, 1:2; July 26, 1935, 2:1; April 26, 1935, 1:11; April 28, 1935, 2:1; July 28, 1935, 4:2; August 4, 1935, 2:1; August 11, 1935, 1:2; September 8, 1935, 2:1. The variety of aid provided by the many New Deal agencies sometimes led to great complexity and probably confusion to contemporaries. For example, certain aspects of the RFC loan program became closely connected to the activities of the Federal Housing Administration. FHA's program of federally insured mortgages become a success, primarily through the creation of RFC subsidiary corporations—the RFC Mortgage Corporation and the Federal National Mortgage Association—to develop the secondary market for mortgages. The programs of the RFC and the FHA became more confused in relation to the copper industry. Besides the RFC loans to copper mining firms, in 1935 FHA began supporting copper mining loans under amendments to the National Housing Act, which allowed it to provide insurance for limited types of commercial property mortgages. The FHA announced in August that it would provide insurance for up to $50,000 for mining and mill machinery on properties already improved, and for repairs and extensions to mine and mill structures.

[21] Olson, *Saving Capitalism*, 160, 173-74.

CONCLUSION

Under President Hoover, the Reconstruction Finance Corporation was the primary federal agency distributing loans for direct and work relief and to help shore up the finances of banks and railroads. The Roosevelt Administration redefined this existing agency by adding new functions in their continuing efforts to find a way to end the depression. The RFC disbursed billions of dollars nationwide, and several million dollars in Arizona. In addition to its own program of lending, the RFC also served the New Deal as a convenient secondary source of funds for other programs. When the President wanted to experiment with manipulating the price of gold in 1933 and 1934, he did it with RFC funds; when it appeared that many banks would be unable to meet the specification of the new federal deposit insurance program, Jesse Jones committed the RFC to make participating banks financially sound; when the public works fund ran out, the RFC provided a new infusion of money by purchasing most of the PWA's loans; when the new construction program of the Federal Housing Administration stalled, the RFC stepped in by creating national mortgage associations. The RFC had great and continuing significance because it contributed to the implementation of several other New Deal agencies. Many of these activities will be described in later chapters.

The RFC provided significant aid to Arizona throughout the 1930s. In 1932 and 1933, the state received over $1.4 million in loans for direct and work relief. Although only a few Arizona banks participated in the RFC's capital investment program, Valley National Bank used the program as part of its overall strategy of linking its activities to various New Deal programs, in the process contributing to the state's economic revival and its own prosperity. Dozens of firms participated in the RFC's direct business lending activities. The largest portion of this aid went to the state's mining industry to support basic development and modernization work. At the behest of RFC officials, the legislature modernized the state's welfare administration with the creation of the State Board of Public Welfare. This board later became an important link in the administration of several New Deal agencies, such as the Federal Emergency Relief Administration and the Civil Works Administration, which are considered in the following chapter.

4 THE FERA AND THE CWA

The Reconstruction Finance Corporation's program of assistance in 1932 and 1933 failed in large part because of the limited funding of the Emergency Relief and Construction Act and the loan principle. While Congress expanded its authority in some areas, it also removed primary responsibility for federal relief aid and public works programs to new agencies. The Public Works Administration took over and expanded on the reemployment program, while the Federal Emergency Relief Administration managed a new program of grants for relief to the states. This chapter examines the FERA, which operated from mid-1933 to late 1935. In its first months, the FERA concentrated on distributing millions of dollars in grants to the states which they used for direct and work relief. The FERA improved on the earlier relief program, first, by breaking with the loan principle, and, second, by distributing far more aid, more quickly than was accomplished by the RFC. Credit for the FERA's rapid implementation goes, in large measure, to its administrator, Harry Hopkins, whose success propelled him to the top level of Roosevelt advisors.

In the fall of 1933, disappointed with the progress of the PWA's program, Roosevelt turned to Hopkins and the FERA staff to organize a massive reemployment program based on simple public works. The Civil Works Administration, operating from November 1933 to the end of March 1934, employed over four million men and women and distributed hundreds of millions of dollars in much needed wages. Despite its success, Roosevelt allowed the agency to lapse and Hopkins returned to the FERA's program. The FERA, however, was altered by the CWA experience, and from 1934 until the end of 1935, it placed increasing emphasis on work relief projects over direct relief. In 1935, the federal program of grants to the states for relief ended when the Works Progress Administration, led by Hopkins, replaced the FERA.

To better administer the RFC's loans, and to oversee a growing program of work projects, the Arizona legislature in March 1933 created the State Board of Public Welfare. The board, with the able assistance of its executive secretary, Florence Warner, easily transitioned into the administration of FERA grants. The CWA greatly challenged the capacity of the board and its county counterparts because Hopkins relied on state and local officials to actually plan and implement work projects and certify workers. Local, county, and state officials, as well as cooperating federal agencies, organized hundreds of small projects in virtually every community in the state. At its height, the civil works program employed over 17,000 men and women on a wide variety of projects. Many of these work projects continued into the later period of the expanded FERA work program, and even to the WPA era. There is a great deal of continuity at the state and local levels in the projects devised to take advantage of federal aid. Many of these reflect long-standing interests in the state such as irrigation development and highway work. There is also continuity in the administrative personnel, the members of state and county boards, and in cooperating institutions such as the university.

The FERA and CWA provided millions of dollars in much needed assistance to Arizona's unemployed. Their projects provided valuable services to the public and to families on public assistance. They also left a legacy of public property improvements that continued to contribute to communities and the state for many years to come. Arizona gained these benefits with few administrative problems or controversies. Public officials and private individuals, in general, were eager to cooperate with the federal initiatives in order to get the most for the state. Warner and the members of the state and county Boards of Public Welfare demonstrated administrative competence and honesty that prevented any major public controversies from arising. Political conflict was kept to a minimum because of the overwhelming Democratic dominance in Arizona in the 1930s.

THE FERA IN ARIZONA

On May 12, 1933, Roosevelt approved the Federal Emergency Relief Act that replaced the RFC's loan program with grants to states. A half billion dollars was initially authorized, with half the money available to states on a matching basis and the rest available based on need and not requiring a match. The Federal Emergency Relief Administration did not provide direct payments to the unemployed. Instead, FERA operated as a relief agency aiding those state and local organizations that had reached the limits of their capacity. Under the energetic leadership of Harry Hopkins, within weeks of its creation the FERA was distributing tens of millions of dollars to states. Despite being set up to support state and local agencies, Hopkins found that most states had little experience in delivering mass aid to the unemployed. The relief agencies in most states, including Arizona, had existed less than ten months. Though Hopkins' FERA staff was intended to merely inspect and report on how federal money was spent, they soon wielded great power over state and local relief and began to institute reforms across the country. FERA helped to eliminate the categorical criteria for relief. Every citizen, not just widows, orphans, and the disabled, had a right to public assistance. FERA also stipulated cash benefits, breaking the humiliation of in-kind benefits with its presumption of intrinsic irresponsibility.[1]

[1]Bonnie Fox Schwartz, *The Civil Works Administration, 1933-1934: The Business of Emergency Employment in the New Deal*, (Princeton, New Jersey: Princeton University Press, 1984), 24-30.

Arizonans, like most Americans, suffered considerable distress due to unemployment. In October 1933, nearly four years after the stock market crash, the FERA sponsored the first nationwide census of the relief situation. The disturbing results revealed that about ten percent of the American population—more than 12.5 million men, women, and children—were receiving public assistance. Children under sixteen year old accounted for over 40 percent of the relief recipients. In Arizona the situation was even worse, with almost one out of five families on relief rolls. Details of the survey indicated that Arizona families were doing better than single men and women. Unmarried men and women were thirteen percent of the population, but seventeen percent of the relief rolls. Not surprisingly, minorities suffered in greater proportion than white Arizonans. White families, constituting 62 percent of the population, made up only 52 percent of relief recipients. The 8,542 Hispanics on relief accounted for seventeen percent of the total number of Hispanics on relief in the U.S., although according to the 1930 census, only eight percent of all Hispanics lived in Arizona. Of 20,422 families in Arizona on relief, a thousand were black families and 282 were Indians.[2]

The fourteen county Boards of Public Welfare certified families and individuals for relief and distributed aid, both cash and in-kind. Each board had three members and an executive secretary who oversaw day to day activities. In the more populous counties, the boards had paid staff to perform many of their required functions. Cochise County, for example, at one point employed fourteen social workers who investigated individual claims, established budgets for relief clients, and eliminated ineligibles from the relief rolls. Overseeing the county boards was the State Board of Public Welfare. This five-member board was composed initially of T. H. O'Brien of Inspiration, Herman Lewkowitz of Phoenix, Grace Sparkes of Prescott, Harry A. Clark of Douglas, and H. H. d'Autremont of Tucson. O'Brien, Clark, and Sparkes had served on the previous RFC Commission. This board distributed the FERA grants to the counties and managed a variety of activities. The State Board's organization had five divisions. The Work Division planned and implemented employment projects for able-bodied relief clients. The Social Service Division received applications for relief, established eligibility, administered direct relief, certified work relief, and advised and established eligibility of clients for the rural Rehabilitation Program, Commodity Distribution, and the Civilian Conservation Corps. Both of these divisions shared responsibility with the county boards. The Research and Statistics Division handled accounting, disbursing, purchasing, and statistical records. The Rural Rehabilitation Division helped rural families become self-sustaining. The Transient Division,

[2]Ibid., 3; *Arizona Republic*, March 15, 1934, 2:1.

financed entirely by federal funds, established camps and work programs for needy persons who did not have residency in Arizona.[3]

The greatest burden in the relief administration rested with the State Board's executive secretary, Florence M. Warner. Warner arrived in Phoenix from Chicago to take up her duties on June 4, 1933. Within six months she was the central figure in the administration of the New Deal in Arizona. Her silver hair and rimless glasses gave her a businesslike appearance and not being one to seek publicity for herself, she refused to be photographed except in a group. Warner was an experienced, professional social worker whose book, *Juvenile Detention in the United States*, was published in 1933. A graduate of Oberlin College in 1916, she received her Ph.D. from the University of Chicago before proceeding to a series of social work positions. During World War I she served overseas as a research worker and an employee of the Allied American Transport Council. She later served two years as executive secretary of the International Institute in northern Michigan, then moved to Youngtown, Ohio to work for two years with immigrants. Moving to California, she served six years as executive secretary of the Public Health Center in Alameda, then returned to Chicago to supervise the Oakwood Unemployment Relief Station before taking on the Arizona position. When the newspaper reported Warner's typical workday, it noted her long hours—twelve or more a day. She arrived at her office in the Heard Building at 8:30 or 9:00 and continued until 11 p.m. or midnight; her day taken up with endless meetings punctuated by numerous phone calls. To help carry the burden, she had one secretary and a few administrative assistants such as Marion Reid, who headed up the women's program.[4]

The FERA program through the fall of 1933 was fairly simple. Hopkins' staff sent millions of dollars in grants to the states for distribution to the needy. In this early stage the FERA concentrated on the distribution of direct relief, not work relief. Work relief, however, was important at the state level. The program was as close to a "dole" as the New Deal came. The distinction remained, though, that the federal government did not distribute cash directly to the needy under this program. Such aid remained the responsibility of the states, with the federal government acting primarily as a funding source to satisfy the demand that it do more to meet the country's critical relief needs.

[3]*Report of Activities*, Cochise County Board of Public Welfare (Federal Emergency Relief Administration), Bisbee, Arizona, May 1, 1934 to August 1, 1935, 1; *Emergency Relief Administration in Arizona*, n.d., ephemera file, Arizona Dept. of Library, Archives, and Public Records.

[4]*Arizona Republic*, December 18, 1933, 1:6.

FERA TRANSIENT RELIEF

One group most in need of public assistance, yet often marked as ineligible, was the transients. Several parts of the country, most notably the sun-baked plains of the Dust Bowl, saw an exodus of former farmers looking for any kind of work they could get. The poorest transients hitched rides on freight cars of the Santa Fe and Southern Pacific railroads while the more fortunate drove cars and trucks across U.S. Routes 66 and 80. Most simply continued on their way to California. Some, however, chose Arizona as their destination or circumstances—perhaps a broken down car—encouraged them to look for opportunities here. Agriculture in the Salt River and Casa Grande valleys offered temporary, seasonal work for several thousand manual laborers. Transients might earn enough to carry them on to California or they might decide that they could do well enough in Arizona.

Most transients lived on the edge of subsistence. Even where available, work in the cotton fields or citrus orchards was highly seasonal and offered nothing on which to base a stable, settled life. Where savings could not be stretched to last out the year, resort was made to private charity and public aid. Residency requirements made the latter difficult to obtain. Traditional public aid, administered at the county level, highly discouraged aid to nonresidents. The challenge of the Great Depression, which placed tens of thousands of people on the roads, proved the inadequacy of parochial public aid in the face of a nationwide economic collapse. But since the Arizona legislature and the counties wanted to protect their financial positions there was little movement to expand eligibility criteria. Instead, the call went out for federal assistance to deal with this truly interstate problem.

The FERA provided full funding for state agencies to aid transients. The State Board of Public Welfare submitted a plan in August 1933 detailing the organization of its Transient Division, where it intended to establish transient camps, and what kind of aid it intended to supply. The plan separated transient types into groups such as "automobile transient," the hitchhiker, the health seeker (usually those suffering tuberculosis), the seasonal agricultural laborer, and others. Using CWA labor, the state built accommodations at the fairgrounds in Tucson, Phoenix, Prescott, Nogales, Yuma, and Douglas to provide food and shelter for thousands of transients. By the end of 1935, more than 53,000 persons, mostly single men, had received transient aid. The FERA Work Division provided projects to keep these men from idleness, and in addition to work, efforts were made to provide useful vocational training. Men with a skill or occupation were matched to appropriate jobs where possible so that they might "keep a hand in." Unskilled men were trained for jobs they seemed best adapted to. An effort was even made to provide more than just sustenance and work. In Phoenix, the public library, the Maricopa County library, and local book stores donated over 600 books for the 800 men in the camp at the state fairgrounds.[5]

To provide labor for smaller projects around the state, the Transient Division developed two types of labor camps. Portable camps held up to 250 men housed in portable frame buildings, including mess hall, recreational hall, infirmary, and six-man cabins. Smaller, mobile camps held up to 50 men, chosen for their physical fitness and ability to work. Intended to occupy a place for only two to four weeks while they worked on small projects, the men lived in two-man tents while three large tents served as a storage room and dining rooms. Rolling equipment included small army trucks and five trailers. Each worker was supplied with a duffel bag for their blankets and personal effects which included a complete change of clothes. The Work Division supplied technical supervision and plans and specifications for all work while sponsoring agencies provided labor supervision and materials. The men worked 30 hours per week, and the Transient Division provided most of the equipment.[6]

The first portable camp, with 187 men, located near Stewart Mountain Dam and performed erosion control work along with improvements to roads and trails under the supervision of the Forest Service. A well was drilled for water and stone fireplaces, permanent tables, and seats built. Together with a large parking area, this camp eventually became a recreational area. A second camp of 127 men at Wolfe Creek near Prescott worked under Forest Service supervision to control twig blight. The Forest Service sponsored other camps located at Cherry Creek near Roosevelt Dam, 126 men; Wood Camp near Prescott, 94 men; and Perkinsville, 48 miles east of Prescott on the Verde River, 76 men. The Forest Service also used mobile transient camps. On October 1, 1934, the first mobile units were put to work on road construction, soil erosion prevention, and development of stock tanks. A mobile camp of 47 men near Williams completed improvements to twelve miles of road and strung five miles of range fence before the end of 1935. A mobile camp of 43 men near Lakeside did similar work.[7]

Problems arose in the Tucson camp when about 50 men walked out in a protest against camp management on December 4, 1933. A. R. Endsley of Denver, Colorado, speaking for the transient strikers

[5]Williams, 152; Warner, Vol. 2, 69; *Arizona Republic*, December 14, 1933, 1:8; *Interesting Programs*, 33.

[6]Florence M. Warner, *Outstanding Projects in Arizona, CWA, ERA*, (Phoenix: Arizona Board of Public Welfare, Vol. 2, 1935), 1-5, 69-70, 74.

[7]Ibid., 72-73.

complained that they had been trying for the past week to improve living conditions in the camp. Among the strikers' charges were they were not given enough fuel and blankets to protect them from the cold. Endsley claimed that he and his fellows were given meals costing only twenty to 30 cents per day despite the federal allowance of 40 cents. He charged that the camp administrators sought retribution against activists. "We are sorry that any such action on the part of transient workers is necessary," Endsley said, "but the conditions are such that we are forced to refuse to be enslaved like prisoners any longer. More of the men would have left with us this morning but the armed guards refused to allow them to get into the barracks and get their clothing."

While the Pima County Sheriff sympathized enough that he allowed the strikers to use tents from the county rock pile for shelter that night, the transients, or "hobos" according to the local paper, received little public or official support. Florence Warner characterized the strike as a "difference of opinion as to who is going to run the camp—its director or a group of men who had been trying to organize the camp and run it as they saw fit." Paul B. Murphy, state director of transient relief traveled to Tucson to confer with the camp's director and with strike leaders. His report to Warner and the Board denied charges of mismanagement. Warner gave the camp's director her complete support and characterized the affair as having "been handled in a fine way, without any difficulties at all." She blamed the disturbance on a small number of agitators, who, she said, were "trying to get sympathy."[8]

Perhaps more serious for the Board were charges by Tucson businessmen that funds for the transient camp were not being spent to aid the local economy. In a letter of protest from the Pima County Board of Supervisors, the Tucson interests called for Murphy's removal. The letter gained extra weight because it was carried by d'Autremont who was both a member of the Pima County Board of Supervisors and a member of the State Board of Public Welfare. Murphy, they claimed, spent the camp's allowance of about $5,000 per week for supplies in Phoenix or Los Angeles, but not in Tucson. They also claimed that Murphy fired all Tucson men working at the camp as guards and supervisors and replaced them with Phoenix men and other non-locals. Such charges, responded Warner, were "unjustified and unfounded." Foodstuffs were being purchased in Tucson. Only bread, she said, was baked at the transient camp in Phoenix and shipped to Tucson, at about half the cost of procuring it locally. With Warner's support, Murphy survived the complaints of both the transient strikers and the Tucson businessmen.[9]

[8] *Arizona Republic,* December 5, 1933, 1:1; December 6, 1933, 2:1.

[9] Ibid., December 5, 1933, 1:1; December 6, 1933, 2:1.

THE CIVIL WORKS ADMINISTRATION

Hopkins saw direct relief as serving only the immediate emergency. He feared the debilitating psychological effects of prolonged idleness. "I don't think anybody can go year after year, month after month, accepting relief without affecting his character in some way unfavorably," he wrote in June 1933. By the time FERA began to pay some of the nation's relief bill, some 1.9 million people were employed on makeshift work relief projects conceived and managed at the state and local levels. Hopkins and his associates began to plan a federal employment program to provide real, socially useful jobs to take up the slack that private industry could not employ. Instead of work relief based simply on need, his work program would give priority to the project and hire and fire according to the ability of the workers. By the fall of 1933, it was becoming clear that the Public Works Administration, the agency created to provide employment and restart the nation's industrial engine, was having difficulty implementing projects. The President was concerned about the ability of the unemployed to endure another harsh winter of privation. Hopkins and his staff moved to fill the gap left by the PWA's delay. Unlike the PWA, their new agency would provide immediate assistance with small-scale public projects that could be undertaken quickly. Roosevelt approved Hopkins' proposal and on November 9 issued an executive order establishing the Civil Works Administration to employ four million people to help carry the country through the coming winter.[10]

Roosevelt appointed Hopkins as administrator for the largest peacetime manpower mobilization ever undertaken by the federal government. Although its initial funding of $400 million was drawn from PWA appropriations, Hopkins drew from his FERA staff to man the new agency. The first innovation of CWA was that it was to be entirely a federal agency. CWA workers were federal employees, not relief recipients, ideally chosen for their qualifications, and eligible for regular benefits such as death and disability payments. This ideal was compromised by two factors. First, in order to fill the CWA's quota of four million workers, Hopkins effectively federalized existing FERA work relief projects. Since these had begun as local work relief, the workers were chosen on the basis of need, and the work projects often had marginal value. Second, since CWA drew on PWA funds, its was forced to comply with that agency's veterans preference system.[11]

With the goal of putting four million people back to work within a few weeks, Hopkins allocated work quotas to the states by number of

[10]Schlesinger, Jr., 267; Schwartz, 36-38.

[11]Schwartz, 41-44.

jobs rather than by funding. A large industrial state like Pennsylvania, one of the hardest hit by the depression, received an initial quota of 325,000 jobs to be filled by December 15; California's quota was 300,000. By contrast, Arizona was given 17,000 jobs. These jobs were then further allocated to the county level. Hopkins invited governors, mayors, city managers, and state and county emergency relief administrators to attend a conference in Washington on November 13 to explain the Civil Works Administration. The President spoke to the meeting, calling upon the over 500 local political and welfare leaders from around the country to aid recovery by making the civil works program a success. But local officials had more than the general welfare on their minds. Phoenix city engineer W. C. Lefebvre attended the conference and presented plans for two projects totaling nearly $3 million dollars: a highway to the planned Horse Thief Basin recreation area and an elaborate Phoenix community center. Washington officials quickly deflated such hopes. CWA would not fund large public works. Projects had to be limited to small jobs requiring less than 90 days to complete and which could be undertaken with a minimum of preliminary planning. Phoenix officials had little difficulty in adjusting and soon submitted applications for 125 small projects to employ some 2,500 men at a cost of about $750,000.[12]

The State Board of Public Welfare was drafted to serve simultaneously as the State Civil Works Board. Similarly, each county welfare board served simultaneously as its respective civil works board. Although Arizona faced the relatively small mobilization of 17,000 people, the task was nonetheless daunting for those involved. As the chief administrator of the FERA for Arizona, Warner became civil works administrator as well. Initially, state engineer Thomas S. O'Connell served as temporary CWA engineer until replaced by Roger T. Pelton of Douglas. O'Connell's priority was labor for highway work. He traveled to Washington in mid-November to negotiate for 4,500 to 5,000 men to do road work.

Just about every public agency in the state clamored for CWA laborers. Federal agencies cut by Economy Act, and state agencies slashed by the legislature's budget cuts in March, seized the opportunity for subsidized labor. For the National Park Service and the Forest Service, the CWA and other New Deal work programs provided historic opportunities to fulfill long planned development goals that could not have been achieved for years under normal funding. Federal agencies took a large portion of the CWA work quota, 4,200 of the 17,000 total, with the remainder under the supervision of the State Civil Works Board. The National Park Service engaged 680 men at Grand Canyon national

[12]Ibid., 74, 77; *Arizona Republic*, December 14, 1933, 1:1; *Arizona Republic*, December 16, 1933, 1:1.

park and national monuments around the state to undertake improvements such as camp ground construction, landscaping, road and trail building, fencing, ditch cleaning, rounding of slopes in road cuts, installing parking areas, restoration of ruins, and planting of trees. The Park Service used the opportunity of an abundant labor supply to do archaeological and other scientific reconnaissance, including mapping of archaeological sites and organizing research activities. When combined with a previous allocation of $96,000 from the PWA, and labor simultaneously provided by the CCC, Arizona's national park and monuments reaped an unprecedented windfall.[13]

In its brief five months, the CWA engaged in about 300,000 work projects nationally, a staggering number that precluded centralized control. Although it was a federal agency and workers were temporary federal employees, CWA was highly decentralized in operation. State and county administrators could initiate projects but usually relied on proposals by municipal public works departments, parks departments, social service agencies, boards of education, and similar public agencies. Speed of implementation took precedence over careful review of plans, so CWA administrators often did little more than rubber stamp proposals brought to them, as long as the project met the basic requirements—restricted to public property, involve construction, and limit materials cost to no more than 30 percent. In addition, local sponsors of projects were to provide materials to maximize the amount of federal funds that went to wages. County boards were permitted to purchase materials, fuel for borrowed equipment, and the like, but not to buy new equipment with CWA funds. So as not to compete with the PWA, CWA projects were not supposed to include buildings or other large scale projects. However, with the peripheral review of proposals, a number of buildings and other projects were undertaken that eventually could not be completed by CWA.[14]

[13] *Arizona Republic*, December 2, 1933, 1:6; November 29, 1933, 1:1. The $171,039 total funds expended and employment were divided as follows: Casa Grande NM, cost $17,732, 60 men; Grand Canyon NP, $51,528, 207 men; Canyon de Chelly, $6,774, 20 men; Walnut Canyon NM, $2,308, 6 men; Montezuma's Castle NM, $20,630, 83 men; Navajo NM, $9,398, 36 men; Petrified Forest, $47, 587, 210 men; Pipe Spring NM, $3,572, 16 men; Tumacacori NM, $5,915, 26 men; Wupatki NM, $5,599, 21 men.

[14] *The Federal Civil Works Administration: Interesting Programs in Arizona*, n.d., Arizona Dept. of Library, Archives, and Public Records, 47; *Arizona Republic*, November 22, 1933, 1:1; Schwartz, 45-46. Schwartz notes the ratio of labor to materials as 70 percent to 30 percent, referencing the CWA, *Rules and Regulation, Number 1* and *Number 3*. However, in controversies in Arizona over CWA administration in Arizona, the *Arizona Republic* reported that the ratio was 65 percent labor to 35 percent materials [*Arizona Republic*, December 15, 1933, 1:1].

The first task facing state and county administrators was to meet Washington's deadline for putting Arizona's quota to work. The first half of the quota, 7,500 men, was drafted from the relief lists and shifted from direct or work relief to CWA employment by the beginning of December. Priority went to married men or men with dependents. The agency warned that any able-bodied person refusing CWA employment, without good reason, would be dropped from the relief rolls. The second 7,500 were employed through the U.S. Reemployment Service. Cities and private organizations brought proposals to their county Civil Works boards which forwarded them to the State Board for approval. Warner admitted that the workload was so great that the State Board had to give blanket approval in some cases to batches of proposals. At a meeting on November 21, the board approved 500 projects to meet the quota. These included work on federal, state, and county highways, soil erosion, and flood control.

Yavapai County's quota was 1,270 jobs. The burden of this effort fell largely on the shoulders of Grace Sparkes. Half the quota was taken from the county relief rolls, with priority going to men with four or more dependents. The remainder came from the federal reemployment list after December 1. The State Board gave blanket approval to all of the county's 89 projects. Prescott's nine projects included a bridge across Granite Creek on Goodwin Street, improvements of the city playground, construction of a wall around the old Citizens' Cemetery, construction of an annex to the Smoki building, a community house and homes for Indians on the Yavapai Reservation east of town, renovation of the northern Arizona state fairgrounds, and construction of a museum building just west of the Old Governor's "mansion." Hundreds more men were soon at work in other parts of the county. On November 24, 65 men began work on three projects around Cottonwood including roadwork on Highway 79 and local streets and rip-rap flood control on the Verde River. Laborers worked on a fish lake dam west of Prescott, rip-rapping Clear Creek, a recreational hall at Jerome, improvements to the Jerome and Clarkdale baseball fields, and archaeological investigations at Tuzigoot.[15]

The Maricopa County Civil Works Board was the busiest in the state. Its members were Herman Lewkowitz (who also served on the state board), John Curry of Tempe, and Mrs. Joseph M. Greer of Phoenix.[16]

[15] *Arizona Republic*, November 23, 1933, 2:1; November 25, 1933, 6; Maxwell, 221-22.

[16] Curry was president of the Tempe Chamber of Commerce. Lewkowitz was attorney for the City of Phoenix and a member of the Loyal Order of Moose and the Elks Club where he associated with many prominent local people. In 1935 he would be elected to the general committee of B'Nai B'rith, the first Arizonan so appointed and also served as the Frank Luke, Jr. post commander for the American Legion.

By November 23, the county board had approved 93 projects for the City of Phoenix alone and was considering 64 more. One of the largest involved completing the gravel surfacing of every alley in the city at a cost of $36,000. The CWA built a bathhouse and wading pool at the new Grant Street Park swimming pool. University Park also gained a new bathhouse. Central Park was also slated for improvements and the entire Phoenix parks system would gain $5,000 worth of portable playground equipment and playgrounds. Other projects included removal of street railway tracks on Grant Ave., planting of trees and shrubs in city parkways, and repairs on street railway car tracks. In addition there were numerous smaller projects such as paving and curb repairs.[17]

Phoenix' neighboring cities also gained a share of the CWA bonanza. A hundred men went to work in Mesa constructing curbing on East Main Street. CWA projects in Tempe included widening Mill Avenue between 7th and 8th Streets, tiling all the ditches in town, and remodeling the fire station. In Wickenburg, a mesquite thicket was transformed into a city park, and a new jetty in Salt Wash was built to protect the grammar school from floodwaters.[18]

The Boy Scouts benefited from CWA projects. In Maricopa County, Heard Scout Pueblo, the Roosevelt Boy Scout Council's weekend activity center, gained a 500-seat stadium, built of reinforced concrete and shaped as an amphitheater following the natural contour of a hillside. Gila County's Civil Works Board approved improvements at Camp Geronimo, the Scout's summer camp near Payson. Work there employed 12 men for 30 days constructing a camp infirmary, a nature crafts lodge, and a radio station cabin. The Boy Scouts of Safford received a new headquarters building as part of extensive improvements undertaken at Gila Junior College.[19]

The civil works program launched one of the largest publicly funded archaeological excavation programs in the history of the state, with major excavations at Montezuma's Castle, Casa Grande, Wupatki, and Tuzigoot. The University's Dr. Byron Cumming provided scientific

[*Arizona Republic*, January 8, 1935, 1:1; April 5, 1935, 1:12; June 6, 1935, 1:4; July 21, 1935, 1:2; October 13, 1935, 2:1].

[17]*Arizona Republic*, November 22, 1933, 1:1; November 23, 1933, 1:1, 1:4.

[18]Ibid., November 23, 1933, 2:4; November 24, 1933, 2:6, 2:1.

[19]Ibid., November 25, 1933, 1:3; November 28, 1933, 1:4; February 5, 1934, 1:2. The local Kiwanis Club participated in the project by furnishing the equipment for the nature crafts building. The Gila Junior College project also included a science and vocational building, painting other buildings, and extensive Red Knolls improvements.

supervision for many of these projects. In addition to excavations of sites and artifacts, CWA workers also reconstructed ruins to recreate the image of the past for visitors, and made needed improvements on the infrastructure of several national monuments. For example, at Casa Grande, a work crew of 34 men opened up an early Hohokam site, repaired ruins, improved roads, and removed dead timber from the grounds. This type of work project was successful enough to be continued by the work programs of the FERA and the WPA.[20]

By mid-December, Coconino County had 264 workers on the payroll. Of these, 167 were at a camp below Desert View at the Grand Canyon to resurface thirteen miles of road. Twenty-six worked at the Wupatki ruin and fifteen at Fort Valley. Ft. Tuthill, the northern Arizona training camp for the National Guard near Flagstaff, received $25,180 in CWA work improvements, employing 56 men, and in addition, employed 40 more using a PWA grant.[21] The Yavapai County Board approved projects for 30 of the poorer school districts, which, because of the winter weather, involved mostly work to building interiors. On the Indian reservations, there were several repairs of existing structures though few new construction projects. Work on roads, sewers, and cesspools improved the infrastructure of these communities, while clothes and rugs were made for relief of their own people. In addition, nurses and instructors of Home Economics went into the villages and taught "practical" home making to the women.[22]

REACTION TO THE CIVIL WORKS PROGRAM

Despite their quota of over 3,700, officials in Phoenix and Maricopa County complained that they were not receiving their fair share of civil works funds. They and representatives of the chamber of commerce met on December 14 to publicize their grievances. They accused Gila and Yavapai counties, of "dictating" to the State Civil Works Board. A chamber official declared that Maricopa County "is getting a fine

[20]Ibid., December 16, 1933, 1:7; December 22, 1933, 1:2.

[21]In 1938, in response to a request from the National Youth Administration to use the facility at Ft. Tuthill, the National Guard Adjutant General Alexander M. Tuthill commented that the CWA left the camp in such poor condition that expensive repairs were necessary before the National Guard could use it. He was thereafter hesitant to let another New Deal agency use his facility [Jane Rider to Orren H. Lull, November 15, 1938, National Archives and Records Administration, Records of the National Youth Administration, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-38, RG 119, Entry 52, Box 2.]

[22]*Arizona Republic,* December 14, 1933, 1:2; December 20, 1933, 1:8; December 22, 1933, 1:3; *Interesting Programs,* 39-40.

gypping" because the unemployment was not taken into proper consideration in allocating funds. City engineer Lefebvre complained that Phoenix had been approved for projects totaling only $85,000, out of an aggregate of $600,000 submitted. Of greater concern was the Board's ruling that Phoenix was spending more for materials than allowed by CWA rules. The Board's requirement was impossible to meet, Lefebvre claimed. He estimated that most building projects of "any real worth" expended about 55 percent on materials. With new materials spending curtailed by the Board, projects in Phoenix were presently "just coasting along" on the small reserve store of materials on hand. Another complaint was that it was both unfair and uneconomical to use workers from Phoenix on projects outside of the city, while at the same time using workers from outside Phoenix on projects in the city. County officials told the meeting that the only worthwhile project the county got was the Bush Highway to Payson. There were also complaints that the Maricopa County Civil Works Board had approved work on a new county tuberculosis hospital without informing the Board of Supervisors. Moreover, the Supervisors, the chamber of commerce, and the local medical organization claimed that the facility was not needed.[23]

The State Civil Works Board held a meeting on December 16 to hear and respond to these complaints. With the governor present, the Board explained that county allocations were based on the number of families on relief rolls during October and that the labor-materials ratio rule came out of Washington, leaving them no flexibility. To palliate this rejection, the Board used the opportunity to approve projects to employ 500 persons, many in Maricopa County.[24]

The engineers' complaints about the lack of value for many civil works projects reflected their opinion that public works ought to render both maximum public value and engineering efficiency. In their experience, efficiency was lost when construction did not use machinery, materials, and labor in a proper ratio. From an engineer's perspective they were perfectly correct. Reports of civil works project expenditures typically cited that final cost exceeded estimates of what a contractor would have charged for a job by 20 to 30 percent. Here engineering scruples collided with the CWA's explicit goal of maximize the payroll. While the Phoenix chapter of the American Association of Engineers unanimously approved a resolution supporting the CWA on December 14, it also urged that administrators develop a comprehensive program "which will stand in future years as a monument to the wisdom of this movement, and shall not result in a mass of unrelated and uneconomic

[23]*Arizona Republic*, December 15, 1933, 1:1.

[24]Ibid., December 16, 1933, 2:1; December 17, 1933, 1:1.

projects." Such feelings met with the full sympathy of officials of the Public Works Administration, who took to heart the degree of planning necessary to produce public works of high value efficiently and without scandal. It was also just such scruples that delayed PWA implementation and made the CWA necessary to provide immediate employment.[25]

Engineers, both in Arizona and elsewhere, saw the civil works program as both a source of needed employment for themselves and as a development program which they ought to direct. Prior to the depression, the most important public engineering work in Arizona centered on reclamation and highway projects. Responding to the opportunities presented by the massive employment program undertaken by CWA, 150 engineers, architects, and surveyors organized the Phoenix chapter of the American Association of Engineers. While supporting CWA, William L. Pendleton, chapter president, demanded that it comply with the state engineers' and architects' registration law in the selection of qualified engineers and architects. Both CWA and PWA fulfilled the employment needs of these Arizona professionals. It appeared that nearly every engineer in the state would be employed again when University president Homer L. Shantz, announced on November 29 that three divisions of the PWA had requested the University to take over government projects in Arizona and supply nearly 200 engineers to carry them forward. The CWA provided 160 jobs for engineers and surveyors under the sponsorship of the U.S. Coast and Geodetic Survey.[26]

The controversy between Maricopa County, the City of Phoenix, and the State Board of Public Welfare continued to simmer until the close of the civil works program at the end of March. The Phoenix Chamber of Commerce sent a telegram to Washington requesting immediate removal of the present members of the Board on grounds they discriminated against the county. W. M. McGovern, who signed the telegram, stated that he was threatened by Board members at a recent meeting who told him, ominously, "you are not doing yourselves any good." Both the chamber and the Merchants and Manufacturers Association protested that data on CWA spending was not being made public. Warner met

[25]Cost figures from F. M. Warner, *Outstanding Projects in Arizona, CWA, ERA*, Volumes 1 and 2, (Phoenix: Arizona State Board of Public Welfare, 1935); *Arizona Republic*, December 15, 1933, 1:2.

[26]*Arizona Republic*, November 19,1933, 1:1; November 26, 1933, 3:1; November 30, 1933, 1:1. At a meeting in Phoenix on November 18, Arizona engineers were urged to maintain a united front to secure employment and good pay. James Girand urged a three-part program of "Arizona jobs for Arizona engineers, engineers for engineering jobs, and better pay for Arizona engineers." Pendleton's groups organized an employment service for its members. Dean G. M. Butler of the University of Arizona, however, warned engineers from engaging in union-like activities such as strike threats, production slow downs, or a closed shop.

with the governor on February 15 to explain the Board's position. Moeur backed the Board, stating that many of the problems were the result of national rules and national controversies. Still, Phoenix City Manager Johnston claimed that based on population, the city should have gotten $613,000 in CWA projects when it only received $135,000. Even approved projects were never fully funded. The Arizona Department of the American Legion joined in the criticism, passing a resolution calling for the Army to administer the civil works program, as it did the Civilian Conservation Corps, in order to remove politics from the program, though its executive committee killed the resolution. Finally, the members of the Greenway post of the American Legion asked for a congressional investigation of why Maricopa County did not get its fair share of federal relief, to which they added charges of political patronage, nepotism, and a complaint that veterans were not receiving the preference allowed by law.[27]

THE CWA SAFETY PROGRAM

With millions of men engaged in civil works, safety quickly became an important issue. The national administration took the issue especially seriously. Traditionally, work relief was not considered true employment, and no compensation was extended for injuries or death of workers. Hopkins broke with precedent by extending the medical and compensation features of the Federal Employees Compensation Act of 1916 to the CWA. To separate civil works from work relief, Hopkins declared that "If the federal government is required by an emergency to furnish employment to citizens, it has the obligation to afford conditions of employment which would prevail among the great proportion of the working population." To lower liability, Hopkins initiated a nationwide safety program under the direction of John M. Carmody.[28]

[27] Ibid., February 14, 1934, 1:1; February 10, 1934, 1:1; February 16, 1934, 1:12; February 17, 1934, 2:1; March 16, 1934, 1:1, 1:4; February 5, 1934, 2:6; March 29, 1934, 1:2. Hopkins resorted to using officers of the Army Corps of Engineers in Los Angeles and Chicago where administrative and political difficulties threatened to cast a shadow over the program [Schwartz, 90].

[28] Schwartz, 50-51, 54-55, 60-61. Carmody considered the CWA "the biggest industrial safety job ever attempted." An active member of the Taylor Society and a past president of the Society of Industrial Engineers, Carmody was a strong supporter of federal public works to relieve the recurrent problems of unemployment associated with the business cycle. Moreover, he believed in the special insights of his own profession. Putting the idle back to work was "not a job for social workers only, nor for politicians, however highly placed. It is a job calling for the organizing brains of competent manufacturers." Placed in charge of the safety program, he effectively drafted the services of the National Safety Council into the CWA service and pushed the states to hire safety directors.

In January, Thomas J. Cowperthwaite, a mining engineer and former Cochise County legislator, became Arizona's CWA safety director. An English immigrant, Cowperthwaite graduated from the Missouri School of Mines and moved to Arizona about 1908. True to his reputation as "the father of the safety movement in Arizona," Cowperthwaite compiled data on injuries and time lost, and calculated which project supervisors appeared to have the worst records. In his safety bulletins he criticized supervisors for neglecting such safety measures as requiring goggles and respirators, and at the same time praised the general program for its record. "During the entire CWA program," he wrote, "I never found a man unwilling to cooperate and enforce the safety rules." A general willingness to cooperate, however, did not prevent unsafe situations from occurring, nor prevent time lost to injury, as when two painters working at the State Capitol were injured when their scaffold collapsed on February 15.[29]

While Cowperthwaite visited hazardous project sites and gave safety talks to work crews, the counties appointed their own safety inspectors. Cowperthwaite's safety bulletins covered such topics as truck transportation, explosives, trenches, and the duties of foremen. Work crews got first aid kits and safety equipment. Plans were being made to give first aid classes to foremen when notice was given that CWA would be disbanded. Statistics indicate the success of the safety program with the number of injuries per 1,000 man shifts declining from 8.2 on January 4, 1934, to a low of 0.31 on March 1. Only one fatality occurred when on March 31—the last day of the CWA—a worker drove over a road embankment. Cowperthwaite continued to serve as safety director for the FERA work program until his death on January 25, 1935.[30]

SIGNIFICANT PROGRAMS OF THE CWA

The CWA was an innovator in providing work projects to artists and professionals. Arts projects engaged thousands of artists and actors in creating public art and entertainment nationwide. At the beginning of the CWA in Arizona, fifteen artists were selected to produce public art. In three and a half months they produced eight murals, 21 oil paintings, 30 water colors, six panels in oil, and a design and model for a decorative fountain. Two murals were painted for the library at the teacher's college at Tempe. Other works were displayed in the State

[29]Letter from Cowperthwaite to all ERA foremen, June 15, 1934; Letter to All CWA Executives, n.d; *Arizona Republic*, February 16, 1934, 1:12.

[30]*Interesting Programs*, 49-52. *Arizona Republic*, January 26, 1935, 1:1. At the time of Cowperthwaite's death, the FERA proudly announced that it had completed its third consecutive week of no lost-time injuries.

Capitol and other public buildings, while two portraits were awarded to the University of Arizona, one of president Shantz, and one of Dr. Byron Cummings.[31]

In early December, the CWA proposed to hire 1,200 unemployed architectural draftsmen to work for two months documenting buildings of historic value. The American Institute of Architects and the Library of Congress quickly became cosponsors to what became the Historic American Building Survey. The public was becoming increasingly conscious of the rapid loss of the nation's cultural resources, and though this program did not reverse that loss, it did provide a valuable record in the form of measured architectural drawings of many building later lost. Concern for historic buildings eventually led to passage of the Historic Sites Act of 1935 and to the permanent institutionalization of the Historic American Building Survey. In Arizona, six men received temporary employment in the first HABS program under CWA. The regional headquarters for HABS serving Arizona and Utah was located in Tucson with a staff of one architectural technician, one clerk-secretary, and one stenographer.[32]

The Aeronautics Branch of the Department of Commerce proposed an audacious plan to build a network of landing fields in about 2,000 cities and towns around the U.S. As described by C. E. Griggs, federal airport engineer, the plan was part of a program would help train 25,000 new pilots in five years. Over a thousand of these airport projects got underway during the civil works program and employed 250 technical experts, draftsmen, supporting personnel, and 40,000 laborers. The fields were relatively simple projects involving clearing, grading, and developing proper water drainage. The average cost of conditioning a field was expected to be about $5,000, with only about $630 going for materials and the remainder for labor. Lynn Lockhart, an oil man and longtime advocate for aviation in Arizona, was made the state representative for the Aeronautics Branch. Aided by two engineers and working from their office in the Heard Building in Phoenix, Lockhart reviewed and approved all projects in Arizona. Safford was one of the first communities to take advantage of the program and the Arizona Chamber of Commerce assisted other towns as well. The only requirement was for the community to provide the unimproved land, either leased or owned.[33]

[31]*Interesting Programs*, 40-41.

[32]Ibid., 135; *Arizona Republic*, December 12, 1933, 1:4; December 17, 1933, 1:4.

[33]*Interesting Programs*, 183; *Arizona Republic*, December 13, 1933, 2:1; December 2, 1933, 1:4, January 28, 1934, 2:5; December 8, 1933, 1:2.

To spur interest in the aeronautics program, the Phoenix Chapter of the American Association of Engineers formed a committee called the Arizona Air Board to convince communities to join. By March some 80 communities were approved and initial work by the CWA was underway in many. Phoenix's Sky Harbor was at this time still under private ownership, and to secure federal funds for improvements, some measures had to be taken to ensure public control of the facility. On February 5, Maricopa County entered into a five-year lease that allowed receipt of $133,213 from the CWA.[34]

WOMEN AND THE CIVIL WORKS PROGRAM

While thousands of men escaped the humiliation of public relief with CWA employment, the needs of women were a distinct afterthought. In September 1933, Hopkins created a Women's Division within the FERA, headed by Ellen S. Woodward, whom he later asked to direct the CWA effort to employ women. Woodward convinced Eleanor Roosevelt to call for a White House conference on the problem. At that November 20 meeting on the Emergency Needs of Women, the First Lady decried how American women "have been neglected in comparison with others, and throughout this depression have had the hardest time of all." Hopkins was the only man at the conference, and he admitted that women had received little attention from the CWA, but he promised that up to 400,000 women would receive help. Woodward called on local voluntary women's organizations to propose work projects and suggested that states hold their own conferences on the subject.[35]

Arizona's women were fortunate that they had one of their own as the state's CWA administrator. Although women faced special difficulties in procuring CWA employment, in part because CWA was intended to promote construction work, in Arizona, at least, their needs were recognized. Warner realized that there were many needy, unemployed women in the state for whom CWA should find a place. She called a meeting for November 29 at Hotel Adams for "anyone in the state" with ideas for the reemployment of women. "We want the presidents of state women's organizations to attend," she said, "with people here from all sections. We want to find out how many women are unemployed and what work they are capable of doing. We want to

[34]*Arizona Republic*, February 6, 1934, 1:1. The City of Phoenix later bought Sky Harbor in 1935.

[35]Schwartz, 156. Within two weeks of the White House conference, similar conferences had met in fifteen states. Florence Warner was in Washington, D.C. at the time of the conference and it is presumed that she attended [*Arizona Republic*, November 22, 1933, 1:1].

know if there is work for women in libraries, or schools, or in public health departments. We want to know the number of unemployed teachers and nurses and stenographers. Particularly we want to know of the business and professional women who are unemployed and suggestions for their reemployment. We have called the conference because we do not have the slightest idea of the number of women in need of aid, or prospective solutions of the problem." This was a stunning admission of ignorance after four years of depression.[36]

Warner appointed Marion Reid to direct the civil works program for women. She announced at the meeting that unemployed women wanting civil works jobs should register at the U.S. Reemployment Service. Unlike the planners of projects for men—politicians, engineers, and city planners—those at the meeting proposing work for women were mainly county welfare workers and club women. Bertha Case of Phoenix brought up the problem of unemployed nurses and suggested that the visiting nurses program be revitalized as part of the school system. The imagination of projects declined from there, reflecting the limited employment options available for women. Canning work was considered, and several women suggested making grapefruit juice or grapefruit candy for sale. Sewing garments and making quilts for sale was also suggested. For women without skills, the only suggestion was domestic services. But others at the meeting held out little hope for this option, believing many women, too long on public assistance, had become "victims of the charity system" and would not work, feeling that the world owes them a living.[37]

When CWA was announced, federal agencies and city planners were ready with long lists of projects suitable for the employment of men. As the stilted list of suggestions from the conference indicates, there was no comparable preplanning for women's work. An additional problem was that CWA did not assign quotas for women's employment. Eleanor Roosevelt had suggested such quotas, or an allocation of money for women's jobs, but neither came about. In order to promote women's employment Hopkins approved overriding the requirement that a specific number of CWA workers be drawn from relief rolls and allowed all women to be hired from the U.S. Employment Service. He also supported replacing men in positions where women could serve.[38]

[36]*Arizona Republic*, November 26, 1933, 1:1.

[37]Ibid., November 30, 1933, 1:2.

[38]Schwartz, 164-65.

An important breakthrough came with the creation of the Civil Works Service on December 22. Whereas CWA drew its funds from the PWA's appropriation, the Civil Works Service was financed by FERA grants to the states. Therefore, the CWS was not bound by CWA's emphasis on physical construction projects and could provide more versatile work relief. CWS provided employment for a large number of professionals and, because of its non-construction orientation, was more useful for womens' projects. The CWS differed from the CWA in two other respects. First, it retained the requirement that all employees be drawn from relief rolls. Second, the payscale was lower than for CWA (which followed the PWA payscale). Workers would receive the prevailing community wage as long as it did not fall below 30¢ an hour, the FERA standard.[39]

With speed a priority, sewing rooms were the easiest way to employ the largest number of women. A charitable organization such as the Red Cross might supply the cotton for women to sew into garments for the poor. Nationally and in Arizona, sewing rooms provided employment for the largest segment of women. Clerical work provided the second largest source of women's employment. Professional women, teachers and nurses, benefited from other women's work projects. A canning project employed a small number of female heads of households. Work was found in Arizona for unemployed visiting nurses, teachers of home nursing, and school nurses. Dr. George C. Truman, state superintendent of public health, proposed employing 37 nurses to conduct a survey of child hygiene across the state. One project in Globe hired three music teachers and several kindergarten teachers for evening classes for children not currently in school. At least 30 women were employed to conduct a rural housing survey in Pinal, Maricopa, and Pima counties as part of a national project that would have important implications for later New Deal housing programs. A more imaginative project was at the Tuzigoot Ruins in the Verde Valley. While men were engaged in outdoor excavations of the ruins, a number of women were employed to piece together the sherds of prehistoric pots. Over 150 of these artifacts were reconstructed for eventual display.[40]

[39]Ibid., 165-66. The funds appropriated to continue the CWA through the Act of February 15, 1934 removed the restriction that projects be construction oriented. The CWS then became redundant and was discontinued. [Edward Ainsworth Williams, *Federal Aid for Relief*, (New York: AMS Press, 1968 [orig. 1939]), 115-16.]

[40]*Arizona Republic*, December 21, 1933, 2:1; November 30, 1933, January 4, 1934; January 22, 1934. The number of women hired in the Globe education project is not known; Warner, *Outstanding Projects*, v. 1, 66. The Tuzigoot project was continued under FERA. It was reported that Hispanic women were "particularly adept in the reconstruction of pottery." [*Interesting Programs*, 42].

Arizona's small labor quota reached its peak of 17,000 after a final allocation of 500 positions was approved for women's work projects in mid-December. These were for non-federally sponsored projects and were given to the counties to fill, in particular, Maricopa and Yuma, which had a smaller number of federal projects. Warner also directed that most of the jobs be given out to the larger towns and cities where the greatest proportion of unemployed women were concentrated. Many of the women would be put to work on statistical projects gathering data on such topics as farmers' cost of living, a farm housing survey, tax delinquencies, and overlapping government functions.[41] In Maricopa County, 412 women were employed on nine projects. The State and Maricopa County Boards of Public Welfare employed 36 clerical workers. Another 66 worked in other governmental offices. The county school system employed 99 women as clerks, typists, stenographers, study hall supervisors, cafeteria maids, and janitor assistants. Five found work in the county free library system while three worked in public reading rooms established by the CWA at the Community Hospital in Mesa.

Relatively easy to implement, sewing projects were common to many communities around the state. Sewing work in Benson, Bisbee, Douglas, Tombstone, and Willcox were among the largest civil works projects in Cochise County. F. T. Wright, a member of the county board noted about 150 women employed in making garments for relief and praised this as "the one project which has consistently shown full value received for the expense connected with its operation."[42]

The Phoenix sewing project predated the CWA, originating as a Red Cross emergency relief activity in August of 1932. It was supervised by Margaret W. Griffin and her assistant, Adela Buchanan, both of whom stayed on when the work was taken over by the CWS, and later the FERA. The Red Cross began distributing direct relief early in the depression, passing out food, clothing and fuel to up to one hundred families a day. Under worsening conditions, the amount of aid the Red Cross could distribute lessened after April 1932 until the first sewing room opened at 132 S. Central Ave. It later moved to the warehouse-like facility at 335 W. Washington St., expanding the idea to large-scale production, employing dozens of women. The sewing project continued for another year as a private charitable activity until November, when the CWA began paying the salaries of the administrative employees. An adverse government ruling on this arrangement led the Red Cross to end

[41] *Arizona Republic*, December 16, 1933, 1:1.

[42] *Report of Activities*, Cochise County Board of Public Welfare (Federal Emergency Relief Administration), Bisbee, Arizona, May 1, 1934 to August 1, 1935, 26, 71.

its association and the entire activity came under CWS auspices on January 11, 1934. From 89 women at the beginning of the CWS project, the number of employees grew to 125 by January 25.

Happy with the results of the project, the Maricopa County Board chose not to allow it to lapse. The FERA took over responsibility on May 1, 1934. For the women, the primary result of this change of administration was that they were no longer classified as employees and receiving cash salaries. Under FERA, the federal government provided $1,000 per month to purchase sewing materials from local merchants, while the Maricopa County Welfare Board provided the compensation, primarily in the form of grocery orders. The project continued to grow until more than 600 were employed by mid-1935. Rather than provide transportation to locate women at a central factory, the Phoenix project decentralized by renting 120 sewing machines and placing them at eleven sewing units in Phoenix, Tempe, Mesa, Chandler, Scottsdale, the Roosevelt District, Glendale, Wickenburg, Buckeye, Tolleson, and Mobile. Under FERA, relief recipients received work orders to perform a small number of hours of work per week. This resulted in a high number of new arrivals, upwards of two hundred per day, 25 to 50 of whom were men. Supervisors handled more than a thousand work orders per month. The women were heads of families on relief, while the small number of men were those unable to perform laborious work. George Hall, the project's budget comptroller estimated that the average family size for the women in this project was four-plus, implying that between 2,500 and 3,000 individuals were being cared for—the largest of any work projects. In April 1935, the project employed 651 women and men working 1,302 workdays. This number was divided as follows: 365 white, 85 Hispanic, and 138 black women, and 29 white, 5 Hispanic, and 29 black men. Most notable is the high proportion of black men and women able to benefit from this project.

Working at the FERA payscale of 50 cents per hour, these workers produced tens of thousands of garments ranging from swaddling cloths for newborns to shrouds for public relief clients who had died. From 3,000 to 4,000 yards per month of dry goods materials ended production as clothes, bedding, rugs, drapes, and uniforms. In the year from May 15, 1934 to May 28, 1935, the project produced over 24,000 articles of women's and girl's clothes, nearly 4,000 men and boy's clothes, 13,000 diapers, and over 12,000 articles of bedding. In all, over 75,000 units were produced providing much needed provisions for Phoenix's families on relief. Some of the outstanding handwork was displayed in the FERA building at the 1934 State Fair and received a number of prize ribbons.[43]

[43]Maricopa Board of Public Welfare, *Works Progress Report on the Sewing Project*, Supplement Number One, July 1935; *Interesting Programs in Arizona*, 44. While many

ENDING THE CWA

The civil works program was undertaken to provide immediate employment for millions of unemployed workers, jobs that the public works program failed to create. The CWA set two important precedents that influenced the future direction of the New Deal. First, the Roosevelt Administration decided that work relief was preferable to direct relief. After the demise of the CWA, the FERA tried, to the extent of its more limited resources, to continue work projects begun by the CWA. While the FERA continued to provide states with grants for direct relief, Hopkins began planning for a new agency that would replace the FERA and provide employment only. The Works Progress Administration, created in May 1935, was the fulfillment of Hopkins' goal of aid to the unemployed. The second precedent set by the CWA was the success it achieved in providing four million jobs quickly by emphasizing small, easily implemented projects. Hopkins continued this emphasis in the FERA and WPA work programs. He opposed the PWA's emphasis on large-scale projects to stimulate indirect employment, and after 1935, he won the President over to this view, permanently altering the character of New Deal public works programs.

The challenges faced by CWA were far greater than it was given time to resolve. There were technical problems such as engineering specifications to ensure quality work and accounting procedures to prevent misappropriation of funds. Suddenly the largest employer in the country, CWA quickly became involved with labor unions over issues of pay scales and hiring procedures. Labor issues were complicated by anti-union sentiment in some states and racial tensions, particularly in the South. In Arizona, such tensions revolved around Hispanics. Some believed that the relief levels, whether direct payment or work relief, were too high for Hispanics and unfairly competed against private employment. Why should a Hispanic laborer do stoop labor for low pay when there was public employment to be found? Some advocated and, at time, practiced a dual standard for relief.[44]

women were employed by the CWA in clerical capacities, the Maricopa County sewing project was a Civil Works Service undertaking, though by the time of the 1935 report, the memory of the CWS had faded and all such projects were simply referred to as CWA projects. Another large sewing project in Tucson was, in fact, a regular CWA project. The inconsistency appears to be the result of the hasty implementation of both programs by the same personnel. Schwartz notes that many states failed to make any distinction between CWA and CWS employment.

44Hopkins sent out Lorena Hickok in 1933-34 to tour the country and report to him about what was really going on. In May 1934 she noted the problem of wages for Hispanic workers, commenting that "damned few" received the minimum wage for unskilled labor of 50 cents an hour. She doubted "if the Relief administration is financially in a position to battle low wage scales all over the South and

Table 4.1. CWA Project Categories (exclusive of CWS).

Category	No.
Road and highway improvements	109
Public buildings, school, and grounds	59
Civic improvements, parks, & playgrounds	54
Service projects	51
City streets and alleys	31
Administrative and reemployment	28
Flood control, irrigation, ditches, and bridges	28
Sewers and water lines	7
Misc.	22
Total	389

The Federal Civil Works Administration, *Interesting Programs in Arizona*, 23.

Florence Warner, state civil works engineer Roger Pelton, and the State Civil Works Board reported often to visiting federal officials. Such officials typically stopped in Arizona while traveling between Washington and California and most involved perfunctory inspections of projects. After a tour of seven counties in February, Russell C. Hackett, CWA regional engineer, praised the Arizona program and "the earnestness and enthusiasm evidenced by workers of all ranks." Pierce Williams followed shortly afterward to inspect the transient camps of Phoenix, Tucson, and Nogales and declared of the Arizona civil works program: "We haven't had any trouble in Arizona such as we have had in some sections of the country relative to graft and political messes. As a matter of fact, the only trouble we've had in the West has been in the Los Angeles district."[45]

The Civil Works Administration remains the largest public employment program ever undertaken in the United States. In mid-January 1934, CWA employed 4,265,000 men and women. In contrast to the FERA, which gave relief to state and local agencies rather than directly to the needy, and the RFC, which gave loans to banks, railroads, and

Southwest," and in Arizona she speculated that "two standards of relief" might be necessary, though "the idea will sound horrible in Washington." [Lowitt, 19.]

[45] *Arizona Republic*, January 30, 1934, 1:2; February 3, 1934, 2:1; February 9, 1934, 1:1. At that moment Williams did not realize the extent of his troubles in California where he would soon find himself temporarily under indictment.

government-sponsored public works, the CWA took responsibility for work projects and the hiring of the necessary manpower. Its immediate benefit was in the hundreds of millions of dollars of purchasing power it pumped into the economy and in the public morale boost that something, finally, was being done to help those most hurt by the depression. It also left a legacy of physical improvements all around the country. Workers dug hundreds of miles of ditches to expand water and sewer systems, improved roads and airports, and provided schools, court houses, and other public facilities with long-neglected repairs. Not counting the women's and professional projects funded by the Civil Works Service, there were 389 CWA projects in Arizona (see Table 4.1). However, only 199 of these project were completed before the end of the CWA. Most of the remaining 190 projects, anywhere from 35 to 95 percent complete, passed on to the FERA work relief program.[46]

The CWA was, perhaps, too innovative to survive. In addition to its incredible expense, which drew the vehement opposition of fiscal conservatives like Budget Director Lewis Douglas, CWA challenged the basic notion that the government should only provide work relief based on need. In its haste to reach the goal of four million workers, CWA jettisoned the casework ideal of the social workers. Harry Hopkins viewed CWA employment as a real job, temporary though it might be. Workers were not to be chosen nor paid on the basis of their need and they were not subject to the humiliating investigation of social workers. Workers were entrusted with pay in cash instead of in kind. Of course, since nearly half the CWA jobs were carry-overs from previous FERA work projects, there was a large residual of work relief carried along by CWA. The CWA fulfilled no ideals other than providing more jobs than any other federal program before or since.

At no time did Hopkins or Roosevelt suggest that the CWA was anything other than a temporary agency. Its innovations and flaws were largely excused as unavoidable costs of dealing with an emergency situation. Lewis Douglas pointed out that civil works cost, at its height, $200 million a month compared to only $60 million for FERA direct and work relief. He also argued that the whole business of federal employment simply let states evade their responsibilities. Douglas argued that CWA should be ended and that the government should revert to direct relief. He warned that the longer demobilization was delayed the more likely "political forces" would arise to make federal works permanent. Roosevelt agreed saying that the CWA "will become a habit with the country. We want to get away from the CWA as soon as we can." On February 15 Roosevelt signed the Appropriation Act which allocated $950 million for federal relief. By Executive Order, Roosevelt set aside

[46]*Interesting Programs*, 23, 31.

$450 million of this to close out the CWA. Almost as quickly as it started, Hopkins began the demobilization to end CWA by the end of March.[47]

Social activists and state politicians hoped against hope that the CWA would be extended. Governor Moeur, a strong advocate of the program, tried as late as December to convince Hopkins to raise Arizona's work quota up to 23,000. Though he opposed golf courses and parks as civil works, he saw CWA as invaluable for providing the state with useful projects while sparing the already overburdened taxpayers of the state. Early in February, Moeur announced that he would travel to Washington in March to plead for extension of the CWA for another year. He did not make the trip, although he wrote to inform Hopkins of the seriousness of unemployment in Arizona.[48]

On January 18, when the original appropriation for civil works was near exhaustion and before passage of the Appropriation Act, the first orders arrived to cut back the work week. Workers' hours were cut to no more than 24 hours per week in cities of 2,500 or more. Workers in smaller communities were cut back even further, to fifteen hours per week. All clerical, supervisory, and professional workers were cut from 39 to 30 hours per week. In addition, a ban was placed on new hiring, except for replacements. The weekly payroll, which had grown to as much as $317,000, dropped by more than $65,000 immediately following the cut back. The cut back affected rural areas of the state more severely than others. Grace Sparkes stated that the progress of Yavapai County projects would be halved by the reduced work week, but she remained hopeful "that the whole purpose is to 'take stock' and consequently will be for a comparatively short time only."[49]

Many Arizonans were disturbed by the abandonment the CWA. After CWA projects in Yavapai County took a 50 percent cut in mid-January, Sparkes tried to rally local support in order to convince state and federal officials that Prescott's projects were of special value and should be continued, even at the expense of other communities' projects.

[47]Schwartz, 219-220, 227-28.

[48]*Arizona Republic*, December 20, 1933, 1:3; January 6, 1934, 1:4; March 4, 1934, 1:6.

[49]Ibid., January 19, 1934, 1:1, 1:4; February 7, 1934, 1:3. One humorous story was told of how the work hours cut affected a project. Under a CWA predatory animal control project, Yavapai County had hired six hunters to kill mountain lions, which were running "hog wild" around the county killing cattle. One hunter was having a very good week, having shot his first lion almost as he started out. A second, then a third, quickly followed. Then one day, the hunter's hound pack picked up the scent of a lion and took up the chase. Soon, their yelps showed the dogs had another cat treed. The hunter followed the pack, ready to bag his fourth kill, and had only one hill left to cross before his work week ran out. Orders being orders, the hunter dutifully called off his dogs and turned back home. [Ibid., January 26, 1934, 1:1].

Sparkes organized a tour for officials to inspect projects throughout the county. At Tuzigoot they saw the information building and walkways constructed by CWA workers. She showed officials the still incomplete museum annex next to the old governor's "mansion." She sent a report to Washington of the many valuable contributions of CWA to the people of Yavapai County hoping for their continuance. She organized a meeting of the five northern counties in Ash Fork that sent a telegram to Hopkins urging the continuance of the CWA, but was disappointed when the President acted to end the program. Completion of many of these projects had to await later New Deal work programs.[50]

On February 3, a mass meeting in the old city hall plaza in Phoenix attracted some 300 protesters under the auspices of the United Front Committee Against Unemployment. Speakers demanded the continuation of the CWA and restoration of workers' hours. In telegrams dispatched to the President and Arizona's congressional delegation, the protesters demanded "that this work be expanded to employ all workers now unemployed. . . . [and] immediate enact of workers' unemployment insurance at the expense of the employers and the rich." The United Front Committee was composed of such groups as International Labor Defense, Workers' Ex-Service Men's League, the Socialist Party, the Labor Research Association, the Canners' and Agricultural Workers' Industrial Union, the Relief Workers' Protective Union, and the Communist Party. These groups attempted to win support from relief workers for their programs by supporting the expansion of the New Deal effort.[51]

On February 13, Hopkins ordered an end to all projects not on federal property. Warner immediately telegraphed Washington to plead with CWA officials not to include the Gila project, which employed 1,036 men on both federal and state land. Other projects affected by the order included photomapping by the U.S. Geological Service employing 56 men, the U.S. Geodetic Survey project employing 60 men, and Soil Erosion Service projects employing 30 men. Federal officials saved the U.S.G.S. project but cut the Gila project back to only 518 men to work only on federal land. Despite the protests, Roosevelt's Executive Order of February 15 meant that the end was near for the CWA.[52]

[50]Maxwell, 222; *Arizona Republic*, January 25, 1934, 1:1, 2:6.

[51]*Arizona Republic*, February 4, 1934, 3:1. These protest continued into the FERA work program and culminated in a major public disturbance in September, described below.

[52]Ibid., February 14, 1934, 1:1; February 15, 1934, 1:1. The Appropriations Act also amended CWA workers' status, restricting their eligibility to compensation for

Then, declaring that "Santa Claus does live," Warner lifted the cloud hovering over the future of those left dangling by the end of the CWA. On March 13, she announced that a new federal work program was being devised. Elaborating two days later, Warner definitely confirmed that the civil works program would expire at the end of March, but that the new FERA work program would begin April 15. She publicized figures of 24,000, then 26,000 to be employed. Alex Lyons of Jerome was named FERA registrar for Arizona and seventeen communities and districts were announced as registration sites where the unemployed could sign up for future work projects. The ever-active Sparks immediately began forwarding work proposals for the new program.[53]

The prospect of a work program even larger than the CWA doubtless brought psychological relief to many. Promises were made that direct relief would be secured for those left without employment in the interim between the two programs. Evidence of local protests over the ending of the CWA disappeared. When the last CWA workers set down their picks and shovels on March 31 there was no signs of public distress. The next day though, all was thrown into confusion when Warner announced that Arizona had been "cut off at the pockets" and the upcoming FERA program for Arizona had been curtailed drastically. "There will be no work program whatsoever," Warner told reporters. "Instead of Arizona receiving $1,300,000 for her April needs, I have been advised this state will receive only $250,000, which is enough only to maintain a skeleton staff to pay up CWA bills and give some little direct relief." Roused again, Governor Moeur stated his renewed intention to go to Washington to complain about the relief situation.[54]

THE FERA WORK PROGRAM

The end of the CWA restored the primacy of the FERA Work Division. Direct federal employment gave way to a return to local work relief. The speed with which CWA ended left many projects incomplete and the FERA Work Division carried several to completion. The Work Division itself initiated a large number of projects and was ultimately responsible for construction of 44,000 miles of road and the repair of another 200,000 miles, the construction of 7,000 bridges and more than 10,000 large culverts, the digging of 2,700 miles of sanitary and storm

injuries or death. Also, because CWA no longer used funds taken from the PWA, the wage scale was reduced to the 30¢ FERA minimum.

[53]Ibid., March 14, 1934, 1:1; March 16, 1934, 1:1, 1:4; March 24, 1934, 1:1; March 26, 1934, 1:3.

[54]Ibid., March 20, 1934, 1:2; April 1, 1934, 1:1.

sewers, the laying of over 1,000 miles of new water mains, and the erection of 400 pumping stations. Around the country the Work Division could claim credit for 2,000 children's playgrounds, 800 restored parks, 350 new swimming pools, and 4,000 athletic fields.[55]

The CWA had not ended the operation of the FERA. Federal funds continued to flow to states for both direct relief and work relief. Although CWA removed thousands of men from relief, not all benefited. The FERA's Work Division in Arizona, under the direction of Thomas B. Rice, continued to fund projects. The Soil Erosion Service sponsored one of the largest. FERA provided $160,000 to employ up to a thousand men from Graham and Greenlee counties in December 1933. These men worked on soil erosion control over an eleven square mile area including Hawk Hollow wash, between Thatcher and Central; Stockton Pass wash, near the highway west of Safford; and Cottonwood wash, west of Pima. This was in addition to $155,000 appropriated by CWA for similar work. FERA workers built over 10,000 erosion control features.[56]

Road construction and improvement was one of the simplest work project types to implement. One project begun by CWA and completed by FERA of Arizona was the widening of the Cashion Highway from 19th Avenue in Phoenix to near the Agua Fria bridge. In addition to the usual extension of culverts and setting back of fences, this project involved one of the most dangerous jobs performed by CWA and FERA workers. Using special protective gear, workers moved a 45,000 volt "hot" transmission line to the edge of the new right of way. Other road projects included improvements to Highway 79 between Jerome and Clarkdale, the road from Ray to Superior, and on Highway 82 between Tombstone and Nogales, where workers also included aesthetically pleasing cactus gardens along the route.[57]

Public parks and recreation projects were another important work relief category. Winslow received a municipal clubhouse and a nine-hole golf course. After building a 3.5 mile road into Sabino Canyon in the Santa Catalina Mountains near Tucson, a series of check dams was built to control flooding and provide recreation. Out of eleven planned dams the FERA managed to complete two of solid masonry and another two with heavy masonry outside walls, rockfill, and concrete caps. Lack of materials caused work to cease on this project under FERA, but it was later renewed under the Works Progress Administration. CWA began,

[55]Schwartz, 243-44. Figures from Harry L. Hopkins, *Spending to Save* (New York: W. W. Norton and Company, 1936), 164-65.

[56]*Arizona Republic*, December 13, 1933, 1:3; *Interesting Programs*, 38.

[57]Warner, Vol. 1, 5-16; Vol. 2, 6, 10, 12.

and FERA completed, improvements at Roosevelt Park in Safford (the former Graham County poor farm) for use as a municipal park with features including swimming and wading pools, two bath houses for men and women, and an amphitheater with a concrete dance pavilion that could also be used as tennis courts.[58]

Both CWA and FERA left a large and varied legacy throughout the state. For decades, Arizona's mild climate had attracted tuberculosis and other respiratory disease sufferers. A new Maricopa County Welfare Sanitarium replaced the obsolete and recently abandoned county hospital. The project began with the CWA making thousands of bricks and completed by FERA workers. Since Phoenix was known as the "mecca" of respiratory disease sufferers, the sanitarium was constructed in a Moorish style with a dome, minarets, decorative facade tile and a pointed arch arcade. It had a capacity of a hundred adults and twenty children. The Pima County Welfare Board secured permission in October 1934 to use the Tucson Recreational Park near the Altar Valley as a weekend recreational and health camp for underprivileged children with respiratory illnesses. Billed as the Tucson "Preventorium," this facility for 150 to 200 children was developed at the site of a former Civilian Conservation Corps camp about fifteen miles southwest of Tucson. FERA labor added ramadas, an administration building, and an electric plant to the barracks left by the CCC.[59]

Many communities benefited from water and sewer system improvements. To relieve water shortage cause by drought in the Flagstaff area, CWA and FERA developed Aubineau Springs and the River de Flagg as new sources of water for the town. In Winslow, a growing population overtaxed the town's sewer system. The CWA and FERA extended the system with 2,425 ft. of additional sewage lines which conducted the sewage to a reinforced concrete septic tank. To power the electric pumps, two and a half miles of high voltage power lines were strung, which incidentally gave the small farming community of Bushman Acres access to electricity.[60]

Several other projects demonstrate the extent of imagination that went into devising work projects for both the CWA and the FERA. In Prescott, laborers built an addition to the Smoki Museum to house the group's collection of prehistoric artifacts. In Pima County, a skilled craftswoman was hired to lead and teach copper crafts. Begun in June 1935, this project produced a number of articles from Arizona's primary

[58]Ibid., 16-19, 32-36.

[59]Ibid., 4, 17-22, 60-61.

[60]Warner, Vol. 2, 37-38, 43-47.

mined metal. Relief workers shaped book ends, desk sets, tea kettles, picture frames, trays and other pieces from sheet copper. Also in Pima County, Hispanic FERA laborers, skilled in adobe construction, built the Southwestern Nursery Headquarters of the Soil Conservation Service, which included an administration building, office, laboratories, and seed analysis and storage facilities, along with a cottage, green house, lath house, and other facilities. This facility, and a branch near Safford, grew the millions of trees, shrubs, and grasses that other workers planted to hold in place soil that had suffered from decades of overgrazing. In a project sponsored by the Rural Rehabilitation Corporation, the FERA acquired over 300 acres of land in Greenlee County, between Duncan and Clifton, for a colonization project. Unemployed men—some experienced farmers, some miners—labored to get the land in shape for planting and into production with vegetables and field crops. In the border city of Douglas, the CWA laid the foundation and built the walls for a Farmer's Market. The FERA took over the project, roofed the building, and built its interior partitions. The market served consumers in both Douglas and Agua Prieta by providing a central location for truck farmers to display their produce. The building was also used as the distribution point for FERA in-kind relief and for the southern Arizona fair displays.[61]

Unlike American citizens, who received a modest wage for performing work relief, a small number of projects were provided to resident Mexican aliens who were required to work for direct relief and not wages. One such project in Buckeye involved cleaning ditches, removing trees and stumps, cleaning alleys, and similar work. About 60 Mexican aliens worked in 1934 on road improvements to the Phoenix-Coldwater Highway. Authorities in Cochise County were pleased to report no "unpleasant" incidents involved in their Mexican alien project. The FERA also provided a limited number of day nurseries to provide care for children whose parents were engaged in work projects. Three of these nurseries were located in Phoenix and, in addition to caring for those children, provided a meal for 300 additional children. Reflecting the prejudices of the era, separate facilities were provided for white, Hispanic, and black children. The CWA had supported at least one entertainment project, sponsored by the Maricopa County Board of Public Welfare's "division of colored relief," to provide a program of dramatic readings and music, including the singing of spirituals. The FERA continued this small precedent. Between June 25, 1934 and August 8, 1935, an average of a hundred musicians and actors per month gave concerts and entertainment at state and county institutions, CCC and transient camps, and the Indian School. Small troupes were formed

[61]Ibid., 4, 21, 28, 29-31, 48-67.

based on ability, but segregated by race as well. The FERA in Maricopa County sponsored a minstrel show performed by blacks.[62]

OPPOSITION TO THE FERA

The FERA and CWA provided millions of dollars in aid to men and women in need in Arizona. Not all, however, were satisfied with the quantity of relief aid available. Dissatisfaction provided political activists an opportunity to develop a following and to promote radical alternatives to the New Deal. In Phoenix, Communist Party leader, Clay Naff, called on disgruntled FERA relief workers to go on strike in demand for more generous aid. On August 31, 1934, Naff led a small group of protester on a 'hunger march' to the state capitol to lay their demands before the governor. Later reports indicated that Moeur initially agreed to meet with a committee of the protesters as long as they excluded Naff, whom the governor referred to as a "professional agitator." The protesters refused this condition and departed peaceably. Referring to the incident while on his re-election campaign trail, Moeur stated "If I must depend on the suffrage of the Communist element, I do not want to be governor of Arizona." The protesters followed up their march with a call for a strike and picket line at the FERA's Phoenix office. It was there that workers gathered to be loaded onto trucks for transport to their workplaces. The protesters hoped that relief workers would not cross their lines and so bring the local work relief effort to a standstill. The threatened strike materialized on September 1 as a single picketer at the Phoenix office. Although there were calls for a general strike to begin three days later, the protest appeared to have sputtered out.[63]

On the appointed day of the general strike, some fifteen picketers gathered at the FERA office. Though they were unable to prevent relief workers from departing for their jobs, they demonstrated that they were not going to disappear. Their demands to relief officials included pay of $10 per week per worker plus an additional $3 per dependent. They also called for an end to discrimination against Hispanics and blacks. The newspaper noted their singing of the "Internationale," an ode associated

[62] Final Closure Reports F.E.R.A. Projects, May 1, 1934 to October 26, 1935, Under the Authority and Supervision of the Maricopa County Board of Public Welfare, Phoenix, Arizona, 53, 57, 64, 79; *Arizona Republic*, October 23, 1934, 1:6. Another project trained 60 "Mexicans" for mattress-making work, though it is not clear if these were Mexican aliens or citizens [60]. Locations of the day nurseries were: Phoenix Day Nursery (white children), 226 E. Madison; Friendly House (Hispanic), 802 S. 5th Ave.; and Colored Day Nursery, 215 W. Hadley. [*Report of Activities*, 72.]

[63] *Arizona Republic*, September 1, 1934, 2:1; September 2, 1934, 2:5; September 4, 1934, 2:1 September 8, 1934, 1:6. Naff was the Communist Party candidate for governor and received 192 votes in the general election.

with communism. The next day the protester gathered in force. At 6:30 a.m., they stopped a truck carrying relief worker and pulled the driver and the worker into the street. Police officers on hand immediately arrested three of the protesters, but did not disperse the remainder. Protest leaders reportedly had called on their followers to "use their own judgment" in how to prevent crossing of their line. Police, on the other hand, were determined to see the vehicles through. At about 9:30 a.m. police escorted a truck full of relief workers through the picket line. Then, finding a hidden claw hammer on one of the strike leaders, they arrested him. Reports stated that the protesters, who were armed with pick handles, knives, hammers, sacks of sand, and at least one gun, then "closed in" on the officers who responded by swinging their nightsticks. A general melee ensued. Bricks, stones, and pieces of wood began to fly through the air towards the officers, injuring several. One officer was injured by misfiring tear gas. Twenty-eight of the protesters were arrested, included Naff, who received a "severe beating" in the process. The newspaper reported twenty injuries on both sides of the fighting. Sympathizers of the protester, over 200 strong, gathered that evening at the courthouse where they protested the police violence and sang songs of solidarity. The gathering continued until someone turned on the courthouse lawn sprinklers.[64]

The next day, nearly 100 police stood on hand at the FERA office to prevent a repeat of the "riot." Governor Moeur ordered National Guardsmen in Phoenix and Casa Grande to stand at ready in case of further incidents. Despite calls for renewed picketing, the arrest of so many strikers and their leaders apparently disheartened the majority of the protesters, and no further mass protests were held. The incident then took on an unusual political twist. Normally, such an incident would fall under the legal jurisdiction of the Maricopa County Attorney for prosecution. It so happened that the county attorney Renz L. Jennings was also a candidate for the Democratic nomination to the U.S. Senate against incumbent Senator Ashurst. Jennings upheld a pro-worker, New Deal platform and he made clear that his sympathies lay with the protesters, whom he referred to as "hungry men." He delayed filing felony charges until he had completed an investigation of the event. An angry Governor Moeur telephoned Jennings with a demand that the county attorney immediately file charges to which the county attorney responded, "You tend to your business and I'll attend to mine." When the governor persisted in his demand, and reportedly used vulgarities, Jennings told him "to go straight to hell." Jennings later told reporters that he blamed the governor for the whole affair by refusing to meet with the protesters earlier. Moeur then ordered Attorney General La

[64]Ibid., September 7, 1934, 1:1.

Prade to "assist" Jennings in filing riot charges against 29 persons. Commenting on the incident, Florence Warner said, "While we are sorry people were hurt, we have the responsibility of seeing that 10,000 families on relief in Maricopa County are fed. We are not going to allow a few people, especially a few just over from California, to tell us we can't feed the hungry." The FERA simply did not have the funds to meet the protesters' demands. Moeur waved off the whole affair by blaming communists and concentrated on his renomination campaign against former governor Hunt. Jennings gained little by his pro-worker stand, losing in the primary against Ashurst by a wide margin.[65]

To make the jobs of the State Board of Public Welfare even more difficult, eight state welfare officials, including the five members of the Board and Warner were accused of violating the FERA's labor rules and brought to court. In mid-October, 1934, Deputy County attorney T. E. Scarborough filed the information with the Maricopa County Superior Court, requiring that the officials plead before a judge. The charges were that two relief workers, George Sanders and J. Williams, were forced to work at manual labor beyond the hours required. All of the officials pleaded not guilty and released on their own recognizance. The charges were dropped at the end of the month for lack of jurisdiction. Following as it did the recent disturbances in September, the charges doubtless caused the Warner and the Board considerable distraction.[66]

THE END OF THE FERA

The early months of 1935 saw an important change in the administration of the FERA. Up to then, the welfare administration was highly decentralized with the county boards and their staff overseeing the relief rolls and many projects. The FERA in Washington pushed for greater centralization of administration and Governor Moeur supported the move. "One cannot expect," he stated, "a good social worker to be a good business manager any more than one might expect a person trained in any other profession to be a good business executive." The new plan called for the appointment of a business manager for each of the county

[65]Ibid., September 7, 1934, 1:1, 1:4; September 8, 1934, 1:1, 1:8; January 9, 1935, 1:8. Naff was convicted of riot and sentenced to one to two years in prison. The newspaper provides very few references to radical activity in Phoenix and coverage of Naff's activities are the rare exception. In March 4, 1935 there was a notice that James McShann, a California communist, was released from jail in Phoenix on the understanding that he would leave town. He was out on bond at the time, appealing a conviction for riot before the Los Angeles relief office. Naff's defense was sponsored by a California leftist organization and there was a pattern of agitation by the communists to organize disgruntled relief workers. After Naff's imprisonment, no further references to leftist agitation in Arizona has been found.

[66]Ibid., October 17, 1934, 1:6; November 1, 1934, 1:7.

boards who would work directly for the State Board. This effectively reduced the county boards from actual administrators to mere advisory panels. John Curry, Jr., who had succeeded Lewkowitz as chairman of the Maricopa County Board of Public Welfare, resigned in protest of this centralization at the beginning of May when D. B. Wiley was named manager for the county board.[67]

Wiley was the former secretary of the Maricopa County Farm Bureau and served as an auditor with the State Board before his appointment as Maricopa County administrator. His appointment coincided with a major reduction in Arizona's relief allotment, down from $500,000 in April to $400,000 in May. Warner warned that cuts would have to be made and Wiley immediately set out to reorganize his county office for maximum efficiency. Saying the county staff was "overloaded," Wiley fired 26 employees within two weeks of his arrival, saving about $1,800 per month in salaries. Work projects, meanwhile, continued as before. FERA workers cleaned up the old pioneer's cemetery in Phoenix and enlarged a pumphouse in Tempe in April and May.[68] Still greater changes were in store for the FERA in Arizona as Congress moved on a major new initiative in the spring of 1935.

In 1935, the Roosevelt Administration turned away from the policy of federal aid for direct relief as administered by the FERA. The Social Security Act of that year established a number of programs to aid several categories of the needy. One aspect of the Administration's new policy was a clearer division of responsibility between the states and the federal government. States and counties were to renew their responsibility to care for the unemployable needy, while the federal government provided a work program to aid those who could work, but could find no employment in the private sector. The Emergency Relief Act of 1935 appropriated $4.8 billion for a new federal works program that became the Works Progress Administration. Headed by Harry Hopkins, the new WPA organized quickly to replace the work program of the FERA. For several months, the two agencies operated together, the FERA liquidating its responsibilities as quickly as the WPA could take over. The WPA created a new system of state organizations to promote and implement work projects, superseding the work previously directed by the State and County Boards of Public Welfare. These boards and their personnel underwent a major transformation in the second half of 1935. Many in the engineering staffs and others moved into the WPA. Those

[67]*Arizona Republic*, April 30, 1935, 1:5; May 1, 1935, 1:10; May 2, 1935, 1:1. Lewkowitz resigned for the county board, though not the state board, at the beginning of the year.

[68]Ibid., April 28, 1935, 4:3; May 3, 1935, 1:5; May 12, 1935, 2:1; May 14, 1935, 1:3.

who stayed worked on the remaining FERA programs such as direct relief and the transient camps until the final closure of that agency. They also worked with the slow implementation, over the next year and a half, of the provisions of the Social Security Act. This final activity would eventually end with action by the state legislature to replace the boards in March of 1937 with a new State Board of Social Security and Public Welfare (see chapter 14).

The state's WPA organization set to work in early July, hoping to start its first work projects by mid-August. Simultaneously, Warner announced, the FERA would implement a "no work no relief" policy and begin ending its own projects. Unemployables would be removed from the relief lists and turned over to the counties for aid. Grocery orders replaced cash payments for work relief at the end of July, even before the start of WPA projects. A number of FERA employees began to move to the WPA office to implement the rising new program. John Curry, formerly of the Maricopa County Board of Public Welfare, became the head of the WPA district encompassing Maricopa, Gila, and Yuma Counties. Wiley, only two months after taking on the position of administrator for the Maricopa County Board, became the Arizona WPA director of finance and statistics. Evelyn Wooley moved from the FERA to become the director of intake and certification and Rex B. Mesney moved over to become WPA project supervisor.[69]

Initial optimism about the WPA led to the belief that the FERA would largely be finished by the start of September. The welfare board would then concentrate on aid to unemployables and on implementing Social Security. The end of the FERA, however, did not come so quickly or easily. Warner at the end of July estimated that the WPA would take responsibility for about 16,000 employables from the relief rolls, leaving about 4,000 in continued need of other assistance. It soon became evident that the WPA did not have the resources to employ everyone in need of a job in Arizona. Also, the WPA work program got off to a slower start that hoped, leaving FERA to continue direct aid in the interim. Despite protests, Warner replaced cash payments with grocery order to stretch the available money as far as possible.[70]

The non-Arizona residents in the federal transient camps faced an uncertain future with the slow closing of the FERA. The FERA opened its last new transient camp on Coon Creek near Young in early August. The camp was different from other camps in that it housed about 250 youths to do CCC-like conservation work. Warner announced in

[69]Ibid., July 6, 1935, 1:7; July 10, 1935, 2:6; July 11, 1935, 1:1; July 13, 1935, 1:1; July 19, 1:4; July 20, 1935, 1:1; July 30, 1935, 1:6.

[70]Ibid., July 20, 1935, 1:1; July 26, 1935, 1:1.; September 4, 1935, 1:2.

September that the state's ten camps would cease to accept new people after September 20 and that she expected all to be closed by November. The camps then held about 6,000 persons and had a monthly turnover of about 1,000. She gave reassurances that the transients would either be provided with WPA jobs or returned to their home states. Fortunately for those in need of work, the camps did not close. Instead, the WPA took them over in December and gave most of them to the Forest Service to oversee. In January, there were approximately 1,500 men spread across twelve camps, doing work similar to the CCC. The Board of Public Welfare continued to oversee, with WPA funding, the operations of a camp at Nogales that housed at one time about 700 elderly transients. It effectively operated as a home for the aged with a hospital at the camp. In the middle of 1936, the WPA began phasing out its transient camps, new enrollees no longer being accepted after July. The end of the transient relief program came in December when Warner announced the closure of the Nogales camp. By that time the camp housed about 350 persons, some 200 of whom were patients at the camp hospital. The last gesture of aid was an offer of transportation back to their home states or possible WPA employment. In the end, the transient relief program had provided significant aid to thousands of persons. Between May 1, 1934 and December 31, 1936, the program expended \$2,594,000. The number of persons aided ranged from 5,100 in November 1934 to 260 at the end.[71]

The publicized end of the FERA in Arizona came on November 14, 1935, when Hopkins ordered the end of the "dole." But even then, it was admitted that the need for aid continued, and that other states were continuing to provide it. Hopkins' order did not actually end FERA quite yet. In January 1936, Arizona still had an FERA budget allotment of \$86,688 for direct and work relief. Grace Sparkes expressed her feelings as she announced that the FERA in Yavapai County would be ended in December. "Our hope," she said, "is that but few will suffer as a result of this sweeping order. However, there is nothing further that the welfare board can do. Those certified to the Works Progress Administration are now the responsibility of the WPA and not the relief agency. Unemployables definitely have become the responsibility of the counties." In mid-January 1936, the work of the FERA was all but complete. Liquidation of the FERA began with the June 22 passage of the Emergency Relief Appropriations Act of 1936, though it was not completed until June 30, 1938. Florence Warner, who had seen the

[71]Ibid., September 8, 1935, 1:1; September 20, 1935, 1:6; July 18, 1936, 2:1; July 19, 1936, 3:7; December 9, 1936, 2:1; *Works Progress In Arizona: Official Bulletin*, Works Progress Administration, 1, January 1936, 6; Tetreau, 81.

program through in Arizona, took a one month leave of absence on her doctor's advice to recuperate.[72]

The FERA represented no less than a national rescue effort, and few states stood in greater need of rescue than Arizona. From January 1933 to December 1935, Arizona received $16,170,501 in federal funds, accounting for 84.2 percent of the $19,214,371 total spent in the state during this period on relief purposes. This level of federal contribution was well above the national average of 70.9 percent, and placed Arizona in the same category with the destitute states of the South and other mining-dependent western states. Evidence that Moeur and the legislature did not shirk the state's duty in providing for its citizens in need, however, was the 13.8 percent contribution of state funds ($2,660,321) for relief. Only twelve states contributed a greater proportion. The FERA grant made possible a greater extension of aid to Arizona's citizens than would otherwise have been possible. Federal assistance made possible the only significant relief program for the influx of transients set on the roads by economic and natural turmoil.[73]

CONCLUSION

Roosevelt created the Federal Emergency Relief Administration in May 1933 to distribute federal grants to state and local agencies for the relief of the unemployed. Though authorized to support both direct and work relief, for its first few months, the FERA concentrated on support of direct relief in the states. The agency at that time had little administrative faculty for directing work relief projects and, besides, other New Deal agencies, such as the Civilian Conservation Corps and the Public Works Administration, were charged with the responsibility of directly providing jobs. FERA administrator Hopkins seized the opportunity opened by the failure of the PWA to create jobs quickly to create a new agency, the Civil Works Administration. Although administratively tied to the FERA, the CWA was an independent public works agency giving jobs to the unemployed. In its brief existence, the CWA provide temporary jobs to approximately 17,000 Arizonans. Its projects were of a type easily implemented such as labor-intensive roadwork, sewing work, and small-scale construction. Implementation of the CWA required cooperation with existing state, county, and local agencies to plan and supervise projects. Hopkins drafted the State and County

[72] *Arizona Republic*, November 15, 1935, 1:1; November 19, 1935, 2:1; January 18, 1936, 1:3; Ephemera file at State Dept. of Library, Archives, and Public Records.

[73] Final Closure Reports, 217-18. Figures do not include expenditures on work programs of the CWA, CCC, and WPA. Arizona had received $1,448,269 as loans under provisions of the Emergency Relief and Construction Act of 1932 (Ibid., 50), however, Congress later removed the necessity of repayment.

Boards of Public Welfare to serve as Civil Works Boards in addition to their other duties. In Arizona, the greatest burden of responsibility for administration of both the FERA and CWA fell on Florence Warner, a professional social worker and executive secretary of the State Board of Public Welfare. Warner, the Board, the staff, and the boards and staff at the county levels successfully implemented nearly 400 work projects across the state.

On April 1, 1934, when the CWA ended, the FERA's program did not revert back to its earlier methods. Most FERA officials were now convinced that direct relief, or the "dole," was injurious to the morale of the unemployed. With the experience of the CWA and renewed financing, the FERA became a true public works agency. The Work Division of the FERA carried on a number of projects initiated by the CWA, all small-scale as befitted an agency that did not know how long it would exist. The Roosevelt Administration after 1935 made this the model for its entire public works program, and Hopkins, as head of the WPA, became one of the most important Administration officials. The President's preference for Hopkins' methods was probably fortunate for Arizona. As will be seen in chapter 6, the PWA had great difficulty in implementing its largest projects in Arizona. Small-scale projects were always more successfully implemented, providing greater immediate employment, than the more grandiose project proposals.

Figure 1. Governor Benjamin B. Moeur, 1933-1936. Arizona Department of Library, Archives and Public Records, History and Archives Division, Phoenix, #97-7389.

Figure 2. Governor Rawghlie C. Stanford, 1937-1938. Arizona Department of Library, Archives and Public Records, History and Archives Division, Phoenix, #97-8466.

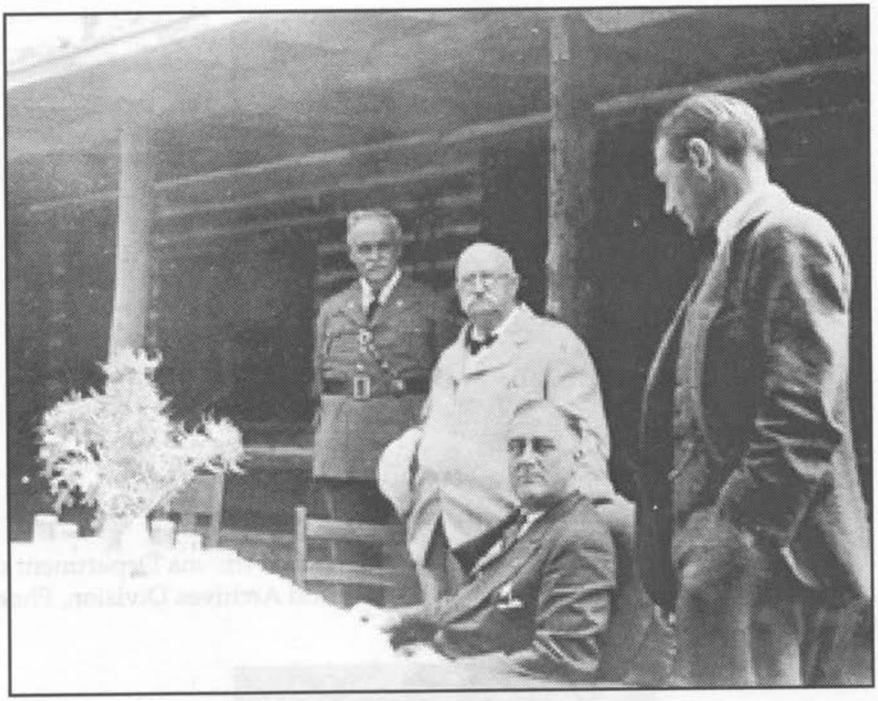

Figure 3. General Oscar Templeton, Governor George W. P. Hunt, Governor Franklin D. Roosevelt, and Congressman Lewis Douglas at the Greenway Ranch during a campaign stop in northern Arizona, 1932. Arizona Department of Library, Archives and Public Records, History and Archives Division, Phoenix, #97-8504.

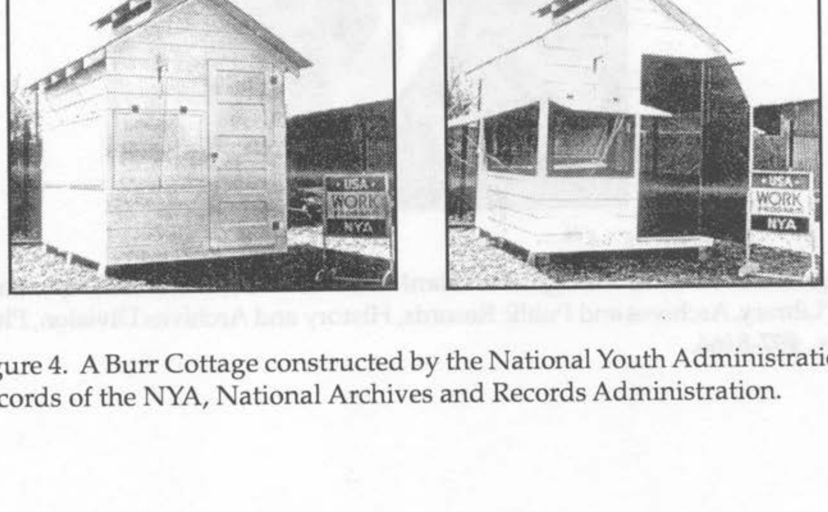

Figure 4. A Burr Cottage constructed by the National Youth Administration. Records of the NYA, National Archives and Records Administration.



Figures 5, 6, & 7. Leading administrators of New Deal agencies in Arizona. Steven A. Spear of the NRA and FHA, Thomas J. Elliott of the FHA, and Jane Rider of the WPA and NYA. *Arizona Republic*, January 13, 1935, 4:1; May, 15, 1935, 2:1; and untitled newspaper article in Records of the NYA, National Archives and Records Administration.

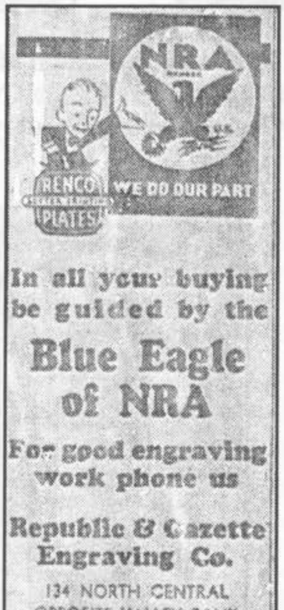

Figure 8. Advertisement in support of the NRA's Blue Eagle campaign. *Arizona Republic*, November 22, 1933, 1:3.

Figures 9 and 10. Walter R. Bimson, president of Valley National Bank and William Roy Wayland, vice president of Valley National Bank and head of the HOLC in Arizona. *Arizona Republic*, January 13, 1935, 4:1; August 28, 1935, 1:5.

Figure 11. Thomas Cowperthwaite, safety director for the CWA and FERA. *Arizona Republic*, January 26, 1935, 1:1.

Figure 12. CWA road paving project on Thomas Road, Phoenix. Arizona Department of Library, Archives and Public Records, History and Archives Division, Phoenix, #98-3335.

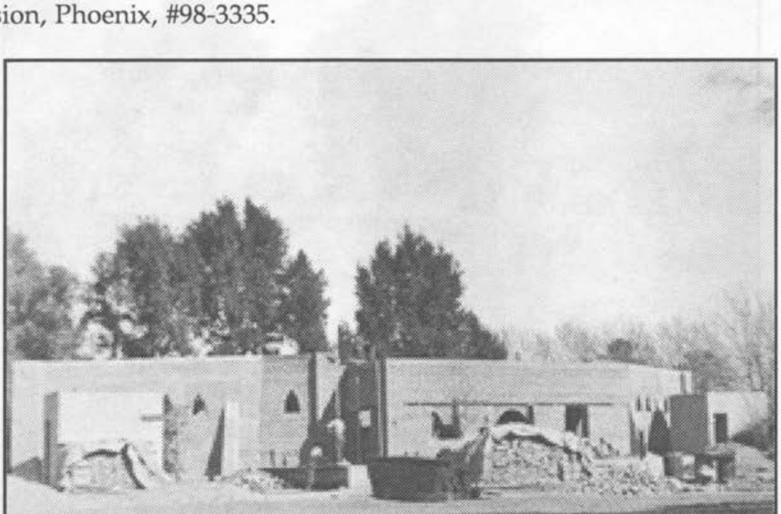

Figure 13. University Park bathhouse under construction, Phoenix. Arizona Department of Library, Archives and Public Records, History and Archives Division, Phoenix, #98-3578.

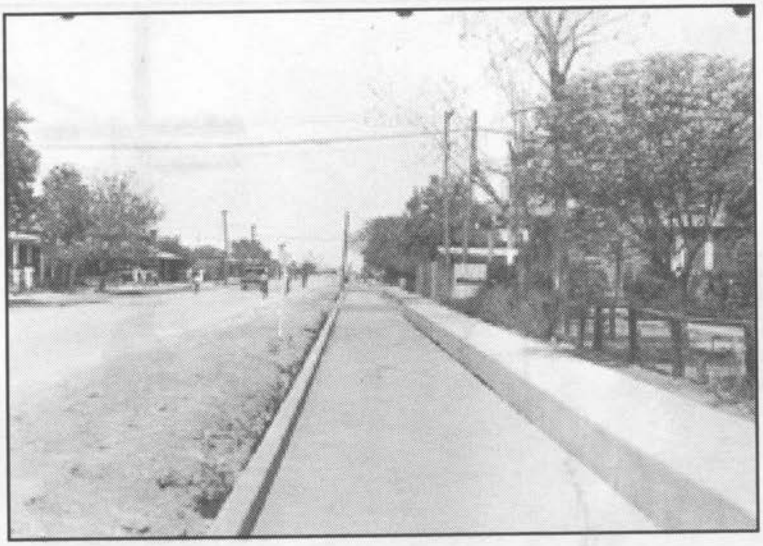

Figure 14. Drainage system project, Douglas. Arizona Department of Library, Archives and Public Records, History and Archives Division, Phoenix, #98-3583.

Figure 15. Goodwin Street Bridge, Prescott, constructed by the CWA. Arizona Department of Library, Archives and Public Records, History and Archives Division, Phoenix, #98-3587.

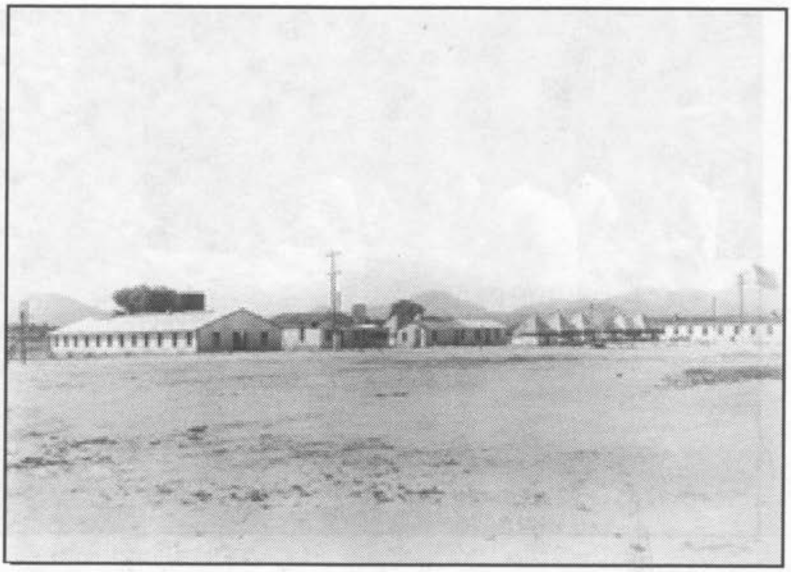

Figure 16. FERA transient camp, Tucson. Arizona Department of Library, Archives and Public Records, History and Archives Division, Phoenix, #98-3590.

Figure 17. CWA soil erosion control features in Gila River valley. Arizona Department of Library, Archives and Public Records, History and Archives Division, Phoenix, #98-3603.

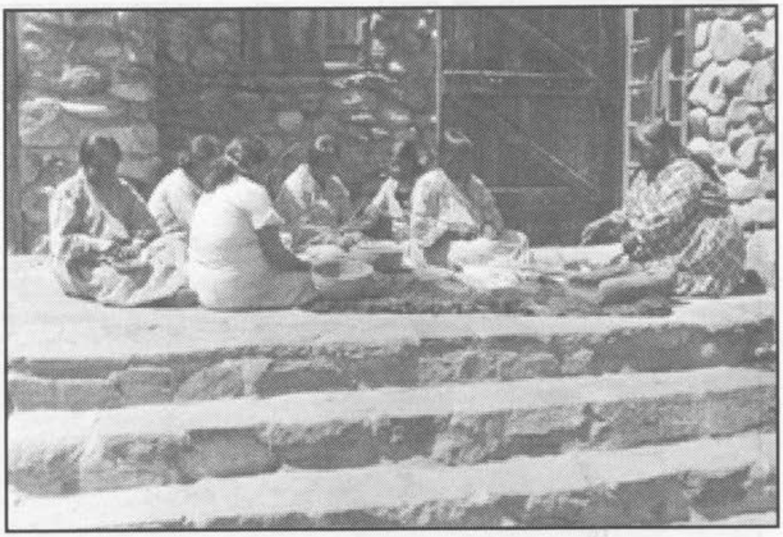

Figure 18. CWA womens service project employing an Indian craftswoman to pass on her skills to a new generation. Arizona Department of Library, Archives and Public Records, History and Archives Division, Phoenix, #98-3611.

Figure 19. Sullivan Dam under construction, Yavapai County. Arizona Department of Library, Archives and Public Records, History and Archives Division, Phoenix, #98-4085.

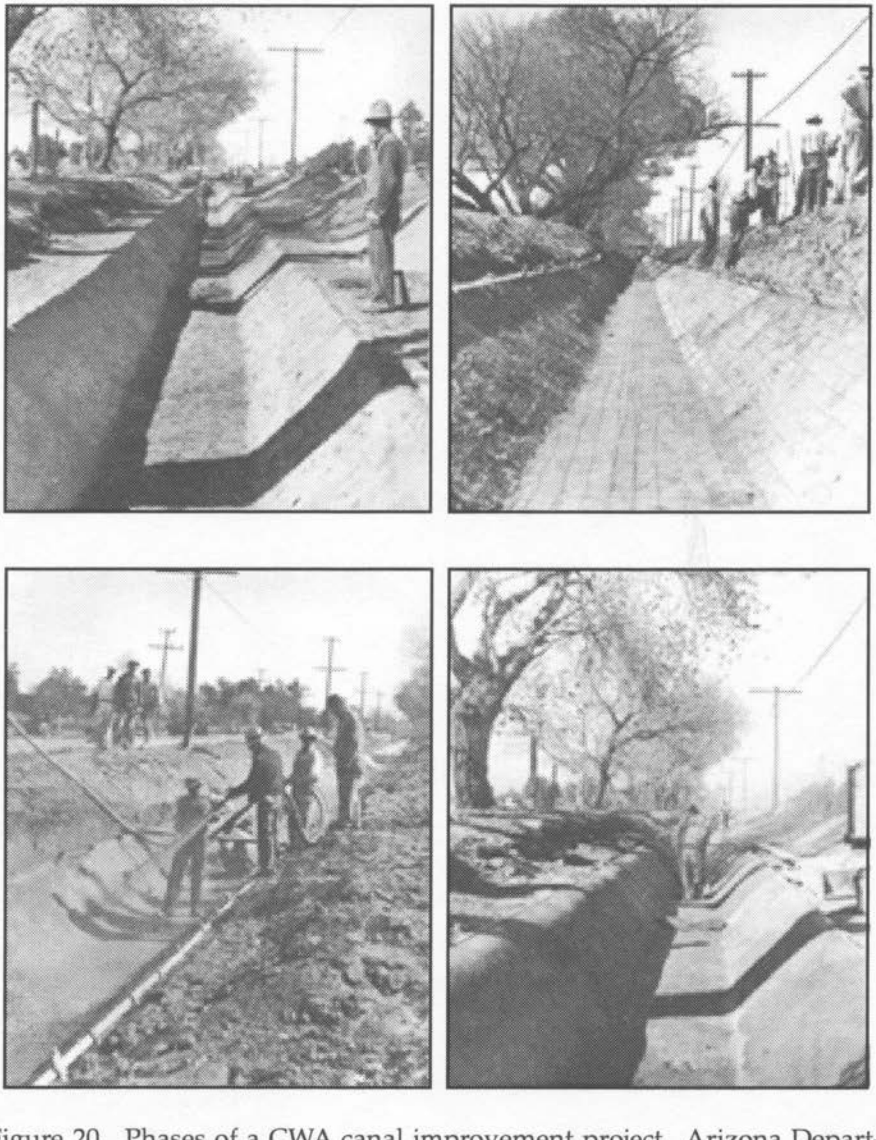

Figure 20. Phases of a CWA canal improvement project. Arizona Department of Library, Archives and Public Records, History and Archives Division, Phoenix, #98-3569, 98-3570, 98-3571, and 98-9831.

5 THE NATIONAL RECOVERY ADMINISTRATION

In June 1933, pursuant to the National Industrial Recovery Act, Roosevelt created two new agencies whose purpose was to restart the nation's industrial plant and to restore jobs to the unemployed. The first, and most immediately important, was the National Recovery Administration. The NRA worked with business to formulate codes of fair competition that would end the deflationary spiral, reduce working hours, and expand employment. The NRA was a relatively moderate challenge to the highly competitive business environment that characterized the 1920s. The Roosevelt Administration rejected the option of a planned economy in favor of cooperation between the federal government and private industry. The NRA's two major activities affecting Arizona were its famed "Blue Eagle" campaign to enlist every business and consumer in the cooperative effort, and its codes of fair competition for specific industries. The code worked out for copper, the state's most important industry, had important ramifications for recovery in Arizona. The code also had unique features that contribute to a better understanding of the NRA itself. The second agency created under the National Industrial Recovery Act was the Public Works Administration, which is examined in the following chapter.

The Blue Eagle campaign was a spectacle of patriotic fervor. Hundreds of Arizona businesses signed on to the President's Reemployment Agreement, the blanket code designed to spread available employment. The Arizona branch of the National Emergency Council, led by Steve Spear, a prominent state politician, directed the local campaign, oversaw compliance with the code, and investigated complaints. As fervor for the Blue Eagle faded, Spear had to deal with some in the business community who gave the program only lip service. Despite the unscrupulous behavior of some businessmen, most appeared willing to cooperate. Nearly every community had its committee of businessmen that reported on business activities and the general level of cooperation. Unfortunately, the NRA failed to deliver on its promise of renewed prosperity. Cooperation between businesses—which might go so far as actual price fixing—and spreading the available employment did not actually bring in new customers.

While the Blue Eagle campaign engaged small businessmen and the general public, the NRA slowly negotiated a code with the copper industry. The major copper mining and processing firms were unreceptive to the federal initiative and preferred to avoid anything that might hinder their freedom of operation. Copper was an industry in transition. After dominating international production for decades, American firms faced major competition from overseas producers that contributed to a build up of excessive stocks and a collapse of prices. To make matters more complicated, many of the biggest American firms also had large investments in this overseas production. Arizona was one of the largest copper producing states, and its mines were historically some of the richest in the world. Its interests, however, were divided between local mining companies and the integrated, multistate or multinational producers like Phelps Dodge. NRA officials eventually imposed a code on the industry, a practically unique display of its authority. Although the code pleased neither the large producers, nor Arizona interests, they appear to have made a good faith effort to implement it. The code succeeded in stabilizing the price of copper and reducing somewhat the burden of excessive stocks. Given the depth of the industry's problems, these were no minor accomplishments.

The National Recovery Administration was effectively ended in May 1935 by an adverse Supreme Court decision. Thousands of Arizonans, along with millions of Americans nationwide, had placed their hopes for prosperity in the NRA. In its brief life of just under two years, the NRA raised the people's expectations higher than any other New Deal program and then dashed their hopes as the intransigent stagnation of depression failed to lift. The tragic rise and fall of the NRA might have proven politically disastrous for Roosevelt and the Democrats had not the spectacular initiatives of the Second New Deal overshadowed it. Despite some lingering attachment to the principles of its program, Roosevelt never made a significant effort to revive the NRA.

ORIGIN OF THE NRA

President Roosevelt had no special knowledge of the industrial economy and did not come to the White House with a definite plan for industrial recovery. In his first weeks in office, he concentrated on resolving the banking crisis and on such measures as the Economy Act and relief for the unemployed. He also pushed for the creation of agencies that reflected his personal interests, such as the Civilian Conservation Corps and the Tennessee Valley Authority. Within Congress and among his own advisors, various ideas were being considered for how to restart the nation's industrial plant and put the unemployed back to work. He was willing to let the policy debate rage below him until some sort of consensus emerged. Proponents for action argued within a limited number of options.[1] One of the leading proposals was for a massive program of federally sponsored public works. Roosevelt was willing to back public works, as his enthusiastic support of the TVA demonstrates, yet he was concerned about the

[1]Presidential preferences ruled out in advance any real chance for the conservatives' preferred policy of *laissez faire*, as they did radical proposals along the lines of contemporary fascism, socialism, or communism. Keynesian proposals were not yet so well known or accepted.

expense that some advocates proposed and the potential for politically damaging boondoggling or graft. Another policy option in the air was for limiting work hours in order to share available employment. This was already being done privately to a limited extent, yet there were still thousands of workers putting in well over 40 hours per week while other were unemployed. Others pushed to allow the RFC to provide expanded loans for businesses.

One of the leading proposals came from the business community itself. Although the ideology of *laissez faire* dominated business thinking, a number of business leaders in the 1920s had proposed a more cooperative system that would allow businessmen to negotiate agreements amongst themselves to limit the damaging impact of ruthless competition. These advocates believed that excessive and unfair competition contributed to the depression when firms facing declining sales slashed prices and wages to undercut their competition. This forced others to cut their prices and wages causing a downward spiral of deflation and unemployment. Their solution was to end the current federal antitrust policy that banned any effective interfirm cooperation and allow businesses, through trade associations, to make legally enforceable agreements. Others agreed with the conception of limiting excessive competition while seeing value in a more active role for the government.[2]

With Roosevelt preoccupied with other matters, congressional advocates of a spread-the-work program gained a temporary ascendancy. On April 6, the Senate passed a bill sponsored by Senator Hugo Black limiting working hours for the manufacture of goods for interstate commerce to 30 hours per week. Despite Roosevelt's opposition to the Black bill the strength of its supporters forced two concessions from the Administration. The first was to turn Roosevelt's attention towards the quick submission of an industrial recovery bill. Although he could have killed the Black bill through his influence in the House or with a veto, Roosevelt preferred to take the lead by submitting a more comprehensive and practical proposal. The second concession was that any bill would include some sort of hours limitation scheme.[3]

[2]John Kennedy Ohl, *Hugh S. Johnson and the New Deal*, (Dekalb: Northern Illinois University Press, 1985), 97.

[3]Bernard Bellush, *The Failure of the NRA* (New York: W.W. Norton & Company, Inc, 1975), 6-8; Ohl, 97; Kenneth Finegold and Theda Skocpol, *State and Party in America's New Deal*, (Madison: University of Wisconsin Press, 1995), 67-71. Finegold and Skocpol state that the Roosevelt Administration only accepted codification in response to the emergence of the Black bill as a policy threat (p. 67). This author uses the interpretation that codification to achieve a cooperative political economy and to eliminate unfair trade practices was an idea that was "in the air" and one not only being promoted by several of his major advisors, but one

The bill Roosevelt submitted to Congress on May 17 included two major provisions. Title I laid out a program of industrial cooperation, self-government, and presidential leadership. Title II allocated $3.3 billion for public works.[4] Critics believed that the two titles had little to do with each other and reflected an incoherent approach to industrial recovery. Some of its advocates, however, believed that the two titles were interconnected and together offered a genuine promise of economic revival and reform. On June 16, 1933, Roosevelt signed the National Industrial Recovery Act, and on the same day created the National Recovery Administration to implement Title I.

Title I provided the framework for the industrial recovery program. Its goals were large—to promote cooperative action within industry, eliminate unfair trade practices, increase purchasing power, expand production, reduce unemployment, and conserve resources. Section 3 gave the President the authority to approve codes of fair competition for industries. Theoretically, the President had the power to impose codes on industries, though in practice this was useful mainly as a threat to gain voluntary cooperation. The fourth section authorized the President to promulgate voluntary agreements with business, apart from the specific codes. It was under this provision that the NRA began its famous Blue Eagle campaign. Section 4b also contained a provision giving the President authority to grant licenses for businesses in interstate trade. This was the most powerful tool available to force acceptance of the recovery program, too powerful, in fact, as it was never used in order to avoid a court battle over its constitutionality. Industry gained what it wanted from Section 5 which suspended antitrust laws where codes had been approved.

Section 7 introduced a new departure for federal labor policy. In the past, federal authority had acquiesced and even aided in the suppression of labor organization. Now Sections 7 offered federal protection of workers right to organize and bargain collectively through representatives of their own choosing, the right to join a labor organization, and required that employers comply with provisions for maximum hours and minimum wages as specified in codes approved by the President. Section 7 encouraged a new wave of labor organization in many industries, though not always successfully. Interpreting the labor provision for specific industries, many of whom strongly opposed

which appealed to Roosevelt directly as a former head of a trade association in the 1920s.

[4]Title III established new capital stock and excess profits taxes to help finance the program.

independent unions, proved to be one of the most controversial aspects of the NRA's brief history.[5]

THE IMPLEMENTATION OF THE NRA

Although many people contributed to the drafting of the NIRA, one person dominated the proceedings—General Hugh Johnson.[6] Johnson's contributions to the NIRA included the licensing provision, naval construction under public works, and presidential direction of the entire program. The leading role Johnson played in drafting the NIRA bill and his forceful presentations of its principles to the President convinced Roosevelt that he had the drive to put the program over. Others, however, noted his occasional temperamental outbursts and excessive drinking. But in the months leading to the passage of the NIRA, Johnson had generally shown his best side and his personal problems seemed under control. Anticipating possible problems with Johnson as NRA Administrator, Roosevelt made two provisions to limit his authority. First, he divided the administration of Title I from the public works provisions of Title II, which he placed under Interior Secretary Harold L. Ickes. Johnson believed in the consistency of the NIRA and thought the recovery program risky, if not doomed, without a rapid deployment of public works funds. Despite misgivings Johnson agreed to carry on as best he could. The second part of Roosevelt's plan to keep Johnson in line was the creation of the Special Industrial Recovery Board. This cabinet-level board was nominally intended to coordinate the NRA with other federal programs, but most of its members also understood their role was to hold the reins on Johnson.[7]

[5]Bellush, 14-15, 26-27.

[6]Ohl, 54-91. Johnson was a West Point graduate and career military man. During the war he failed to get to Europe but served as one of the primary organizers of the draft and as the military's representative on the War Industries Board. After the war he left the military for a job in private industry, spending several years with the financially troubled Moline Plow Company, and working with fellow WIB veteran George N. Peek. Since their firm was adversely affected by the severe agricultural recession of the early 1920s, Johnson and Peek published *Equality for Agriculture*, a pamphlet that played an important role in the agricultural policy debates of the 1920s revolving around the McNary-Haugen plan for subsidized agricultural exports. Johnson later joined the entourage of former WIB head Bernard Baruch, a successful businessman and patron of the Democratic party. It was probably because of his connections with Baruch that Johnson gained an entrance into the Roosevelt administration. Roosevelt failed to offer Baruch himself an important position in the administration but he appointed two prominent Baruch men to head two of his major programs—Johnson at the NRA and Peek at the AAA.

[7]Ohl, 111-12; 107-08, 162. The Board failed to maintain control over the NRA because its members were too involved in their own work, and Johnson insisted on direct access to the President.

The primary purpose of the NIRA, as Roosevelt saw it, was to increase employment and expand purchasing power. More money in the hands of more people would spur sales and restart production. The codes were supposed to allow business to afford these wage increases by ending the deflationary spiral caused by resort to unfair trade practices. To prevent rising prices from devaluing workers' real income, NIRA planners hoped that wages could be made to increase ahead of prices. It was a challenge to the public spirit of the business community.[8]

Although not its intent, the NRA and its codes facilitated the cartelization of many industries. Production quotas and price regulations worked their way into many of the codes. One reason for this was that, ironically, in many industries the problem of the depression was overproduction. Unlike the oligopolistic automobile industry, for example, where firms cut production and prices fell relatively little, firms in competitive industries could not control the price of their output and were forced to meet the price slashing of their competitors. Cotton textiles, oil, and—most important for Arizona—copper are examples of such industries. Left on its own, this process would lead to the shake out of the least efficient firms. Many people thought this a desirable end, but for businessmen on the edge of bankruptcy and workers losing their jobs there was a tremendous toll in human suffering.[9]

Historians debate whether the NRA benefited big business over small. Many writers have characterized the NRA as either being internally biased in favor of big business or being captured through big businesses' greater ability to manipulate the NIRA in their favor.[10] There

[8]Bellush, 13. Finegold and Skocpol believe the NIRA was the product of interest group bargaining in which the resources of each group, as mediated through party coalitions, determined whose ideas dominated (*State and Party*, 73).

[9]Historians such as William E. Leuchtenberg, Bernard Bellush, and most recently Kenneth Finegold and Theda Skocpol, state or imply that cartelization was a goal of New Dealers who believed in the cooperative political economy. Leuchtenberg says that small business did not approve of the NRA because it did not let them exploit labor [*Franklin D. Roosevelt and the New Deal*, 69]. Others, including John K. Ohl and Donald R. Brand believe the NRA tried to prevent cartelization, but could not because they were trying to accomplish mutually irreconcilable goals. This author follows the latter view in the analysis contained in this chapter.

[10]Bellush states that Donald Richberg the NRA's general counsel and later its head, "bent over backward to accommodate business and industry" (p. 32) and that the NRA "clearly failed small business" (p. 140). Peter H. Irons [*The New Deal Lawyers* (Princeton: Princeton University Press, 1982)] believes that business domination of the code-drafting process allowed numerous anticompetitive provisions into the codes (p. 33). He cites the numerous provisions that facilitated price fixing, both directly and through such indirect methods as prohibition of sales below cost and open-price systems. The effect of such price fixing on small business is problematic. Higher cartel prices actually help to support less efficient firms, which are usually

are also those who believe small business in general benefited from the NRA by forbidding some of the harshest competitive practices such as pricing below cost in order to drive out competitors.[11] This debate is complicated because there is often a great distinction between the NRA's intentions and its actual results. The NRA was not captured by big business interests and in its policies, it tried to protect the interests of small business. More often than not, its policies benefited small businesses over larger firms and in the debates in 1935 over extending the NIRA, big business was more often to be found in opposition.

Cartelization was not the intention of the NRA but rather the result of its inability to discover what was really "fair" competition. The copper industry was one of those suffering from excessive production, and its code included a number of anticompetitive provisions. The copper code was one of the few NRA codes to include production limits and sales quotas. It also included the open price system in which all firms reported their prices to the code authority. This was meant to prevent secretive sales incentives, but effectively allowed firms to fix prices. At the same time, the code included provisions clearly favoring small producers over large firms. The NRA tried to walk a middle path between excessive competition and too little.[12]

Opinions differed over the extent to which American industry should be codified and brought under a federal program. Some supported codes only for the major industries such as automobiles and steel, but Johnson wanted all industries involved in interstate commerce covered. This decision had important consequences on the effectiveness of the NRA when its infant bureaucracy faced the daunting challenge of dealing with hundreds of industries across the country. Johnson increased his burden by promoting adoption of a uniform, voluntary blanket code for all businesses. Known as the President's Reemployment Agreement its primary provisions called for a reduced work week of 35

the smaller ones. Irons believes such provisions allowed big business to capitalize on other, non-price methods of competing.

[11]Proponents of this view include early New Deal historian Arthur M. Schlesinger, Jr. and more recently, Donald R. Brand [*Corporatism and the Rule of Law; A Study of the National Recovery Administration* (Ithaca: Cornell University Press, 1988)] Brand's study has provided the most important foundation for the interpretation of the NRA in this study.

[12]Brand, 105-16. The exact number of codes with anticompetitive provisions is disputed. Bellush states that by June 1934, 263 of the 459 codes then in existence had price fixing provisions (p. 139). Irons separates out the types of provisions, stating that almost four hundred prohibited sales below cost and that 444 included open price systems (p. 33).

and 40 hours, respectively, for industrial and white collar workers with a minimum wage ranging from $12 to $15.[13]

The NRA's first major code, covering the cotton textiles industry, took about six weeks to complete, and with hundreds of industries in the planning process there was no chance of completing a sufficient number of codes to promote rapid reemployment. Johnson turned to the PRA as the only way to get the majority of businessmen signed on quickly. The way Johnson chose to implement the PRA proved as significant, or more, than the provisions of the agreement itself. Announced in early July, the PRA was sold to the public in a national publicity campaign of a kind unseen since the war. Indeed, the wartime models of the Liberty Loan drives and War Industries Board's pressure on reluctant businessmen informed Johnson's conception of how arouse the nation to cooperative action. Parades and speeches evoked patriotic spirits and consumers were urged to patronize only business cooperating with the PRA. To publicize compliance, Johnson again drew upon a wartime model and gave the PRA an insignia that merchants could display. Derived from the Navajo thunderbird, the logo contained an eagle colored blue clenching a factory cog and lightning bolts in its claws, symbolizing industry and energy, and with the words "We Do Our Part" below. The Blue Eagle became the symbol for the entire NRA.[14]

THE BLUE EAGLE IN ARIZONA

The campaign for the President's Reemployment Agreement—"ballyhoo" to the skeptics—succeeded quite well early on. Three days before the August 1 date for the beginning of the PRA, 6,000 copies of the blanket code arrived at the Phoenix post office for distribution. In Arizona, the State Chamber of Commerce took the lead in organizing business support with local chambers rallying their own communities. The Merchants and Manufacturers Association also aided the work of getting businessmen to sign the "common covenant." By the end of July, scores of businesses in Phoenix had signed the agreement and received Blue Eagles to put in their store windows. Many advertised their support in newspapers and claimed they were hiring new employees and expecting a surge in purchasing. The *Arizona Republic* published the "honor roll" of firms that had signed the pledge, a list no merchant wanted to be excluded from. Lyle Owens of the Merchants and Manufacturers Association stated "There is no question but that Phoenix will present a united front. The response we have had at this early date gives us ample evidence that the entire commercial and business structure of

[13]Ohl, 101, 138.

[14]Ibid., 139-140.

Phoenix will merit the red and blue emblem of the recovery administration." The president of the State Chamber of Commerce, C. N. Posten, agreed: "This 'call to arms' in the program of economic rehabilitation... will result in action... in every city and town in Arizona." When August 1 arrived, publicists claimed 900 workers in Phoenix and 12,000 statewide would leave the relief rolls for the payrolls.[15]

By August 1, 366 Phoenix firms had signed the pledge. Reports indicated support from businessmen in communities throughout the state. Tempe merchants announced that in line with the new 40 hour week they would only open from 8:30 to 5:30. In Prescott employers adopted the PRA but with a 48 hour work week and with stores open 52 hours. There was some public confusion at first because the grocers code which was signed at the end of July allowed a 48 hour work week, eight more than the PRA. When Johnson saw a pattern of store hours shortening, he had to clarify that the PRA was not intended to reduce store hours, but to encourage businesses to hire more workers rather than to overwork their employees.

Although advertisements and public pronouncements indicated enthusiastic support for the PRA in the business community, there is no way to know the real level of support. A letter to the editor of the *Arizona Republic* from one local businessman cynically said that his new Blue Eagle "is now in the front window with the notice of sheriffs sale" and reported that another businessman had had his windows broken because his Blue Eagle arrived late. The PRA campaign was a pressure tactic designed to give businessmen no choice but to participate. "We are faced with the necessity for concerted action," Posten declared, "to a greater degree today than at any time since the World war, and now, as in wartime, we have the right to demand of every citizen that he do his duty." Governor Moeur said "We must work unitedly and unselfishly for our common interests. The president's program must succeed. I feel the whole world is to be guided to better times by the campaign against depression in the United States." There was talk of federal charges and boycotts against violators. The *Arizona Republic*, which said that its supported the NRA "100 per cent, lock, stock and barrel, from soup to nuts and the acceptance of the whole hog" warned that "Backsliders and evaders were scheduled to feel the sharp talons of the federal blue eagle." Owens stated that "If there should be a few shirkers later on, there is little doubt but what they will be swung into line." With all the publicity and pressure, few businessmen wanted to appear unsupportive, especially in

[15]*Arizona Republic*, July 29, 1933, 2:1; July 30, 1933, 1:3; August 1, 1933, 1:1; August 2, 1933, 1:1.

the first few days when no one knew if there would be a commercial revival.[16]

With most businessmen signed onto the PRA by early August, The next phase was to enforce the agreement. Because the PRA was voluntary, there was no legal recourse in cases where merchants displayed Blue Eagles while violating the labor provisions. Public pressure was the only means available and Johnson meant to make it effective. On August 7, he simultaneously started a new "buy now" campaign and declared war against "drones" and "chiselers." To oversee compliance with the PRA, Johnson approved creation of state boards to handle complaints. The Arizona board was composed of nine members and met for the first time on August 17. Consumers were urged to patronize only merchants who signed the PRA, and car window stickers saying "NRA consumer" were distributed. Johnson, however, warned board from explicitly sponsoring boycotts. Still, the NRA pushed the general message that loyal citizens shopped only at Blue Eagle stores.[17]

Throughout the state, local compliance boards formed. These were of two types. The first were general boards that oversaw compliance with the PRA. The NRA recruited local businessmen to serve on a voluntary basis for the few weeks that the PRA was to operate. Although willing early to offer their time to the recovery effort, there were limits to the volunteer spirit. "Our board worked faithfully, and hard, and no doubt accomplished some good" wrote Power Conway of the Phoenix board in a letter of resignation to Johnson in March 1934. However, he noted that he was only asked to serve six weeks and had agreed to a second six weeks, but now he must dedicate his time to his business.[18] The second type of compliance board followed upon the codification for a particular industry. The PRA practically ignored the constitutional restriction of federal regulation to interstate commerce, and brought the NRA down to the level of local business. Local boards for various types of business sprung up in communities large and small. Only after a presidential executive order exempted business in communities of under 2,500 did the NRA begin to regain control of its compliance process with a more centralized state board.

Since NRA intended to promote industry self-regulation, local compliance boards were typically composed of businessmen overseeing

[16]Ibid., July 31, 1933, 1:2; August 1, 1933, 1:4; August 3, 1933, 2:1; August 11, 1933, 1:3; August 10, 1933, 1:1; August 13, 1933, 1:6; Maxwell, 221.

[17]Ibid., August 5, 1933, 1:1; August 12, 1933, 1:1.

[18]Conway to Gen. Johnson, March 7, 1954, Records of the NRA, Records of the Compliance Division, Records Relating to Local Compliance Boards, 1933-35, RG 9, Entry 121, Box No. 2, NARA.

themselves and their competitors for compliance with code provisions. For example Edward Dorsey, a director of the Phoenix Chamber of Commerce served as the chairman of the compliance board for the druggists' industry. The head of the Prescott food and grocery code authority was Norman Hoffman, manager of the local Piggly Wiggly grocery store. Grocers from around the state met in Phoenix in January 1934 to discuss the implications of the wholesale grocery code that went into effect on January 11. Labor was able to obtain occasional or token representation, as on the Prescott compliance boards where Fred W. Gregg was appointed to represent an employee's group. Early publicity indicated a high level of compliance with code provision. On November 27, 1933, James Griswold, the chairman of the compliance board in Prescott, stated that employers there were complying almost one hundred percent, based on "what data is available so far." He reported an eager response from local merchants to the formation of a retail trade council as outlined in the retail code. As of December 21, 38 Prescott businessmen and already signed the agreement and at least 50 more were to be asked to join. "I have found virtually no opposition to our effort to create a council that will correlate the activities and functions of various retail units under different NRA codes," Griswold told the press. "I have set out to obtain a minimum of 40 signatures to an agreement to organize the council. I'll have no difficulty whatever in getting fifty or more."[19]

The following March, Phoenix retail and wholesale food and grocery merchants selected their code authority. The authority included L. Landy, a member of the group of retailers which owned the United Wholesale Grocery concerns, as representative of the retailer-owned wholesale concerns; Burr Fowler, general manager of Haas-Baruch and Company, Inc., was named to represent the independent wholesalers; and R. E. Nelson, assistant general manager of Pay-n Takit stores, represented the chain store operators. The formation of boards could be complicated by disagreements within an industry. For example, under the barber shop code, the Master Barbers Association was responsible for compliance. This did not sit well with the Independent Barbers Association of Arizona which formed its own compliance board.[20]

The local boards prior to January 1934 made reports to the national office. Boards in Clifton, Claypool, Flagstaff, Florence, Kingman, and Peoria reported no complaints concerning the terms of the PRA, and practically full compliance within their communities. A few appended

[19] *Arizona Republic*, November 28, 1933, 1:1, 1:6; January 22, 1934, 1:3; December 22, 1933, 1:3.

[20] *Arizona Republic*, March 7, 1934, 1:2; John Swope to S. A Spear, March 28, 1934, Records of the NRA, Records of the Compliance Division, Correspondence with State Directors, Jan.-Oct. 1934, RG 9, Entry 124, Box No. 1, NARA.

comments on their reports regarding their feelings about the NRA. The writer for the Winslow Board wrote, "This being a railroad community, there is high feeling regarding the fact that the railways have done nothing, so to speak, towards increasing employment. The community, as a whole are supporting the President's program 100%." He added that the "attitude of the consumers seems to be rather passive and it seems that the buying public have not awakened sufficiently to the fact that the burden now rests upon them. However, the local N.R.A. committee have started an extensive campaign to overcome this." The report for Williams stated "We have practically 100% enrollment to President's Agreement. Strict compliance not yet accomplished. This has been due to lack of increased spending power in the community by failure of industries to materially increase wages and employment. In other words we cannot ride the little fellow beyond his limitations. He must have increased business from employers in principal industries or perish in his effort to comply. We believe that every individual business man is anxious to comply when possible." A few boards reported complaints, though most were minor. The Bisbee board reported one salary complaint that was settled satisfactorily to both parties. The Douglas board also reported a complaint concerning pay but it was settled before there was a hearing before the board. In Miami, the board reported one complaint of a watchman being worked twelve hours which was settled "without difficulty." Curiously, the reporter for the Globe board stated there were no complaints or petitions before the board, but added, "All complaints received have been rejected." The Yuma board reported that all complaints it received were informal and when investigated found to be due to misinformation and misunderstanding."[21]

To coordinate the many New Deal programs, Roosevelt created the National Emergency Council on November 17, 1933. On December 12, the NRA's district representative announced that an Arizona branch of the NEC would be set up and a state director appointed. Plans for the Arizona NEC included an elaborate information section to answer questions from the public regarding various federal projects, supply information to the press, and work for the coordination of the activities of various recovery agencies. In January 1934, Steve A. Spear was named Arizona director of the National Emergency Council. Spear was a prominent Democratic politician, having served as Speaker of the

[21]Reports of the Winslow Compliance Board, October 17 and 26, 1933; Report of the Williams Compliance Board, November 12-33, 1933; Report of the Bisbee Compliance Board, October 13, 1933; Report of the Douglas Compliance Board, October 31, 1933; Report of the Miami Compliance Board, November 6, 1933; Report of the Globe Compliance Board, October 24, 1933; Report of the Yuma County Compliance Board, October 27, 1933, Records of the NRA, Records of the Compliance Division, Records Relating to Local Compliance boards, 1933-35, RG 9, Entry 121, Box No. 2, NARA.

House in the current legislature. He opened offices in the Heard Building on 20 January and left a few days latter to confer with Roosevelt and Johnson at a meeting of state directors in Washington.[22]

At the White House meeting, the president charged the state directors with running their organizations with integrity and nonpartisanship. "We want you to be absolutely hard-boiled," Roosevelt declared, "if you find any local person within your own state who is trying to get political advantage out of the relief of human needs and you will have the backing of this administration 1,000 per cent, even if you hit the biggest boss in the United States on the head in carrying out this general program." Spear returned enthusiastic about the NRA program and worked to speed up the emergency council's compliance and publicity program. On his staff were L. W. Phillips who handled labor complaints, C. P. Harper who oversaw trade practice complaints, and J. H. Corson, an investigator. By March, he claimed widespread support in Phoenix for the NRA, and that business and employment were up. "There were not any criticisms of any importance registered against the National Recovery Act," Spear reported, "and all persons felt it was doing a wonderful good.[23]

Spear's reports to Washington paint a somewhat different portrait of the NRA in Arizona from his public pronouncements in the newspapers. He reported that since the state NRA office was in Phoenix, the Phoenix board—which met only occasionally—took the attitude that they were no longer needed and resigned, leaving his office to handle complaints under the PRA from the Phoenix area. After a seven hundred-mile tour through southern Arizona, Spear reported that other local boards were in good shape and active. The difficulty of Spear's position, particularly in regards to the PRA, was detailed in a notice circulated to all Arizona compliance boards in April 1934. He admitted that while he might attempt to make restitutions in cases of violations of the PRA, "there is no action which can be taken against [the violator] if he fails to make restitution." The PRA was simply a publicity campaign with unenforceable voluntary agreements that served to little more than raise people's hopes. Only the actual industry codes were legally enforceable. Where codes were in place, the particular code authority was authorized to handle complaints concerning unfair trade practices. Labor complaints might be overseen by either the code authority or left to the office of the state director. Spear also found a lack of coordination between the NRA and other federal programs. For example, he pointed out that the

[22]*Arizona Republic*, December 13, 1933, 1:3; January 25, 1934, 1:3.

[23]*Arizona Republic*, January 25 1934, 1:3; February 3, 1934, 1:1; February 10, 1934, 1:9; April 12, 1934, 2:1.

purchasing agent for the CWA in Arizona was accepting lowest bids even from firms known to be violating NRA provisions.[24]

The limited records of the NRA in Arizona often give only isolated glimpses into its operations for particular industries. For example, the state's olive growers looked for renewed profitability from the olive code despite a decline in the 1933 crop from the previous year. The code linked Arizona growers and pickers with California olive interests and fixed prices for various grades and varieties. Under the wage and hours provisions of the aviation industry code, eight employees at Sky Harbor, mechanics and radio operators, began working reduced hours in late November. The code reduced the hours of inside mechanics to 40 per week while field mechanics and radio operators were limited to 48, with no wage reduction. In March 1934, C. P. Harper laid down the law to Arizona restaurant operators by warning that provisions under the restaurant code were compulsory and violators could face fines or imprisonment. J. J. O'Dowd, president of the Tucson Chamber of Commerce, protested to Carl Hayden and to Johnson about the inclusion of Arizona in the Southern wage region for the restaurants and wholesale plumbing codes. The 2¢ differential was unfair given that Arizona's cost of living was closer to that of California.[25]

Compliance with NRA codes proved difficult to enforce. A businessman could display a Blue Eagle at the same time he violated hours and wages provision of either the PRA or the firm's specific code. Claims for adjudication of grievances doubtless were only a small portion of total violations. Employees might hesitate to risk their jobs to protect their hypothetical rights under the codes. A few complaints, though, did arise. In November 1933 an employee of a Phoenix shoe business sued for $381.22 in overtime pay as specified in the NRA code. Other complaints were more general. One Phoenix man wrote to Johnson that the local Phoenix board had not allowed him a hearing, was not interested in its work, and had no "backbone and intestinal fortitude." When he took his complaint to board member Henry Miller, Miller reportedly responded "that is too bad." In this particular case the complainant charged that his employer, a jeweler who displayed the Blue Eagle had worked him 73 hours and paid him only $10 saying "he

[24]Spear to John Swope, Chief Field Section, Compliance Division, March 19, 1934; Notice to Arizona Compliance Boards, April 3, 1934, Records of the NRA, Records of the Compliance Division, Correspondence with State Directors, Jan.-Oct. 1934, RG 9, Entry 124, Box No. 1, NARA; Bellush, 83.

[25]*Arizona Republic*, December 11, 1933, 1:3; November 27, 1933, 1:4; March 21, 1934, 1:6; August 12, 1933, 1:2.

could get Mexican labor for less money." The veracity of the charge was never confirmed.[26]

Particularly for the period prior to the establishment of Spear's office there are records with varying detail on specific complaints related to the NRA. After January 1934, Spear's office handled these cases and only summary statistics reached Washington. As no state report was ever completed for Arizona there is little information on the majority of complaints. The state office reported that for the period from November 11, 1933 to May 27, 1935, there were only 35 cases investigated, 25 of which were complaints over labor provisions, while ten related to trade practices. Of these, no violation was discovered in twenty of the cases while the rest were either dropped or a compromise worked out. Spear told the press that most complaints either were not factual or were resolved administratively.[27]

Most of the complaints for which there are records relate to compliance with the President's Reemployment Agreement. Some of the complaints are quite general. For example, I. A. Rosok, chairman of the Bisbee board wrote to the Washington office that the Arizona Edison Company was displaying the Blue Eagle, though it violated the PRA in both Bisbee and Douglas. A number of complaints arose because of misunderstandings over the specific provisions of NRA codes or about the NRA in general. For example, in July and August 1933, the NRA received complaints from Nogales concerning the Wells Fargo and Company freighting company. Nogales was an important port of entry for Mexican produce and many local jobs depended on international trade. At some point previous, Wells Fargo had signed an exclusive transporting agreement with the Mexican producers—many of whom apparently were Americans—that was devastating to the local economy. Reportedly, some one hundred men or more lost their jobs because of this agreement and several businesses were closing. The Nogales Chamber of Commerce asked for an investigation of Wells Fargo for being a monopolist in violation of the PRA. Officials in Washington

[26]*Arizona Republic*, November 24, 1933, 1:3; Nick Danculovic to Gen. Johnson, n.d., Records of the NRA, Records of the Compliance Division, Records Relating to Local Compliance Boards, 1933-35, RG 9, Entry 121, Box No. 2, NARA.

[27]Special Analysis of Compliance Cases Investigated by NRA State Office, Nov. 11, 1933-May 27, 1935, Records of the NRA, Records of the Compliance Division, RG 9, Entry 122, Box No. 1, NARA; *Arizona Republic*, April 13, 1934, 1:4. A newspaper article in March 1934 reported that L. W. Phillips, labor compliance officer under Spear, was investigating alleged violations of labor provisions of the codes. Spear stated for the press, "We have had numerous reports charging gross violations in Tucson of the codes for at least three industries [unnamed] (*Arizona Republic*, March 27, 1934, 1:6). How many of these reports were part of the 35 cases reported to the national office, if any, is unknown.

commented in memos that they could do nothing about this situation in Nogales except "to express sympathy." They did not do even this, simply writing back that the situation was outside the NRA's scope.[28]

From Tucson came several complaints concerning display of the Blue Eagle by firms not complying with the terms of the PRA. In one case the Blue Eagle Dance Hall was both using the name Blue Eagle and displaying it without signing the PRA. The Washington staffers simply asked the local board to request the owner to cease use of the name and symbol. J. J. O'Dowd, the chairman of the Tucson board, reported that six local Standard Oil stations admitted using the NRA symbol and violating the PRA. Furthermore, the businesses refused to remove the symbol and would only comply at their own convenience. O'Dowd reported flagrant violations of the PRA by drugstore restaurants, citing such things as evading the minimum price scale by deducting for meals, shortening hours, making employees shareholders and partners and abolishing all salaries, and threatening and firing employees who complained. These businessmen knew the local board had no power, and O'Dowd called for a representative from Washington to come and enforce the PRA, pleading that "All Tucson businessmen are watching." In another complaint, O'Dowd reported that two beer distributors had started a beer price war, charging less than cost to drive out their competitors. At one point O'Dowd plaintively sent a telegram with the simple question "What may be done control signers presidents code violating provision" [*sic*]. The answer, he learned, was nothing.[29]

One of the most detailed reports on a complaint involved a charge from a Bisbee resident that local dairymen were price fixing with the aid of the local NRA board. The complainant reported that when two dairymen sold milk for 8¢ instead of 13¢, the board threatened to report them to Washington and take away their Blue Eagles. The national office requested an explanation from Rosok, who reported back that the board had received a complaint from the local dairymen's association charging two dairymen with using unfair trade practices by selling their product below cost to force their competitors out of business. The board held a hearing on October 24 with all the dairymen present. The two denied the charge that they wanted to force their competitors out of business,

[28] I. A. Rosok to G. C. Hinckley, November 20, 1933; G. R. Michaels to John D. Moore, August 7, 1933; Internal memo from Montgomery to Peebles, August 25, 1933, Records of the NRA, Records Relating to Local Compliance Boards, 1933-35, RG 9, Entry 121, Box No. 2, NARA.

[29] J. H. Wootton to P. M. Tidmarsh, January 27, 1934; J. J. O'Dowd to Gen. Johnson, August 15, 1933; Telegram from O'Dowd to John D. Moore, September 23, 1933; Moore to O'Dowd, September 15, 1933; Telegram from O'Dowd to Gen. Johnson, August 2, 1933, Records of the NRA, Records Relating to Local Compliance Boards, 1933-35, RG 9, Entry 121, Box No. 2, NARA.

but they were the only two out of about twenty dairies who had not signed an agreement to charge a standard price of 10¢ per quart for wholesale and 12.5¢ per quart retail delivered. The board told the two that they thought the association's price was fair and that a uniform price should be charged by all. The board also warned them that if they did not sign the agreement the board would have to report the matter "to the proper authorities for such action as they would see fit to take." After some discussion, the dairymen agreed to sign the agreement and charge the standard price. The NRA quickly responded to this embarrassing situation by pointing out that the PRA made no provisions for prices, and that, in any case, milk was under the AAA. They requested Rosok to refrain from getting involved in any more price controversies that could cause embarrassment for the NRA. Rosok defended himself and the board by saying that they did not fix the price of milk, but simply advised the local association to come to an agreement on a price for all. The board did not make this mandatory, but only in the form of "friendly advice." Such connivance with price fixing could hardly have endeared the NRA to the milk drinking consumers of Bisbee.[30]

In April of 1934, Spear's office was reported "teeming with activity." In response to an increasing number of fair practices complaints in Tucson, he organized a meeting of the wholesale beer distributors to explain the code. Experience informed him that many of the complaints were probably based on misunderstandings of the code and the meeting was to make sure everyone in the industry understood its terms. "We are going to get compliance with the brewing code," Spear stated, "and after this meeting, no distributor will have any excuse for pleading ignorance of his obligations, and our office will make every effort to 'crack down' on willful violators." In response to calls from all over the state for interpretations of the codes, L. W. Phillips and Edwin C. Gracey of the Arizona Industrial Commission visited several communities in the northern part of the state. Phillips remained positive, telling the press that business was up and "all the merchants interviewed are willing to give NRA its just amount of praise for helping to accomplish this." Phillips also found dissatisfaction on his tour, for example, in Williams lumber workers were dissatisfied with the low wage scale which classified Arizona along with the South, with a 20¢ per hour differential between Arizona and California. Some businessmen were apparently eager to turn in their competitors, lest they gain an unfair advantage,

[30]I. A. Rosok to W. M Galvin, November 27, 1933; Rosok to J. H. Wootton, December 12, 1933, Records of the NRA, Records Relating to Local Compliance Boards, 1933-35, RG 9, Entry 121, Box No. 2, NARA.

causing Spear to comment that the "NRA codes are not watchdogs to employ against competitors, but a rule to live up to yourself."[31]

Spear's office experienced many of the frustrations that increasingly pressured the NRA in Washington. After the thrilling days of the Blue Eagle campaign, the NRA faced the difficult task of developing an administrative bureaucracy that could oversee the implementation of hundreds of industry codes covering thousands of businesses. The Arizona state office of the National Emergency Council had only a few staff members and relied primarily on local volunteers from the business community to administer the PRA, and on the local code authorities. The state office was hindered in enforcing the PRA because it was a voluntary code. Unfortunately, a number of businessmen were unscrupulous enough to violate the PRA while publicly displaying Blue Eagles. The greatest challenge to the NRA was that it failed to bring about a commercial revival. Spreading the available work did not bring new customers into stores and until major industries like copper, railroading, and lumber revived, there was little local businessmen in many small Arizona towns could do on their own.

At the national level, Johnson finally succumbed to the pressure and resigned in September 1934. His successor, Donald Richberg, inherited a situation where he had few policy alternatives available. The NRA was set to expire on June 15, 1935 and Richberg's hope for a revitalization of the agency depended on getting an extension. The extension bill received considerable debate and thought, but was cut short by the Supreme Court's invalidation of the NRA codes, and Roosevelt's decision not to push strongly for a new NRA.[32]

THE NRA AND THE COPPER INDUSTRY

NRA codes for retailers and displays of Blue Eagles offered participation to Arizona citizens in the New Deal recovery effort, but the real test of the initiative lay with its ability to revitalize the state's major industry—copper. As the chairman of the Superior NRA compliance board reported in November 1933: "We have only one industry, the Magma Copper Co. which is not producing any copper but is doing developement [*sic*] mainly to keep a lot of people here from going hungry. If and when a code is adopted undr [*sic*] which the Magma can operate, we will have no trouble doing a good job of N.R.A. As it is, everybody is afraid to make a move fearful that the mine will not resume full time operation on Jan. 1. All of the employers are doing all they can

[31] *Arizona Republic*, April 4, 1934, 2:1; April 5, 1934, 2:1; April 10, 1934, 2:5; April 13, 1934, 1:6.

[32] Belush,142-48, 158, 164.

financially afford to do. They are heartily in accord with N.R.A but are handicapped on account of no business."[33]

Up to 1929 Arizona was the leading copper producing state in the nation. With prices that year of over 18 cents per pound, the industry supported numerous communities such as Douglas, Bisbee, Winkelman, Clifton-Morenci, Hayden, Superior, Globe, Miami, Ajo, Clarkdale, Jerome, and others. The value of Arizona's mines in the last year of prosperity was $155.7 million and the industry accounted for approximately 40 percent of tax revenues.[34] From 1930 to 1933, the industry collapsed. The price of copper reached a low of 5.6 cents in 1932, and the value of total production fell to a mere $14.7 million. Most mines either shut down completely or drastically cut back production. Thousands of miners lost their jobs, while many more worked only a fraction of their previous hours. According to one study, Arizona's copper mines had employed 16,000 in 1928, but only 3,300 men in 1933. Wages fell also, though by less than the drop in prices. Profits in the industry virtually disappeared and with them the state's most important source of tax revenue. The assessed value of mining property dropped from over $700 million in 1929 to just over $43 million in 1933. Even then, the Phelps Dodge Corporation claimed its properties were overassessed and refused to pay taxes for over three years. An estimate of the state's population indicates a drop from 435,573 in 1930 to approximately 380,000 in 1933, due primarily to the flight of unemployed from the mining towns. The flight from mining towns was even greater than these figures suggest because many headed for Phoenix and Tucson, contributing to the woes of those communities.[35]

[33] R. R. Leary to NRA, November 14, 1933, Records of the NRA, Records Relating to Local Compliance Boards, 1933-35, RG 9, Entry 121, Box No. 2, NARA.

[34] List of Principal Mining Companies and Locations of Mines: Arizona Commercial (Globe); Inspiration Consolidated Copper Co. (Inspiration); Iron Camp copper Co. (Copper Hill); Magma Copper Co. (Superior); Miami Copper Co. (Miami); Nevada Consolidated Copper Co. (Ray); Phelps Dodge Corp. (Bisbee, Morenci, Ajo); Old Dominion Co. (Globe); Shattuck Denn Mining Corp. (Bisbee); Sheldon Mining Co. (Walker); United Verde Copper Co. (Jerome); United Verde Extension Mining Co. (Jerome).
List of Smelters that Treat Primary Materials and Kind of Business: American Smelting & Refining (Hayden): primary and custom; International Smelting Co. (Miami): custom; Magma Copper Co. (Superior): primary; Phelps Dodge Corp. (Douglas): primary and custom; Phelps Dodge Corp. (Clifton): primary and custom; Sheldon Mining Co. (Humboldt): primary and custom; United Verde Copper Co. (Clarkdale): primary; United Verde Extension Mining Co. (Clemenceau): primary.
List of Refineries that Treat Primary Materials: Inspiration Copper Co. (Inspiration); Phelps Dodge Corps. (Morenci).

[35] Luckingham, 102; Tetreau, 71; Valentine, 36.

At the same time as the depression reduced demand for copper, international production was increasing, contributing to a tremendous buildup in the country's stock of copper. An estimate as of January 31, 1934 set the figure at approximately 450,000 tons of copper which at the current rate of consumption figured to be a thirteen month supply. Furthermore, the business of secondary copper, production from scrap, had grown so that it covered over twenty percent of the current market. The country could get along with no new copper production well into 1935, which frightened copper states such as Arizona, Utah, Montana, Michigan, Nevada, and New Mexico. In early 1934, the industry was producing at a rate of only 238,500 tons per year, which was less than one-quarter of capacity. In the last few months of 1933 and early 1934, enough mines had shut down that consumption exceeded production by about 5,500 tons per month. At that rate, it would take almost seven years to eliminate the excess stocks. The industry was in the midst of a massive disinvestment and shake-out of the least efficient producers.[36]

The cause of this downsizing of the copper industry was not difficult to identify. In the late nineteenth and early twentieth centuries, the United States was the world's leading copper producer. It was a copper exporter and developed its productive capacity to meet the increasing demand for copper that the era of electrification had started. Arizona shared a leading role in this production, producing for many years approximately one-sixth of the world's total. This situation shifted in the 1920s after the discovery and development of rich ore bodies in Canada, Mexico, Peru, and Africa. America's leading copper producers, Anaconda, Kennecott, and Phelps Dodge made heavy investments overseas to take advantage of the high grade ores and cheap labor. This new productive capacity began to be felt in 1929 and the United States immediately became a net copper importer. This situation was ominous for Arizona because much of its high grade ores were already mined. In 1932, the Arizona congressional delegation—Ashurst, Hayden, and Douglas—pushed through a two-year, 4¢ per pound tariff that effectively cut off imports. But with the massive surplus still in existence, domestic production still suffered. Governor Moeur asked for higher import barriers and for federal purchase of the surplus for wartime use.[37]

When the NIRA was passed, the copper industry was already divided between companies with substantial foreign investments and domestic producers who wanted to exclude foreign copper from the United States. The three largest multinational, integrated firms with interests in Arizona

[36]National Industrial Recovery *Administration Hearing on Code of Fair Practices and Competition Presented by the Copper Industry*, Vol. 1, March 12, 1934, 68-70, 53.

[37]Ibid., 32, 39, 119; *Arizona Republic*, December 27, 1933, 1:1.

were the Kennecott Copper Company, the Anaconda Copper Company, and Phelps Dodge Corporation. In 1932, Kennecott got almost 45 percent of its output from its operations in Chile. Anaconda had also shifted a large portion of its production overseas, largely at the expense of Montana. Phelps Dodge, which in the period from 1915 to 1932 got over 58 percent of its production from its Copper Queen unit in Bisbee, had shifted by 1932 to just under 43 percent foreign productions. These firms had little incentive to support proposals for an extended tariff or embargo against foreign copper.

In July of 1933, the industry began to work on a code proposal. It immediately became apparent that this division was only one source of disharmony in the industry. One of the crucial questions was defining the copper industry. Some firms owned a single mine, while others produced in many states. A few firms, primarily the big three—Anaconda, Kennecott, and Phelps Dodge—were integrated, with subsidiary smelting, refining, and fabricating operations. To what extent were these processing operations part of the copper industry? The secondary copper producers introduced another significant complication, since they did not mine new copper. The major firms prepared a draft code that was submitted to the NRA on August 16. Any hope of a united stand by the industry quickly evaporated when the Magma Copper Company and the UVX Company refused to accept the majors' code and submitted one of their own on September 7. At about the same time, several small producers in Arizona formed the Arizona Copper Producers Association and submitted another code. This proposal became known as the "Arizona code" and gained the support of the governor and many labor and civic organizations in the state. Furthermore, the secondary producers and custom copper smelters believed they should have a code of their own. The NRA began holding conferences using the major companies' proposal as the primary basis for discussion.[38]

While the NRA was quickly approving codes for most large American industries in 1933, negotiation over the copper code progressed slowly. In November, discussions revolved around a plan with an explicit minimum price and provisions dividing sales between new production and existing stocks. Participants could not agree about the size of the code authority or whether to include members of consumer industries such as copper fabricators or the electrical industry.[39]

[38]W. A. Janssen and K. M. Richards, *History, Code of Fair Competition for the Copper Industry*, National Recovery Administration, Mining Section, Basic Materials Division, October 1, 1935, Records of the NRA, Records of the Review Division, Code Histories for Industries Under Approved Codes, 1935-36, RG 9, Entry 267, Box No. 61, NARA, 1-2, 7.

[39]*Arizona Republic*, November 26, 1933, 2:6.

By early 1934, the various interests had consolidated into two groups. The United States Copper Association was formed on January 20, 1934 and represented most copper companies, including the secondary and custom copper smelter, and it was the primary representative of the interests of the big three. The Arizona Copper Producers Association represented a few small producers in the state. On February 10, 1934, the U.S. Copper Association submitted a new application for a code of fair competition. Public hearings were finally held in Washington on March 12 and 13, with Deputy NRA Administrator Harry O. King presiding.

Discussion revolved around the U.S. Copper Association's proposed code. This proposal included provisions affecting a code authority, regulation of wages and hours, and the means to reach an intraindustry agreement on production. The U.S.C.A proposed a seven member authority with three members appointed by the three primary producers having a capacity greater than 150,000 tons per year, two members elected by all other primary producers, and two elected by custom smelters, refiners, and other producers of secondary copper. Any action by the authority would require agreement of five members, not a simple majority of four. A standard code provision allowed the NRA Administrator to appoint three nonvoting representatives, though not serving at the industry's expense. The major labor provision was to limit hours to 40 per week, averaged over a three-month period. This did not include "men engaged in transporting employees to and from working place or completing the handling of material in transit, hoist men, power-house men, or pump men" who would have a 56 hour maximum. The wage schedule was divided into three districts. In the Eastern Wage District, including states east of the Mississippi River, the minimum wage for underground labor was set at 35¢ per hour and above ground at 30¢. The Southwestern Wage District, which included Arizona, New Mexico, and Texas, had rates of 38¢ underground and 30¢ surface. Lastly, the Northwestern Wage District included all other states with rates of 41¢ underground and 35¢ surface. Other labor provisions banned employment of any person under sixteen years of age, allowed workers to join company unions, and ensured workers would be paid in cash or negotiable check. Employees other than maintenance or supervisory were not required to live in company housing, and no employee was required to trade at a company store. The code also stated the goal of withholding the current surplus stocks from the market and empowered the industry to work out agreements on production allotments and minimum prices. This last power was supposedly restricted by the provision that forbad monopolies, monopolistic practices, or discrimination against small enterprises.[40]

Politicians representing copper states spoke first on the proposal. Arizona's Hayden and Greenway said only that they wanted a "fair" code. Both criticized the industry for delay in joining the NRA. Hayden commented that it was difficult for him to push for extended tariff protection for the industry when it dragged its feet in approving a code. Ashurst was more critical of the proposed code, specifically lashing out at the wage scale for not embracing "an American standard of living." He also opposed hours averaging and supported a six hour work day for underground miners. He was more emphatic freezing the current stock of surplus copper and banning foreign copper. He also supported the Arizona Copper Producers proposed system of production allocation.[41] Isabella Greenway gave only lukewarm support for the code and then only as a temporary measure. "I can't see anything can be gained," she said, "by a code that takes no responsibility, runs no risk and evidences no good faith in a desire to do the right thing." Most of the politicians made only general statements saying they hoped a code would increase employment. Most admitted not reading the draft.[42]

A. E. Petermann of the Calumet and Hecla Consolidated Copper Company, representing the U.S.C.A., most definitely knew the code proposals and presented a strong case for the major producers' point of view. His statement began by explaining why the code could not fully

[40]*Hearing*, Vol. 1, 9-31. These pages reproduce the full text of the U.S.C.A. code proposal.

[41]Before another forum, Ashurst was more vehement in his opposition to the proposed code. Three days before the hearing he stated "It is a profound pity that such an injustice is about to be perpetrated. Any competent, courageous man familiar with copper could write a code that would save the copper mining industry in the United States and would set to work within the next 90 days at least 150,000 copper miners and smelter-men. . . . I am beginning to believe that many, if not most, of our woes and ills in this life are nothing more than human folly directed against human beings; this copper code is human folly against American citizens. Some well informed persons have denounced this code as illy prepared, doubtful in meaning and poorly constructed; in other words, experts assert that it has been made by some official who is half baked. . . . It is more nearly a code for the benefit of foreign copper than for American copper, and so far from any protection to, or consideration for American labor, or for the American copper industry, it inflicts upon them a cureless wound. As a code of fair competition for copper, it is only an ironic jest" (*Arizona Republic*, March 10, 1934, 1:1, 1:6). Not for nothing was Ashurst known as the "silver-tongue orator."

[42]Ibid., 32-39, 45. Ashurst, who had read the draft distributed a few days previous, criticized the proceedings because the U.S.C.A had revised the version to be discussed at the hearing. King responded to Ashurst's objections by saying the new draft tried to "cover some of the features of people from your state and other people have complained about" (pp. 3-4).

accomplish the goals of the NRA. The major firms believed the goals of increasing employment and improving the standards of labor conflicted with the goals of rehabilitating industry and conserving natural resources. It had to be recognized that from 1929 to 1933 employment in the industry had declined from 57,589 to only 16,249 and that given the new potential of world productive capacity, U.S. employment would never recover to the pre-depression level. Petermann presented a detailed description of the industry to argue that the U.S.C.A proposal created a middle path between selling only from stocks or only from new production. Responding to Greenway's charge, he defended the good faith of the industry in making its proposal, but tried to explain that the industry was so complex as to defy a simple solution. With scrap copper supplying over twenty percent of the market, the position of the primary producers was increasingly problematic. The differences between small producers and large, integrated firms made it difficult to find common ground. The custom smelters, who were included in the proposal, existed in a particularly volatile market. By 1934, Petermann said, there was very little slack still in the industry. Squeezed by low prices, less efficient mines had already closed, and labor costs reduced as much as possible. Since the copper tariff went into effect, there had been virtually no copper imports, except for of reexporting.[43]

What the industry needed, said Petermann, was greater consumer demand, something the NRA code could not provide. With demand flat, what was needed next was a "proper control of production, flexible enough to keep in step with consumption, to allow for the absorption of surplus stocks and at the same time to carry on operations and employment to the best advantage." He stated his belief that code regulation of secondary copper "is beyond practical control" and trying to limit production of custom copper might cause real hardships to many small producers. While limiting sales from stocks of copper was desirable, it would be difficult to achieve because speculators, foreign producers, and consumers held much of it. The majors did not want mandatory restrictions of the free sale of copper, so the code proposed only voluntary agreements. The U.S.C.A. feared a rigid code the most. "The writing of a rigid, comprehensive code, capable of meeting in an equitable manner all of the various and diverse conditions now existing or which may arise in this industry, is a practical impossibility," he stated. To provide the flexibility that the majors thought crucial, the code allowed members to negotiate and agree among themselves, though always subject to the approval of the Administrator. He defended the proposal's labor provisions, and in response to advocates of the six-hour day, suggested that "any radical and untried changes in present

[43]Ibid., 50-59.

operating schedules might well lead to disastrous consequences." The proposed minimum wages would affect over eleven percent of the current work force and cost the industry an additional $120,000 monthly over the next six months, which would probably lead to additional losses. The hours averaging provision was necessary because it was impossible to operate a mine or smelter efficiently part-time. It was preferable to operate full-time for a period and then close entirely, in which case workers had to have enough income built up to carry them through to the next period of operation. If workers were limited strictly to 40 hours per week, they could not support themselves during the times of off productions. Spreading the work too thin would only draw in too many workers unable to support themselves in the long-term.[44]

Hoval A. Smith of Miami, Arizona was the primary spokesman for the Arizona Domestic Copper Producers and presented a very different view of the industry and its needs.[45] The problem of the industry, according to Smith, was the surplus stocks caused by imports. This he blamed on the major producers, who were abandoning American workers in order to exploit virtual slave labor in Latin America and Africa. His figures indicated that domestic production could now fill approximately 90 percent of current demand, as long as surplus stocks were frozen from the market. It was then the responsibility of the federal government to absorb the surplus since it was their discriminatory tariff policy that had allowed it to accumulate in the first place. The main feature of the Arizona producers' proposal was to allocate production by state rather than by firm, as in the U.S.C.A plan. An allocation based on historic production would protect workers in such states as Arizona and Montana. Assigning quotas by company would allow them to shift production as they saw fit, which might lead to the abandonment of many older mining communities.[46]

Smith also criticized the wage scale proposal. He stated that for the period 1921 to 1932 miners received a minimum of $4.50 and muckers $4.00 per eight hour shift. No underground worker received less than 50¢ per hour. Common laborers, who were mostly Hispanic, Japanese, Chinese, and Tohono O'odham Indians received from $2.42 to $3.10 per eight hour shift. All of these were above the minimum wages set in the Southwest Wage District in the U.S.C.A code. Furthermore, these wages did not consider the dangers of mining and the debilitating effects of

[44]*Hearing*, Vol. 1, 71-73, 77-79, 86.

[45]Exactly which companies Smith represented is not clear. According to an *Arizona Republic* article, he represented three companies, not named (*Arizona Republic*, March 14, 1934, 1:1).

[46]*Hearing*, Vol. 1, 102-144.

years of underground work. Smith closed his statements with the accusation that the major companies were interlocked with J. P. Morgan & Co. in an international copper production scheme that opposed tariffs and worked against the interests of American workers.[47]

In response, Louis S. Cates, president of Phelps Dodge, defended the lower wage scale in Arizona since Hispanics, who were the largest source of unskilled labor, were less efficient than American workers. Even then they would benefit by the wages proposed, Cates claimed. As for underground workers, Cates noted that Phelps Dodge had always paid more than the minimum wage and would continue to do so. The representative of the Kennecott Copper Company agreed that the lower minimum wage in the Southwest was because of Hispanic labor. He commented that in mid-1933, the minimum wage paid to Hispanic laborers was 25¢, but that the wages proposed in the code had been pretty much in effect since then. He also warned that without the hours averaging provision, Kennecott would have to close some units. The Magma Copper Company, which operated the mine at Superior, said it opposed the proposed three months hours averaging, and it wanted averaging over an entire year, since it was currently working on a six months on-six months off schedule.[48]

Numerous other groups not present at the hearing, including many labor organizations, submitted comments on the U.S.C.A. proposal which King placed into the record. Nearly all opposed the proposal or specific aspects of it. Many pointed out what they viewed as serious deficiencies and insightfully commented on how the code would benefit the big firms. For example, allocating three members to "producers of over 150,000 tons annually" was simply a cover for granting three representatives to Anaconda, Kennecott, and Phelps Dodge. In addition, because these firms controlled the majority of smelters and refineries, they could control the two members representing these interests. This gave them the votes needed to control the authority. Another union critic commented that allowing that "maintenance or supervisory men" be required to live in company housing could be stretched to include half the work force. Others supported the 30 hour week, and wanted explicit recognition of independent unions based on majority rule rather than proportional representation. The unions made many suggestions for improving the code authority, usually by expanding its membership to include labor and government representatives. Several critics said that the code should eliminate the contract system of production that supposedly gave miners an incentive to produce more, but actually

[47]Ibid., 156, 167, 190, 192.

[48]Ibid., 222, 224, 226, 234.

drove men beyond endurance for a pittance. Supporters of the six hour day noted that the industry used the same arguments about safety and efficiency when they successfully fought for a reduction from ten hours to eight. They claimed that given the poor working condition underground, reducing time to six hours would promote worker safety and health without reducing efficiency and, in fact, was already being done in some places.[49]

Following these statements, King presented the NRA's criticism of the U.S.C.A code, declaring it merely an open-ended authority for the industry to work out agreements amongst themselves at a later date. King said that what the NRA required was an actually plan of action now. The proposed code only contained the minimum wages and hours proposals required by the NIRA. This was inadequate if they were to rehabilitate the industry and expand employment. The industry had previously proposed a code that included production controls and minimum prices, but some members balked because they wanted the freedom to cut their prices to move their product. The current code was permissive and, given the state of disagreement in the industry, probably would lead to no agreements, which, in any case, would be binding only on those who agreed to it. The industry representatives responded to King's criticism by saying they opposed any "rigid" system that could not take into account changing conditions in the future.[50] The NRA did not accept the U.S.C.A code, though not for the reasons it was opposed by the Arizona producers or union labor.

After the meeting adjourned, the NRA issued its own code as the basis of discussion at a reconvened hearing on March 20. The NRA version, called the "King code" by the industry representatives, included many significant changes from the industry's proposal. First, the code authority was increased to eleven members and included representatives of copper consuming interests. The NRA code also included a provision to prevent double representation by the big three under their subsidiaries by treating them as a single entity. In an explicit defeat of the Arizona producers, the NRA code mandated that the code authority establish sales quotas based on companies rather than states. It also mandated that companies file their prices with the code authority and give notice when the prices were changed. In addition, if the price of copper dropped, the code authority could recommend to the Administrator to establish explicit minimum prices. These sales quotas and open price fixing effectively cartelized the industry. Copper sold within the sales quotas would be labeled "Blue Eagle copper" and would be the only kind

[49]Ibid., 255, 258-59, 359, 362-63.

[50]Ibid., 482-84.

allowable under government contracts because of a presidential Executive Order issued March 15. Copper from stocks and other non-Blue Eagle copper was to be sold only for export.[51]

At the reconvened hearing, D. M. Kelly, the general counsel for the Anaconda Copper Company, protested the NRA code. He declared that the code gave Anaconda's competitors control over its business and that it discriminated against Anaconda and its subsidiaries. By treating them as a single entity, these subsidiaries would become subject to new regulations that did not apply to their competitors. Kelly explained that the subsidiaries could absorb the entire Anaconda output and that under the sales limitations proposed, it could be forced to take the output of other producers at a higher price. Furthermore, the code was coercive because only firms that agreed to the code could get a sales allocation. The Calumet and Hecla Consolidated Copper Company joined with Anaconda in criticizing the NRA code.[52]

John L. Lewis, head of the United Mine Workers union commented on the code for the NRA's Labor Advisory Board. He pointed out the inadequacy of the proposed minimum wages, comparing it to the coal industry which was currently paying a $5 day. He said the hours averaging provision would reduce the American copper industry to "an adjunct to the South American copper industry." The NRA's Consumer Advisory Board suggested adding two more members selected by the smaller producers to the code authority. It also supported allocations by state. Ashurst again called for freezing surplus stocks and criticized those who invested in foreign production. Greenway said that Anaconda, as the industry leader, should take the lead in cooperating with the government. Hoval Smith again warned against foreign production and called for further restrictions along with a complete freezing of the surplus stock. Smith also wanted representatives of copper districts represented on the code authority. King defended the NRA code by pointing out its provisions to allow any action by the code authority to be appealed to the Administrator. In response to the Arizona producers and politicians, King pointed out that while the NIRA gave the President the power to place an embargo on foreign copper, this was not something that could be written into the code. The hearing ended with agreement seemingly no nearer.[53]

[51]*National Industrial Recovery Administration Hearing on Code of Fair Practices and Competition Presented by the Copper Industry*, Vol 3, March 20, 1934., 769-71, 778, 782.

[52]Ibid., 801-05, 933.

[53]Ibid., 756-58, 762, 806-07, 827, 832, 861-62, 887, 906-15.

Following the hearings, King held numerous conferences with the code committee of the U.S.C.A., the NRA advisory boards, and others. King finally decided that it was impossible to reconcile the industry with the policies of the NRA and so on April 21, it approved the NRA version despite continued protests by the industry. Although they gave formal assent, it is clear that NRA copper code was practically imposed on the industry.[54] This was a near unique experience for the NRA, which usually went to great lengths to work out cooperative agreements. In the final version, the administration gained industry assent for its marketing plan and the makeup of the code authority. The industry retained its preferred hours and wages provision.[55] Perhaps the industry's assent to the NRA code was a recognition that it could probably do little harm since the NIRA would terminate in just over a year. Probably no firm wanted the code to go into effect without their voice being heard by the code authority. Whatever the reasoning, the major firms joined with the NRA to make the best of the situation. The code was approved by the President and became effective April 26.[56]

The copper code allocated sales quotas to producers figured on a sliding scale of percentages related to their potential production, with smaller companies receiving a large percentage (see Table 5.1). To keep their assigned sales quota, producers had to turn out substantially the

[54]Johnson reported to the President that the "industry has indicated a willingness to co-operate in making this effective." (*Arizona Republic*, April 22, 1934, 1:1.) At one point, the stockholders of the American Brass Company and Anaconda Copper Company considered enjoining their officers from assenting to the approved code over the issue of limitations on the reduction of stocks (Janssen and Richards, 26).

[55]The NRA Labor Advisory Board refused to approve the code unless the hours averaging provision, which the industry insisted upon, was deleted. King approved the code with the averaging provision but recommended that an impartial investigator be appointed to see how it worked out and to suggest possible alterations in the future (Janssen and Richards, 17).

[56]Browder and Smith, 103. At least one Arizona independent refused to sign the code, at least at first—James S. Douglas, owner of the United Verde Extension mine. The budget director had made sure that his father was consulted about the pending code, but "Rawhide" Jimmy Douglas preferred to remain independent. "The Code cannot be signed honorably by anyone and the U.V.X. won't sign it," he wrote to Lewis. He denounced the NRA symbol as a "G-d- outrage" because it reminded him of the Prussian eagle. Although Lewis Douglas had participated in framing the NIRA, he soon believed it was a mistake. "Johnson has gone crazy!" he wrote to his father in August 1933. Instead of just regulating hours and wages, the NRA had turned to production controls, price fixing, suspension of the antitrust laws, and gave too much power to unions. He believed the NRA was "being administered to crush out of existence" the small industrialist who was "the very backbone" of the republic. Despite his misgivings, he remained with the Administration as long as he thought Roosevelt was committed to economy.

Table 5.1. Sales Allocations of Copper Producers Under NRA Code.

Company	Potential Annual Tonnage	Monthly % sales quota
Kennecott	366,500	1.67
Anaconda	225,000	1.67
Phelps Dodge	168,000	1.67
United Verde	68,000	1.90
Calumet and Hecla Consolidated	50,000	2.20
Miami Copper Company	36,000	2.50
Magma Copper Company	25,000	2.50
United Verde Extension	24,000	2.50
Consolidated Copper Mines	21,000	2.70
Copper Range Company	17,300	3.00

Source: *Arizona Republic*, April 22, 1934, 1:1, 1:4.

quota total every three months, so as not to draw down their stocks. There was no restriction on copper for exports, but only newly mined copper could be classified as Blue Eagle.

With presidential approval of the copper code, administration within the NRA was transferred to Deputy Administrator W. A. Janssen. Janssen, a chemical and metallurgical engineer who had worked in the metals industry from 1907 to 1933, was Deputy Administrator in charge of the Mining and Quarrying Section of the NRA. While the standard procedure was for the Deputy Administrator to assign the full responsibility for a code to an Assistant Deputy Administrator, Janssen retained control over the copper code and only gave specific problems to his assistants.[57] The eleven members of the code authority were selected by May 3 and officially approved by the NRA on July 23. E. T. Stannard, president of Kennecott was named chairman of the code authority. George A. Ellis of the United Verde Copper Company was the only Arizonan on the authority at that time.

Despite their early misgivings, the industry did support the code for the approximately one year that it was in effect. The NRA administrators believed that it brought together the many and varied interests and helped them to solve their longstanding problems. The NRA received only a few formal complaints from industry members. A number of small mine owners informally protested that they were only allowed to market 50 percent of their output as Blue Eagle copper. In some of these

[57]Janssen and Richards, 1.

cases the protesting mine owners were not even in operation and, in any case, the NRA responded, the largest firms were limited to only 20 percent of their capacity. Members of the nonferrous scrap metal traded complained that the code discriminated and injured their business, particularly about the pricing of nonferrous scrap intake by the secondary producers. The copper code authority and the code authority of the nonferrous scrap metal trade formed a committee to investigate, but no decision had been reached before the Supreme Court ended the NRA. Although at one point the Magma Copper Company and the UVX Mining Company admitted not being in compliance with the code, they would make no protest and work along with the code authority to make the code a success.[58]

In May and June of 1934, following implementation of the code, the price of copper stabilized at 8 1/2¢ per pound, later rising to 9¢. Although sales increased at first, they declined again in the fall. Some industry members wanted to withdraw from the code, but Janssen reassured them that it was a temporary condition due to earlier speculative buying. To stabilize the situation, the code authority approved a series of sales quota waivers, which were continued until the end of the code in May 1935. The NRA also faced a dilemma in how to deal with secondary copper production. Its production threatened the position of the primary producers, but to treat it as part of the excess stock of copper would drive the secondary producers from the code. To keep these producers within the code and still maintain some control over their production, the code authority approved limited sales preferences during the periods of curtailed sales and waivers on the part of the primary producers.[59]

Another potential problem was that the sales plan had no legal way to prevent the production and sale of non-Blue Eagle copper. On April 30, 1934, George A. Ellis, a member of the code authority, warned that unless such sales were restricted, the entire plan might be wrecked. While an Executive Order forbad purchase of non-Blue Eagle copper by the federal government, sales in the private market were not controlled. The NRA ruled that if a company sold any non-Blue Eagle copper in the domestic market, then all of its output would be considered non-Blue Eagle. This ruling was extended to sales by any subsidiary as well, so that a company was either in full compliance with the sales plan or totally excluded. The potential danger to the plan was averted by the uniform understanding between all the producers not to produce or sell any non-Blue Eagle copper. The fabricators aided by agreeing to make

[58]Ibid., 21.

[59]Ibid., 40-41.

orderly purchases of Blue Eagle copper rather than just draw on their stocks.[60]

The sales quota plan, which had caused much of the disagreement between the industry and the NRA proved rather benign. Few in the industry objected to the plan by the end of 1934 and there were fewer references to it being an imposition. Late in the summer, Janssen called a special meeting of members of the industry, to be held in New York on September 25, to consider objections and suggestions on the sales plan. When insufficient members arrived, the meeting was postponed and combined with the regular code authority meeting on the 27th.

On February 18, 1935, the Phelps Dodge Corporation bought the entire assets of the United Verde Copper Company, which forced the resignation of George A. Ellis of the United Verde from the code authority. The following month Phelps Dodge petitioned Janssen for the combined sales allocations of the two companies. Janssen denied the request because the United Verde's sales quota was based on a higher percentage of its productive capacity. Phelps Dodge then amended the petition, asking to expand its combined sales quota based on the lower percentage. Janssen approved this petition on April 26. Following Ellis' resignation, E. H. Westlake of the Miami Copper Company took his place on the code authority.[61]

During the life of the code the NRA approved only five exemptions from its labor provisions, of which three were Arizona cases. On July 26, 1934, the United Verde Extension Mining Company was permitted to work the mining and other six-day employees up to 48 hours a week, and smelter and mill employees up to 56 hours per week. This exemption was granted in order to expedite the end of operations of the properties which were practically worked out. The exemption was easily granted because the entire output of this particular mine was exported. An order of February 25, 1935, allowed the Phelps Dodge Corporation's New Cornelia Mine in Ajo to work employees 48 hours per week during the months of March, April, May, and June so the mine could be closed during the extreme heat of July and August. The Magma Copper Company received similar permission to average its hours over six months so the mine could be shut down during July.[62]

The code authority received six official labor complaints and one complaint of violation of fair trade provisions. Of the six labor complaints, one concerned hours, one concerned wages, and four were over

[60]Ibid., 43.

[61]Ibid., 23-24, 59.

[62]Ibid., 45, 70, 102.

collective bargaining. The four collective bargaining complaints were turned over to Spear's office for investigation and resulted in findings of no violation of the code or the Act. A number of protests, though not formal complaints, were filed with the NRA from Arizona. On April 24, 1934, just before the code actually took effect, the Bisbee Miner's Union No. 30 sent a telegram to Roosevelt stating "The labor provisions of the Copper Code are a betrayal of the Copper miners of the nation." A petition from nurses at Ajo in January 1935 complained that they were being forced to work excessive hours. Unsure how nurses should be classified, the code authority asked all members of the industry for information. Phelps Dodge explained that at Ajo the nurses worked twelve hours a day, seven days a week, receiving not only wages but also board and lodging. The code authority decided that, based on a precedent under the PRA, the nurses were technicians and therefore not subject to the maximum hours of the code. In a memo from April 5, 1935, the code authority did recommend that any future code for the industry specifically address the issue of nurses.[63]

The code did not directly address issues of mine safety or worker health, omissions that garnered the criticism at the March hearings. The code provided that before October 21, 1934, standards would be submitted for safety and health. In October, just after that date, H. O. King suggested that the preparation of the standards be coordinated with the standards for the lead and zinc industries. Final action was delayed for some time because of continuing delays in the approval of a code for the lead and zinc industry. Not until April 8, 1935 did the code authority submit its health and safety standards to Janssen, and they were not actually standards, as requested by the Labor Advisory Board, but merely a statement of objectives and ideals. Despite internal NRA criticisms, the Legal Division ruled that the statement minimally fulfilled the legal requirements of the code provision.[64]

The copper code was in effect for thirteen months before the Supreme Court ruled against the NRA on May 27, 1935. Through most of that time, the price of copper was stable at 9¢ per pound. This price was estimated to be the absolute minimum to meet the costs of production for the average cost firm. The NRA era was the first sustained period of recovery from the worst days of the depression. Though readjustments continued to occur in the industry, further mine

[63]Ibid., 47-48, 54-55. A group calling itself the Greenlee County, Arizona, Tax Payers Association protested the closing of the Phelps Dodge mines in that county and the non-payment of taxes by the company. In a letter dated October 9, 1934, a woman from Superior complained that "Syrians" controlled that copper camp and outlined evidence of garnishments and other offensive labor practices there.

[64]Ibid., 114.

closings became isolated events rather than a general pattern. Janssen reported that the NRA received many reports orally from members of the industry expressing their satisfaction with the code. In the spring of 1935 when Congress was considering an extension of the NIRA, some members of the industry prepared a draft of legislation applicable to the copper industry and a voluntary agreement. These members lost interest, however, due to the Borah amendment to the bill extending the NRA. Another situation that was rising before the code authority was opposition from Anaconda and Kennecott to the expansion of Phelps Dodge's sales quota following that company's purchase of the United Verde. The two companies filed formal protests but the issue was rendered moot by the demise of the NRA.[65]

Price stability, the result of the open pricing system, provided the most important benefit of the code to the companies. The goal of re-employment saw only a very modest gain. Industry employment rose from a low of 16,394 in March 1934 to about 19,000 prior to the ending of the NRA, with several hundred jobs in Arizona, particularly in Miami and Jerome. During that time, the Labor Advisory Board continued to press the industry for a strict 40 hour work week and an eight hour day. The industry, with only a few exceptions, held to their view that averaging over three months was absolutely necessary, and Janssen concurred. The NRA reported that wages generally had been increased because of the code, with average minimum wages above the criteria of the code. It particularly noted that wages in the Southwest had increased compared to the pre-code period. Three mines reopened in Arizona after March 12, 1934—the Miami Copper Company's mine in Miami, the Shattuck Denn Mining Corporation's operations in Bisbee, and the Jerome works of the United Verde Copper Company. Under the NRA, the industry for the first time was able to take cooperative action. Much of the credit for this successful cooperation has to go to Janssen who held the code agreement together in the fall of 1934 and to other NRA staff who handled the many intricate problems that arose under the code.[66]

CONCLUSION

The National Recovery Administration was one of the most unusual experiments of the New Deal. The Great Depression had sullied the reputation of competitive capitalism, and many critics of the industrial economy—including prominent businessmen—promoted the idea of a cooperative political economy in which the government facilitated agreements to guarantee fair competition. Also tied to the NRA was a

[65]Ibid., 73-74, 81.

[66]Ibid., 73, 124, 128, 130.

spread-the-work program to limit the number of work hours, and a guarantee of the right of workers to bargain collectively. The NRA's goals were broad, and in some instances, contradictory. The task of writing codes of fair competition for hundreds of different industries proved a great challenge to the NRA bureaucracy. Given the speed with which the NRA was implemented, and the great shift in thinking it asked of American businessmen, it is not surprising that many of the codes operated in unanticipated ways. While some later commentators criticized the NRA as a failure, this study confirms that it was not without affect or accomplishment in Arizona.

The NRA began in spectacular fashion with the Blue Eagle campaign which tried to enlist all businesses in an effort to spread the available work. Throughout Arizona, businessmen lined up to sign onto the President's Reemployment Agreement and display the Blue Eagle. In most communities, businessmen volunteered their time to serve on local NRA commissions or boards for their own industry. Despite cases of businessmen failing to live up to the standards of the PRA, most appeared willing to give the program a chance. The failure of the NRA to revive commerce was not because small businessmen did not participate, it was because there was no revival in the major industries—copper, lumber, railroading—that were the main support of many communities. Many of the complaints that arose over the PRA were due to misunderstandings about what the NRA was all about.

Negotiations leading to the copper code reveal the complex issues faced by the NRA. The industry was composed of firms varying from single mines to vertically integrated, multinational companies. In addition to the drop in demand due to the depression, the American industry faced increasing challenges from overseas production. Many Arizona mines, their best ores exhausted, closed and never reopened. There was a great shift in population from the copper mining towns which, up to 1929, had been some of the most populous in the state. Some would never see a revival. Most larger companies initially opposed a code of any substance. Arizona's small mining firms lined up behind a plan to allocate production by state, which would have protected the state's relative position. The NRA rejected both of these positions and imposed a code that included sales quotas and open pricing. These provisions effectively cartelized the industry, but did stabilize the price. The copper code reflected the NRA's understanding that the industry would never revive to what it had been. The most that could be accomplished was to create an orderly marketing structure that would stabilize production and expand employment a little. Such moderate accomplishments appear more significant in the context of closing mines and fading copper towns during the bleakest days of the Great Depression.

6 THE PUBLIC WORKS ADMINISTRATION

The Public Works Administration was the direct successor of the public works loan program of the Reconstruction Finance Corporation. Created as the partner of the National Recovery Administration, the PWA was intended to provide employment and to restart industrial production. Hugh Johnson, Administrator of the NRA, hoped to use the public works program as in incentive to businesses to comply with the industrial codes. Whatever internal consistency the National Industrial Recovery Act had was disturbed by the President's decision to place the PWA under separate administration from the NRA. By choosing Secretary of the Interior Harold Ickes, rather than Johnson, to guide the public works program, Roosevelt ensured the program had an entirely different set of priorities than if it had been more closely aligned with the NRA. Ickes was a long-time advocate of federal public works and he explicitly set as one of his primary goals the implementation of a model program, free of waste and inefficiency. In his hope to implement a permanent federal public works program, he made the crucial decision not to rush through projects of questionable merit. Ultimately, the PWA produced a large number of worthy public projects with a minimum of waste or embarrassing scandal. The PWA did not, however, move quickly enough to reemploy the millions of workers wanting work, nor were its purchases of materials and equipment from the private market sufficient to reignite the nation's industrial engine.

Ickes refused to accept that the PWA was not making a significant contribution the economic recovery; and he denied as simplistic the assertion of critics that his own overly cautious methods hindered the program's implementation. He cited a number of factors beyond his control working against success. First, the PWA's budget was inadequate to replace the gap created by the decline in private and state investment. Second, the PWA did not have anything close to the full amount appropriated by the National Industrial Recovery Act because the Act specified a number of expenditure outside of Ickes' control. Although unprecedented in terms of federal spending, Ickes was painfully aware of how limited were the PWA's resources. Furthermore, the cause of many delays could be found at the state and local levels. Both Ickes and his critics made valid points. For a variety of reasons, the PWA could not prime the economic pump and restore national prosperity.

This chapter examines the PWA's activities in Arizona. If the success of the program is defined by the public value of its projects, the PWA left a permanent legacy of improved roads, parks, public buildings, and infrastructure that contributed significantly to the future growth of many communities around the state. Its failure is seen in its administration of projects which took years to accomplish. The limited funds available to

Arizona from the PWA were spread so widely across the state and over so many years that it was relatively insignificant as an economic stimulus. This last point is qualified by the analysis of the program into its federal and state components. It is apparent that state and local projects suffered the most delays, justifying to a large extent, Ickes' claim that the PWA could not push projects faster than local conditions allowed. Finally, the chapter examines the evolution of the PWA's program after 1935. As Roosevelt's preferences shifted to the methods of Harry Hopkins, he gave first priority in funding to the new Works Progress Administration. Furthermore, he enforced changes in the PWA program so that it increasingly sponsored smaller projects. In its last years, the PWA was a relatively small program; its projects varied little from those sponsored by the WPA. This change improved its ability to implement projects quickly.

THE ENACTMENT OF THE PUBLIC WORKS PROGRAM

In the last years of the prosperous 1920s, new construction contributed approximately $12 billion per year to the economy, with about $9 billion from the private sector and the rest divided between local, state, and federal projects. Few segments of the economy were harder hit than construction. By 1933, new construction amounted to only about $3 billion, half of which was public. With state and local governments squeezed between declining revenues and increasing relief burdens, public construction also fell dramatically. Only the federal government had the credit and taxing power necessary to increase its new works. But while federal public works spending increased towards the end of the Hoover Administration through the Emergency Relief and Construction Act, it did not make up for the decline in state and local spending, let alone for the collapse of the private sector. Pressure for greater federal works spending only increased through mid-1933 so that Roosevelt would have found it difficult not to include a massive public works program as part of the growing New Deal. Supporters threw out varying amounts for such a program—$2 billion, $4 billion, $5 billion, and more. The President and Congress accepted the $3.3 billion figure settled upon by Senator Robert Wagner's group working on the National Industrial Recovery bill. No one took seriously any proposals for the federal government to make up fully for the collapse of the private construction industry. Such a program would have come with a price tag of $10 billion or more. The President and Congress accepted as a matter of faith and hope that $3.3 billion could "prime the pump" and restart the flow of private construction dollars.[1]

[1]Harold L. Ickes, *Back to Work; The Story of PWA*, (New York: The MacMillan Company, 1935), 3, 8-9, 14. With little detailed secondary literature on the PWA,

The President signed the NIRA on June 16, 1933. At a cabinet meeting that same day, Secretary of Labor Frances Perkins suggested Secretary of the Interior Harold Ickes to head up the public works program. Secretary Ickes expressed his willingness to accept the burden, saying, "I think I have at least the negative and austere qualities which the handling of so much public money requires." With this statement, Ickes provided an unsubtle clue as to how he would administer the public works program. Ickes' "negative and austere qualities" were genuine. The cabinet distrusted Hugh Johnson's abilities, thinking him a profligate who would throw out the money as quickly as possible, probably with great waste and embarrassment to the Administration. But while evading Johnson's uneven temperament, Roosevelt handed the PWA over to one whose character was the opposite, yet whose style and personality left their mark on the program just as surely as Johnson left his on the NRA.[2]

Title II of the NIRA created a complex program of public works. The act authorized the President to establish a Federal Emergency Administration of Public Works—the official title of the agency—that quickly became known as the Public Works Administration. The PWA's mission was to carry out a comprehensive program of public works including construction, repair and improvement of public highways, buildings, and other publicly owned facilities; conservation and development of natural resources, including control utilization, and purification of waters, prevention of soil or coastal erosion, development of water power, transmission of electricity, and construction of river and harbor improvements, and flood control; construction or control of low-cost housing and slum clearance projects; and, construction of naval vessels and military aircraft. The PWA could accomplish these works either itself, through grants to federal agencies, or grants and loans to state and local governments.

Although the NIRA appropriated $3.3 billion for public works, far less than that amount was available for Ickes. The act directed funds to a variety of specific programs. The largest was $400 million for public highways under the direction of the Department of Agriculture.[3] Other

reliance on Ickes' book becomes a necessity for understanding the PWA's first two years. However, Ickes later admitted that the book was not always "absolutely meticulous" and contained some inaccuracies. The book was meant to popularize the PWA and reflected his own opinions [*Arizona Republic*, May 20, 1936, 1:1].

[2]Schlesinger, Jr., *The Coming of the New Deal*, 104.

[3]The *Arizona Republic* gave part of the credit for this allocation to Thomas S. O'Connell, state engineer. As a member of the National Association of Highway Officials, he took an active part in formulating this proposal and urging it to member

allocations included $50 million for highways, roads, and trails through national forests, national parks, and Indian reservations, $25 million to aid "the redistribution of the overbalance of population in industrial centers" by providing loans and other aid in the purchase of subsistence homesteads, $100 million to help carry out the Agricultural Adjustment Act and for the Farm Credit Administration, and $238 million to the Navy for the construction of ships. These allocations plus others specified by the NIRA immediately reduced the amount the PWA had discretion over to below $2.5 billion. A later appropriation of $400 million in 1934 and receipt of over $87 million from the sale of bonds to the RFC did not increase the PWA fund because of presidential reallocations of funds to other agencies such as the CWA (see Table 6.1).

The NIRA established certain policies for the PWA, including a prohibition on convict labor, a limitation of 30 hours per week of employment, a "just and reasonable wage" suitable for "a standard of living in decency and comfort," a veterans' preference, and a directive to use human labor over machines "wherever practicable."[4] It fell to Ickes and the PWA's administrative Special Board of Public Works to develop the more detailed policies that would define the kind of agency the PWA would be. After passing on Douglas' suggestion that they not spend any money at all, the Special Board took up such issues as the interest rate on loans, what constituted "reasonable security," should spending be widely distributed or concentrated, how much should be allocated to different kinds of projects, how much should go to federal agencies and to nonfederal entities, wage rates, and union labor questions.

Perhaps the most important policy decision defining the character of the PWA was how to spend money quickly while avoiding waste. An old Progressive reformer, Ickes had long supported federal public works, for their own value as well as to promote recovery. He believed that diligence against graft, corruption, and waste were "the most important" questions facing the PWA. "Ever since I became interested in public affairs," he wrote, "I have contested vigorously the generally accepted theory of the cynics that it is useless to expect the government service to be either particularly honest or efficient." What was more important was not that it pull the country out of the depression—

of Congress. In recognition of his services, the American Association of State Highway Officials elected him their vice president as well as president of the western division of the association [November 19, 1933, 8:5].

[4]Ickes, 235-55. Ickes' book includes the full text of the second and third titles to the NIRA. Title III removed the authorization under the Emergency Relief and Construction Act of 1932 of the RFC to approve loans for public works and transferred pending application to the PWA.

Table 6.1. Distribution of PWA Funds as of May, 1935.

Agency	Allocation
Civil Works Administration	$400,005,000
Emergency Conservation Fund (CCC)	323,362,315
Farm Credit Administration	100,000,000
Tennessee Valley Authority	50,000,000
Electric Farm & Home Authority	1,000,000
National Recovery Administration	21,215,000
National Emergency Council	1,360,000
Export-Import Bank of Washington	1,250,000
Federal Housing Administration	1,000,000
FERA (transferred by impoundment)	262,000,000
Federal Aid Highways, USDA	400,000
Federal PWA projects	1,123,057,023
Nonfederal PWA projects	940,040,938
Total	3,624,290,276
Unallotted as of May 1935	30,211,901

Source: Records of the PWA, Project Control Division, Statistical Materials Relating to PWA Projects, 1934-1942, Entry 61, Box No. 1 (Allotments). The PWA earlier calculated that as of April 1, 1935, the total expenses for administration of both PWA and NRA was $49,177,205 (Ickes, diagram opposite p. 211).

something he did not believe it could do—but rather that it set a precedent for honest and efficient operation, to promote federal public works to a respected and permanent place in the American political economy. The Board backed up Ickes in this regard. Wrote Ickes: "We set before ourselves at the outset the perhaps unattainable ideal of administering the greatest fund for construction in the history of the world without scandal that was preventable."[5]

Ickes immediately set out to establish an effective organization. In addition to its Washington staff that grew to over 2,300, public works boards were established in every state, taking primary responsibility for the development and application of nonfederal projects. At its high point, the personnel of the PWA, including all of its state affiliates numbered 3,735. The organization, however, was centralized in that all

[5]Ibid., 36-39.

projects had to be evaluated by Washington staff and approved by Ickes himself. In addition to the substantial engineering, legal, and clerical staff, the PWA included a Board of Labor Review. In an attempt to promote planning, the President established the temporary National Planning Board which kept track of projects and tried to fit them into a national plan. The National Planning Board had no veto power over projects and confined its activities largely to the production of long-range policies and reports. In June of 1934, Roosevelt replaced this board with the National Resources Board with the duty "to prepare and present to the President a program and a plan of procedure dealing with the physical, social, governmental and economic aspects of public policies for the development and use of land, water and other national resources."[6]

Ickes recognized the need for speed in administering the public works fund if it was to contribute in any way as a spur to the economy, but he was not going to let that need override the more important goal of honesty and efficiency. He wrote, "When I became Administrator a deluge of pleas for funds had already descended upon us, and had we acted without investigation on all the suggestions and requests we would have been able to allot every cent of our appropriation within a month." Exactly such action would have been necessary if the money appropriated by the NIRA was to be spent quickly enough to really prime the economic pump. In doing so, however, the PWA would have funded numerous public works fiascoes and probably brought shame and scandal upon the Administration. On July 13, final approval was given to 24 projects whose applications the PWA had inherited from the RFC. These involved municipal water and sewer projects and amounted to just less than a million dollars in total. Ickes noted that these projects, so quickly approved, later provided numerous headaches for the agency when unanticipated problems arose. Some applications were recognized as impractical or poorly planned, while others were seen as little more than schemes to take advantage of the government. Daily experience reinforced the view that caution was the greatest virtue.[7]

It did not take long before Ickes and the PWA received criticism for not spending its money fast enough. No one knew better than Ickes how hard working was the PWA personnel and he righteously refused to accept the blame for the delay. The need to avoid poorly planned projects justified the rigorous review generally given to project applications. Moreover, Ickes declared, the primary source of delay did not come from the PWA bureaucracy, but rather at the state and local levels. In the first place, the idea of a massive federal public works

[6]Ibid., 50-61, 76, 79-80.

[7]Ibid., 61-64.

program was such an innovation that there was simply a lack of good projects already planned and ready to go. The stringent requirements of the RFC public works program discouraged extensive planning on projects whose return might be other than purely financial. The federal agencies were in the best position to spend money quickly. Many had projects awaiting funding, particularly after the budget cuts imposed by the Economy Act. The Special Board debated whether to grant virtually all of the public works allotment to federal agencies in order to expedite spending. This was decided against because some on the Board doubted that federal projects would affect the centers of unemployment, or had as much social value as many projects proposed at the local level. But nonfederal projects also involved the more complex procedure of securing loans and field checking the viability of the project applications, making them slower to implement. The PWA split the funds over which it had discretion in favor of federal projects. Approximately $1.1 billion went to federal projects and just under a billion dollars to nonfederal projects from funds available up to May 1935.

The decision to encourage a substantial portion of nonfederal projects invited a host of delays. In the first place, the PWA had to wait for applications to come in and it then had to select the most viable of the applicants. Since a large number of applications were for loans, delays entailed when cities had to schedule bond elections and go through the elaborate legal processes involved in public works such as advertisements and competitive bidding. Municipalities might need state legislative authority to proceed with a project and since legislatures might meet only once in a year or even once every two years—as in Arizona—projects could be delayed long after the PWA had given its approval. It was, of course, easier for the project proponents, the public, and New Deal critics to decry the "red tape" of the PWA bureaucracy. The title of "Honest Harold" given to Ickes was not always meant to be complementary. Ickes defended his agency claiming "the technique set up by the PWA has produced speed as well as safety."[8]

Roosevelt equivocated on what he wanted out of the public works program. Certainly he wanted it to promote recovery, yet his concern for the growing deficit was one of the factors limiting its budget to $3.3 billion. He wanted speed but did not want scandals or boondoggles associated with his Administration. Roosevelt was not one of the leading boosters for public works and would have been glad had recovery come quickly and allowed him to declare the emergency over and return some unspent public works money to the treasury. The President told his cabinet in 1934 "There have been a good many complaints about the slowness of the Public Works program and Harold's caution. I never

[8]Ibid., 72-73.

expected it to be any faster than it has been and we can stand criticism of caution. There hasn't been even a minor scandal in Public Works, and that is some record." Presidential support was limited, however, and the PWA occasionally suffered for its caution. In November 1933, Harry Hopkins of the FERA convinced Roosevelt to reallocate $400 million for the Civil Works Administration. The speed with which Hopkins spent this money and more in the winter of 1933-34 laid the foundation for the struggle between Hopkins and Ickes in 1935 over whether the PWA or the newly created WPA should have the priority of funding, a struggle which Ickes largely lost.[9]

Ickes could creditably argue that the PWA spent its money as fast as it could, given the official position that it was not going to waste its money. Hopkins' CWA and WPA could spend money faster, but their projects were typically of less enduring value and both received criticism for boondoggling, something the PWA was largely sparred. Likewise, Ickes was correct in his evaluation that the NIRA's $3.3 billion was wholly inadequate to lift the economy out of the depression.

The PWA's achievements were slow in implementation, but in retrospect, were substantial. By the spring of 1935, the Special Board had allocated over $3.7 billion and completed many of its projects. PWA projects included new and improved highways and streets, public buildings, schools, hospitals, libraries, sewer and water systems, engineering structures, reclamation, water power, and flood control, and housing projects. Ickes estimated that between July 1, 1933 and January 1, 1935, the PWA provided about two million jobs across the country. Some of these jobs lasted an extended time, others only a few days. This figure was a calculation based on the "very conservative" estimate that the PWA provided three indirect jobs for every direct job. Through 1934 an average of half a million men were steadily at work at construction sites. The claim for indirect employment was of utmost importance to the PWA. Unlike the CWA and WPA, which were labor intensive and minimized expenditures on materials, the PWA spent a great deal on materials all of which provided employment across the country and often very far from the actual site of construction. Up to January 15, 1935, the Bureau of Labor Statistics calculated that orders placed for materials totaled $701,315,937 including $96 million for cement, more than $74 million for foundry and machine-shop products, $43 million for railway cars, more than $33 million for lumber and timber products, and nearly $34 million for electric machinery and supplies.[10]

9Schlesinger, Jr., 287, (this taken from Ickes' *The First Thousand Days*).

10Ickes, 82-84, 91, 94, 199-203, chart opposite p. 210.

THE PWA IN ARIZONA

The PWA operated through a decentralized system in which state review boards examined applications for nonfederal projects. The states forwarded those applications it approved on to the Washington staff, where the applications were again scrutinized. Arizona's organization for implementing the PWA program was the Arizona Public Works Board. Its initial members, appointed in August 1933, included W. W. Lane, Moses B. Hazeltine of Prescott, and Leslie C. Hardy of Tucson. In early December 1933, Hardy resigned and was replaced by W. B. Kelly, a state senator from Graham County. The Board worked closely with T. S. O'Connell, the state engineer. Serving as executive officer of the Board was Howard S. Reed, also an engineer. Together they worked to ensure that PWA projects were closely monitored to avoid waste. Linking the Washington PWA staff to the states were regional inspectors. These inspectors made regular inspection tours to advise state personnel and to oversee their operations. Frank Y. McLaughlin was the first regional inspector for Arizona. Also working with the Public Works Board was the Arizona office of the U.S. Employment Service and its director, Ray Gilbert. Except where local unions traditionally handled skilled labor employment, it was Gilbert's office that registered the unemployed and made them available for public works projects.[11]

At the behest of the National Planning Board, Governor Moeur in January 1934 appointed a planning commission to help in the design of public works projects. The seven members of the commission were Dr. Homer L. Shantz, president of the University; Dr. George C. Truman, state superintendent of public health; O'Connell; Reed; William G. Hartranft, chairman of the Phoenix City Planning and Zoning Commission; Stuart M. Bailey, secretary of the board of directors of state institutions; A. M. Crawford of Prescott; Thomas M. Peters of Tucson; and Henry C. Boise, a rancher from Patagonia. Most of these persons had a direct interest in promoting public works. Shantz eventually tapped the public works program to greatly enlarge the university's facilities, and Hartranft at the City of Phoenix became one of the largest sponsors of PWA projects. Truman's presence ensured that water and sewer projects were an important priority. This commission outlined tentative PWA and CWA projects and determined methods to

[11]*Arizona Republic*, December 8, 1933, 1:1, 1:8; December 27, 1933, 1:2. Little is known about the workings of the USES in Arizona. It was a relatively little publicized New Deal agency and no records were found by the author. It did, however, occasionally make the newspaper as the *Arizona Republic* published Gilbert's call to veterans to take advantage of the employment preference offered them by the NIRA (December 12, 1933, 2:6).

Table 6.2. Allotments for Non-Indian Federal Public Works Projects.

Dept.	Agency	Location	Project	Est. Cost
Agriculture	Forest Service	Statewide	Nat.ional Forest highways	980,996
Agriculture	Forest Service	Statewide	Roads and trails	383,000
Agriculture	B. of Plant Industry	Parker	Date curing house	1,300
Agriculture	B. of Plant Industry	Sacaton	Date curing house	1,300
Agriculture	B. of Plant Quarantine	Nogales	Fencing railway car fumigation house	2,000
Agriculture	B. of Plant Quarantine	Nogales	Repair railway car fumigation house	800
Agriculture	Bur. of Public Roads	Statewide	Federal Aid highways	5,291,330
Agriculture	Bur. of Public Roads	Statewide	Public Land highways	748,310
Agriculture	Weather Bureau	Yuma	Building improvements	150
Commerce	Aeronautics Branch	Winslow	Combine radio facilities to provide standby equipment at 57 places	5,000
Commerce	Aeronautics Branch	Kingman	Combine radio facilities to provide standby equipment at 57 places	5,000
Commerce	Aeronautics Branch	CA, NV & AZ	Realign and reinstall navigational equipment	9,800
Commerce	Aeronautics Branch	AZ & NM	Relocate Phoenix-El Paso airway beacons	8,000
Commerce	Coast & Geo. Survey	Statewide	Traingulations, levels, etc.	39,100
Commerce	Coast & Geo. Survey	Statewide	Magnetism and seismology	1,440
Interior	General Land Office	Statewide	Survey of public lands	115,400
Interior	Geological Survey	Statewide	Rehabilitation of river measurement stations	10,000
Interior	Geological Survey	AZ & NV	New river measurement stations	30,000
Interior	Geological Survey	Statewide	Plug abandoned oil and gas wells on public lands	1,000
Interior	Geological Survey	Statewide	Topographic and underground water surveys	115,500
Interior	Geological Survey	Statewide	Underground water survey	7,000
Interior	National Park Service	Grand Canyon	South Rim development	56,000
Interior	National Park Service	Casa Grande	Infrastructure work	12,000
Interior	National Park Service	Grand Canyon	Move Bright Angel Point Fire Lookout to new North Rim location; telephone extension; roadway	2,750
Interior	National Park Service	Casa Grande	Fire protection water system	3,000
Interior	National Park Service	Montezuma Castle	Equipment shed; sewage disposal system; steps to cliff	5,300
Interior	National Park Service	Petrified Forest	Five checking stations; water-sewer systems	15,000
Interior	National Park Service	Tumacacori	Fencing	2,000

Table 6.2 (Continued).

Dept.	Agency	Location	Project	Est. Cost
Interior	National Park Service	Grand Canyon	Road improvements	428,000
Interior	National Park Service	Grand Canyon	N. Rim hospital; Indian village cabins; water development at Desert View; S.Rim ranger dorm; quarters for attendant, Wayside Museum; cabins; S. Rim buildings, water system, fire alarm; water development, fencing for game; fencing for stock intermonument telephone line; drift fence	68,900
Interior	National Park Service	Grand Canyon	Roads and trails improvements	582,800
Interior	National Park Service	Petrified Forest	Roads and trails improvements	348,800
Interior	National Park Service	Montezuma Castle	Cliff trails	3,600
Interior	National Park Service	Grand Cayon	Construction of a new community building	10,000
Interior	Bureau of Reclamation	Boulder Canyon	Boulder Dam	28 million
Interior	Bureau of Reclamation	Yuma	Drainage	120,000
Interior	Bureau of Reclamation	Verde River	Verde River project	4 million
Interior	Bureau of Reclamation	Lower Gila	Study of the Parker-Gila project	100,000
Interior	Soil Erosion Service	Statewide	Soil erosion prevention	500,000
Labor	Bureau of Immigration	Naco	Immigration-customs inspection building	9,600
State	Interntl. Bound. Com.	International	Repair of international boundary monuments	1,500
State	Interntl. Bound. Com.	Nogales	Construction of flood waterway	433,000
Treasury	Supervising Architect	Nogales	Inspection Station	164,000
Treasury	Public Works Branch	Kingman	Post Office	44,000
Treasury	Public Works Branch	Wislow	Post Office	49,500
Treasury	Public Works Branch	Phoenix	New federal building; remodel old building	720,559
War	Natl. Guard Bureau	Flagstaff	Assorted	26,755
War	Quartermaster Corps	Ft. Huachuca	Buildings; structures; fencing; water and sewer	262, 748
War	Signal Corps	Ft. Huachuca	Installation of diamond antenna	850

Reports of the PWA, Projects of Public Works, Project Statistics, 1933-36, RG 135, Entry 67, Box No. 1, NARA.

utilize lands and housing facilities. The commission intended to lay out a ten year public works program, a most optimistic anticipation of the future of the PWA.[12]

FEDERAL AGENCY PWA PROJECTS

Far more dollars were spent on federal projects in Arizona than on nonfederal projects. This tilt is largely due to the $28 million that PWA poured into the Boulder Canyon project to speed construction of Hoover Dam. The benefits of this project were divided between Arizona, Nevada, and California, with the latter two states gaining the most. In comparing federal and nonfederal projects in Arizona, it is advantageous to omit the Boulder Canyon project from the list (see Table 6.2). Then, with one exception, the individual projects are much more similar in scale. That exception—the Verde River Project—is a special case described below.[13]

The greatest class of beneficiaries of PWA funds was Arizona's Indian population. As described in chapter 9, the various tribes had their own unique experience with the depression and New Deal. The Indian New Deal is a term applied for what is recognized as a tidal change in federal Indian policy. Under Commissioner of Indian Affair John Collier, the federal government instituted a policy to protect and preserve what remained of Native American cultures as a living and contributing part of the total American culture. Collier's Office of Indian Affairs took advantage of several New Deal programs, such as the PWA, the Civilian Conservation Corps, and the Soil Conservation Service, to bring immediate employment and permanent improvement to the reservation economies. Harold Ickes sympathized with Collier's objectives and gave him strong support. As Public Works Administrator, Ickes provided the resources, almost $7 million in PWA funds, to revitalize reservation life. With this money, Collier did such things as build a capital for the Navajos at Window Rock, build or improve schools on all the reservations, construct dams and canals, improve roads, and treat eroded land. Never before, nor ever again, was there such a concentrated effort to improve the conditions of the reservations and the Indian people.

Many federal agencies benefited from PWA funds. Due primarily to the substantial allocations to the Office of Indian Affairs and to Hoover Dam, the Department of the Interior benefited the most from PWA

[12]Ibid., January 23, 1934, 1:1. Boise was one of the state's most prominent ranchers, but what role he played on the board is unknown.

[13]The story of Hoover Dam has been described in great detail. See Joseph E. Stevens, *Hoover Dam: an American Adventure*, (Norman: University of Oklahoma Press, 1988) and Donald E. Wolf, *Big Dams and Other Dreams: the Six Companies Story* (Norman: University of Oklahoma Press, 1996).

allocations. The General Land Office received $115,400 for surveying of the public domain. The U.S. Geological Survey undertook four projects, the largest of which was $115,500 for topographic and underground water surveys. The U.S.G.S. spent $10,000 on the rehabilitation of river measurement stations, repairs and replacement of equipment, and improvement of its records. In 1933, the Bureau of Reclamation allocated $100,000 for a study of the Parker-Gila Project in southwestern Arizona, which initiated a substantial irrigation project there that would continue over the next two decades. The largest allocation for the Bureau of Reclamation, indeed the largest single allocation in the state after Hoover Dam, was $4 million to survey and prepare plans for the Verde River Project and to construct the first unit of that project, the Camp Verde Storage Reservoir. A great deal of Arizona's hopes for a public works-driven revitalization of the state rested on this project. Also of major importance were projects of the Soil Conservation Service, described in chapter 8 below. This new agency in the Department of the Interior, itself a product of the New Deal, received $500,000 for soil erosion prevention work on public and private lands in Arizona.

The National Park Service was also one of the major beneficiaries of PWA funds. During the 1930s, the Grand Canyon was the only national park in Arizona, but NPS also operated several national monuments. The prehistoric ruins at Casa Grande received $15,000 in water system improvements, campground development, and improvements on employee quarters. Tumacacori received $2,000 worth of fencing. Montezuma's Castle almost $9,000 for cliff trails, an equipment shed, and a sewage disposal system. The Petrified Forest benefited from five new checking stations, a water and sewer system, and road development costing over $363,000.[14] The federal agencies proved that PWA projects could be undertaken quickly and provide significant employment.

The Grand Canyon, one of the crown jewels of the national park system, received the greatest funding from the PWA. Early development of tourists facilities included the construction of a railway to the South Rim and lodging on both rims, but the Park Service's facilities for handling large numbers of tourists were poorly developed up until the New Deal. The PWA invested almost $1,180,000 in improvements throughout the park. And this money was spread further by use of cheap New Deal labor from the CCC and CWA. Road work accounted for the largest portion of these improvements. The PWA financed the construction of cabins, dormitories, shops, and other buildings that today make up much of the South Rim's Grand Canyon Village. Road projects

[14]The Del E. Webb construction company built a Route 66 overpass for the Santa Few tracks in the Petrified Forest National Monument at a cost of approximately $55,000 (*Arizona Republic*, December 1, 1933, 1:10).

on the North Rim opened substantial portions of that side of the park to tourists. Water system improvements and fire protection projects helped to protect the Grand Canyon Village from the threat of fire and provided potable water. The rustic architectural style of many of the New Deal era buildings and structures utilized stone, logs, and wood in a manner that conveyed sympathy with the natural environment of the canyon.

After the Department of the Interior, the greatest disburser of PWA money in Arizona was the Department of Agriculture, which spent approximately $8,440,000. The bulk of this money, about $6,040,000 came from the $400 million allocated for federal aid highways and public land highways by the NIRA. The Forest Service received the next largest share of the Department of Agriculture's PWA funds. Approximately $1,364,000 went to highways, roads, and trail, in the national forests. Just over a million dollars was spent on a program of physical improvements in the forests and on the control of tree destroying diseases and insects. Other divisions of the Department of Agriculture shared lesser amounts of money. For example, the Bureau of Entomology spent $100 to construct an insectary in Tucson; the Bureau of Plant Industry constructed date curing houses in Sacaton and Parker; the Bureau of Biological Survey located and marked the Salt River Refuge in Gila County to protect against trespass; and the Bureau of Plant Quarantine improved its railway fumigation facility at Nogales to treat cars from Mexico to help prevent the spread of Pink Bollworms. Even the Weather Bureau received $150 to refinish the walls of its building and install a ventilator shaft. Several of these projects were approved at the end of July 1933, demonstrating the greater ease in implementing federal over nonfederal projects.[15]

Two agencies in the Department of Commerce received PWA funding. The Coast & Geodetic Survey spent just over $40,000 for survey work that included triangulation, levels, magnetism, and seismology. The Aeronautics Branch tapped the PWA, as it did other New Deal agencies, to further its goal of improving air traffic facilities and pilot training across the country. The Aeronautics Branch spent $10,000 to combine and improve radio facilities at Kingman and Winslow. It also relocated beacons on the Phoenix-El Paso route to allow for a lower altitude flying. The Labor Department's Bureau of Immigration spent $11,000 on a new immigration-customs inspection building at Naco. In

[15]The refuge received a $4,075 allotment on November 22, 1933 and was completed on January 31, 1935, spending a total of $4,048. At its maximum it employed eight men for a total of 3,949 man hours. Division of Economics & Statistics, Tabulation No. 1628, Contracts and Force Accounts for Dept. of Agriculture, Bureau of Biological Survey, Thru Date of Jan. 31, 1936 & Construction Detail Report, Records of the PWA, Projects Control Division, Correspondence Relating to Federal Projects, 1934-41, RG 135, Entry 35, Box No. 1, NARA; *Arizona Republic*, July 29, 1933, 1:3.

an example of international cooperation, the State Department sponsored a flood control project in Nogales to compliment similar work being developed on the Mexican side of the border. Nogales also received a $164,000 inspection station courtesy of the Supervising Architect of the Department of the Treasury. Treasury's Public Works Branch was also responsible for construction of major new post office buildings in Kingman and Winslow. In Phoenix, the Public Works Branch constructed a new $636,000 federal building, refurbished the existing federal building for $40,000, and constructed another new post office building for $45,000. Finally, the War Department used $26,755 in PWA funds to upgrade the National Guard facility at Fort Tuthill near Flagstaff, and $263,598 at Fort Huachuca to construct a warehouse, fire station, coal spur, a hay shed, a motor pool, and for other improvements of the base's roads, buildings, and water and sewer system.

STATE AND LOCAL PWA PROJECTS

The second category of projects funded by the PWA were those sponsored by state and local agencies. Between 1933 and 1941, the PWA received a total of 317 applications for nonfederal projects submitted by the State of Arizona, several of the counties, and dozens of cities and towns. Of these, 123 were approved (see Tables 6.3). Under the provisions of the NIRA, nonfederal applicants could apply for grants of up to 30 percent of the labor and material costs of a project. Loans at four percent interest were also available to finance seventy percent of the project costs. With both a loan and a grant, a community could receive PWA funds to cover the entire cost of a project. While every successful applicant applied for a grant, only a minority took on PWA loans, most preferring to finance the remainder of the project costs from other sources. Forty-three applicants received PWA loans amounting to $5,129,800; the grants to 123 projects totaled $6,524,806; and the combined PWA investment in nonfederal projects in Arizona was $11,654,606.

The largest numbers of projects took place in Phoenix and Tucson, with 31 and 24 projects, respectively. Under the initial NIRA appropriation in 1933, Phoenix received approval for four projects. The projects were for sanitary sewer improvements, storm sewer improvements, watermain improvements, and park development. The parks development projects was the second largest PWA nonfederal allocation to Arizona and the largest in Phoenix. The city had long had plans for a major expansion of its parks, but funding was always a problem. To get the PWA loan, the city had to schedule a public vote to issue bonds for the project. Voters approved the issue in the special election held December 9, 1933. PWA approval of the loan followed before the end of the month. The PWA made a total commitment of

$907,210 with $187,210 as an outright grant and the balance of $720,000 as a loan. As a result of this work, the city developed Encanto Park, Horse Thief Basin, and the University, Eastlake, Grant, and Verde Parks.[16] Under the supplemental 1934 appropriation to PWA, Phoenix received one more project, an approximately $30,000 loan and grant to make additions onto a school. The majority of projects in Phoenix were approved after passage of the Emergency Relief Appropriations Act of 1935. The only project approved in 1935 was a loan and grant for $170,909 for additions to the Emerson, Franklin, Jackson, Lowell, and Kenilworth schools. By this time Phoenix had accumulated $1,570,000 in debt to the PWA and the City resolved to take on no additional debts. All of the 25 projects approved from 1936 to 1938 were for grants only.[17] The projects greatly improved Phoenix's infrastructure, particularly its streets. Street paving and other improvements accounted for nineteen of these projects. Other projects in Phoenix included a state building, a hospital, and school projects. For example, the Murphy Grammar School in 1938-39, received new class rooms and funds for the purchase of equipment and land. Another large PWA project in Phoenix was for new buildings on the campus of the junior college, now Phoenix College.

Tucson also received its share of road improvement projects, fifteen, totaling $706,432 in grants. The city received $226,441 for improvements to its waterworks system, a library addition, and seven school projects. One project constructed a new School for the Deaf. Others constructed additions and other improvements to existing elementary schools and the senior high school. The Drachman Elementary School, for example, received a new auditorium. The largest recipient of PWA funds in Tucson was the University of Arizona. PWA funding allowed for construction of the Arizona State Museum building, an auditorium, infirmary, the Humanities, Administration, and Chemistry buildings, and the Gila and Yuma dormitories. Local architect, Roy Place, designed many of these buildings, providing the campus with an architectural unity that it still retains today.[18]

Many smaller towns and rural areas received a part of the PWA bounty. Schools were one of the most popular project types. New school buildings and improvements to existing facilities were constructed

[16]*Arizona Republic*, November 26, 1933, 1:1.

[17]Valentine, 97-98.

[18]Robert C. Giebner, et al, "University of Arizona Campus Historic District National Register of Historic Places Nomination Form," 1985.

Table 6.3. Approved PWA Non-Federal Projects in Arizona, 1933-41.

Location	Project	Date Approved	Construction Start	Construction Complete	PWA Funds Loan	PWA Funds Grant	Estimated Total Cost
Alhambra	Auditorium/gym	6/22/38	8/22/38	12/1/39		10,472	23,271
Benson	Gas distribution	7/.26/38	9/27/38	12/17/38	20,000	15,000	34,430
Buckeye	School	8/23/37	12/17/37	4/20/38		15,952	35,924
Chandler	Irrigation	7/9/35	4/6/36	10/18/37	46,500	57,150	128,014
Chandler	School	7/19/38	9/29/38	3/29/39		30,710	71,509
Coolidge	School	12/16/35	4/8/36	9/28/36	58,000	47,454	106,119
Douglas	Streets	2/5/36	9/28/36	1/23/37		34,258	92,770
Douglas	Street improvements	6/22/38	8/25/38	12/22/38		14,528	32,285
Douglas	Street improvements	8/23/37	12/20/37	2/22/38		21,585	47,966
Douglas	Gymnasium	8/23/37	12/10/37	6/29/38		50,026	112,107
Douglas	Street improvements	6/22/38	8/22/38	1/11/39		14,427	32,061
Douglas	Street improvements	6/22/38	8/22/38	2/11/39		25,159	55,912
Flagstaff	University buildings	8/15/34	9/3/35	5/11/37	294,000	117,627	427,096
Flagstaff	School	8/15/34	6/20/35	11/26/35	50,000	17,835	63,788
Flagstaff	Paving	6/30/38	9/21/38	7/29/39		61,875	141,817
Fredonia	School addition	11/14/33	7/11/36	12/16/36	11,000	4,137	15,923
Fredonia	Water mains	6/22/38	9/29/38	6/7/39	18,500	31,097	69,834
Gilbert	Gym/mech. shops	8/23/37	12/11/37	3/26/38		15,740	34,979
Glendale	Library	8/23/37	12/7/37	3/17/38	6,000	4,909	11,626
Glendale	Waterworks	9/25/35	2/3/36	3/7/36	6,500	5,169	11,503
Glendale	Disposal plant	9/25/35	3/23/36	9/10/36	24,000	19,636	45,181
Glendale	School addition	6/22/38	10/12/38	12/7/39		51,273	114,616
Holbrook	Waterworks improvements	8/5/35	8/22/36	11/18/36	39,000	11,000	51,845
Holbrook	Courthouse addition	9/29/34	3/8/35	4/30/35		1,700	6,172
Kingman	Auditorium/gymnasium	9/25/35	12/27/35	3/36/36		12,273	30,285
Kingman	School addition	9/9/38	11/18/38	3/14/39		5,830	13,002
Liberty	School addition	7/19/38	11/7/38	2/18/39		6,570	14,848
Litchfield Pk.	School	8/15/34	12/16/35	3/5/36	6,800	2,700	10,843
Maricopa Co.	Irrigation canal	12/26/34	1/9/36	11/3/36	430,000	178,775	623,492
Maricopa Co.	School	4/14/38	7/21/38	11/30/38		13,909	31,172
Maricopa Co.	Irrigation	6/22/38	10/17/38	6/25/40		270,000	608,606
Maricopa Co.	School addition	6/19/38	9/29/38	2/28/39		21,305	47,415

Table 6.3 (Continued).

		Date	Construction		PWA Funds		Estimated
Location	Project	Approved	Start	Complete	Loan	Grant	Total Cost
Mesa	Gas distribution	8/15/34	10/22/34	3/7/35		8,212	30,279
Mesa	Waterworks/sewer	6/22/38	11/18/38	9/28/39	50,000	40,098	91,287
Mesa	High school addition	7/21/36	11/16/36	12/14/37		97,685	217,258
Mesa	School	9/25/35	2/18/36	9/12/36	52,000	42,544	95,302
Morenci	Irrigation	6/22/38	12/20/38	8/12/40	44,000	36,000	75,082
Navajo Co.	Power/water	8/23/34	9/11/35	11/19/40	160,000	73,397	220,429
Parker	High School	9/25/35	2/24/36	7/14/36	22,000	18,000	40,230
Parker	School addition	unknown	10/12/38	4/21/39		24,300	54,000
Parks	School improvements	9/9/38	11/17/38	1/26/39		495	1,101
Phoenix	Sanitary sewer	12/28/33	12/15/34	5/2/35	308,000	112,398	405,502
Phoenix	Storm sewer	12/28/33	4/24/35	12/2/35	227,000	87,076	310,683
Phoenix	Water mains	12/28/33	12/10/34	7/10/37	200,000	44,379	246,992
Phoenix	Park development	12/28/33	12/6/34	5/29/37	720,000	187,210	923,041
Phoenix	School addition	8/15/34	7/23/35	12/18/35	21,000	8,961	31,588
Phoenix	School addition	9/25/35	1/28/36	6/9/37	94,000	76,909	176,308
Phoenix	School	8/23/37	12/11/37	3/25/38		6,783	15,072
Phoenix	State building	8/23/37	1/3/38	4/12/39		271,796	605,575
Phoenix	Hospital	10/24/36	6/14/37	5/13/39		109,970	244,457
Phoenix	Paving	8/23/37	1/25/38	4/30/38		25,857	61,781
Phoenix	Paving	11/17/36	4/27/37	8/14/37		44,313	105,170
Phoenix	Street improvements	6/22/38	10/15/38	3/28/39		43,292	98,694
Phoenix	Street improvements	8/23/37	1/6/38	2/17/38		17,201	40,675
Phoenix	Street improvments	8/23/37	1/6/38	3/30/38		16,987	40,053
Phoenix	Street improvements	8/23/37	12/22/37	8/31/39		47,715	113,663
Phoenix	Paving	8/23/37	2/9/38	2/17/39		18,718	45,409
Phoenix	Paving	6/22/38	10/1/38	1/26/39		15,969	36,493
Phoenix	Paving	6/22/38	10/1/38	12/10/38		15,903	36,097
Phoenix	Paving	6/22/38	9/26/38	2/21/39		33,531	76,667
Phoenix	Paving	8/23/37	1/12/38	2/7/39		38,234	90,931
Phoenix	Paving	6/22/38	10/15/38	4/10/39		71,900	162,439
Phoenix	Paving	6/22/38	9/26/38	7/31/39		27,887	64,356
Phoenix	Paving	6/22/38	9/19/38	7/14/39		89,306	201,224

Table 6.3 (Continued).

Location	Project	Date Approved	Construction Start	Construction Complete	PWA Funds Loan	PWA Funds Grant	Estimated Total Cost
Phoenix	Paving	6/22/38	10/31/38	3/3/39		24,258	54,602
Phoenix	Paving	6/22/38	9/3/38	10/21/38		5,302	12,140
Phoenix	University buildings	7/19/38	11/3/38	2/3/40		299,250	676,478
Phoenix	School buildings	8/1/38	11/8/38	2/8/40		442,575	974,802
Phoenix	Street improvements	7/29/38	10/31/38	12/26/39		52,348	117,341
Phoenix	Street improvements	9/3/38	11/18/38	1/17/39		8,455	19,112
Phoenix	Street improvements	9/3/38	11/14/38	1/15/39		5,076	11,623
Phoenix	School addition	9/9/38	11/18/38	3/16/39		10,235	24,048
Prescott	Waterworks improvements	6/20/34	4/23/36	7/25/36	60,000	20,871	75,203
Prescott	Disposal plant	6/20/34	3/2/36	6/17/36	30,000	11,100	39,877
Prescott	School addition	4/14/38	10/3/38	12/20/39		158,370	367,953
Prescott	School addition	6/22/38	8/23/38	6/1/39		16,086	37,438
Safford	School	8/29/34	8/26/35	11/27/35	9,000	3,300	13,503
Safford	Waterworks	8/28/36	12/5/36	4/27/39	340,000	196,364	546,883
St. Johns	School	9/12/34	8/22/35	12/9/35	24,000	9,600	38,676
Scottsdale	High school addition	6/22/38	8/22/38	12/20/38		9,087	20,193
Snowflake	Heat plant	6/22/38	9/7/38	10/17/38		2,887	6,416
Tempe	Gymnasium	12/26/34	12/5/35	4/30/36	27,000	11,100	39,331
Tempe	University buildings	9/19/34	9/23/35	11/9/36	335,000	135,000	482,225
Tempe	Disposal plant	7/27/38	9/26/38	2/24/39		28,601	64,655
Tolleson	Auditorium	9/25/35	1/24/36	4/30/36	13,000	10,593	23,550
Tolleson	High school addition	8/1/38	9/30/38	12/31/38		2,063	4,668
Tolleson	School addition	9/9/38	11/18/38	2/24/39		1,900	4,224
Tombstone	Gas distribution	7/26/38	9/27/38	12/16/38	15,000	11,000	25,839
Tucson	University buildings	8/15/34	7/22/35	3/25/37	712,000	286,000	1,043,174
Tucson	School for the deaf	12/26/34	1/6/36	5/29/36	65,000	24,636	90,241
Tucson	Stadium	6/22/38	8/22/38	2/24/39		24,135	53,683
Tucson	School addition	9/25/35	2/14/36	11/24/36	67,000	54,818	123,128
Tucson	Waterworks improvements	6/22/38	8/25/38	1/27/40		226,441	504,153
Tucson	Paving	9/25/35	2/7/36	5/16/36		34,525	77,912
Tucson	Paving	8/23/37	12/6/37	4/8/38		63,941	142,091
Tucson	Paving	8/23/37	12/6/37	3/3/38		40,390	89,756

Table 6.3 (Continued).

Location	Project	Date Approved	Construction Start	Construction Complete	PWA Funds Loan	PWA Funds Grant	Estimated Total Cost
Tucson	Paving	8/23/37	12/14/37	3/28/38		50,714	112,699
Tucson	Paving	10/5/36	3/29/37	6/15/37		46,801	104,078
Tucson	Paving	6/22/38	9/1/38	4/1/39		63,351	140,780
Tucson	Paving	6/22/38	8/31/38	11/16/38		59,205	131,592
Tucson	Paving	8/23/37	1/7/38	2/15/38		24,688	54,865
Tucson	Paving	6/22/38	9/13/38	2/8/39		49,800	110,666
Tucson	Paving	6/22/38	8/31/38	12/21/38		60,836	136,868
Tucson	Paving	6/22/38	9/1/38	12/21/38		48,492	111,190
Tucson	Paving	9/25/35	8/20/36	10/20/36		11,994	26,652
Tucson	Paving	6/22/38	9/12/38	1/10/39		35,741	80,888
Tucson	Paving	6/22/38	8/31/38	1/23/39		64,043	144,490
Tucson	Paving	6/22/38	9/1/38	1/25/39		51,911	115,358
Tucson	University building	10/20/36	1/6/37	10/29/37	265,000	216,114	485,696
Tucson	High School addition	6/30/38	9/27/38	5/4/39		135,000	300,747
Tucson	Library addition	7/29/38	10/28/38	2/28/39		33,750	77,203
Tucson	Schools	7/19/38	9/20/38	5/19/39		157,500	351,273
Wickenburg	Waterworks improvements	6/20/34	4/1/35	6/10/35	14,000	5,100	20,080
Wickenburg	Auditorium/gymnasium	8/15/34	6/31/35	9/21/35	10,500	4,128	14,981
Wickenburg	Disposal plant	10/20/36	1/11/37	8/27/37	25,000	20,454	46,678
Wickenburg	Water tank	7/19/39	10/17/38	1/31/39		14,832	36,060
Williams	Waterworks	6/20/34	10/20/34	9/14/35	66,000	35,200	131,851
Williams	School	6/22/38	9/19/38	8/22/39		52,984	118,491
Williams	Sanitary sewer	7/21/36	12/21/36	9/18/37	50,000	34,364	83,792
Yavapai Co.	Dam canal	12/28/33	8/10/35	4/14/39	94,000	30,072	127,719
Yuma	Hospital	11/17/36	12/6/36	7/14/37		18,000	49,684
Yuma	School improvements	8/1/38	8/3/38	10/4/38		1,035	2,424
Yuma Co.	School addition	7/15/38	10/12/38	4/7/39		24,283	54,863

Records of the PWA, Projects Control Division, Records of Projects, 1933-1940, List of Allotted Non-Federal Projects as of May 30, 1940, RG 135, Entry 59, Box 1; Microfilm Copies of Records of Non-Federal Projects, 1933-1942, RG 135, Entry No. 54.

in Buckeye, Fredonia, Glendale, Liberty, Prescott, Scottsdale, Tolleson, Parks, Yuma, and elsewhere. These allocations made up somewhat for the virtual halt to local and state funded school development following the onset of the depression. Sewer and water system improvement projects were undertaken in Fredonia, Glendale, Mesa, Prescott, Safford, Tempe, Wickenburg, and Williams. Gas distribution system improvements were built in Benson, Mesa, and Tombstone. Other public buildings included a new county hospital in Yuma, a library in Glendale, and an addition to the county courthouse in Holbrook. Alhambra, Douglas, and Gilbert got new auditoriums and gymnasiums. Chandler, Morenci, and Maricopa County got irrigation works improvements. Yavapai County received funds to construct a dam at Granite Dells as part of the Chino Valley Project and for an associated canal.[19]

Overall, the variety of projects in the state was not large. The most common and geographically dispersed projects were school improvements (at least 47 out of 123 projects). Road improvement projects totaled 40, with nearly all in Phoenix, Tucson, and Douglas. This number is distinct from the federal aid highway projects sponsored through the Bureau of Public Roads in the Department of Agriculture. These were projects for which communities made special application to the PWA for approval. Sewer and water system improvements made up most of the remaining projects. Only Phoenix used PWA funds directly to develop parks, although other communities used funds indirectly through the CCC and the CWA.

DIFFICULTIES WITH NONFEDERAL PROJECTS

Phoenix experienced the project delays for which the PWA was infamous, but it is not clear who was to blame. PWA approval for the first four projects came on December 28, 1933, but actual construction did not occur until considerably later. It was not until December of 1934 that men actually began to work on the sanitary sewer, watermains, and parks projects. Construction work on the storm sewer project was even further delayed until near the end of April 1935. While the City ultimately received a large boost to its parks development program, the PWA did nothing to contribute to the relief of unemployment until nearly 1935, well over a year and a half after the inauguration of Franklin Roosevelt.

One example of the problems that plagued implementation of the public works program arose with a seemingly simple proposal to widen west Van Buren Road in Phoenix. In December 1933, the West Van Buren Street Improvement District proposed a $300,000 road project to expand the federal highway, with the State Highway Department contri-

[19]*Arizona Republic*, January 4, 1934, 2:1.

buting about $160,000. The PWA quickly gave preliminary approval of the purchase of nearly $147,000 in district bonds to allow early action on the project which Howard Reed, the public works engineer called, "One of the most substantial improvements Phoenix could have." After the PWA found that the appraisals on land to acquire for the expansion were both outdated and too high, however, it revoked the grant in March 1934. Not until May 1935 did the new appraisal process began and actual construction did not start until about March 1936. In the end, the PWA did not participate in the project with either a grant or loan.[20]

Problems and delays arose also at the teachers' colleges in Tempe and Flagstaff. Combined, their new construction projects requested nearly $900,000 in grants and loans. The PWA denied early approval of the projects because both colleges lacked the legal authority to pledge fees from their dorms and stadiums as guarantees of the loans. While a special session of the legislature appeared necessary to alter the governing statutes, the cost-conscious governor chose, at first, to plead for a more lenient interpretation of PWA's rules. He took his case to Ickes and the President in April 1934, but received only confirmation of the previous ruling. Moreover, by this time the PWA had already allocated its initial funds, so Moeur saw little reason to call back the legislature. He finally relented after the PWA, with new funding, gave preliminary approval to the two projects in August and September. Moeur called the legislature into session beginning November 26, 1934. The situation had become more urgent after the state supreme court ruled in October that boards of trustees of state educational institutions could not enter into contracts which would be binding on their successors. This ruling jeopardized three more PWA loans. The legislature passed the bills, based on PWA-supplied models, giving state agencies the necessary authority to issue bonds to the PWA, in December. But even then, the projects did not actually start construction until September 1935, close to two years after the initial proposals.[21]

Tucson projects also suffered from considerable delay in getting started. The first university project did not begin construction until July of 1935, an eleven month delay. The School for the Deaf had to wait

[20]Ibid, December 10, 1933, 1:2; January 21, 1934, 1:1; March 30, 1935; May 15, 1935, 1:2; August 1, 1935; March 15, 1936, 1:8. It is likely that federal public works funds allocated for federal aid highways was used in the project, but that has not been determined.

[21]Ibid., February 11, 1934, 1:1; April 3, 1934, 1:1; April 18, 1934, 1:1; October 12, 1934, 1:1; November 20, 1934, 1:4; December 11, 1934, 1:1, November 21, 1934, 1:3. As if there weren't enough delays, Ickes in November stated that he was surprised by Moeur's call of a special session and that the PWA would have held the loans for action by the next regular session in early 1935.

over a year after its approval at the end of 1934 to begin construction. Smaller communities also experienced frustrating delays. This problem was most acute in the first two years of the agency. Fredonia received approval for a school addition in November 1933 but waited until July 1936 to see men actually go to work. A new school in Litchfield Park was approved in August 1934, but was not begun until December 1935. Work on a sewage disposal plant in Prescott began in March 1936, over eighteen months after its approval. A dam and canal project in Yavapai County was delayed nearly twenty months following its approval in late December 1933. The PWA tried to speed implementation, at one point sending an "expediter," Capt. Harry O. Tunis from Fort Worth, Texas to push through approval of loans for the university and teachers' colleges.[22] The situation improved from 1936 to 1938 when most projects began construction within a few months of approval. It was not until 1935 that significant sums of PWA money began to be spent in Arizona through nonfederal projects (see Table 6.4). The PWA was most effective in 1938 when both the largest number of projects were approved and actually begun. It took more than five years after the passage of the NIRA before the PWA could claim that it was pumping a substantial economic stimulus into the Arizona economy.

One source of delay in applying for PWA funds was that cities and towns typically required voter approval for the issuance of bonds. This entailed action by the councils and legally required delays in when votes could be scheduled. The public vote on PWA projects for Phoenix occurred on December 9, 1933, which was one of the earliest in the state. Prescott voters went to the polls on December 26. Wickenburg, Safford, and two other communities had gained voter approval for PWA projects by the end of January 1934. Further delays followed because some communities scheduled more than one election or delayed elections in order to add more projects.[23] Other legal issues cropped up to delay projects. For example, Globe applied for funds to improve its waterworks, but lacked the authority to pledge revenues from the sale of its services as security for the loan. Projects for the state's prisons and the state hospital could not move forward because they had no income and would require a special bond issue. Attorney General La Prade issued an opinion that a special session of the legislature was necessary to remedy this situation, something the budget conscious governor opposed. Moeur opposed issuing bonds for state projects. "The State of

[22]Ibid., February 7, 1934, 1:2.

[23]Ibid., December 25, 1933, 1:2; January 23, 1934, 2:1; January 25, 1934, 1:3; January 30, 1934, 2:6; February 9, 1934, 1:11.

Table 6.4. PWA Nonfederal Project Approval and Start Dates.

Year	Projects Approved*	Projects Started
1933	6	0
1934	19	5
1935	13	16
1936	10	22
1937	17	15
1938	56	65
1939	0	0

Source: Records of the PWA, Projects Control Division, Records of Projects, 1933-1940, List of Allotted Non-Federal Projects as of May 30, 1940, RG 135, Entry 59, Box 1, NARA.

*Two project approval dates unknown, but most likely 1938.

Arizona has $7,500,000 in unpaid taxes," he stated, "Why impose an additional tax burden on a people unable to pay what they already owe?"[24] The teachers' colleges in Tempe and Flagstaff had to wait until August and September to receive approval of projects on their campuses and Globe never did get its waterworks project.

Public works projects in Arizona encountered relative few administrative problems. By all appearances, Ickes' legendary watchfulness preempted problematic projects so that those that did receive approval were carried out with few difficulties. While Ickes himself was unlikely to be personally engaged in matters relating to this state, his policy priorities filtered down to all levels of administration from Washington to the regions to the states. To describe the few controversies—if they even can be so-called—that left a record in the PWA project files reveals the overall smooth operation of the public works program.

PWA nonfederal projects were carried out by private contractors, which required a preliminary step of competitive bidding. Complaints from losing bidders could be counted upon to arise on occasion. Officials had to be able to defend their decisions and criteria of choice or else PWA would be open to charges of favoritism and corruption. Only a very small number of complaints exist in the project files, and these seem trivial today. One example involved two new construction projects

[24]Ibid., February 11, 1934, 1:1, 1:5. Moeur preferred to push for more federal action than to pay the expense of a special session or to incur more debt for the state.

at Phoenix Junior College and Phoenix Union High School. The architect for both projects was Leslie J. Mahoney of one of Arizona's leading architectural firms, Lescher & Mahoney (and staff architect for the Federal Housing Administration in Arizona). In the solicitation of bids for termite control for the new buildings in the summer of 1939, Mahoney had specified "Terminix or equal" and then rejected bidders who used arsenic-based compounds. When these bidders complained, the PWA regional administrator in San Francisco requested an explanation for why the locals thought such compounds detrimental. In another project from 1939, irrigation works for the Maricopa County Municipal Water Conservation District No. One, W. W. Lane, now the district's chief engineer, rejected a bid on electrical materials for the Standard Transformer Company in preference to a slightly higher bid from the Pennsylvania Transformer Company. Lane defended his decision saying Standard's equipment was less reliable, a view which the company necessarily challenged to the administration in Washington. A more complex problem arose over bidding for a contract involving drilling twenty deep wells with three types of deep well turbine irrigation pumps. This contract was a part of the same Maricopa County Municipal Water Conservation District No. One project. Losing bidders complained that the project engineer effectively rigged the bid in favor of one manufacturer with an overtight specification of required motor speeds for the different types of pumps. An investigation by assistant administrator H. A. Gray concluded that while there was disagreement about the effectiveness of different power pumps, the bidding was highly active and that the complaining bidders had not brought up the issue prior to the bid opening on May 24, 1939. He allowed the awarded contract to stand.[25]

By February 1934, the PWA had docketed more than enough projects to exhausts its funds. Ickes announced that the agency would accept no new applications so that it could concentrate on moving forward with what it already had. As a result, the state Public Works Board was to be disbanded on February 28. Howard Reed would continue as the PWA's engineer in Arizona. By the time the Board ended its work, it had reviewed 81 applications for PWA projects.[26]

[25] J. W. Bournier to unspecified, August 14, 1939; W.W. Lane to W. L. Drager, Chief, engineering section, RFC, September 14, 1939, Records of the PWA, Records of the Engineering Division, 1935-1940, Correspondence Relating to Equipment to be Used on PWA Projects, 1937-1939, RG 135, Entry 71, NARA. The RFC had loaned money to the latter irrigation project. No further records of these controversies were found.

[26] Ibid., February 20, 1934, 2:1; March 2, 1934, 1:3. It is not known if the planning commission survived the elimination of the Public Works Board and the elimination of the CWA after March 31, 1934.

CASE STUDIES OF TWO PROJECTS IN ARIZONA

Harold Ickes repeatedly cited a lack of planning at the state and local levels for much of the delay in implementing nonfederal public works projects. It is not true, however, that there was no thought in the 1920s and early 1930s in Arizona about possible large-scale projects. In addition to the huge Hoover Dam project, the Bureau of Reclamation was involved in numerous smaller reclamation projects. Foremost among these was construction of three large dams on the Salt River, which effectively completed control of that river for human use. Other rivers, such as the Verde, remained to be tamed, and wherever water flowed in Arizona, there was a scheme to divert it for use and profit. In the trough of the depression, Arizonans looked to proposed reclamation projects not only for long-term development, but also for an immediate source of employment. When increased federal public works dollars became available in 1932 and 1933, politicians, bureaucrats, and others seized upon such plans to solve the economic problems of the state. It was the unappreciated role of the PWA to examine these projects deeper and separate the schemes from quality projects. Unfortunately for Arizona, two of the reclamation projects in which it placed the most hope for reemployment turned out to be impracticable. When these projects failed, so failed the promise of the PWA to be the spark of economic revitalization in this state. The projects were the construction of a large storage dam on the San Pedro River in southeastern Arizona, and the development of the Verde River to open up a vast new area of irrigation agriculture. The history of these two projects both confirms the integrity of the Ickes' PWA and helps explain why it could not provide the rapid economic stimulus its creators had promised.

Reclamation promoters had long supported development of a dam and irrigation works on the upper portion of the San Pedro River. Attention focused on a site between Fairbank and Charleston, just west of Tombstone. In 1932 and 1933, both Governors Hunt and Moeur became supporters of the project and pushed the legislature to approve necessary authorization in order to apply for a loan from the RFC. With an estimated price tag of $2 million, the proposal was one of the largest public works projects seriously promoted in the state. The RFC, however, did not approve project.[27] Supporters then looked even more hopefully to the better funded PWA. Governor Moeur submitted an appeal to the PWA for a $2 million flood control project on the San Pedro, with the Charleston Dam as its major feature, as an all-federal project, and so not reimbursable. PWA officials noted, skeptically, that Governor Hunt's

[27] *Arizona Republic*, March 14, 1933, 1:3; March 21, 1933, 2:1.

application for a RFC loan the previous year for the same project had said it would be self-liquidating.[28]

The PWA moved cautiously, awaiting the outcome of an engineering study of possible dam sites. Engineers and Soil Erosion Service investigators looked specifically for suitable sites for a siltation control dam that would help protect the San Carlos Project.[29] On the lower San Pedro they examined two possible sites, but found problems with each. A site just below the juncture of the San Pedro with Aravaipa Creek offered the best protection of the Gila River from silt. However, it offered no benefit to the San Pedro valley and would cost over $3 million. The investigators dismissed the Little Dragoon site, about 30 miles downstream from the Charleston site, because they thought it impossible to locate a dam greater than 80 feet in height there.[30]

Finding no suitable sites on the lower San Pedro, they moved south to the up-river dam site near Charleston. While confirming that the Charleston site was the best available on the river, it had two severe disadvantages. In the first place, the engineers estimated the cost of moving the line of the Southern Pacific Railroad, which ran through the area, at about $2,313,000, far above the optimistic $1,145,000 estimate of local promoters. In addition, constructing the dam would require a substantial commitment from the SES for upper watershed erosion control to keep this dam from quickly filling in. Although the SES considered the Gila River valley one of its top priorities, they realized that they could not treat the entire watershed. The agency chose to concentrate its resources on the upper portions of the Gila River watershed which it defined as the area upstream from Coolidge Dam, which excluded the San Pedro. Without this support PWA chose to pass on the Charleston Dam project.[31]

[28]H. M. Waite to W. W. Lane, October 20, 1933, Records of the PWA, Projects Control Division, Records Concerning Reclamation Projects, 1933-35, RG 135, Entry 39, Box No. 1, NARA.

[29]Howard S. Reed and W. C. Lowdermilk of the Soil Erosion Service investigated the location in late November 1933 [*Arizona Republic*, November 21, 1933, 1:6.]

[30]Memo from D. W. Ross to Fred E. Schnepfe, June 6, 1934, Records of the PWA, Projects Control Division, Records Concerning Reclamation Projects, 1933-35, RG 135, Entry 39, Box No. 1, NARA. Schnepfe was Director of Federal Projects.

[31]William H. Code and Paul Baumann, *Report on Dam Sites on San Pedro River, Arizona for Silt and Soil Erosion Control*, Los Angeles: Engineers Consolidated, May 31, 1934; Soil Erosion Service, *A Supplemental Report on Watershed Stabilization on the Upper Gila River in Arizona and New Mexico*, July 1934, Records of the PWA, Projects Control Division, Records Concerning Reclamation Projects, 1933-35, RG 135, Entry 39, Box No. 1. A small diversion dam, eight feet high and 125 feet wide

The largest and most important project proposed to the PWA for Arizona, apart from Hoover Dam, was the development of the Verde River Irrigation and Power District.[32] The Verde River District encompassed 85,000 acres covering Deer Valley and Paradise Valley, north of Phoenix. Project sponsors believed that by constructing dams on the Verde River, this wide expanse of desert land could be reclaimed for agriculture.[33] Project planning began in the 1920s, but its expense, the onset of the depression, and the opposition of the Salt River Valley Water Users' Association, which also coveted the Verde's water, delayed its start. Passage of the NIRA opened the opportunity to push the project as a federal Bureau of Reclamation-PWA project. Local and state political support was already lined up in support of the project and in terms of preplanning, it was one of the most advanced of any project in state.

The application for the Verde project was officially filed with the PWA on July 27, 1933 and, at first, it received favorable reviews. Elwood Mead, Director of the Bureau of Reclamation, and D. W. Ross, an examining engineer for the PWA gave their support to the nearly $19 million allocation. Mead believed it would quickly employ close to 2,000 men.[34] Deputy Administrator Waite was hopeful of a quick decision in September since so much of the preliminary planning for the project was already done. But then, the PWA began to receive complaints about the project from a number of sources. The most important of these was the Salt River Valley Water Users' Association which saw the Verde project as a competitor for the river's flow. The weeks passed into October and then into November. On November 1, Mead wrote to Ickes stating his support for an initial allocation of $4 million to fund survey, engineering studies, and plans for the construction of the $3.5 million Camp Verde storage dam. With Mead's authoritative backing, the PWA approved this initial allocation for the Verde project in early

was begun by the CWA a few miles above Pomerene to divert water to that farming district (*Report of Activities, Cochise County Board of Public Welfare* (Federal Emergency Relief Administration), Bisbee, Arizona, May 1, 1934 to August 1, 1935, 18). To this day, the San Pedro remains the last major undamed stream in Arizona.

[32]The most grandiose project public works proposal was the $350 million Glen-Bridge Canyon Highline Reclamation Project. This projects was pushed by Fred T. Colter and gained some political support in Arizona, however it never gained serious consideration (*Arizona Republic,* December 8, 1933, 1:12; March 8, 1934, 1:4; March 22, 1934, 1:7.

[33]*Arizona Republic,* November 11, 1933, 6:4.

[34]Estimates published in the *Arizona Republic,* speculated that the project would employ 2,000 to 7,000 men for periods ranging from two months to three years and that work would begin within a few weeks (November 19, 1933, 1:1).

November. The *Arizona Republic* heralded the prospect of employment for hundreds of men and thousands of new acres in cultivation.[35]

A number of serious problems began to arise as the Verde project moved towards the construction phase. One of these dated back to the mid-1920s when the district was formed. In 1923, the newly formed district entered into contracts with D. A. Foley and Company of St. Paul, Minnesota for the construction of the district's entire irrigation system at a cost estimated at $23 million. The district had voted $23 million in bonds to cover this work. The contract, however, was never implemented nor construction begun. In an agreement dated May 23, 1933, the district and Foley Brother, Inc. canceled the original contract and entered into a new one for the construction of the $3.5 million Camp Verde Dam. This contract was conditioned on approval of a loan from the RFC, which did not occur. The PWA's allocation of $4 million was to the Bureau of Reclamation and not to the district. It was the Bureau that would build the dam and the district would repay its cost in accordance to the stipulations of the Reclamation Act. The previous contractors then sued the district for breach of contract. Although Ickes believed that the previous contracts entered into by the district were null, there was the possibility that the state courts could rule them valid. If that happened, Arizona's statutes appeared to authorize or even compel the levying of an assessment to liquidate the judgment in one year. Such a ruling might result in the confiscation of all of the district's property before the government had completed construction of the irrigation works. To clear the legal air, the PWA called on the district to rapidly prosecute the suits over the contracts to a final judgment. The old construction contract was finally voided in court on March 31, 1934.[36]

The project moved slowly. By June, only 65 men were employed in preliminary work, and construction of the dam was yet to begin. A board of appraisal had been appointed to take private land for the dam's reservoir. That same month, opponents began to circulate a "Statement of Fact" that condemned the project. The author of the sheet denied a need for the Camp Verde dam claiming that when the Verde flooded, the water flowed over the diversion dams but was absorbed by the sand of the Salt River and so contributed to the valley's groundwater. It disparaged the Verde district's claim to be able to irrigate 80,000 new acres. All of the water of the Verde River, it claimed, was already appro-

[35]D. W. Ross to Schnepfe, August 9, 1933; Mead to Ickes, November 1, 1933, Records of the PWA, Projects Control Division, Records Concerning Reclamation Projects, 1933-35, Entry 39, Box No. 3, NARA.

[36]Nathan R. Margold [for Ickes] to Mead, January 3, 1934, Records of the PWA, Projects Control Division, Records Concerning Reclamation Projects, 1933-35, Entry 39, Box No. 3, NARA; *Arizona Republic*, April 1, 1934, 1:1.

priated. Although Ross believed the "Statement of Fact" to be "propaganda" it succeeded in raising some concern about the project. In July 1934, Ickes still expressed his confidence in the Bureau of Reclamation's belief that there was enough water to justify the project. Further studies, he noted, would adjust the project area as needed.[37]

The "Statement of Fact" sheet neatly summed up the position of the SRVWUA which was suing the Verde district. The SRVWUA claimed that the Verde River was fully allotted and that there was no excess water with which to irrigate new land. The Bureau of Reclamation engineers and Mead began to have second thoughts. The initial $4 million allocation had dedicated half a million dollars to extensive study of the project, the results of which were now coming in. The engineers concluded that the project's costs were severely underestimated and readjusted them upwards to $25 million, which was a far greater commitment than the PWA was willing or able to support. For Ickes the decision was relatively simple; despite its political support he did not hesitate to back the judgment of his engineers and he withdrew PWA support. The PWA allocation was canceled on October 1, 1934.

Rescinding approval for the Verde project disappointed and angered many Arizonans who believed in its possibilities. Desert homesteaders in Paradise Valley hung and burned Ickes, Moeur, and Greenway in effigy. It pleased the SRVWUA, which immediately filed an application to construct its own dam at the Bartlett site. Elwood Mead assured Ickes that there was little to fear from the Arizona congressional delegation as long as the money was reallocated to other Arizona projects, but it is not clear whether this occurred. Within days of the cancellation, F. E. Weymouth, general manager of the Metropolitan Water District of Southern California, which was backing the controversial Parker Dam, suggested reallocating the money to the Gila Project near Yuma. Since Parker Dam was an integral part of the Gila Project, he hoped to lessen Arizona opposition to the dam. This proposal apparently got nowhere.[38]

Verde district officers moved to salvage their investment by preparing an amended application with the Bureau of Reclamation and the PWA on December 19, 1934. The new application proposed a scaled-

[37]Reed to Maj. Philip B. Fleming, June 18, 1934; Ickes to Hiram W. Johnson, July 16, 1934, Records of the PWA, Projects Control Division, Records Concerning Reclamation Projects, 1933-35, Entry 39, Box No. 3, NARA; Senator Thos. D. Schall to PWA, July 2, 1934, Records of the PWA, Projects Control Division, Records Concerning Reclamation Projects, 1933-35, RG 135, Entry 39, Box No. 1, NARA.

[38]Mead to Ickes, October 3, 1934, Records of the PWA, Projects Control Division, Records Concerning Reclamation Projects, 1933-35, Entry 39, Box No. 2, NARA; F. E. Weymouth to Mead, October 10, 1934, Records of the PWA, Projects Control Division, Records Concerning Reclamation Projects, 1933-35, Entry 39, Box No. 3, NARA; *Arizona Republic*, October 5, 1934, 1:1; October 14, 1934, 1:1.

down project calling for $8.3 million to pay for Bartlett Dam, the Camp Creek diversion dam, a canal and distribution system, and a power plant at Bartlett. The district estimated that it could irrigate 45,000 acres at a cost of $184 per acre. This time, however, the district would get no enthusiastic support at the PWA or at Reclamation. Reclamation engineers carefully scrutinized every aspect of the application and representatives of the SRVWUA traveled to Washington to see it quickly disposed of. The engineers' report recommended substituting Horseshoe Dam for Bartlett, but more importantly, it increased the estimated cost of the project to $10.5 million while lowering the estimated number of irrigable acres to only 32,000. This implied a cost of $328 per acre that was far too great a burden for the average farmer with general crops. The PWA turned down the Verde district's amended application in February 1935.[39]

When Harold Ickes became Administrator of the PWA, he was disappointed to discover how little prepared the nation was for a major government public works program. Despite all of the hopeful talk from engineers and politicians over the importance of public works in lifting the country out of the depression, the PWA found few good projects ready to go in its first few months. In many cases, planning for projects and applications followed the creation of the PWA, necessitating months of delay. The Verde River and Charleston Dam projects represented what at first appeared to be exceptions to this rule—projects with a considerable history of planning and promotion, ready for almost immediate construction if the government gave its approval. Both proved to have more promotion than planning.

Instead, the greater expectations for these projects only amplified the disappointment for the state when they fell through. Both collapsed under the careful scrutiny of the PWA engineers and with them the hopes of Arizona to received a great boost of reemployment from the public works program. The Verde project was not finally disposed of until February 1935, over a year and a half after the start of the PWA. This time could never be regained. The engineer's reasons for rejecting this project and the Charleston Dam were hardly arguable, yet they demonstrate the validity of the primary criticism against the PWA, that it did not provide sufficient employment fast enough to contribute to ending the depression, which was its reason for being. There was, however, no winning in this situation. The only way the PWA could have significantly contributed to reemployment in Arizona would have

[39]Revised Application of Verde River Irrigation and Power District, December 19, 1934; Memo from R. F. Walter to Mead, Jan. 30, 1935; Memo from Ross to Schnepfe, February 5, 1935; Schnepfe to Mead, February 7, 1935; Schnepfe to C. E. Addams, February 13, 1935, Records of the PWA, Projects Control Division, Records Concerning Reclamation Projects, 1933-35, Entry 39, Box No. 3, NARA.

been to immediately approve these projects and push them to construction come what may. Had this occurred, the agency would probably have been criticized for wasting millions of dollars and building works it would have been better not to build.

THE LATER PUBLIC WORKS PROGRAM

The Emergency Relief Appropriations Act of 1935 provided $4.8 billion for new and continuing New Deal agencies. The most prominent of the new public works agencies was the Works Progress Administration under Harry Hopkins. By the end of 1935, Ickes had lost his policy battle with Hopkins and the WPA received the bulk of the new funding. Furthermore, the President required the PWA to alter it program to emphasize small projects that could be more easily implemented. As indicated in Table 6.4, this change led to a speed up in the PWA's program in Arizona. The PWA also altered its rules so that grants could account for up to 45 percent of a project's cost. This was done to reduce the number of grants-only requests by making loans less costly. Despite the rule change, Phoenix Mayor Jenckes declared that the city was nearly bonded to the limit and "is not going to bond itself for any more money if I have anything to say about it." Reed suggested that city officials go ahead and prepare applications for projects on a full grant basis and perhaps it would get something (which, in fact, it did).[40]

Ickes further decentralized the PWA administration, giving greater authority to the state offices. Spear's office, which earlier had been practically out of the public works business, regeared for a new round of project applications and evaluations. By July 20, 1935, the state National Emergency Council office received 45 applications totaling $8,595,902. The new procedure allowed more detailed examination of the proposals at the state level and a simpler contracting procedure consisting of an offer by the government and acceptance by the applicant and advance payments of a portion of the grant. This followed the President's directive that "speed is the essence." The PWA in Washington vowed to process all applications within two weeks. The NEC accepted applications until September 6 when it was expected there would be more than enough to exhaust the public works fund.[41]

With millions of dollars in project applications, and Ickes' approval all but assured, there appeared every reason to believe that the newly revived public works program would begin making substantial contributions to the Arizona economy in 1936. This expectation made all the more bitter the news that Harry Hopkins, in charge of the PWA's

[40] *Arizona Republic*, May 25, 1935, 1:1.

[41] Ibid., July 20, 1935, 1:1; August 4, 1935, 1:6; September 7, 1935, 1:3.

labor evaluation, rejected 20 Arizona proposals worth $9 million because of excessive materials costs. This was part of a massive, nationwide assault on the PWA system by Hopkins when he rejected 1,908 projects worth about $500 million out of 3,988 applications approved by Ickes. The President sided with Hopkins and directed that the PWA, with the exception of highway projects, now take its labor from the relief rolls. Moreover, all applications for PWA projects had to be submitted by Ickes for presidential approval by December 15. The old era of massive, multi-year projects was over for the PWA. Late in September, Arizona was allotted a mere $1,384,924 by the PWA, of which $775,000 was directed towards Indian irrigation works. The remaining $669,924 was "all Arizona can expect" from the 1935 program.[42]

Debate of the future of the PWA arose again in 1936. The $2,364 million deficiency bill supported by the President allocated $1,425 million for relief which, as before, would be divided between New Deal agencies largely at Roosevelt's discretion. It was no secret that the President intended to give the bulk of the funds to Hopkins and the WPA. Ickes, however, had supporters in Congress, including Carl Hayden, who introduced an amendment to the bill to earmark $700 million for the PWA. Supporters of the President defeated this proposal. In the end, the bill gave the PWA authority to spend $300, though it provided no new funds. Ickes was forced to plan his agency's future operations based on $50 million he still had on hand and $250 million provided by the Reconstruction Finance Corporation. The PWA's new program, its third, got under way in July when Roosevelt approved $22,742,034 for 352 projects in 37 states, including Arizona. By Presidential order, all projects had to "be commenced by October 1, 1936, reach a peak by the end of the year and be completed by October 1, 1937." This order was not without merit, as there were projects in Arizona, approved under the initial PWA appropriation of 1933 that were only then getting started.[43]

CONCLUSION

Examining the PWA in Arizona confirms generally held views on the agency as a whole. First, the personality and preferences of the Administrator Harold Ickes decisively determined the outcome of the nation's first major, experimental, public works program. As a reformer,

[42]Ibid., September 10, 1935, 1:1; September 14, 1935, 1:1; September 15, 1935, 2:1; September 28, 1935, 1:1.

[43]Ibid., May 7, 1936, 1:1; May 9, 1936, 1:1; May 10, 1936, 1:1; May 16, 1936, 1:1; May 17, 1936, 1:6; May 28, 1936, 1:10; .June 19, 1936, 1:1; June 29, 1936, 1:1; July 29, 1936, 1:1. A Republican proposal to replace the work projects fund with grants to the states also failed.

Ickes took a long-term view of the public works program with the goal of convincing the American people that federal public works could be honestly and efficiently administered for the betterment of the country. The policy of careful scrutiny of project proposals ensured that the PWA would be credited with many fine projects completed by the end of the 1930s. The criticism that the PWA did not spend its money fast enough to promote the industrial recovery for which it was created is only partially true. The original NIRA appropriation and later appropriations in 1934 and 1935 were not sufficient to make up for the collapse in the private construction industry between 1929 and 1933. Had the PWA recklessly spent its entire fund within a few months in 1933 it might have had a significant economic impact. However, such a policy, in all probability, would have created numerous inefficient—if not scandalous projects—for which the Roosevelt Administration would have been criticized. The President—who noted that the Administration could afford criticism of being too cautious—supported Ickes' policy. The PWA did not restore prosperity; but then again, neither did any of the New Deal agencies or programs.

In fact, a large portion of the PWA's funds was spent relatively rapidly. Money allocated to federal agencies was put to work far more quickly than that going to nonfederal projects. In Arizona, several federal projects were underway within a few months of the passage of the NIRA while nonfederal project fell victim to a series of delays. There appears to be much validity to Ickes' defense that local conditions were as much to blame for delays as PWA policy. The PWA policy that only good projects be approved, combined with the slowness of state and local project planners in developing good projects, ensured that the main effects of the nonfederal public works program would not be felt until 1936 to 1938. In retrospect, we can still find many fine works constructed by the PWA, testifying to the success of the agency in building improvements of enduring value. No one knew this better than Arizona's Native American population. Any judgment of the PWA must subjectively weigh its achievements and failures in light of the limitations placed on it. The failures of the PWA can be to a large extent explained away; it successes are difficult to question.

7 THE AGRICULTURAL ADJUSTMENT ADMINISTRATION

Three commodities dominated Arizona's agricultural sector in the 1920s and 1930s. Cattle, the oldest sector, was also the most widely dispersed, taking advantage of rangeland in nearly every part of the state, and contributing to the economy of most communities. In the 1920s, cotton production surpassed cattle in value. Developed rapidly after the construction of major reclamation projects on the Salt, Gila, and Colorado rivers, the area of cotton production was limited primarily to the Salt River valley, the Yuma area, and the Casa Grande valley. The 1920s also saw large-scale planting of citrus trees, primarily oranges and grapefruit, which began producing in large quantity in the early 1930s. Like cotton, citrus was grown in the irrigated areas. Less significant, though not negligible, commodities grown in Arizona included sheep and wool, dairy products, alfalfa, and various truck crops. At the beginning of the depression, however, cattle and cotton accounted for the majority of the value of Arizona's agricultural output. Citrus, on the other hand, could still be ranked as a speculation. While being planted on tens of thousands of acres, at the end of the 1920s it was still too early to determine its return.

Cotton growers were severely affected by the depression as falling demand, coinciding with record crops, resulted in a large stock of surplus cotton and falling prices. Although Arizona growers were relatively fortunate because they had some of the highest yields anywhere in the country, the drop in the price of cotton lint and seed threatened many with bankruptcy. Many agricultural experts identified excessive production as the primary cause of farmers' woes, and convinced Roosevelt to pursue a policy of production controls known as the domestic allotment plan. This plan became the major program of the new Agricultural Adjustment Administration, created in May 1933. At the same time, the New Deal also expanded federal credit to farmers. The aid provided to farmers by the AAA varied considerably for the different commodities. In its first two years, the AAA implemented a production control program that was particularly effective for cotton. The AAA's aid to citrus growers did not include production controls, and was limited to support of marketing agreements and loans. The AAA devised an entirely different program to aid cattlemen, who were threatened by a potentially devastating drought in 1934. Instead of imposing production controls, the AAA provided tens of millions of dollars to directly purchase livestock from the range.

The AAA's program evolved over the course of the New Deal. An adverse Supreme Court decision in 1936 forced Congress and the Administration to revise the program, resulting in the enactment of the Soil Conservation and Domestic Allotment Act which provided aid to farmers who adopted a variety of soil conserving or enhancing techniques, or refrained from producing soil depleting crops such as cotton. This new emphasis was more than a means for getting around the Court's decision, it reflected a genuine concern among New Dealers that soil erosion was an important national problem. Federal aid to agriculture was again revised with passage of the Agricultural Adjustment Act of 1938. This act retained the emphasis on soil conservation, but included more effective production controls, more loans, and a plan to store larger surpluses in times of high production.

Arizona farmers took advantage of federal assistance with varying degrees of enthusiasm. Some sectors strongly supported production controls, while other vigorously opposed them. In most instances, the AAA's program was flexible enough to accommodate the differing demands of the different sectors. Arizona farmers also reacted differently as the AAA's program evolved between 1933 and 1938. Each change in the law created a new set of incentives and producers quickly adjusted to maximize their combined return from the value of their output and federal assistance.

ARIZONA AGRICULTURE AND THE FARM CRISIS OF THE 1920S

Prior to the 1910s, the livestock industry, and most especially cattle, dominated Arizona's agricultural economy. Production of field crops was limited by the region's arid climate, and prior to the construction of Roosevelt Dam, the area of irrigation was fairly restricted. Approximately 40 percent of Arizona's land is classified as pastureland or rangeland. Cattle could graze in areas where agriculture could never develop. Livestock remained an important means of support for many rural communities into the 1930s and after. Cattle was not a stable industry, however. Ranchers could be adversely affected by devastating droughts or by cycles in the commodity market. The first great boom and bust occurred in the late 1880s and early 1890s. Expansion in the late 1880s led to a peak of 839,061 head of cattle in 1893, according to county tax records, although the real number was probably much higher. A disastrous drought beginning that year, coinciding with a national economic recession, led to a decline by half or more. A slow recovery over the next ten years was followed by an unprecedented boom in the 1910s. By 1917, the best estimate calculated over 1,434,000 head. Further encouraged by the Stock Raising Homestead Act of 1916, ranchers moved out to the most marginal rangeland in the state. Then, in the early 1920s, not only did cattle prices fall again, stockmen found many areas severely overgrazed. The result was a great decline in the number of cattle.[1]

[1]William Collins, *Cattle Ranching in Arizona*, (Phoenix: Arizona State Parks Board, 1996), 33.

When Roosevelt Dam and three other dams on the Salt River were completed between 1911 and the late 1920s, they stabilized the storage and distribution of water, and opened tens of thousands of acres for agriculture. Cotton quickly became the state's leading crop, and by the 1920s surpassed cattle in value of production. In addition to the Salt River Valley, which had approximately two-thirds of the state's irrigated acreage in 1930, development of the Yuma Project and the San Carlos Irrigation Project spread cotton cultivation to Yuma and Pinal Counties as well. In 1930, Arizona produced $17,050,059 worth of cotton, approximately one-third of the value of the state's agricultural product. Excluding livestock, cotton accounted for 53 percent of gross farm income in 1929, well ahead of the next largest crop, alfalfa, at 34 percent. Although cotton was the state's most important crop, Arizona's share of the national output was relatively small, about three percent. Most of Arizona's cotton production was short-staple and competed in the international market. Of declining importance was Pima cotton, a long-staple variety that grew only in Arizona. The 1930 census estimated that Arizona had 478,223 farm acres in harvested crops, making it one of the smallest farm states. A warm climate, a reliable water supply, and flat land that made mechanical equipment more efficient contributed to its $70 per acre average value, the fourth highest in the nation. The ten year average yield for cotton from 1923 to 1932 was 327 pounds per acre, about twice the national average.[2]

In the 1920s, the two leading citrus producing states were Florida and California. Agricultural speculators believed that Arizona could successfully compete with these producers. During the 1920s, hundreds of thousands of orange and grapefruit trees were planted in Arizona, and these were starting to bear fruit in large quantity in the early to mid-1930s. Bumper harvests in 1933 coincided with poor harvests in California and Texas, giving Arizona growers a temporary market advantage. When harvests in those states recovered the next year, Arizona felt the full effect of depressed prices. The price of grapefruit dropped from $76 a ton in 1927 to $15 in 1934. Three years later, Arizona's grapefruit harvest exceeded California's for the first time, but prices had continued to plummet to as low as $2.32.[3] At such prices, the value of land in citrus was too low to compete against urban uses, and the process of replacing citrus land with houses began.

[2]*Present-Day Agriculture in Arizona*, (Tucson: University of Arizona, Agricultural Experiment Station, 1932), 9-10; Henry I. Richards, *Cotton and the AAA*, (Washington, D.C.: The Brookings Institution, 1936), 17-18; *Arizona Republic*, August 6, 1937, 2:8.

[3]Kotlanger, 79-80.

State programs to aid agriculture were important, but limited. Since 1909, there was a Commission of Agriculture and Horticulture. The Commission's primary activity was to prevent crop pests and diseases from entering the state. Commission staff, such as the State Entomologist, could inspect agricultural properties and products, institute quarantines, or destroy infected produce. The Commission also inspected vehicles entering the state for infected produce. The Commission played an important role in the containment of date palm blight in the 1930s, and an infestation of boll weevils in the late 1920s and early 1930s. The Livestock Sanitary Commission also had a similar role related to the prevention and treatment of livestock diseases.[4]

The University of Arizona's College of Agriculture managed the most active state program aiding farmers. The college's agricultural experiment stations included experimental farms where researchers studies farming techniques and developed plant strains better suited to Arizona conditions. These researchers contributed, for example, to the development of Pima cotton. In 1914, the university created an agricultural extension service to publicize its work to farmers. In 1914, Congress enacted the Smith-Lever Act which provided funding to support the development of extension services, making them a federal, state, and county cooperative educational effort. In 1915, the legislature authorized the university's cooperation with the USDA's extension service. Through most of the 1920s and 1930s, Pontus H. Ross directed the agricultural extension service. In 1933, Ross and the extension service became the administrators of the AAA's program in Arizona.[5]

The most important period of agricultural development in Arizona, from the 1910s through the 1920s, coincided with one of the most intense cycles of boom and bust in the history of American commercial agriculture. Wartime demand and federal policy encouraged farmers to expand their acreage and production to the maximum. Although international demand remained high until 1920, the inevitable revival of European production, the shift in world finances that left the United States as the world's leading creditor nation, and the growth of nationalistic trading policies reduced demand for American farm products. The nation as a whole suffered a severe recession in 1921 and 1922. Because of competitive pressures, individual farmers could not adjust their production to meet the declining demand. Production remained high and commodity prices fell. Furthermore, after the industrial sectors

[4]Extracts of Laws Pertaining to the Arizona Commission of Agriculture and Horticulture, (Phoenix: The Commission, , n.d.), 3-4, 10.

[5]Richard A. Haney, Jr., *College of Agriculture: A Century of Discovery*, (Tucson: University of Arizona, 1985), 74-75.

recovered and moved into a boom period in the mid-1920s, agriculture remained mired in an economic crisis. While farmers on the Great Plains and elsewhere struggled to maintain their solvency, Arizona agricultural acreage continued to grow. Arizona was one of the few states whose farm population grew during the 1920s.

For many decades, farmers had suffered from the periodic swings in the economic cycle. One response was to organize for political action, and demand assistance from the federal government. Some of their demands, such as deliberate inflation, stirred considerable political debate, but were largely rejected because they conflicted with other sectors of the political economy. They were more successful, particularly during the Wilson Administration, in gaining assistance in such areas as crop and seed loans, and expanding federal research and educational services. The U.S. Department of Agriculture developed into one of the earliest federal bureaucracies in which experts and professionals researched important issues and contributed to policy debates. The USDA was also linked to the real world of farmers through its connections with land grant colleges and state and county agricultural extension services.

FEDERAL AID TO AGRICULTURAL BEFORE THE NEW DEAL

The agricultural crisis was not a single problem. Every region of the country and every commodity had its own unique circumstances. Arizona's irrigation farmers appear to have been relatively well off. Their productivity was higher than the national average, and the federal government's Bureau of Reclamation was subsidizing the development of water resources. Cattle ranchers were in a more precarious position. The largest number of ranches were small and in the 1910s, many had expanded to marginal rangeland, which they proceeded to overstock. Reoccurring droughts, excessive debts, and a declining market brought ruin to many. Cotton farmers and cattle ranchers were tied to an international market with prices and demand beyond their control. As competitive units, the only way they could maintain their income as prices fell was to increase production, which many did until bankruptcy removed them from the market.

In the case of cotton, prices recovered from the post-war recession to a peak of about 29¢ per pound. Not coincidentally, this peak followed the decimation of cotton crops in the South by the boll weevil in the early 1920s. Rising production and shrinking demand dragged prices down to nearly 6¢ per pound in 1931-32. The price of cotton seed fell proportionally. The total value of cotton and cotton seed from the 1932 American crop was approximately $465 million, a 69 percent drop from the 1924 to 1929 average annual value of $1,504 million. Although the acreage planted in cotton dropped from 44.5 million acres in 1929 to 36.5 million in 1932, total production continued to rise. By 1933, a significant surplus of cotton had built up which threatened to drive prices down even further.[6]

As individual producers, there was little farmers could do in the 1920s to affect the market system. The major farm organizations, such as the Grange, the National Farmers' Union, and the American Farm Bureau Federation had difficulty in formulating a plan of action or a policy initiative to take to Washington. Agricultural educational leaders in the Association of Land Grant Colleges and Universities preferred to stay out of the increasingly political debate. Some in these groups looked back to the wartime Food Administration—headed by Herbert Hoover—as a model for how a marketing program could regularize the distribution of food and help smooth out market fluctuations. They also applied pressure that convinced Congress to extend the life of the War Finance Corporation in order to provide continuing export credits.[7]

In the 1920s, the federal government considered four major policy options. The first was to simply provide farmers with better information on production and the market. Ideally, with this information, farmers could work out their own adjustment. Most farm groups pressured for a more active response. Herbert Hoover, as Secretary of Commerce and as President, promoted a more active program, but one that left primary responsibility with the farmers through producer cooperatives. In 1922, Congress enacted the Capper-Volstead Act which exempted cooperatives from the Sherman Anti-Trust Act, and the Grain Futures Act, which allowed them access to commodity trading.[8] A third policy option was for the government to purchase and hold surpluses until the "normal" market was restored. Hoover moved towards this option with his 1929 Agricultural Marketing Act which created the Federal Farm Board with power to make loans to farms with only their product as collateral.

[6]Richards, 11-12, 18. Production in both 1932 and 1933 was 1.8 million bales less than the 1929 level of 14.8 million bales. However, the unusually large 1931 crop, 17.1 million bales, left a surplus that remained over the market for the next several years.

[7]Theodore Saloutos, *The American Farmer and the New Deal*, (Ames: Iowa State University Press, 1982), 16; William D. Rowley, *M. L. Wilson and the Campaign for the Domestic Allotment*, (Lincoln: University of Nebraska Press, 1970), 8.

[8]The California Cattle Growers' Association created a cooperative marketing system to guide sales of beef cattle and smooth out irregularities in supply that might destabilize prices. By 1925 about 90 percent of Arizona cattle feeders had joined the California marketing plan. When conditions were bad for Arizona stockmen in 1925 and 1926, many credited the new cooperative marketing plan for keeping prices stable. Renamed the Western Cattle Marketing Association in 1927, the cooperative expanded its membership further east into New Mexico. By the late 1920s, Arizona beef cattle ranchers were fully integrated into a multi-state marketing system whose explicit purpose was to manipulate the market to stabilize prices at a high level. [Collins, 57.]

Because the normal market did not return, this left the federal government holding the bulk of the world surplus. The greatest political debate revolved around the plan to dump surplus American production on the world market in order to raise domestic prices. This plan, originally publicized by George Peek and Hugh Johnson, became known as the McNary-Haugen plan after its congressional sponsors. Farm organizations rallied around the export subsidy plan and twice bills passed Congress, only to be vetoed by President Coolidge.[9]

While the McNary-Haugen debate raged in Congress, another policy option began to be developed by agricultural experts in the USDA's Bureau of Agricultural Economics, created in 1922 by Secretary of Agriculture Henry C. Wallace. Agricultural economists increasingly began to identify the farm surplus as the critical problem facing farmers. They recognized that foreign trade barriers would make the export subsidy plan unworkable. They also recognized the growing influence of nationalistic policies that restricted trade, and the potential of countries like the Soviet Union, Egypt, and India to overburden the world markets with an increasing glut of wheat and cotton. Milburn L. Wilson was a leading advocate for the plan and helped to make it a policy option after 1930. Known as the domestic allotment plan, the idea was to segregate the portion of American farmers' product that could meet domestic demand and provide it with effective tariff protection. Any surplus produced had to be sold at world prices. Unlike the export subsidy, the domestic allotment plan offered a means to raise commodity prices without giving encouragement to expanding production.

A second part of assistance for agriculture was an extensive system of credit to help farmers finance their operations and to help control the release of surplus crops onto the market. In 1916, the Wilson Administration supported the Federal Farm Loan Act that established the Federal Farm Loan Board and a system of federal land banks. The banks offered long-term first mortgage loans to farmers. In order to participate, farmers had to belong to an association organized to expedite these loans. The system expanded in 1923 when the Board became responsible for organizing and supervising federal intermediate credit banks to provide short and intermediate credit to farmers. In 1929, the Agricultural Marketing Act created the Federal Farm Board, which operated independently from the Federal Farm Loan Board. The Federal Farm Board was established to support the organization of marketing and purchasing cooperatives to promote greater efficiency in the sale of commodities in interstate and international commerce. The Federal Farm Board could make loans to these cooperatives and establish corporations

[9]Rowley, 11-13.

to stabilize prices of commodities in surplus. The Board created two such corporations, the Grain and Cotton Stabilization Corporations.[10]

THE AGRICULTURAL ADJUSTMENT ADMINISTRATION, 1933-36

On the campaign trail in 1932, Roosevelt expressed support for the ideas in the domestic allotment plan. M. L. Wilson, Mordecai Ezekiel, and Henry A. Wallace, who believed that farmers had to reduce their production to raise commodity prices, became important advisers to Roosevelt, with Wallace becoming Secretary of Agriculture. In planning a bill to assist agriculture in 1933, the Administration had to consider other ideas that had considerable support both among farmers and in Congress. The export subsidy plan still had wide support, there was support for additional aid to farmers to market their produce, and there was pressure to expand federal farm credit. Also, inflationists found renewed political strength in 1933 and pressured Roosevelt into including it in his plans. Many of these ideas found a place in the final Agricultural Adjustment Act, which Roosevelt signed on May 12, 1933. He supported the omnibus measure because many of its component parts were framed in permissive language that gave him room to implement his own priorities. For example, the act might have been used to implement the export subsidy plan, or it might have practically remonetized silver. Roosevelt chose to emphasize its production control features.

The purpose stated in the Agricultural Adjustment Act was to "establish and maintain such balance between the production and consumption of agricultural commodities" so as to establish parity. Analysts in the 1920s latched on to the concept that agriculture was suffering from a "disparity" of income compared with the industrial sector. Claiming that this disparity dragged down the rest of the economy, farm interests demanded "equality" for agriculture, which eventually solidified into the demand for "parity" pricing. For most commodities, the base period for determining parity was the five years prior to the war, from 1909 to 1914. These were peak years of agricultural prosperity in the United States and a time when farmers' purchasing power was greatest in comparison to other sectors of the economy. While much of the act was couched in terms of emergency legislation, this explicit intention to "establish and maintain" parity indicated a desire on the part of many of the act's framers that the new policy be permanent.[11]

[10]Daniel T. Goggin, *Preliminary Inventory of the Records of the Farm Credit Administration*, (Washington: General Services Administration, National Archives and Records Service, 1963), 1-2.

[11]Richards, 2.

The act created the Agricultural Adjustment Administration. Unlike the independent National Recovery Administration, the AAA was established within the Department of Agriculture. Roosevelt selected George N. Peek as the first Administrator. Peek was one of the founders of the export dumping plan that was the basis for the McNary-Haugen bills that dominated the agricultural debate in the late 1920s. He rejected the idea that production should be limited, but was forced to surrender program priority to the views of Secretary Henry Wallace and Assistant Secretary M. L. Wilson. This policy disagreement forced Peek to resign in December 1933. He was replaced by Chester Davis, another supporter of domestic allotment and production controls.[12]

Placement of the AAA within the Department of Agriculture contributed to its relatively efficient operation. Secretary Wallace fully supported the goal of production limitation and directed the department's bureaus and divisions to cooperate fully with the new agency. The AAA was able to draw upon a large body of experts in all phases of agricultural production and economics, and could operate with a national perspective, seeing how production decisions in one region affected the welfare of others. This differed greatly from the NRA that had to quickly assemble a staff of experts on industrial production. Unlike the NRA, which was forced to rely of expertise borrowed from industry, the AAA drew its top bureaucrats from preexisting government staff. In addition to USDA officials, the AAA could also draw from thousands of experts who worked with the state extension services. Through the extension services, farmers could deal with the AAA through persons they already knew.[13]

To build support and cooperation, and to minimize fear of government control, the AAA supported a broadly decentralized program. Unlike many other New Deal agencies, the AAA had no state administrators. Instead, it tapped the state agricultural adjustment services which provided personnel with knowledge of local conditions and with established contacts with farmers. It was the county agricultural agents who traveled around the state, talking to farmers and ranchers, and convinced them to sign contracts. The extension services of several states had suffered considerably because of budget cuts prior to 1933 and the

[12]Edwin G. Nourse, Joseph S. Davis, and John D. Black, *Three Years of the Agricultural Adjustment Administration*, (Washington, D.C.: The Brookings Institution, 1937), 54-57.

[13]The Nourse, Davis, and Black study of the AAA for the Brookings Institutions called it "one of the best administered of New Deal agencies" [p. 246]. The authors credited this quality to its position within the Department of Agriculture. Finegold and Skocpol repeat this assertion as part of their theory that preexisting state capacity predetermines the success of a new government undertaking.

AAA helped to restore funding with additional grants. To decentralize the program further, Wallace encouraged the direct participation by farmers in AAA planning. He authorized state and local committees or associations of producers to aid in the administration of contracts. Every farmer who signed an AAA contract automatically became a member of his county or district production control association.[14]

To achieve its goals of raising and maintaining farm incomes, the AAA followed four main strategies. The first was to restrict production and to remove excessive stocks of commodities from the market. Next, the agency would directly raise the income of farmers who cooperated with the production controls by giving them benefit payments. Third, the cost of the program would be met by a tax on the first processors of agricultural commodities. Finally, the AAA would regulate the marketing of commodities through voluntary agreements among processors and distributors or through compulsory licensing to eliminate unfair practices or charges. Initially, the AAA production control program covered only seven basic commodities, including cotton, with eight more added by later amendments. The greatest opposition to the AAA program arose because of the processing tax.[15]

[14]Nourse, et al, 34-35, 71, 73, 256, 356-57. The existence of farmers' committees did not always guarantee each farmer an equal voice in the AAA's operations. Many committees, particularly in the South, were dominated by a small number of influential men.

[15]Ibid., 27, 32, 41-42, 418-19. The initial seven basic commodities were cotton, wheat, field corn, hogs, rice, tobacco, and milk and its products. Commodities added later were rye, flax, barley, grain sorghums, cattle, peanuts, sugar beets and cane, and potatoes. The processing tax did not pay for the AAA's program. Significant appropriations were take from several sources:

1. Appropriation for administrative and other expenses under Sec. 12 (a) of the act	$100,000,000
2. Appropriation to carry into effect the Jones-Connally amendment to the act	$150,000,000
3. Transfer under the NIRA to supplement processing taxes	$37,000,000
4. Transfer under the NIRA for administrative expense in connection with code histories	$554,000
5. Allotment under Emergency Appropriation Act (1935) for drought relief	$86,804,400
6. Transfer from FERA for administrative expenses in connection with sub-marginal land projects	$1,970,034
7. Appropriation to carry into effect Sec. 32 of the act of Aug. 24, 1935, in connection with exportation and domestic consumption of agricultural commodities	$92,111,741
8. Allotment under Sec. 37 of the act of Aug. 24, 1935 in connection with the elimination of diseased cattle, and other purposes	$350,000

The provisions in the act for marketing agreements met the demands of former supporters of the McNary-Haugen plan and by the cooperatives who wanted to further market controls. Unlike the marketing program of the Federal Farm Board, the AAA marketing program included processors and distributors as well as the producer cooperatives. The provision authorizing the Secretary of Agriculture to impose market regulations through licensing was similar to powers in the National Industrial Recovery Act, and was intended to eliminate unfair trade practices that encouraged predatory price-cutting. Peek believed marketing agreements should be the priority of the AAA, a view not shared by other Agriculture officials. After his departure, the reduction program took priority. The dairy industry was an exception to this in that the AAA never attempted to reduce production and relied entirely on marketing agreements to regulate prices and raise producer incomes. To strengthen the marketing program after the Schechter decision invalidated the NRA, the act was amended in August 1935 to replace the licensing provision with a system of marketing order issued by the Secretary. These orders covered such things as grade and size restriction, diversions to by-product use, quotas, open pricing, and some regulation of marketing changes. Marketing agreements for milk could also include price fixing provisions.[16]

The early organization of the AAA dairy section carried it along a different path than most other programs. The section was headed by Clyde L. King who was an economist, but not an agricultural economist. He had no prior experience with the Department of Agriculture, although he served during the war in Hoover's Food Administration. As his background was in marketing, he was one of the more prominent of Peek's men and left after Peek resigned. By December 1933, the AAA had milk marketing agreements in twelve cities. After King left, Wallace announced plans for a milk production control program similar to that of other commodities. The agency then held a series of regional meetings in the spring to determine the level of support. The AAA's extension service agents held a number of local meetings in Arizona and California to gauge support of their plan prior to a regional meeting in California. Over 250 Maricopa County dairymen and women met on April 6 to hear Ross describe the AAA's production control plan. He reassured them that the AAA did not plan to kill milk cows, but would transfer them to areas in short supply. Also, the government would purchase surplus

9. Appropriation under the Supplemental Appropriation Act of Feb. 11, 1936 to provide funds for completing the payment of AAA benefits to farmers	$296,185,000

[16]Ibid., 44-45.

milk for distribution to undernourished children. The attendees gave the plan their near unanimous support. Representatives of Arizona and Nevada supported the proposal at the regional meeting on April 13, but were outvoted by the California opposition. The majority of delegates instead requested a program to increase consumption, particularly with $10 million for advertising. They also asked for $40 million for removal of diseased cattle. Opposition at the western regional meeting and elsewhere in the country led the AAA to drop its production control plan, but the need for some sort of assistance led the Maricopa County dairymen to again request some steps by the AAA for relief. The agency retreated to its earlier strategy of promoting local marketing plans. At a hearing in Phoenix on July 3, 1934, AAA officials took in comments on a milk licensing plan. The local dairymen were noted as having made "reasonable requests regarding prices." Wallace approved the plan was approved in September, however, it did not immediately include price fixing arrangements.[17]

The AAA also attempted to use marketing agreements to stabilize and raise incomes for citrus farmers. The AAA approved separate marketing agreements for Florida growers and for Arizona and California growers combined. The agreements, which became effective on December 15, 1933, attempted to regulate market supplies by requiring licenses for shipment. The agreements established two national citrus stabilization committees, one for oranges and the other for grapefruit. Each committee selected a national citrus coordinator to correlate their work. These agreements failed to halt the decline of prices, however, and the government again intervened through the Federal Surplus Commodities Corporation to purchase citrus for relief. Although citrus farmers were eligible for benefit payments under the later Soil Conservation and Domestic Allotment Act of 1936 and the second Agricultural Adjustment Act of 1938, the AAA did not solve the problem of overproduction in citrus.[18]

Shortly after passage of the Agricultural Adjustment Act, Roosevelt ordered a consolidation of activities of the Federal Farm Loan Board, the Federal Farm Board, their subsidiary agencies, and some additional

[17] *Arizona Republic*, December 11, 1933; 1:1; April 7, 1934, 1:7; April 14, 1934, 1:9; May 5, 1934, 1:7; September 1, 1934, 1:5; Finegold and Skocpol, 110. Finegold and Skocpol note that the local nature of the dairy industry facilitated producer and processor cooperatives and that many were working efficiently prior to the New Deal. Their success had diminished the need for the kind of government intervention that cotton growers eventually demanded.

[18] Kotlanger, 79-80; *Arizona Republic*, December 15, 1933, 1:1, 1:8. The continuing problems in citrus, particularly with grapefruit, led Florida and Texas to impose minimum prices of 32¢ per box for grapefruit at the beginning of 1939 (January, 29, 1939, 1:2).

lending operations in the Department of Agriculture under a new independent agency, the Farm Credit Administration. In addition to these existing operations, the FCA created a new set of lending units, the Production Credit Corporations. Farmers were required to be members of local production credit associations in order to participate in this loan program. In December 1933, the Production Credit Corporation granted charters to the Arizona Livestock Production Credit Association and the Arizona Farmers Production Credit Association. The Livestock Production Credit Association was larger, with $1.5 million in potential credit compared to $1 million for farmers. The president of the Livestock Production Credit Association was Wayne Thornburg, who over the next two years helped to facilitate hundreds of thousands of dollars worth of loans to Arizona stockmen. Up to May 1, 1935, the Livestock Association closed 62 loans and disbursed $1,195,354 to stockmen. In the same period, the Farmers Production Credit Association closed 113 loans and disbursed $371,895. The Farmers Association served 123 members by 1937 and operated throughout the state, except for Yuma County and the portions of Mohave and Coconino County north of the Grand Canyon. The activities of the Farmers Association grew in 1936 to $611,395 in loans, on which it made a profit of $6,105.[19]

While the production credit associations offered significant credit to stockmen and farmers, it was less than what private sources provided. In 1932, the Salt River Valley Water Users Association created a subsidiary Agricultural Credit Finance Association, Ltd. to aid SRVWUA shareholders finance crops, water bills, and taxes. By March 1937, the association had made 5,622 loans worth $5,945,269, had more than 800 loans outstanding, in excess of $700,000. Tax law changes in that year meant that the SRVWUA would suffer a tax liability for owning the stock of the association, so it sold the association to the Arizona Farmers Production Credit Association.[20]

The Farm Credit Administration layered its loan program so farmers were first required to seek credit from private lenders. If they could not get credit from a private bank, and they were members of a Production Credit Association, they could apply from that source. Failing these two sources, farmers could apply to the Emergency Crop and Feed Loan Division of the FCA. In 1934, emergency crop loans from $25 to $250 were available to farmers who could not otherwise get credit, as long as they cooperated with the AAA's production control program. The

[19]*Arizona Republic*, December 13, 1933, 1:1; May 26, 1935, 1:4; January 29, 1937, 1:10; January 30, 1937, 2:1. Thornburg was also a leading opponent of federal efforts to regulate the public domain under the Taylor Grazing Act (see chapter 8).

[20]Ibid., March 21, 1937, 1:1.

program was originally planned to operate for one year, but as with many New Deal programs, it was extended because farmers continuously pressured the Administration for increased aid. Feeder loans were also available to livestock growers in drought areas. By 1937, the program offered loans up to $400.[21]

The various lending operations of the FCA became one of the most important sources of credit for agricultural operations in the state. In February 1937, the total of FCA loans and discounts outstanding was $12,664,990. This included long-term and seasonal financing. The continued demand for such credit reflected a growing dependency on federal assistance as depression conditions and low commodity prices persisted into the late 1930s.[22]

The Hoover Administration's Federal Farm Board had initiated extensive loans to agricultural cooperatives. Since the commodity was the only collateral for the loan, and because prices continued to decline below the level of the loan, the government was left holding a tremendous surplus of commodities. Despite this, Roosevelt expanded the loan program with the creation of the Commodity Credit Corporation on October 17, 1933. The RFC provided the bulk of the Commodity Credit Corporation's funds and an assistant to Jesse Jones served as its president. The Corporation immediately began a cotton loan program, using $250 million from the RFC, offering 10¢ a pound, again, with the cotton serving as the only collateral. Loans could only go to farmers who cooperated with the AAA.[23]

The Commodity Credit Corporation's loan operations subsidized cotton farmers, since they benefited from any price above the loan rate, while the Corporation bore any loss if the price remained low. Through late 1933 and early 1934, the 10¢ loan rate was higher than the market price. The loan program helped to keep a large portion of the harvest off the market until the AAA's crop reduction program began to take effect. This occurred after February, when prices were in the range of 12¢. The loan and production loan programs appeared to work well together and in August 1934, Roosevelt authorized increased loans of 11¢ to 12¢ for the coming season. As a result of this extension, the government in 1935 was financing the holding of 6.2 million bales of cotton, nearly twice the peak level of the Federal Farm Board. The loans were continued in 1935 at a lower rate of 10¢ a pound, but with prices again at the 12¢ level,

[21]Ibid., March 24, 1934, 2:6; March 25, 1934, 3:1; March 26, 1934, 1:5; March 1, 1937, 2:1.

[22]Ibid., February 10, 1937, 2:8.

[23]Nourse, et al, 154; *Arizona Republic*, April 27, 1934. In its first year, the Corporation gave loans only to cotton and corn farmers.

relatively few such loans were made. Because of this lower demand, the loan program terminated at the end of March 1936.[24]

THE COTTON PROGRAM

The AAA's cotton program consisted of four parts. The first part was a system of voluntary contracts between the government and individual cotton farmers, who agreed to reduce their acreage in production in exchange for a rental or benefit payment. When the AAA began, the 1933 cotton crop had already been planted, so any reduction could only be accomplished by a massive plow up of cotton plants. To affect a significant reduction, farmers were asked to plow under between 25 and 50 percent of their current crops. In Arizona, farmers in 1933 planted on about 137,000 acres. About 22,000 acres were eventually plowed under. The AAA offered farmers different forms of payment for this reduction. Under the straight rental plan, farmers received 6¢ per pound on the estimated yield of the crops they plowed under. The majority of Arizona farmers chose an alternate plan. While they got less per acre, they received an option to purchase government held cotton at 6¢ per bale, which would provide a greater return if the market price rose. The actual cotton crop for 1933 was 13 million bales, and the AAA estimated that without its plow up program, another 4.2 million bales would have been produced. The cotton harvested sold for an average of 10.2¢ per pound. The reduction program continued in 1934 and 1935, but the AAA worked to reduce planting cotton rather than plow it up later.[25]

Although the AAA's cotton reduction program was the largest for any commodity in 1933, cotton farmers demanded even greater restrictions. Support grew for a mandatory production control system, leading to enactment on April 21, 1934 of the Bankhead Cotton Control Act. The Bankhead Act established a national production quota of 10 million bales for which the Secretary of Agriculture issued tax exemption certificates to farmers. Any cotton ginned without a certificate would be taxed at between 5¢ and 6¢ a pound. The initial quota of tax exemption

[24]Richards, 214-19, 225-27; Nourse, et al, 166.

[25]Saloutos, 66-70; Richards, 282-84; *Arizona Republic*, November 1933, Resource Edition, 6:3; November 26, 1933, 1:3. The market price included the effects of both the cotton plow up and a simultaneous cotton loan program (see below). The Brookings Institution economists estimated that without these two programs, the price of cotton would probably have been about 6.4¢ per pound. The majority of this rise, they estimated, derived from the plow up. The cotton program also had an additional tool provided by the act to help reduce the cotton carry-over. To liquidate the stocks held by the Federal Farm Board, payments for rentals of land taken out of production could be supplemented by selling cotton. Roosevelt allocated to the Farm Credit Administration $60 million from the "Bankhead Fund" made available to him under the National Industrial Recovery Act [Nourse, et al, 38].

certificates was for 10 million bales. The largest class of cotton specifically exempted by the act was Pima long-staple, which was grown exclusively in Arizona.[26]

Tax exemption certificates were issued by the Secretary of Agriculture to all cotton farmers, irregardless of whether they signed cotton reduction contracts, but each grower's allotment was for far less than their base production, making any surplus subject to the tax. Those who signed contracts would cut their production and receive a rental benefit payment. To reduce speculation, rules restricted the transfer of certificates. The AAA issued a ruling that all unused 1934 certificates had to be returned in exchange for 1935 certificates by the original producer to whom they were issued, or by those who had acquired them according to regulated direct transfers. The AAA then sponsored the formation of a National Surplus Cotton Tax Exemption Certificate Pool that regulated the transfer of certificates from surplus areas to deficit areas. The pool helped cotton farmers who received a greater allotment than their production. They could sell their certificates to the pool for 4¢ a pound. The 1934 Arizona crop produced approximately 117,000 bales. The value of this crop, about $7,755,000, was less than half the 1930s crop. The state received insufficient tax exemption certificates to cover its crops, forcing growers to purchase approximately $290,000 worth from the pool.[27]

The terms of the Bankhead Act were mandatory only for 1934. Continuation of the Bankhead Act depended on the outcome of a national referendum of cotton producers. Approximately 57 percent of eligible cotton farmers voted in the referendum held December 14, 1934, and they approved the extension by an overwhelming 90 percent. Arizona cotton farmers also supported extension, although by a smaller margin than the national average, but a majority of Pinal County cotton farmers opposed extension. This was in large part because the county's 1934 crop of 15,500 bales exceeded their 11,000 bale allotment of tax certificates, forcing farmers to purchase certificates from the pool. This broad support for maintenance of a mandatory system of production control indicates that cotton farmers understood that only a strong

[26]Richards, 6, 165-7, *Arizona Republic*, March 28, 1934, 1:1. The 10 million bale quota referred to 500 pound bales, which was equivalent to 10,460,251 standard bales of 478 pounds. Other exempted newly-grown cotton included that grown for domestic use and cotton harvested by an experiment station or agricultural laboratory. The exclusion of Pima cotton was a provision added by Carl Hayden.

[27]Richard, 164, 179-82. Texas and Oklahoma accounted for the bulk of the national surplus of tax exemption certificates. Most states were at a deficit.

federal presence could prevent a return of overproduction and collapsing prices.[28]

THE CATTLE PROGRAM

Cattlemen in 1933 successfully lobbied to exclude cattle from the AAA's. Stockmen denied the merits of the domestic allotment plan, and feared that a processing tax would place beef at a competitive disadvantage. They did not oppose government aid, however, which they sought in the form of tariff restrictions on beef imports, livestock loans, and the purchases of beef by the Federal Surplus Relief Corporation. The situation changed by early 1934 as the full pressure of declining prices threatened the financial position of many ranchers. The Jones-Connally Act of April 7, 1934 added cattle to the list of basic commodities, and the AAA began planning for a surplus reduction program similar to its other commodity programs. Charles E. Collins, president of the National Cattle Growers Association wrote to Wallace on April 6 that there "is a very unsettled feeling among cattle growers and cattle feeders due to the uncertainty over [the] cattle program and processing taxes." Cattlemen, he claimed, definitely opposed the idea of a processing tax. They wanted only the provisions for surplus reduction and disease control in the Jones-Connally Act applied. Within weeks, it became apparent that the West was suffering from a major drought that threatened ranchers either with desiccated cattle on the range or with collapsing prices, as herds were dumped on the market. The AAA quickly dropped plans for contractual reductions with a processing tax and proceeded to implement a drought purchase program to remove livestock from the range.[29]

The drought purchase program satisfied cattlemen, giving them money, removing the surplus threatening the market price, raising prices, and protecting the range from overgrazing. It did so without contracts, processing taxes, or other obligations from producers. In addition to the direct purchase of cattle and sheep, the drought relief program included negotiations with the railroads to reduce rates out of the drought areas, a relaxation of crop reduction contracts to allow planting of forage crops, and the use of relief funds to increase range water supplies and provide stock feed and seed to needy families. Between July 1934 and January 1935, the AAA purchased 8.4 million

[28]Ibid., 188-89; *Arizona Republic*, December 15, 1934, 1:1.

[29]D. A. FitzGerald, *Livestock Under the AAA*, (Washington: The Brookings Institution, 1935), 174-75, 179-80, 189; *Arizona Republic*, April 16, 1934, 1:2. On November 10, 1933, the FSRC purchased 400,000 pounds of canned beef, and between January 5 and March 6, 1934, it purchased 114,260 head of cattle for $2.5 million. Sheep did not join the AAA's list of basic commodities, although they were part of the drought relief purchases.

head of cattle and 3.6 million head of sheep. At the height of the program, the AAA spent $67,000 a week on livestock purchases in Arizona. In mid-September, Ross encouraged Arizona farmers to plant forage crops on the land original contracted to lie fallow. Cattle producers received about $111.7 million in payment through the program. Drought purchases contributed to a decline in the number of cattle on farms by 6.6 million head, or about 11 percent from January 1, 1934 to January 1, 1935. The result was a 75 percent rise in the price of cattle by April 1935. The drought reduction program raised cattle prices practically to the AAA's calculated "fair exchange value." Having gotten what they wanted from the AAA on their own terms, cattlemen had no further incentive to support it.[30]

THE END OF THE ORIGINAL AAA AND REORGANIZATION

Processors of agricultural commodities, on whom the AAA's taxes directly fell, opposed the program. A few took their opposition to court, claiming that the act was unconstitutional. The Supreme Court's ruling against the NRA emboldened opponents into pressing their cases, which were slowly working their way through the federal court system. Two lower court rulings against the AAA in mid-1935 indicated that the agency was severely threatened. Lawsuits poured upon the AAA, including one from the Arizona Flour Mill Company, which had facilities in several parts of the state and from the Hayden Flour Mill. The Administration responded by pushing through several amendments to the act in August 1935 that solidified some of its more vague sections. Carefully defined Secretary's orders replaced the loosely worded licensing provision in the marketing program. The amendments also set out in detail the provisions that might be included in marketing agreements which clarified the delegation of authority and more clearly laid responsibility with the Secretary. In October, Roosevelt endorsed the AAA's program and encouraged Congress to make it permanent.[31]

The Supreme Court's decision came on January 6, 1936 in the case of *U.S. vs. William M. Butler et al., Receivers of Hoosac Mills Corporation*. The Court ruled that the processing tax constituted "control of agricultural production" and was unconstitutional as an invasion of the rights reserved to the states. While this did not invalidate the entire act, it eliminated its primary funding source and invalidated the contracts used to adjust production. Important programs that survived the Court's decision included marketing agreements and orders, relief purchases,

[30]FitzGerald, 189, 194, 201, 209; *Arizona Republic*, September 14, 1934, 1:1; September 19, 1934, 1:7.

[31]Nourse, et al, 117, 277; *Arizona Republic*, July 19, 1935, 1:8; July 22, 1935, 1:6.

commodity loans, the surplus removal operation, the eradication of diseased animals, and the allotment of quotas for sugar imports.[32]

Roosevelt and Congress responded to the Court's ruling much differently than it had to the earlier elimination of the NRA. Congress passed an appropriation to cover the AAA's obligations previously paid by the processing tax. The President anticipated that the Bankhead Cotton Control Act would also be invalidated and urged Congress to repeal it immediately in favor of new farm legislation, which it did. Many farmers around the country, including Arizona voiced their support for a new program and urged their representatives to pass new farm aid legislation. The Arizona Farm Bureau castigated Ashurst for his hesitancy to support the Administration bill. Arizona cattlemen, on the other hand, opposed the proposed new AAA. On February 29, 1936, Roosevelt signed replacement legislation in the form of the Soil Conservation and Domestic Allotment Act. This act was framed to meet the Court's objections by emphasizing a federal agricultural program to preserve soil fertility, promote conservation of land, protect rivers and harbors, and by omitting objectionable items like the processing tax. The new act also repeated the goal of establishing and maintaining parity in farmers' purchasing power. The Secretary was authorized to make payment to encourage farmers to follow soil improving practices and to shift to soil conserving crops.[33]

The change in emphasis from the original AAA to the SCDAA represented, first, a change in strategy that would allow the federal farm program to meet the Supreme Court's test. It also represented a genuine change in the identification of the fundamental problems of agriculture. After nearly three years under the original act, the AAA production reduction programs, the drought purchase program, and the coincidental drought that aided crop reduction, greatly reduced the surplus. The impact of the drought emphasized that poor farming techniques and the expansion of agriculture to submarginal lands both destroyed the land and added to unnecessary overproduction. Officials hoped that by subsidizing good agricultural practices—which included reducing the production of certain crops—the overproduction problem would disappear. The AAA reorganized to administer the SCDAA. The process of verifying contracts was removed from the Washington office to new state offices. The agency's reorganized its divisions from commodities to regions. Contracts with producers specified payments based on adopting particular soil conserving farming techniques. For example, the USDA

[32]Nourse, et al, 2, 49.

[33]Ibid., 50; *Arizona Republic*, January 10, 1936, 1:5; February 7, 1936, 1:9; February 20, 1936, 1:1.

classified crops either as depleting, soil building, or soil conserving. Producers received payments by reducing their acreage of soil depleting crops, such as cotton.[34]

The revitalized AAA immediately set out to convince farmers to accept its program. The early operation of the AAA from 1933 to 1935 set Arizona's agriculture sector, with the exception of citrus, on an upward trajectory. University experts cited 1936 as the best year for Arizona farmers since 1930. Prices were higher for cotton seed, alfalfa seed, and wool, and demand for land was also notably up. The state's total farm income for the year was approximately $46 million, of which, AAA payments accounted for $1,355,000. Nearly 1,800 Maricopa County farmers signed agreements for the year. Few stockmen took advantage of the new AAA in 1936 because it was not begun until late in the summer. To encourage greater participation by stockmen in 1937, the AAA paid for a variety of range building practices.[35] Nearly a thousand Maricopa County farmers signed soil conservation contracts by early June and 1,600 by the end of the year. However, only about 1,200 of these actually fulfilled the terms of their contract and received payments, which totaled $560,000 for the year.

Farm aid advocates divided between those supporting aid to efficient, commercial farmers, and supporters of government to aid low-income farmers and tenants. In 1936, certain congressman complained that the AAA was subsidizing large-scale producers at the expense of small farmers and requested the Secretary of Agriculture to report on how many producers had received payments greater than $10,000 in the AAA's first three years. In 1933, out of approximately one million cotton

[34]Saloutos, 237, 239-40.

[35]*Arizona Republic*, January 24, 1937, 4:1; January 31, 1937, 1:5, 4:1; April 1, 1937, 1:3, 1:4. Farm soil conservation practices paid for by AAA: Establishment of terraces—40¢ per 100 linear ft.; contour listing and fallow—$1 an acre on non-irrigated land; perennial noxious weed control—$5 an acre for periodic cultivation and $10 an acre for chemical treatment; green manure crops—$2 an acre for turning under biennial or annual legumes after two months growth on irrigated land. Rates paid for planting soil-conserving plants: perennial legumes—$3 an acre for seeding and a good stand, including alfalfa, kudzo, sericea, white clover, ladino, and others ($2.50 is the lower rate); biennial legumes—$3 an acre (high) to $2 (low); perennial grasses—$3.50 an acre to $2.00; biennial and annual sweet clover—$2 (high) to $1 (low). Range improvements paid by AAA included: contouring—50¢ an acre for furrowing on the contour; developing springs and seeps—$50 each; construction of earthen pits or reservoirs—15¢ per cubic yard of fill or excavation; digging or drilling well—$1 per linear foot; water spreading—10¢ per 100 linear ft. of permanent ditching; range fending—30¢ a rod; rodent control—15¢ an acre for pocket gophers & 6¢ an acre for ground squirrels; reseeding—20¢ per pound of seed sown; fire guards—3¢ per 100 linear ft. for plowing fire guards. The range building payments depended on the range building allowance for the ranch which was at a rate of $1.50 per animal unit of grazing capacity of the land.

production control contracts, 307 involved payments greater than $10,000. This declined to only 160 in 1934. In 1935, when contracts numbered nearly 1.25 million, there were only 186 such payments. Combined, these payments amounted to about 2.6 percent of all cotton payments. The AAA argued that nearly all of its aid was widely distributed and that small farmers suffered no disadvantage. Large producers could not be excluded from the program if it was to control total output. The debate continued throughout the 1930s and a payment cap of $10,000 was included in the second Agricultural Adjustment Act of 1938.[36]

Problems arose again, especially for cotton, in 1937. Without the AAA's rigorous production controls, farmers planted to their fence lines. Nationally, cotton farmers planted 33.4 million acres, an 11 percent increase over the previous year. Combined with improved yields, the national crop was about 25 percent greater. Experts initially believed that world consumption of American cotton would exceed production by a million bales, but this was countered by a decline in domestic consumption due to the deepening depression that year. The price of cotton began to drop significantly. Arizona cotton farmers planted on about 269,000 acres—compared to only 208,000 in 1936. In Maricopa County, farmers planted on a record 181,000 acres, compared to only 137,000 acres in the entire state in 1933. Their average yield of 438 pounds per acre was almost two and a half times the national average of 184.2 pounds. Total production in the state was about 300,000 bales, compared to 149,488 bales in 1929 and only 117,000 bales in 1934. As the price of cotton fell, the demand for greater government assistance grew louder. Governor Stanford wrote to the president and the Arizona delegation for aid to cotton, stating "the cotton market appears at the mercy of speculators since the destruction of the AAA, and bears are in control." Congressmen, in turn, pressured the Administration to expand its cotton loan programs. As the Congress had recently turned down the Administration's request for major farm legislation, Roosevelt bargained an agreement to provide 9¢ per pound loans and $150 million to the Commodity Credit Corporation in exchange for fast track consideration of Administration proposals in the next session. Items included a new

[36]Saloutos, 239; Nourse, et al, 339; *Arizona Republic*, June 10, 1936, 1:4; January 17, 1937, 1:6; April 28, 1937, 1:7, May 21, 1937, 1:3; January 30, 1938, 2:7. In 1936, the second largest payment in the nation, $47,682, went to the Arizona Citrus Land Company of Peoria. Other Arizona payments over $10,000 went to the Maricopa Reservoir and Power Co., Phoenix, $19,270; J. L. Hodges, Buckeye, $10,835; Miller Cattle Co., Phoenix $12,621; and Cortaro Farms Co., Cortaro, $17,051.

Agricultural Adjustment Act, crop insurance for wheat, price stabilization, and Wallace's "Ever-Normal Granary" proposal.[37]

The second Agricultural Adjustment Act was enacted on February 16, 1938. Its contracting system and method of payments was similar to the SCDAA, and retained that law's emphasis on subsidizing good soil conservation techniques and avoiding planting excessive soil depleting crops. The Ever-Normal Granary plan included provisions to store a greater surplus of crops during good years for use in poor years (or the war years, as it turned out). In addition to the soil conservation features, the second AAA controlled excessive cotton production by issuing acreage quotas, and then imposing a 2¢ per pound tax on any cotton marketed by farmers from additional acreage. This provision of the law would be implemented only if two-thirds of the affected farmers approved. In the referendum held on March 12, Arizona farmers joined cotton farmers nationwide in approving the marketing plan by approximately 90 percent. The AAA set a national target of 10.75 million bales, or eight million bales less than the previous year's crop. Arizona's quota was 186,627 acres. Most Arizona cotton farmers cooperated with the new program, and the reduction in acreage, about 44 percent, was the largest in the country. The state's total crop declined to 190,000 bales. This contributed to a slight decline in total state farm income from the sale of commodities during 1938. However, the AAA more than compensated, giving farmers over $1.6 million in the second half of 1938.[38]

THE IMPACT OF THE AAA

The extensive studies of the AAA conducted by the economists of the Brookings Institution in 1936 and 1937 attempted to evaluate the economic impact of the agency's operations in its first three years. Almost every aspect of the program could be criticized on one point or another, but the primary question was whether the agency had succeeded in its stated goal of establishing a parity of purchasing power for American farmers. They concluded that the AAA had contributed to economic recovery. More easily quantifiable was the contribution to increasing farm incomes. In 1932, average farm income was less than half the 1924 to 1929 average. Although income had not fully recovered by 1935, the AAA's $498 million in benefit payments helped to raise incomes to about 72 percent of the 1924-29 average. The gross gain to

[37]*Arizona Republic*, July 9, 1937, 1:2; August 1, 1937, 4:1; August 6, 1937, 2:8, August 10, 1937, 1:1; August 18, 1937, 1:4; August 25, 1937, 1:1; August 31, 1937, 1:1; January 26, 1938, 1:2; January 30, 1938, 2:7.

[38]Ibid., February 17, 1938, 1:1; March 12, 1938, 1:4; March 13, 1938, 1:1; January 21, 1939, 1:7; January 22, 1939, 2:7; January 31, 1939, 1:2. Cotton acreage reduction nationally was about 25 percent.

cotton farmers from the combination of benefit payments and higher prices amounted to an estimated $780 million between 1933 and 1935. The world carry-over of American cotton declined between 1933 and 1935 from 11.5 million bales to about seven million. The Institution estimated that without the AAA, the carry-over would have increase by about two million bales, causing a further depression in prices. The AAA spent $90 million on drought purchases of livestock, which also prevented widespread dumping of cattle and sheep on the market or death on the range. The AAA provided Arizona with a large infusion of federal funds. Up to March 31, 1937, the AAA's expenditures in the state totaled $4,097,634. In addition to these benefits from the AAA, Arizona also benefited from millions of dollars in credit extended by the various operations of the FCA and the Commodity Credit Corporation.[39]

Despite this praise, the evaluation also made some criticisms of the AAA, especially its lack of concern for the welfare of farm laborers. While the agency made strong efforts to see that tenants and sharecroppers shared in its benefits, it largely avoided any attempt to make farmers pass benefits to wage laborers either by hiring more or by raising wages. The AAA was also criticized for its lack of concern over the effects of its programs on consumer prices. Everyone expected consumers to, ultimately, pay for higher commodity prices and the processing tax. Defenders of the AAA placed their faith in the NRA's effort to raise wages. Within the agency was a Consumers' Council, created to watch whether processors raised prices above the tax and to educate the public that the tax was not the only reason why food prices increased. Some members of the Consumers' Council saw their role as defenders of the consumers and they tried to reduce processors' margins so consumers would not have to pay the entire tax. This public crusader role ended after an agency reorganization in early 1935 that turned the Consumers' Council to internal agency purposes. There was also a problem with the method of setting base figures for production and establishing reduction targets. The Department of Agriculture prior to the AAA had encouraged farmers to reduce production in response to the drastic price fall prior to 1933. Many farmers had done so and their reward was to have their base figures reduced. Farmers who had maintained high production or produced erratically could receive higher base figures and so receive greater benefits by reducing production. There was also the problem than any cotton grower who participated in the crop reduction program in 1933 was automatically eligible to participate in the following years, even if they had never grown cotton before. The AAA faced a dilemma over the question of whether it

[39]Nourse, et al, 138, 286, 301, 308-09, 448; *Arizona Republic*, May 22, 1937, 2:1.

should seek to maximize agricultural efficiency or maximize its aid to the farm population. In the end, the latter goal took precedence.[40]

CONCLUSION

The conditions of Arizona farming differed from most other parts of the country. Reclamation projects on the Salt, Verde, Gila, and Colorado Rivers caused a rapid expansion of irrigable acreage from the 1910s through the 1930s. The number of farmers increased in Arizona while the national trend was downward. The combination of climate, a reliable water supply, and increasing mechanization gave Arizona cotton farmers some of the highest yields in the nation. These factors also contributed to a massive speculation in citrus in the late 1920s and early 1930s. Tens of thousands of acres were planted in oranges and grapefruit in the expectation that Arizona could compete with the established growers of California, Florida, and Texas. Cattle raising remained important in many other areas of the state where irrigation agriculture was limited or impossible. Stockmen were affected by periodic droughts that contributed to significant soil erosion. To stabilize the market and raise prices, Arizona's cattlemen in the 1920s joined the Western Cattle Marketing Association, a cooperative backed by California bankers to assist the industry in California, Arizona, and New Mexico.

Arizona cotton and citrus growers shared in the national problem of overproduction. Despite increasing production, lower prices kept the value of Arizona's cotton production lower than in the peak years of 1918-19. The citrus acreage began to produce in large quantity just as prices collapsed. Cattlemen were faced with the immediate crisis of drought in 1934, which threatened to devastate their herds and force down prices as cattle was dumped on the market. The response of the Agricultural Adjustment Administration to the problems facing these commodities differed greatly. For the limited number of basic commodities, which included cotton and cattle, the AAA offered payments to encourage reduced production. Cotton farmers in particular eagerly participated in the reduction program. They plowed under about 22,000 acres of cotton in 1933, and contracted to keep acreage low in 1934 and 1935. Since citrus was not one of the basic commodities, the AAA could aid only by supporting a marketing plan which included requiring licenses for interstate sale. The marketing plan proved ineffective, and Arizona citrus growers never fully recovered from the collapse in prices that continued through the rest of the 1930s.

Cattle raisers approved joining the AAA as a basic commodity in 1934, but most opposed the processing tax. The immediate crisis of the drought caused the AAA to drop its plan to offer contracts for stock

[40]Nourse, et al, 340, 350-51, 390-95.

reduction and impose a processing tax, and implement a large-scale drought reduction program. This program removed cattle from the range through direct purchase. The program effectively reduced the number of cattle and raised prices nearly to the parity level. Content with this situation, cattle raisers opposed any further efforts by the AAA to reduce cattle, which were not included as a basic commodity in the second AAA of 1938. They were able, however, to participate in the soil conservation incentives offered by the AAA after 1936.

Millions of dollars in loans and direct payment contributed not only to stabilizing Arizona agriculture, but also to its expansion. As irrigable acreage increased, Arizona received larger production quotas. This aid helped many farmers modernize their operations, replacing horsepower with mechanical equipment that was especially efficient on the state's flat farm land. The AAA also encouraged better farming techniques by subsidizing soil conserving practices and soil enhancing crops. The additional work of the Soil Conservation Service and the creation of grazing districts under the Taylor Grazing Act amplified this emphasis on soil conservation, topics examined in the following chapter.

8

CONSERVATION AND THE NEW DEAL

By the 1930s, it had become increasingly apparent that human settlement had disturbed the natural balance of land with its associated flora and fauna, leading directly to erosion and declining soil fertility. Extensive droughts in many parts of the United States, including Arizona, coinciding with the decline of the industrial economy in the early 1930s, turned the Administration's attention to the problem of soil erosion. This was a problem that President Roosevelt identified with personally, having had long experience as a land manager at his own Hyde Park estate.[1] In the First Hundred Days and later, the Administration created agencies to provide relief and reform by employing men to repair the damaged land. The Civilian Conservation Corps, Roosevelt's forest army, was the most famous of these, employing hundreds of thousands of young men in forests and on the range, constructing roads, dams, fire lookouts, and other improvements to aid in better land management. The Soil Erosion Service (later the Soil Conservation Service), also created in 1933, provided federal assistance for soil improvement programs on federal lands, including Indian reservations, and on private land. This chapter examines the major aspects of these two agencies in Arizona.

Special conditions in the state made these soil conservation agencies a far more important part of the New Deal in Arizona than in many other states. One of these was the drought, which severely affected cattle raising, the state's second largest agricultural industry. This was particularly important on several of the reservations where livestock provided the most important means of support for substantial numbers of tribal members. Another important characteristic of the state was the vast extent of federal lands, at that time divided into major management categories such as reservations, National Forests, National Parks and Monuments, and the public domain under the jurisdiction of the General Land Office. The Civilian Conservation Corps did not undertake work projects independently. It was a labor source guided by other federal agencies that used these workers to fulfill their own land management priorities. The National Park Service, the Forest Service, The Soil Conservation Service, the Office of Indian Affairs, and later the Grazing Service, were the major supervisors of CCC work in Arizona. Another factor that made Arizona a priority region for the Soil Conservation Service was Coolidge Dam on the Gila River. This structure faced long-term dangers from soil erosion in its watershed. One of the largest project areas for erosion control by the SCS was on the upper Gila River in Arizona and New Mexico, to protect the dam and the San Carlos

[1]Edgar B. Nixon, *Roosevelt & Conservation, 1911-1945,* (Washington, D.C.: Government Printing Office, 1957), xi.

Irrigation Project.[2] This chapter explores this and other important soil protection projects undertaken in the state.

In addition to these agencies, the New Deal in 1934 established a new land use policy designed to curb abuse of public lands by overgrazing of livestock. The Taylor Grazing Act established a new system of land management in which the public domain was segregated into defined districts and permits required to graze livestock.[3] The Taylor Grazing Act brought the era of the open range to an end. It established a system of federal oversight that left a great deal of control to the grazers themselves. Implementation of the Taylor Act included an extensive land improvement program guided by the Grazing Service using CCC labor. Also, the new system granted limited rights to use of the land and encouraged livestock raisers to make their own investments in range improvements such as fences, wells, and water tanks. In general, Arizona stockmen opposed passage of the Taylor Act, but thereafter worked successfully in the formation of grazing districts. Their cooperation with a program that they did not want reflects their desire to protect their established interests. Arizona stockmen's surprisingly calm acceptance of the end of the open range, perhaps reflected their consideration of the difficult times their industry had gone through in the boom and bust of the 1920s and the recurrence of severe droughts. Stockmen, like most others in Arizona, readily accepted the New Deal for the benefits it brought to them.

THE DAMAGED LAND AND FRANKLIN ROOSEVELT

In 1901, D. A. Griffiths, a botanist for the Arizona Experiment Station in Tucson, set out to study forage conditions in southern Arizona. A scientist familiar with range conditions across the western United States, Griffiths condemned Arizona's lands as more degraded than any other he had seen. Griffiths asked two pioneer Arizona cattlemen, Henry Hooker and C. H. Bayless about their remembrances of the early rangelands of southern Arizona. Hooker wrote:

> The San Pedro Valley in 1870 had an abundance of willow, cottonwood, sycamore and mesquite timber; also large beds of sacaton and grama grasses, sagebrush, and underbrush of many kinds. The river bed was shallow and grassy and its banks were beautiful with a luxuriant growth of vegetation. Now the river is deep and its banks are washed out, the trees and underbrush are gone, the sacaton has

[2] *Arizona Republic*, December 28, 1933, 1:2.

[3] James Muhn and Hanson R. Stuart, *Opportunity and Challenge: The Story of BLM*, (Washington: U.S. Government Printing Office, 1988), 37.

been cut out by the plow and grub hoe, the mesa has been grazed by thousands of horses and cattle, and the valley has been farmed. Cattle and horses going to and from feed and water have made many trails or paths to the mountains. Fire has destroyed much of the shrubbery as well as the grass, giving the winds and rain full sweep to carry away the earth loosened by the feet of the animals. In this way many waterways have been cut from the hills to the river bed. There is now little or nothing to stop the great currents of water reaching the river bed with such force as to cut large channels and destroy much of the land under cultivation, leaving the river from 10 to 40 feet below its former banks. This it has caused much expense in bringing the water to the cultivated lands, and necessitated much labor to dam up the channel and keep the irrigating ditches in repair.[4]

The testimony of several cattlemen revealed the changing character of the Arizona range lands. The owner of a large ranch near Oracle, C. H. Bayless, recalled that in the late 1880s:

> . . . the San Pedro Valley consisted of a narrow strip of subirrigated and very fertile lands. Beaver dams checked the flow of water and prevented the cutting of a channel. Trappers exterminated the beavers, and less grass on the hillsides permitted greater erosion, so that within four or five years a channel varying in depth from 3 to 20 feet was cut almost the whole length of the river. Every year freshets are carrying away new portions of the bottom lands. At present this valley is a sandy waste from bluff to bluff, while the few fields remaining are protected from the river at large and continuous expense. Thus, in addition to curtailing the area of good land, the deep channel has drained the bottoms, leaving the native grass no chance to recover from the effects of close pasturing.

On the question of forage conditions, Bayless added,

> Of the rich grama grasses that originally covered the country so little now remains that no account can be taken of them. In some parts of the foothills alfilaria furnishes limited but excellent pasture during the spring and early summer. Were stock water is far removed some remnants of perennial grasses can be found. Grasses that grow only from seed sprouted by summer rains are small and transitory value.

[4]Conrad Joseph Bahre, *A Legacy of Change: Historic Human Impact on Vegetation of the Arizona Borderlands*, (Tucson: University of Arizona Press, 1991), 109-113.

Early testimony from Spanish explorers and missionaries and later American soldiers and settlers indicates that southern Arizona had been more of a grassland than in the 20th century. Many human activities, including the eradication of beaver, "protective" measures such as fire suppression, and the harvesting of wild hay played a part in altering the natural balance of the region's flora and fauna. Tall grasses disappeared while woody plants like mesquite, acadi, burroweed, and snakeweed became dominant. Natural fires tended to suppress these kinds of plants, favoring quick-growing plants like grasses that store energy primarily in their roots. People introduced new species of grasses that challenged native flora. Short species that spread by runners were increasingly favored over grasses that reproduced primarily by seed.[5]

A significant force in this environmental change was livestock. Sheep and, more importantly, cattle grazed the Arizona grasslands in increasing number throughout the latter half of the 19th century. Between the 1850s and 1880, the number of cattle counted by the census rose from practically zero to 135,757. In the 1880s, however, the combination of good rains and the end of fighting with the Indians allowed livestock ranching to spread across nearly the entire territory. By 1890 there were recorded 927,880 head of cattle, while the true number probably reached well over a million. In the exuberance of boomtimes, territorial governor, F. A. Trittle claimed that Arizona could carry 7,680,000 head of cattle. In fact, Arizona could never graze anywhere near that number. When the number of cattle went over one million (and there was a significant number of sheep in addition), the conditions for a rangeland disaster were at hand. The first wave of losses hit in 1885 when drought struck the region. Cattlemen in Arizona and across the West shipped off what cattle they could, causing a severe drop in prices. A more severe and extended drought began in 1893. Again, losses were severe and numbers of livestock did not recover their previous number until the boom of the 1920s. Ten years after Governor Trittle's optimistic estimate that Arizona could support over seven million cattle, the governor's report of 1893 commented, "In nearly all districts, owing to overstocking, many weeds have taken the place of the best grasses." Henry Hooker believed the cause of the environmental change was due "principally to overstocking. In times of drought even the roots are eaten and destroyed by cattle." Bayless agreed:

> The present unproductive conditions are due entirely to overstocking... Droughts are not more frequent than in the past, but mother earth has been stripped of all grass covering. The very roots have been trampled out by the hungry herds constantly wandering

[5]Ibid., 119-20.

> to and fro in search of enough food. The bare surface of the ground affords no resistance to the rain that falls upon it and the precious water rushes away in destructive volumes, bearing with it all the lighter and richer particules [*sic*] of soil. That the sand and rocks left behind are able to support even the scantiest growth of plant life is a remarkable tribute to our marvelous climate. Vegetation does not thrive as it once did, not because of drought, but because the seed is gone, the roots are gone, and the soil is gone. This is all the direct result of overstocking and can not be prevented on our open range where the land is not subject to private control.[6]

Bayless' last point is significant. An important part of the problem was the nature of land ownership. For land in the public domain, a rancher had no long-term interest in maintaining its productivity. Where land could be entered at any time by homesteaders, miners, or other ranchers, it was actually in the rancher's short-term interest to take as much from the land as he could before someone else came along. The result was a landscape mined of its forage rather than conserved as a permanent resource. Though total numbers of livestock decreased from the highs of the 1890s, range conditions continued to fluctuate according to climatic and market conditions. World War I caused a brief boom that promoted overexpansion. An agricultural bust followed in 1921-22. Recovery was temporary as the combination of drought and national economic depression devastated both the Arizona livestock industry and the Arizona landscape.

Franklin Roosevelt brought into his presidency a keen awareness of many issues regarding agriculture and problems with soil degradation. Not since the administration of Theodore Roosevelt was conservation of the nation's natural resources raised to high priority. At Hyde Park, his family's estate in the Hudson River valley in New York, and at Warm Springs, Georgia, Roosevelt observed the effects of years of harsh agricultural practices that had wrung the land of its fertility and left it exposed to erosion. "I can lime it, cross-plough it, manure it and treat it with every art known to science," he said, "but it has just plain run out—and now I am putting it into trees in the hope that my great grandchildren will be able to try raising corn again—just one century from now." How to save the ailing land was a question which Roosevelt took personally. Over the years, he planted thousands of trees at Hyde Park. Roosevelt's interest in restoring the vitality of the land became a prominent part of his political activities. Following his election to the New York legislature in 1910, he became a leading figure promoting conservation by the state government. He also served as

[6]Ibid., 112.

chairman of the Forest, Fish and Game Committee where he set out to promote a systematic state effort to conserve the land, water, and trees. During his term, Roosevelt made clear his interests in natural resources conservation, public power development, and labor legislation. How these three areas of interest could be combined would be revealed over two decades later in such New Deal programs as the Tennessee Valley Authority and the Civilian Conservation Corps.[7]

During the emergency of the Great Depression, Congress enacted a substantial portion of Roosevelt's program. And where that program touched upon the conservation of the nation's natural and human resources, new laws and agencies of the New Deal reflected his deepest beliefs. The CCC stands out as the child of Roosevelt's philosophy of "Co-operation," but many other New Deal agencies reflect these beliefs including the SCS, the AAA, and the TVA, along with individual undertakings, like the shelterbelt of trees planted across the Great Plains from Texas to the Canadian border. In 1940, he stated his vision of "an American whose rivers and valleys and lakes—hills and streams and plains—the mountains over our land and nature's wealth deep under the earth—are protected as the rightful heritage of all the people." It was a powerful vision, but one that challenged many existing ideas and institutions that had guided the development of the United States in the past.[8]

Back in 1901, pioneer cattleman Bayless described the legacy of the previous era of private mismanagement of the land:

> Twelve years ago 40,000 cattle grew fat along a portion of the San Pedro Valley where now 3,000 can not find sufficient forage for proper growth and development. If instead of 40,000 head 10,000 had been kept on this range, it would in all probability be furnishing good pasture for the same number today. Very few of these cattle were sold or removed from the range. They were simply left there until the pasture was destroyed and the stock then perished by starvation.[9]

The New Deal intended that such hard earned wisdom would be put to use and that such profligacy with the land would never be repeated.

[7]Schlesinger, Jr., *The Coming of the New Deal*, 335-36; Nixon, 3-4.

[8]Nixon, viii.

[9]Bahre, 112.

THE CIVILIAN CONSERVATION CORPS

As governor of New York, Roosevelt found opportunities to develop conservation as public policy. Particularly during his second term, when the economic slide was reaching momentous proportions, he looked for ways to treat the need for both conservation of the land and relief for the growing lines of the unemployed. In 1931, he sponsored a successful amendment to the state constitution giving the state the authority to acquire marginal land and reforest it. More significant, Roosevelt and his conservation commissioner, Henry J. Morgenthau, Jr., developed a work relief program that eventually took 10,000 men off direct relief rolls and gave them temporary employment to carry out this reforestation. It was natural to carry this precedent into the presidency. As early as July 2, 1932, during his Democratic nomination acceptance speech, Roosevelt called for "a definite land policy" to fight "a future of soil erosion and timber famine." With such a program, he claimed, "employment can be given to a million men."[10]

Within days of his inaugural, the new president ordered his Secretaries of War, Interior, Agriculture, and Labor to formulate a plan that could place at least a quarter million men at work in useful conservation work. On March 21, Roosevelt called for the establishment of a Civilian Conservation Corps, to be used in simple work that would not interfere with normal employment. On March 31, Congress passed a bill granting the president wide powers to employ men in conservation activities on public and private land. Qualifications for enrollees, pay schedules, organization, and other details were left to the administration to work out. An executive order five days later appointed Robert Fechner, head of the International Association of Machinists, as executive director of the new agency, established an advisory council composed of representatives of the four major participating cabinet departments, and set up the initial funding mechanism.[11]

Foremost amongst the precedents set by the CCC was that it was largely a federal effort. Enrollees were employed and paid by the federal government, their work projects coordinated by the Departments of the Interior and Agriculture, and the Army regulated their living places and

[10]John A. Salmond, *The Civilian Conservation Corps, 1933-1942: A New Deal Case Study*, (Durham, North Carolina: Duke University Press, 1967), 7-8.

[11]Ibid., 11; Perry H. Merrill, *Roosevelt's Forest Army: A History of the Civilian Conservation Corps, 1933-1942*, (Montpelier, Vermont: published by the author, 1981), 197-98. To emphasize the temporary nature of the new agency and, perhaps, to deemphasize its military connection, the official title of the agency was Emergency Conservation Work. The term 'Civilian Conservation Corps,' however, was initially used by Roosevelt and continued to be used. This unofficial title was made official in an act of 1937. The abbreviation 'CCC' will be used in this monograph in preference to 'ECW.'

off work activities. Roosevelt set the goal of 250,000 men to be employed in the CCC within about three months. Such a mobilization of manpower was unprecedented in American history, greater even than the mobilization during World War I. Both the Departments of the Interior and Agriculture already had in place plans for work in National Forests, National Parks and Monuments, and other public lands. The enrollment of unemployed men was the responsibility of the Department of Labor.[12] Conditioning of enrollees and management of the work camps was given to the Army. Director Fechner and the advisory council coordinated the activities of these and other minor agencies involved. The organization was hastily built and this did not promote maximum efficiency. Indeed, Roosevelt complicated the situation by demanding a direct role in the selection of sites for work camps.

The Department of Labor's United States Employment Service delegated responsibility for selecting enrollees to state and local relief agencies. Though many had only recently been created at the behest of the RFC, state and county relief boards provided the manpower and organization to recruit men for the CCC. The federal government played little role in deciding who would be chosen for the CCC ranks. Although it was not a requirement, these boards largely drew enrollees from their relief rolls. Also, the act creating the CCC included a provision barring discrimination in employment on account of race, color, or creed. In practice, the USES had little power to prevent discrimination in selection.

To rally state support of the CCC plan, Roosevelt called a conference of state representatives in early April to meet with newly appointed director Fechner and representatives of the technical agencies. To represent Arizona, Governor Moeur chose former State Engineer W. W. Lane. Beyond explaining the purpose and organization of the CCC, Fechner had little to tell the state representatives beyond their quota, which for Arizona was a thousand young men. Moreover, the planned 20 camps would provide a $10 million boost to the state's economy. But apart from getting ready to select the enrollees, there was little for the state to do in the mobilization effort. In other parts of the country, the placement of camps often involved politics and Congressmen pleaded for camps in their districts. Roosevelt occasionally allowed political effects to influence decisions on placement or closure of camps. Arizona, with its single congressional district, received far more benefit than its political clout alone would account. Throughout most of the history of the CCC, Arizona usually had over 20 camps in operation year around. The

[12] An executive order of May 11, 1933 reserved 25,000 CCC positions for veterans, who would work in separate camps. Enrollment of veterans was handled by the Veterans Administration.

abundance of federal land in Arizona made it an attractive place for CCC camps.[13]

Not all Arizonans looked on the CCC favorably. Many opposed the idea of bringing in unemployed men from out of state. State Representative James B. Sayer of Maricopa County and Highway Commissioner C. E. Adams argued that Arizona had its own unemployment problem and had no interest in "importing undesirables." Similar problems arose in most parts of the country, so Fechner instituted a number of policies designed to accommodate local feelings. In the first place, camps would be placed where there appeared to be strong local support and cooperation. Also, the CCC would enlist local men to provide skills and expertise and serve as much needed supervisors for small work crews. They also provided an important link between the camps and nearby communities. Concern over importing undesirable men led Senator Ashurst to successfully push for a policy that Arizonans would be assigned only to their own state and that only men from the Army Eighth Corps Area would be assigned to Arizona.[14]

In the president's vision for the CCC young (between seventeen and 24), unemployed males would be taken from depression-ridden cities and set to work in the clean atmosphere of the nation's forests. The enlistment period was six months and the CCC "boys" could reenlist for a second term, after which they were expected to seek out private employment. The controversial rate of pay—$30 per month—made it quite clear that the CCC was emergency relief and not public employment, a point emphasized by the additional stipulation that enrollees send $25 of their monthly pay back to their families. Starting early in May 1933, young men began signing up with the Corps. Arizona's quota filled quickly, and county officials began to compile a waiting list. Because the depression had hit so many communities, enrollees presented a broad spectrum of the social strata—blue collar, middle class, and rural farm boys from families employed until recently by the mines, railroads, and agriculture. Amongst the neediest groups in the state, Hispanics and blacks found a measure of relief in the CCC. In the first year, Hispanics comprised between fifteen and 20 percent of the state quota, with blacks between one and four percent. Women, as intended, were left out of the program and benefited only indirectly from

[13]Booth, 10-11. Booth criticizes Gov. Moeur for failing to prepare the state for the CCC effort, though he fails to cite exactly what there was that Moeur could have done since the mobilization was largely a federal effort and camps and work projects would be placed almost exclusively on federal land.

[14]Ibid., 19-22. To administer its CCC responsibilities, the Army divided the country into nine corps areas. The Eight Corps Area included Arizona, Texas, New Mexico, Oklahoma, Colorado, and Wyoming.

the money the enrollees sent home. In most states, minorities suffered discrimination in CCC enrollment. In Arizona, however, Indians took advantage of a special CCC division setting aside employment on reservation land. In the first season of operation, Arizona had 20 regular and three veterans camps with approximately 4,000 young men and veterans, and an additional 550 locally employed men.[15]

In other parts of the country, particularly the South, black Americans were segregated into their own CCC companies. In Arizona there were simply too few black recruits to organize separate companies and so they were spread among several camps. Within the camps, blacks were segregated into their own quarters and often assigned the worst jobs to perform in the camps. Strict segregation was practiced in the case of Arizona's reservation Indians. The CCC on reservations operated virtually as a distinct program. Hispanics were not segregated into their own camps, but accusations of prejudice in the recruitment process arose in Pima County where the Spanish-American Club of Tucson accused the Pima County Board of Public Welfare of bias. Such practices varied, however, and several other counties, including Pinal, Santa Cruz, and Graham recruited a notable number of Hispanics. It was even possible for resident aliens who had begun the citizenship process to find a place in the CCC ranks. Unofficial segregation occurred when white and Hispanics simply preferred to work or bunk with members of their own group, and excluded others.[16]

THE FOREST SERVICE AND THE CCC

In the CCC's nine years, a total of 50 camps operated in Arizona at various times (not including the CCC's Indian Division, which is examined in the following chapter). The agency supervising the most camps was the Forest Service with eighteen, reflecting the importance of the national forests as one of the single largest land jurisdictions in the state. With over eleven million acres—nearly sixteen percent of the state's land—the national forests encompassed critical watersheds of the Salt, Verde, and Gila Rivers. Two other important supervising agencies were the National Park Service and the Soil Conservation Service. Other agencies supervising small numbers of camps included the Division of Grazing, the Bureau of Reclamation, and the Fish and Wildlife Service.[17]

[15]Booth, 29-31.

[16]Ibid., 30-31, 64-66, 143. The Army itself directed the work of the only all black CCC company to work in Arizona. This unit worked at Fort Huachuca in the fall of 1935 and was composed of 184 men from Texas and eighteen from Arizona.

[17]Walker and Bufkin, 52; Merrill, 109.

In 1933, the Forest Service had long-term development plans that it had difficulty fulfilling because of budget constraints. Civilian Conservation Corps labor, as well as other New Deal programs, offered an unprecedented opportunity to accomplish these goals. The Forest Service's development projects fell into four interrelated categories. The first was resource protection, which included projects to prevent soil erosion, control insects and plant diseases, and control fires. Second, resource development projects sought to maximize the profitable output of the forests through reforestation, underbrush clearing, collecting seeds, building plant nurseries, survey, water development, and range improvements. Next, the Forest Service looked towards improving the infrastructure which enabled people to use the resources of the forests. Projects along these lines were roads and truck trails, telephone lines, fire lookout stations, and other property construction. Finally, to increase public use, the Forest Service devised several recreational development projects to build picnic and camping areas and facilities such as visitor centers, outhouses, and water facilities.[18]

The Forest Service had a headstart in using this new work force because prior to Roosevelt's inauguration, it had surveyed urgently needed work. That provided a good beginning, but far more planning was necessary. For the Southwest Region, headquartered in Albuquerque, these plans called for a series of conservation and improvement projects to be accomplished over a ten year period. When Frank Pooler took over as Southwest regional forester shortly before Congress took up the President's CCC proposal, he pushed all nine of Arizona's National Forests to be prepared by selecting campsites, planning projects, and stockpiling equipment.[19]

Facilities for proper management of the national forests simply did not exist in the early 1930s. The Forest Service had been chronically underfunded and tried to keep all building costs to less than $800. Rangers lived in isolated structures that they often built themselves. Looking back to 1910, one ranger remembered his living conditions:

[18]Ibid., 25.

[19]Salmond, 9, 26; Booth, 15-16. The 1932 report, *A National Plan for American Forestry* (also referred to as the Copeland Report), examined all aspects of forestry, including timber, water, range, recreation, wildlife, research, state aid, and fire protection. The concept of multiple use management which eventually became the Forest Service's primary strategy appeared for the first time in this report (Harold K. Steen, *The U.S. Forest Service: A History*, [Seattle: University of Washington Press, 1976], 202).

"There were hardly any shacks for the rangers to live in or anything else. There were no roads and few trails... It was rough."[20]

With the CCC making a large-scale building effort possible, the Forest Service began to design a full range of administrative facilities. The solution to building a large number of buildings and structures in a short time without excessive cost was to develop standardized plans. An administrative complex was composed of many structures including the ranger station, which was the primary work place and point of public contact, the ranger residences, barns, garages, oil houses, hen houses, and latrines. Direction for the development of these plans came from the Washington Office, though actual designs were drafted at the Regional Offices. Architects for Region 3, which included Arizona, first developed plans of bungalow style buildings of balloon framing and horizontal or vertical board siding. In wooded areas, buildings were often constructed of stone, while in grasslands wood frame was used. In addition, architects bowed to stylistic regionalism and drew plans for Spanish Eclectic and Pueblo Revival style buildings in desert areas.[21] In the late 1930s, the Forest Service deemphasized standard plans and developed "acceptable plans." This allowed for more regional variation and shifted Forest Service architects in the direction of the Rustic idiom used the National Park Service. The emphasis was now on creating a visual (and functional) harmony between the various buildings of the complex and between the complex and its natural surroundings.[22]

The Camp Clover Ranger Station is an example of a Forest Service project built by the CCC using standard plans. A Forest Service reorganization in 1934 placed the lands of the former Tusayan National Forest, south of the Grand Canyon, under the administration of the Kaibab National Forest. The Kaibab Forest Supervisor needed new facilities to

[20]Elwood R. Mauder, *Memoirs of a Pioneering Forester in the West: An Interview with Robie M. Evans*, (Santa Cruz, California: Forest History Society, 1977), 7; Steen, 170.

[21]Romanticized period revival styles replaced the bungalow in the 1920s. Architects drew on Spanish and Pueblo motifs to create an image that seemed appropriate for the Southwest.

[22]Michael Sullivan, Teri A. Cleeland and J. Michael Bremer, "Depression-Era USDA Forest Service Administrative Complexes in Arizona National Register of Historic Places Multiple Property Documentation Form," 1989, Sect. E. This document includes a valuable description of Forest Service architecture along with reproductions of plans. Associated with it are nineteen individual National Register nomination forms for administrative complexes: Water Canyon Administrative Site, Columbine Work Station, the Rustler Park and Cima Park Fire Guard Stations, Copper Creek Guard Station, and the Portal, Big Springs, Moqui, Pinal, Pleasant Valley, Sunflower, Pinedale, Lowell, Canelo, Beaver Creek, Crown King, Sycamore, Camp Clover, and Walnut Creek Ranger Stations.

manage the additional million acres and planned a new administrative site at Camp Clover. Located at the base of Bill Williams Mountain, about two miles west of Williams along Route 66, Camp Clover was then little more than a log cabin and barn in a landscape of ponderosa pine and oak. After dismantling the old structures, CCC work crews used standard plans to construct a set of new buildings to house the families of the Williams District Ranger and his assistants. At one point, the Forest Supervisor, Walter G. Mann, attempted to modify porches mandated by the plans saying the rock pillars "mar the beauty of the house in the worst possible way." The Regional Office dictated that the plans must be followed in order to preserve the proper order of the bungalow style. After the CCC crew left, construction of the complex was completed by Forest Service work crews hired using some available PWA funds.[23]

The Moqui Ranger Station (now called the Tusayan Ranger Station), adjacent to the south boundary of Grand Canyon National Park, represents the use of acceptable plans. The CCC built the complex composed of a dwelling, an office, a barn and corral, a garage, and a seed house between 1939 and 1942. The new ranger station allowed year-round use and easy public accessibility. The Moqui Ranger Station was based on acceptable plans first published in 1938, but included design modifications that made it unique in Forest Service architecture. Its rustic style was more in line with current trends in NPS architecture.[24]

Besides constructing crucial administrative complexes, CCC workers also built or improved hundreds of miles of truck roads and trails allowing greater access to previously inaccessible areas. These roads enabled more logging and resource development such as reforestation and erosion control. They also increased recreational opportunities for the public. Most importantly, roads allowed fire crews and equipment to move quickly to wild fires, helping to halve of the rate of timber lost to fire compared with the 1920s. Fire prevention became a significant aspect of CCC work in the forests. Besides participating in fire control, they constructed fire lookout facilities that allowed small fires to be spotted quickly. These fire lookout facilities included high towers or houses on mountain peaks along with cabins, sheds, bards, privies, and cisterns needed to support the personnel. At least 21 fire lookout

[23]Teri A. Cleeland, "Camp Clover Ranger Station National Register of Historic Places Registration Form," 1989, Sect. 8, 1-3.

[24]Teri A. Cleeland, "Moqui Ranger Station National Register of Historic Places Registration Form," 1989, Sect. 8, 1-2.

facilities were built or improved during the 1930s, most if not all using CCC labor.[25]

THE NATIONAL PARK SERVICE AND THE CCC

The second major supervising agency was the National Park Service. While the state had a number of national monuments, NPS's primary effort was directed towards the state's only national park, the Grand Canyon. National Park Service priorities differed from the Forest Service in important ways and these stemmed from differences in their fundamental missions. While the Forest Service worked from the philosophy, embedded in law, of conservation for use, the Park Service mandate included the preservation of scenic lands and natural wonders in their natural state. Increasing access to tourists, however, was a common goal. At Grand Canyon, this involved projects to increase recreational facilities and to build needed water and communications facilities.[26]

Communications provided a unique challenge. Divided by canyon, the two rims' road connection was the unpaved and circuitous highway crossing Navajo Bridge near Lee's Ferry. The alternative to this day long auto trip was to hike or ride a mule over a primitive trail 25 miles long and cross the Colorado River in an old cable tramway. The first telephone line between the rims was installed in 1922, but it could handle only one call at a time and was too often overburdened or out of service. Plans for a new line were complete by December 1933, but construction did not begin until November 1934. To make the improvements as unobtrusive as possible, landscape architect Harry Langley recommended placing the telephone poles off the main trail in inconspicuous places and that they be painted to match their surroundings. The project was completed in November 1935, but so rapidly did the line become overused, that the CCC upgraded the system in 1938.[27]

[25]Peter L. Steere, "National Forest Fire Lookouts in the Southwestern Region, USDA Forest Service National Register of Historic Places Inventory-Nomination Form," Cultural & Environmental Systems, Inc., 1987, Sect. 7, 23, 28, 42. This nearly exhaustive study of the topic of fire lookouts was unable to determine an exact figure for the number of such projects in the Southwest Region.

[26]Booth, 15. The canyon, preserved as a national monument by Theodore Roosevelt in 1908, was designated a national park in 1919, just three years after the creation of the National Park Service. NPS director Arno B. Cammerrer took up plans left by founding director Stephen Mather to turn the Grand Canyon into one of the greatest parks in the system. Mather had been frustrated by lack of funds, now Cammerrer and Grand Canyon superintendent Raymond Minor Tillotson saw in the CCC the chance to turn the park into a major tourist attraction.

[27]Teri A. Cleeland, "Trans-Canyon Telephone Line National Register of Historic Places Inventory-Nomination Form," 1986, Sect. 8, 1-4.

The combination of CCC labor, a temporary CWA force, and PWA funds allowed fulfillment of the Grand Canyon Village plan.[28] Roads were built and improved, water and sewer lines expanded, residences and utility buildings built, and camping facilities developed. As a result of the general expansion of the CCC in late 1934 a third CCC company was added to the park with its camp also at the Village. Beginning in October 1933, crews repaired the overused Kaibab and Bright Angel trails, the main arteries between the rims. The North Rim company constructed roads to Point Imperial and Cape Royal. The most challenging trail project was the Colorado River Trail, which connected the Bright Angel trail to the river crossing at the Kaibab Suspension Bridge. This trail was less than two miles in length yet required three years to complete because it had to be cut into the sheer walls of Granite Gorge. The last major addition to the Village was the Bright Angel Lodge, opened in 1935. After 1935, with most work at the Village completed, one of the companies moved to the East Rim at Desert View to undertake development of a new park entrance following the 1935 opening of the Nava-Hopi Road.[29]

The first major reduction in the CCC work force at the Grand Canyon occurred in 1938 when the company at Desert View was disbanded. That same year saw important administrative changes in the park. Superintendent Tillotson, who had been instrumental in planning and implementing the Grand Canyon Village plan, became director of NPS Region One. He was succeeded by Dr. Harold C. Bryant, who as Assistant Director for Research and Information, had overseen interpretive activities in all the national parks. Upon arrival at the Grand Canyon to take up his new duties, he spelled out his vision for the park. "The Grand Canyon," he stated, "has passed through three of the stages, acquisition, protection, and physical development---in the (typical) growth of a national park, and now has entered the fourth---that of best use, wherein is stressed the educational and appreciation phase." Though some small development projects were yet to be done, the CCC had largely succeeded in building the facilities that the Grand Canyon would rely upon to accommodate millions of visitors in the coming years.[30]

[28]This plan was developed in 1924 by NPS, in cooperation with the Santa Fe Railroad and the Fred Harvey Company.

[29]Ibid., 18-20; Robbyn L. Jackson, "Roads and Trails of Grand Canyon Arizona National Register of Historic Places Multiple Property Documentation Form," 1996, Sect. E, 7.

[30]Ibid., 21.

THE DEMISE OF THE CCC

Enrollment in the CCC peaked in September 1935 at 502,000 men and 2,514 camps across the country. In Arizona, the number of camps reached 50 and the number of enrollees nearly 9,000. New Forest Service camps opened in such locations as Pena Blanca Lake northwest of Nogales, Stockton Pass on the southern part of the Pinaleno Mountains, Turkey Creek on the east side of the Chiricahua Mountains, and Juan Miller in the southern part of the Apache National Forest. The National Park Service cooperated with Phoenix to develop South Mountain and Papago Parks, and with Tucson to develop Colossal Cave.[31]

The expansion of the CCC had not even begun before Roosevelt indicated his desire to shrink it again. The President had two considerations in mind. Foremost was his increasing concern with the federal budget. In 1936 he would seek reelection, and the budget deficit was a heavy liability. Also, Roosevelt's wanted to make the CCC a permanent agency and to do so it had to be scaled down to fit within the normal budget. In December 1935, he ordered the CCC reduced to 300,000 men in 1,456 camps by June 30. On January 1, 1936, 489 camps closed. Arizona had already lost seven camps the previous fall because of enrollment restrictions. Roosevelt expected complaints from local interests and politicians affected by the camp closing. He did not expect a full-fledged revolt by members of his own party in Congress. For a majority in both houses, the CCC was too popular and too valuable politically to allow cuts. Advocates for the CCC forced the President to capitulate and accept a continuation of the CCC at a strength of 400,000 in the upcoming year.[32]

This show of support only made it appear more likely that Congress would approve a bill making the CCC a permanent agency. Roosevelt announced his intent to submit such a proposal in his annual address on January 7, 1937. "The Civilian Conservation Corps has demonstrated its usefulness," he told the Congress, "and has met with general public approval." The timing appeared auspicious—Roosevelt was safely reelected and the Corps was scheduled to terminate at the end of March. The Senate passed a permanency bill with little debate. Arizona Senator Carl Hayden, a strong CCC supporter, expressed the desire "to see a million young men a year going through the camps." Strong opposition to the permanency bill arose in the House. Although there was little criticism of the CCC, opponents used the opportunity to punish the President because of the recent Supreme Court packing controversy. After

[31]Salmond, 57-58, 63; Booth, 123-26. Arizona had no state park system at this time.

[32]Salmond, 63-65.

1937, the President had a much more difficult time pushing his agenda through Congress. Another view was expressed by House Minority leader Bertrand H. Snell of New York who said he was "not ready to say that the U.S. will never again be able to take care of its boys from 17 to 25 years of age without putting them in the CCC camps." Despite support in the Senate for permanence, Congress eventually passed only a three year extension of the Corps.[33]

Following the failure of the permanency bill, Fechner began to step down enrollment and implement organizational reforms to increase efficiency. The supervising agencies criticized Fechner for attempting to centralize authority over the CCC in the director's office. The spirit of cooperation that allowed the CCC to overcome many of the obstacles its poor organization might have caused began to evaporate. Reorganization in Arizona eliminated the Tucson District office, and budget cuts forced the number of camps to drop from 44 in the spring of 1937 to 39 that summer, then 30 in the winter. Rather than discharge enrollees, the CCC preferred to limit new recruitment.[34]

The number of camps declined to 20 in 1938. In these last years, other agencies began to play a relatively larger role in supervising CCC work. The Interior Department's Division of Grazing supervised seven camps in 1939. Several of these were on the Arizona Strip, the region north of the Grand Canyon that had previously received little attention. The Division of Grazing finally cut back to three camps in the summer of 1940. More cuts followed after the start of the war in Europe as unemployment began to permanently drop. There were only fifteen camps in Arizona by November 1941.[35]

James McEntee, who became the CCC director following the death of Fechner at the end of 1939, tried to defend the agency by emphasizing its value to national defense in developing and protecting natural resources. Late in 1940, the CCC required 20 hours of instruction in vocational skills that could serve in defense industries. Even this late, it was possible for a new agency to take advantage of CCC labor. The U.S. Fish and Wildlife Service opened a new camp at Parker Dam in September 1941 to construct facilities at the new Lake Havasu National Wildlife Refuge. The Service later opened another camp at the Kofa National Wildlife Refuge shortly before the demise of the agency. U.S. entry into the war led to direct military drill of CCC enrollees and to construction of structures for military use. The camp at Lake Havasu, for example, con-

[33]Ibid., 145-56; Booth, 192.

[34]Booth, 193-94.

[35]Ibid., 198-200, 212-13.

structed barracks and guard houses for Parker Dam. Other camps relocated to improve airfields in the Tucson and Phoenix areas. Massive cuts ordered by Roosevelt after the start of hostilities left Arizona with only five camps by the beginning of 1942, and plans were made to continue only three during the summer to do forest fire prevention work. These plans were aborted, however, when Congress declined to allocate further funding for the CCC that summer.[36]

In the late nineteenth and early twentieth centuries, the federal government established several national forests, parks and monuments in Arizona. These encompassed a large portion of the state's land and many of its major tourist attractions. Inadequate funding, however, left them relatively undeveloped. New Deal public works agencies presented the Forest Service, the National Park Service, and other federal agencies with a unique opportunity to fulfill their long-term development plans. These plans included development and protection of resources, construction of administrative facilities, and increasing recreational access. The Civilian Conservation Corps was the most important New Deal resource, providing the supervising agencies with an abundant labor supply. The CCC built roads, trails, fire lookouts, administrative complexes, soil erosion control structures, campgrounds, and other valuable infrastructure work, helping to turn agencies like the Forest Service into effective land managers. Many CCC-built buildings and structures at the Grand Canyon and the state's national monuments remain in use today.

THE SOIL CONSERVATION SERVICE

A consciousness that soil erosion threatened American agriculture and its natural resources, grew slowly in the first three decades of the 20th century. One of the first persons to identify and study the problem was Hugh Hammond Bennett, a chemist in the Department of Agriculture's Bureau of Soils. As a soil scientist, Bennett identified previously unrecognized forms of soil degradation. His findings challenged existing notions about why soil lost its fertility. More important than the findings themselves was Bennett's forceful publicity campaign to bring the problem to national attention. He succeeded in gaining congressional support in 1929 for a special investigation of soil erosion. Investigation, however, provided only information, it did not constitute national action to repair the problem. In 1930, Bennett first laid out a plan for a national program of soil and water conservation.

The effects of economic depression were compounded by widespread drought in many parts of the country. Arizona suffered a number of dry seasons, though the nation's attention became riveted by

[36]Ibid., 214-18.

the Dust Bowl of the Great Plains. In 1933, the PWA approved $5 million for terracing work projects to employ the rural jobless. Bennett convinced Ickes that such a restricted program could not attack the real problem and Ickes decided that a new agency was needed. In August, Bennett moved from the Department of Agriculture to the Department of the Interior to head the new Soil Erosion Service. With an initial $5 million from the PWA, Bennett started a national soil erosion reconnaissance survey, then quickly moved to establish demonstration projects. Within months, the SES was operating 40 erosion control demonstration projects, ranging from 25 to 200,000 acres.[37]

Arizona provided the Soil Erosion Service with two opportunities to combat soil erosion on a large scale. The first was on the Navajo Reservation where drought and overgrazing threatened hundreds of Navajo families who depended on livestock raising for their livelihood. The other area was the upper valley of the Gila River in eastern Arizona and western New Mexico, which was also severely affected by overgrazing and drought. Both areas were important because erosion threatened two major reclamation projects, Hoover Dam on the Colorado River and Coolidge Dam on the Gila River. Both areas also had a large body of CCC and CWA labor available to undertake soil erosion control work.

In early summer of 1933, Commissioner of Indian Affair John Collier and Office of Indian Affairs officials for the Navajo Reservation searched for ways to put large numbers of Indians to work in the Civilian Conservation Corps's Indian program.[38] Lacking their own expertise in soil erosion, Collier turned to the Department of Agriculture (prior to the creation of the SES) where he met Bennett, who agreed to lead a reconnaissance survey of conditions on the reservation. The team arrived in Gallup on June 26 and explored the region for the next few days. Bennett was impressed by the critical situation he perceived. In his report, he warned that overgrazing had destroyed the vegetation cover and exposed the land to water and wind. There was evidence of recent, severe erosion damage. For example, soil around the bases of small trees had washed or blown away, leaving the trunks raised above the ground by their roots as if on stilts. Water runoff was carving deep arroyos in the lowlands. Bennett estimated that 70 percent of the land had already been seriously eroded, some past the point of recovery. He agreed to the suggested experiment and educational station, to be located

[37]Wellington Brink, *Big Hugh, The Father of Soil Conservation* (New York: The MacMillan Company, 1951), 28, 37, 48-50, 56-57, 60, 77-78, 83-88; D. Harper Simms, *The Soil Conservation Service*, (New York: Praeger Publishers, 1970), 6-11. An addition $5 million allocation followed in December.

[38]See Chapter 9 for an extended description of CCC work on the reservations.

about 25 miles northwest of Gallup. More ambitiously, he recommended the establishment of a "Navajo Reservation Authority" modeled after the recently approved Tennessee Valley Authority that could plan and carry out a comprehensive program of soil restoration.[39]

Collier and Bennett spoke before a meeting of the tribal council at Fort Wingate where Bennett summarized his findings and requested tribal support in setting up an experiment station near Mexican Springs, New Mexico. The council gave its consent the next day, and Indian CCC workers immediately began to fence the area. At a second meeting in Tuba City on October 30, Collier announced PWA approval of a $1,250,000 grant to expand the erosion experiment stations, a $940,000 grant for irrigation projects, and a plan to prevent future overgrazing by reducing the number of livestock. These PWA grants, the contribution of CCC labor, and professional guidance from the SES made soil erosion control work on the Navajo Reservation one of the largest undertakings of the New Deal in Arizona. Initial plans looked forward to employing about 2,000 persons, mostly Navajos.[40]

The expanding SES demonstration program grew to thirteen areas across the reservation, ranging in size from 300 acres for the Highway 666 Demonstration Area to over 39,000 acres in the Kayenta Area. In all some 180,000 acres, about 1.2 percent of the reservation received direct soil erosion control attention. Most of the projects in these areas related to livestock husbandry and range restoration. The 500 acre Piute Canyon Demonstration Area concentrated on improved agricultural techniques. The project along Highway 666 served to educate travelers about the kind of work being undertaken. The selection and design of a project followed a similar pattern for most areas. E. R. Smith, Assistant Director of the Navajo Project, surveyed to find good candidates for experiment and educational work. He was also responsible for bargaining with local Navajos to secure their support. Where range restoration was the primary goal, SES technicians mapped the areas, studied soil types, determined the amount of forage available, estimated livestock carrying capacity, and located water sources to come up with a master plan. Engineers used dams, terraces, water-spreading devices, reseeding, tree and shrug planting, and development of water supplies in an attempt to gain complete mastery over the movement of water and soil.[41]

[39]Donald L. Parman, *The Navajos and the New Deal*, (New Haven: Yale University Press, 1976), 36-38.

[40]Ibid., 42-43. Range restoration work at Mexican Springs did not really start until the spring of 1934 [Parman, 82].

[41]Parman, 84-85.

Within demonstration areas, SES officials exerted tight control over grazing practices. Soil engineers calculated the carrying capacity of the land and strictly limited the entry of cattle and sheep, while usually banning or severely curtailing the grazing of horses and goats. Officials also tried to alter preexisting patterns of animal husbandry. Instead of allowing families to graze their herds, officials experimented with consolidated herds tended by Navajo shepherds. Navajos customarily let their herds sleep around their hogans or watering places, resulting in the "scalping" of vegetation in those areas. New rules required herds to move away to bed down on the range to even the grazing burden.[42]

SES officials were impressed by the results of their efforts and tried to persuade the Navajos of the benefits of good range practices. They held "demonstration days" with free barbecue lunches to entice Navajos to tour project areas where they could see revegetated range, washes protected from gullying by dams and trees, and large healthy sheep raised on protected ranges. SES Officials distributed statistics showing the economic value of improved livestock management. The benefits seemed obvious to officials, but the Navajos did not immediately adopt the new practices. The livestock reduction program in particular had bred much ill feeling between Navajos and Collier. White officials with the SES, OIA, and other New Deal agencies were asking for, and in some cases forcing changes in traditional cultural practices. No Navajo wanted to entrust his family's sheep to a cooperative herd. Leaving herds out on the range at night seemed foolish because of predators. Some simply did not believe that overgrazing was a problem. Others opposed what appeared to be just another effort by white men to force the Navajos to become more like them.[43]

The soil conservation effort on the Navajo Reservation was one of the two major projects undertaken by the Soil Erosion Service (Soil Conservation Service, after 1935). Its major focus was to convince the Navajos to alter their range use practices to avoid overgrazing. This was a part of a larger effort sponsored by the OIA to protect and develop reservation economies. Much of the Navajo Reservation had little immediate economic value except as range for livestock. With the tribe's population growing, it was imperative that this important resource not be wasted.

[42]Ibid., 86-87.

[43]Ibid., 88-89. Parman attributes part of the Navajo attitude to a fatalistic, prescientific worldview—the grass would grow better when the rain came. The SCS program was closely associated with the OIA effort to reduce the number of livestock on the reservation. Forced reductions caused great anguish among the Navajo and a great deal of animosity between them and the New Dealers.

The second large project was on the Gila River watershed in eastern Arizona and western New Mexico. This region suffered severely from the effects of overgrazing and drought and erosion threatened to fill the reservoir of the recently completed Coolidge Dam with silt. State officials supported the project, hoping to gain up to $5 million from the PWA to provide employment. The project was promoted by Hayden and Greenway, along with the governors of both Arizona and New Mexico. In mid-November 1933, SES assistant director Walter Lowdermilk inspected the area, accompanied by Howard S. Reed, engineer for the Arizona public works advisory board. Boldly declaring that "Misuse of the land must stop," he announced that the SES would take on the erosion-ravaged area as one of its demonstration projects. Bennett drafted the PWA grant application on Lowdermilk's recommendation.[44]

The project encompassed 8.2 million acres, mostly in Arizona. "Two general measures will be used to correct present conditions," Lowdermilk explained. "The first will be revegetation of the drainage area and the second, artificial measures such as check dams and dykes." The project started in December with 1,036 CWA men. These and another thousand FERA workers were not enough to treat the entire area. The SES concentrated its efforts on washes and gullies that appeared especially threatened by erosion. Although an impressive beginning, this work ground to a halt with the end of the CWA in March 1934.[45]

To fill the void, the SES turned to the CCC and successfully secured the services of three camps under the Drought Relief program, two in New Mexico and the third in Arizona. From their camp near Duncan, approximately 200 Arizonans and Texans began work reseeding the range, building and repairing stock tanks, constructing rock and wire check dams, strengthening stream embankments, and scooping water holes. The SES later got two more camps in Arizona, one near Pima and the other near Artesia, for its work.[46]

After 1935, the Soil Conservation Service took charge of more CCC work camps. The SCS also began to move away from the Gila Valley in order to demonstrate the benefits of soil preservation to Arizona farmers and stockmen. Pima County had two camps while Santa Cruz, Maricopa, Yavapai, and Apache counties had one each. Unlike other

[44]*Arizona Republic*, November 28, 1933, 1:2; December 2, 1933, 1:1. Earlier reports indicated that Lowdermilk would also visit the site of the proposed San Pedro dam and the Santa Cruz River project, both in areas of high erosion and where the state wanted to apply PWA funds.

[45]Ibid., November 28, 1933, 2:1; December 21, 1933, 1:2. Cf the discussion in Chapter 4 regarding work relief agencies active in the Gila project.

[46]Booth, 84-86.

CCC workers, those in the SCS camps did their work mostly on private land. The SCS signed cooperative agreements with farmers and ranchers in which the SCS made improvements to the land while the owners provided equipment and agreed to maintain the finished projects for the next five years. The SCS-CCC camp at St. David worked for almost three years on the Saxon Ranch, and a camp north of Duncan performed erosion control work on the C. A. Ranch.[47]

The SCS was also able to use FERA funding to employ relief workers to build a headquarters for its Southwestern Nursery. The project involved the cooperation of the University of Arizona, which owned the land, and the City of Tucson, which owned the nurseries. The SCS contributed $23,319 in building materials and equipment, while the FERA provided the $18,000 payroll, which went to Hispanic workers skilled in making and laying adobe bricks. The effort resulted in construction of an administration building, a laboratory, storage facilities, and other structures. Development of this nursery and another at Safford helped the SCS reach the goal set by Dr. F. J. Crider, SCS regional director, of growing 41,000,000 trees and shrubs by the spring of 1937.[48]

CCC workers with the SCS did work similar to CCC workers under other agencies except for not doing recreational development. They constructed dikes, installed wire and brush percolators to trap sediments, plowed furrows, built dams, terraced hillsides, and straightened creeks. They also built truck trails and replanted overgrazed vegetation. The SCS shared in some of the mishaps of the CCC program. Thinking that straightening Pantano Wash would limit flood damage, Tucson authorities enlisted the aid of labor from the Randolph Park camp. The project had the opposite effect from what the SCS wanted since the straightened wash carried more sediment downstream and lowered the water table. In another case, an SCS-built earthen dam failed because the engineers failed to recognize that deeply grown mesquite roots would rot and undermine its footing. Fortunately, such incidents were rare.[49]

Recognizing that many CCC recruits, particularly those from Texas, came from farming or ranching backgrounds, the SCS offered to teach them good land management techniques they could apply at home. Ranching classes were given to men stationed near San Simon.

[47]Peter MacMillan Booth, "Cactizonian: The Civilian Conservation Corps in Pima County, 1933-1942," *Journal of Arizona History*, 32, Autumn 1991, 313; Booth, *The CCC In Arizona*, 130-31. Nationwide, by 1938 the SCS had developed over 500 project areas in 44 states and employed about 60,000 CCC enrollees [Salmond, 124].

[48]Warner, *Outstanding Projects*, Vol. 2, 21.

[49]Ibid., 313, 315; Brink, 91.

University of Arizona Professor W. W. Weir instructed enrollees at the Rillito River camp on the value and protection of top soil. The projects themselves were the most important means of instilling a conservation ethic among these farm and ranch boys. They could see for themselves the eroded gullies and they heard the stories related by the old timers who remembered when the grass grew 'belly deep.' Hopes were high that the SCS and the CCC would help the grass grow high once again. In the short-term they accomplished a great deal of work protecting resources; whether they were working a long-term revival of the land could not be foreseen.[50]

SOIL CONSERVATION DISTRICTS

On March 25, 1935, the President issued an executive order transferring Bennett and the Soil Erosion Service to the Department of Agriculture. Secretary of Agriculture Henry Wallace believed that the agency's primary work should focus on farmers and agricultural practices, as well as on public lands. Wallace strengthened the SES by consolidating all USDA programs dealing with erosion control under Bennett. On April 27, 1935, Bennett achieved his goal of making soil conservation a permanent federal program when Roosevelt signed the Soil Conservation Act. By rechristening the SEC as the Soil Conservation Service, Congress promoted the idea of a broadly based, federal conservation effort that would include more than just erosion control.[51]

Creation of the SCS coincided with an increasing emphasis by the Agricultural Adjustment Administration on soil conservation as a means to achieve production control. The Soil Conservation and Domestic Allotment Act of 1936 subsidized farmers to practice better farming techniques. The SCS contributed by providing technical assistance, labor from its CCC camps, and seeds, trees, and shrubs for revegetating eroded areas. Large-scale demonstration projects, however, were very expensive and could exist only because of the large pool of available, cheap labor. Wallace wanted to eventually replace the demonstration projects with more broad-based local conservation associations. By passing responsibility downward to the local level, more farmers and ranchers could become a part of the conservation program at less expense to the federal government. Department of Agriculture lawyers drafted a model law for state legislatures empowering local farmers and ranchers to establish soil conservation district. On February 27, 1937, Roosevelt

[50]Booth, *The CCC In Arizona*, 132-33.

[51]Brink, 101-02; Simms, 15-16. Oklahoma Senator Thomas P. Gore who thought the old name too negative suggested the change of name.

wrote to all the governors urging the adoption of the model law and warning "The nation that destroys its soil destroys itself."[52]

The President's request met with the approval of Arizona's Governor Stanford, who forwarded the proposal to the legislature, which was then in session. The bill authorizing creation of soil conservation districts as political subdivisions of the state failed to pass, ostensibly being lost in the rush of business in session's last days. Officials with the Department of Agriculture then let it be known that Arizona was less likely to see new SCS projects unless it approved the cooperative measure. Stanford called a special session to meet on May 10 to reconsider the proposal. Cattlemen, particularly from the southern part of the state, immediately began to organize opposition to the idea. One representative of the Salt River Valley Water Users Association characterized the bill in the legislature as "giving us the status of tenants on our own lands," and as "going back to the feudal system of old England, Soviet Russia and the peons of Mexico." A provision of the bill allowing soil conservation district authorities to undertake improvements on land over the objections of owners was especially objectionable. Strong opposition to the bill, along with the pressure of other controversial bills regarding Social Security, led senate leaders to shelve the bill during the session.

Hugh Bennett, who happened to be in Safford at that time, made no direct comments on the legislature's actions, but said, "Co-operation must come from the federal government, state and private land owners. This is a national problem and those persons who control lands that are contributing to the destruction of our major resource, the soil, must realize their responsibility." Senate leaders offered to reconsider the measure at another session where they would have more time to consider the issues. By September, after three difficult special sessions, Governor Stanford chose to not push the issue further. After 1937, the SCS invested less in large-scale demonstration projects such as the Gila Project. With several good demonstration areas completed, the agency turned to more direct education of farmers and ranchers in the better us of their lands. Increasingly, work on private land was the major portion of the SCS's program.[53]

[52]Ibid., 17-19 (quote on front cover sleeve). The last demonstration projects were terminated by July 30, 1944. After Roosevelt implemented his Reorganization Plan IV, on April 19, 1940, the Department of the Interior regained soil conservation mandates for its own lands. Similarly, the Forest Service took over such responsibilities on its lands, leaving the SCS concerned exclusively with private lands (p. 21).

[53]*Arizona Republic*, April 23, 1937, 2:1; June 11, 1937, 1:1; June 15, 1937, 1:1; June 18, 1937, 1:4; August 28, 1937, 1:10. In 1937, 22 states passed enabling legislation and the first soil conservation district was created on August 4, 1937 in Anson County, North Carolina—the birthplace of Hugh Bennett. The Arizona legislature

REDEFINING THE PUBLIC DOMAIN: THE TAYLOR GRAZING ACT

In Arizona prior to the 1930s, the distribution and legal structure of land ownership and management shaped how stockmen structured their businesses. Of foremost importance was the dominance of federal land that never passed out of public ownership. Excepting the national forests and Indian reservations, most public land was open for mineral and range uses. In the days of the open range, ranchers tended to define the right to use the land as belonging to whoever was there first, with little regard to the larger public benefit. Federal policy effectively encouraged this ideology not only by not challenging private exploitation, but also by giving every encouragement to the transfer of public lands into private ownership. Because land without water had limited value, it was possible to build large ranches by acquiring ownership of only limited acreage surrounding springs or along streams. But because it was impossible to legally prevent others from entering and using public land, stockmen had an economic incentive to use the land for its maximum short-term value. The result was erosion, changing vegetation, and declining productivity.

To preserve the land, either its ownership had to change, or it had to be better managed by the federal government. While many land users in Arizona preferred transferring the land to private ownership, the traditional policy, the New Dealers around Roosevelt were generally sympathetic to maintaining public ownership. The conservation movement respected public ownership and generally held that private ownership equated with exploitation. In 1934, Congress approved the Taylor Grazing Act that established an outline for federal management of the public domain that would conserve natural resources by regulating use. To understand the revolutionary nature of this change in land law it is necessary to appreciate the previous federal policy.

Until well into the 20th century, the prevailing assumption was that rapid economic development required transfer of public land into private ownership. The federal government transferred large blocks of land to newly admitted states, and subsidize development of canals and railroads with land grants. The Homestead Act of 1862 offered up to 160 acres to any person who agreed to live and work the land for a specified period. The exact provisions of homestead entry changed over the years with additional legislation such as the Timber Entry and Desert Land Acts, but

finally passed the necessary legislation in 1941, although the soil conservation districts it authorized could do little without the permission of property owners (Paul W. Westerlund, *A Summary of State Legislation Affecting Agricultural and Rural Land Use in Arizona*, [Berkeley: USDA, Bureau of Agricultural Economics, 1942], 26-27.)

the principle remained that federal land should be given to individual users as freely as possible.[54]

Cattle ranchers were the most adept in adjusting to the imperatives of the law and climate. They found that by acquiring limited acreages around springs and streams, they effectively controlled thousands of acres of surrounding desert land. Many large ranches were aggregated through a combination of private plots and intervening public domain. Often the first to occupy an area, these ranchers quickly developed a view that use of the land should be theirs by right. They vehemently opposed later entry by homesteaders or invasion of their territory by other stockmen. They especially rejected any suggestion that the federal government should regulate use of the land in any way that would restrict their freedom. However, open range had limited appeal even to stockmen. Because public land was always open to newcomers, many ranchers grazed the maximum number of livestock to derive immediate profit, before someone else arrived. Most ranchers recognized the implications of this strategy, but their preferred solution was to transfer the land to private ownership.

The General Public Lands Reform Act (also called the General Revision Act) of 1891 introduced the concept that the federal government should remain a permanent landowner. The act authorized the president to set aside forest reserves, which later became the national forests. In the early twentieth century, the Forest Service restricted access to the national forests and introduced grazing permits and fees. Ranchers' opinions divided on the need for new rules on range management. The most progressive understood the lesson of the drought of the 1890s and realized that limits had to be placed on the number of livestock if the industry was to survive and expand. Most ranchers continued to support privatizing the public domain.

Depression and drought hit livestock raisers hard enough to shake loose some of their deeply held ideology. By the cattlemen's own insistence, cattle were excluded from the Agricultural Adjustment Act of 1933. They were added after the price of beef collapsed, but the AAA did not institute a program for systematic reduction of cattle numbers. Regulation of grazing on public lands now appeared one of the few avenues for regulating production and stabilizing price. Up to this time, users of the public domain had no stronger champion than Edward T. Taylor, a generally progressive congressman from Colorado, but a leading opponent of federal conservation efforts. The dire conditions of the West and its people in the trough of the depression worked a conversion of Taylor's views. "The basic economy of entire communities was threatened," he explained. ". . . Erosion, yes, even human erosion, had

[54]Muhn and Stuart, 6-35.

taken root. The livestock industry, under circumstances beyond its control, was headed for self-strangulation." It was a political conversion of great significance. In 1933, Taylor introduced a bill giving the Department of the Interior authority to regulate grazing.[55]

Evidence indicates that the majority of Arizona stockmen opposed Taylor's bill, fearing an extension of federal regulations over the public domain would restrict their use of the land. Their opposition to the Taylor Act did not reflect hostility to other New Deal programs in Arizona. Many recognized the valuable work being done to develop and protect the Arizona's forest and range resources. At a Cattle Growers' Association meeting in February 1934, cattlemen expressed their support for the work programs of the CWA and PWA, which included several range improvement projects. This was also the time when they accepted listing cattle as one of the AAA's basic commodities. They did not, however, approve of the proposal to create grazing districts and restrict use of public lands to permit holders. Small operators feared monopolization of the land by large operators, while the large operators feared the opposite. Howard Smith represented the Arizona Cattle Growers' Association at Senate hearings on the bill where he stated that Arizona was "unalterably opposed to enactment of any bill which would give a federal department control over the public domain in any state." Sheepmen also opposed the bill. The president of the Arizona Wool Growers' Association, A. A. Johns of Prescott, declared that Arizona's stockmen were "unanimous" in opposing the bill, although, tellingly, they preferred the bill to the threat of unilateral action by the Secretary of the Interior to restrict use of the public domain. Johns warned that passage of the bill would end the development of Arizona and said that, instead, the land should be turned over to the states. He also denied the basic premise of the bill, that the land was threatened by erosion. "There isn't enough water in the Southwest to cause serious erosion," Johns stated. "There is no erosion there."[56]

Despite this opposition, the Taylor Grazing Act became law on June 28, 1934, marking a new era in public land regulation. The purpose of the act was "to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; [and] to stabilize the livestock industry dependent upon the public range" through lease of public lands to stockraisers. The act called for the creation of grazing districts to manage leases at the local level. It also provided for land exchanges with the states. The original provisions restricted the act to only 80 million of the

[55]Schlesinger, Jr., *The Coming of the New Deal*, 345.

[56]*Arizona Republic*, February 15, 1934, 1:1, 1:4; May 1, 1934, 1:4; May 2, 1934, 1:4.

approximately 173 million acres in the public domain. To aid in the selection of these lands, the President on November 28, 1934, withdrew all public domain from entry, allowing the Department of the Interior time to map out those portions suitable for grazing. This withdrawal order effectively ended the era of homesteading and the open range. To administer the Taylor Act, Secretary Ickes created a new Division of Grazing, headed by Farrington R. Carpenter, a Colorado rancher. Carpenter recognized that cooperation with stockmen was the key to successful implementation of the new program. He traveled extensively across the West, attending numerous state and local stock raisers' meetings. To gain their support, Carpenter promised that each district would have an advisory board composed of grazing permit holders. These boards would provide recommendations on district boundaries, range conditions, and the apportionment of rangelands among permit holders. It was this promise of "home rule" that successfully won over many stockmen.[57]

Passage of the bill forced stockmen to cooperate in order to protect their own interests. This shift to cooperation was enhanced both by Carpenter's offer of "home rule" and the simultaneous start of the AAA's drought relief program that rescued many stockraisers from financial disaster. In September 1934, Oscar L. Chapman, Assistant Secretary of the Interior, headed a delegation to the state meetings of the Wool Growers' and Cattle Growers' Associations in Arizona. Chapman believed that "ranch men throughout the West realize that the vast public ranges which are being overgrazed and depleted must be protected and restored or they will soon be replaced by acres of desert land. They realize that it is to their own interest, as well as to the interests of their states and the nation, that these lands be protected by a sane, uniform policy." While not every stockman held this view, most realized that cooperation with the new program was in their interest. In exchange for this cooperation, they presented three demands to Chapman. First, they wanted all of the public domain in Arizona withdrawn from homestead entry. This would remove a long-standing threat to their position as the primary users of the public domain. Second, they wanted an Arizona man to administer the Taylor Act in the state. Finally, they wanted all grazing districts to remain within the boundaries of the state. This last demand reflected concern over conditions in the grazing lands between

[57]Ibid., November 29, 1934, 1:1; Muhn and Stuart, 39; *The Taylor Grazing Act, 1934-1984; Fifty Years of Progress*, (Boise, Idaho: Bureau of Land Management, 1984), 3. Carpenter was also a graduate of Princeton and the Harvard Law School. A supporter of the Forest Service's grazing regulations, Taylor chose him as the rancher to speak in favor of the bill. This exposure and Taylor's support led to his selection to head the new Grazing Division. The advisory boards were not provided for in Taylor Act, but finally given legal status in 1939.

the Grand Canyon and the Utah border, the remote area known as the Arizona Strip.[58]

Apart from Grand Canyon National Park, most of the Arizona Strip was used as range for sheep and cattle. Although most of the area's stockmen were Mormons, the dominating figure there was a non-Mormon Utah rancher, Preston Nutter. Nutter first drove cattle onto the Strip in 1893 then followed his entrance with widespread investments in strategic watering places. A shrewd investor, Nutter took advantage of government programs to expand his cattle empire. Beginning in 1900, he bought up scrip intended for displaced Indians and settlers who had perfected homesteads in areas proposed for forest reserves, then used the scrip to secure title to more water holes. During World War I, while other ranchers used their windfall profits to expand production, Nutter invested in Liberty Bonds. When the agricultural boom busted in 1921, Nutter, almost alone, remained in sound financial shape.

Most of Nutter's cattle grazed on public domain. The open range, however, was always open to newcomers and when the Stock Raising Homestead Act of 1916 offered full sections of free land, many came to the Strip to try their luck raising livestock. Like many large-scale cattle operators, Nutter suffered deprivations from many newcomers who rustled from his herds to start their own. His financial position was strong enough, however, that when rainfall declined in the 1920s and range conditions deteriorated, he survived while many others retreated. For Nutter, the open range was of dubious value. The threat of invasion by newcomers and the perpetual tendency to overgraze made conditions difficult for a large-scale businessman. In the debate over the Taylor Bill, Nutter strongly supported federal management and after its passage he was instrumental in organizing one of the first grazing districts.[59]

Harsh conditions on the Strip during the 1920s had also convinced other stock raisers there of the need to reduce total stock numbers. At the September meeting with Chapman, Short Creek stockman J. Reed Lauritzen warned that Utah men were sending cattle into the Strip. He suggested reducing the number of cattle in order to allow the land to "recuperate," and then to allow only Arizona cattle on the range. He

[58]Ibid., September 16, 1934, 3:1, 3:6 September 20, 1934, 1:8.

[59]Michael Belshaw, "High Dry and Lonesome: The Arizona Strip and Its People," *Journal of Arizona History*, 19, Winter 1978, 368-71; Virginia Price, and John T. Darby, "Preston Nutter: Utah Cattleman, 1886-1936," *Utah Historical Quarterly*, 32 (Summer 1964); "Preston Nutter: Ranching on the Arizona Strip," manuscript collection, Arizona Historical Foundation, Tempe: Arizona State University, n.d. Just prior to his death in 1936, Nutter became so concerned with the declining conditions of the land that he seriously proposed that the entire federal domain in the Strip—practically the entire region—be turned into a game preserve.

further warned "It is within the powers of the bill to create and sustain monopolies of range facilities for the benefit of powerful livestock interests to the detriment of the comparatively poor resident who is struggling to make a start." It is not clear whether these comments were directed at Nutter. Prescott area stockraisers voiced their support for keeping Utah stock out of the Strip. Cattleman Wayne W. Thornburg, warned "We will demand this for Arizona, and if we can't have it, we'd better develop an Arizona Huey Long and go after it the way he would." Chapman listened to the Arizona stockmen, but offered nothing beyond a vague promise that "strip livestock men need not worry."[60]

At a major meeting of cattle and sheep raisers in Phoenix on January 28, 1935, Carpenter claimed that stockmen were embracing the new program. "We anticipate no great difficulties in organizing Arizona," he stated. Approximately 400 stockmen attended the Phoenix meeting. They selected a committee of 23 to work with federal officials, approving a plan to divide the state into four or five grazing districts, with exact boundaries to be decided later. Carpenter warned that the "program contemplated under the Taylor Act cannot be put into operation all at once. It may be 10 years before it is going the way the government expects it to go. Then it will mean a new era for the sheep and cattle men." Following the meeting, Carpenter began a four-day tour of public lands in northeastern Arizona along with university president Homer Shantz, Hugh Calkins of the SES, and other officials.[61]

Progress in organizing grazing districts in Arizona was slow. In part because of the support from Nutter, who was a member of the committee of 23, the Arizona Strip became the state's first grazing district in July 1935. Despite the assurances given by Chapman the previous September, when Grazing District #1 was created on the Strip, encompassing approximately 3.45 million acres, it did not restrict membership on its advisory board to Arizona men. Utah stockmen, in fact, made up the majority of the board, creating long-term enmity between Arizona men and the Division of Grazing. The Strip district was the only one created in Arizona in 1935 because of the 80 million acre limitation in the Taylor Act.[62]

A conference of Arizona cattle and sheep men in Phoenix in November 1935 condemned the operations of the Taylor Act and repeated their

[60] *Arizona Republic*, September 19, 1934, 1:1; September 20, 1934, 1:8.

[61] Ibid., October 9, 1934, 1:2; November 23, 1934, 1:1; November 29, 1934, 1:1; January 27, 1935, 1:4; January 29, 1935, 1:1; January 30, 1935, 1:3; April 3, 1937, 1:11.

[62] Ibid., July 2, 1936, 2:6.

demand that the Strip's advisory board be composed only of Arizona stockmen. Furthermore, they declared the Department of the Interior's efforts to organize Arizona into grazing districts as "invalid, null and void" because they disagreed about the meeting between Carpenter and Arizona stockmen in January when the committee of 23 had been organized. Federal officials maintained that the conference was an officially called meeting, as provided for in the act, and through it all legal preliminaries towards establishing grazing districts and setting up control committees had been accomplished. The stockmen later claimed that they thought the meeting was an informational discussion, so they believed the creation of the Strip district should be voided. Federal officials never accepted this argument and the district remained in place, along with its domination by Utah stockmen.[63]

It appears that Arizona stockmen were more wary of the Taylor Act than most stockmen in the West. While many in the state opposed the creation of districts, delegates at the national stockmen's meeting in Denver in February 1935, supported removal of the 80 million acres limit in the act. Furthermore, grazing officials in the Department of the Interior were already making plans for grazing districts on over 140 million acres on the assumption that support for removal of the limit was so strong that it would soon be lifted. Ickes worked with congressional supporters to extend the act to the entire public domain. A bill to amend the Taylor Act to this affect passed the House of Representatives, but Senate opponents began attaching additional changes, some intended to thwart the purposes of the act. Senator Ashurst explicitly condemned the act as the most "damaging, devastating to the West of any measure ever passed." Ultimately, rather than simply apply the act to the entire public domain, the Senate bill capped it at 142 million acres, which matched Interior's existing plans for districts. Ashurst criticized the importation of administrators from outside the West, "carpetbaggers" he called them, to oversee grazing regulations, so the Senate bill required that assistant grazing directors be from the states in which they worked. Ickes supported, or at least did not oppose some of these amendments. However, when the Senate attached another requirement that isolated tracts of the public domain less than 720 acres not already appropriated or reserved be turned over to the states, Ickes turned against the bill. The Senate version was largely adopted in conference with the House and the bill sent to the President. Ickes characterized the provision to turn land over to the states as a threat to the entire public domain that would spell the end of conservation on public lands. Agreeing that the bill was "unsound," the President vetoed it on September 5. While preserving the

[63]Ibid., July 2, 1936, 2:6, November 5, 1935, 1:1. Descriptions of the meeting in January give the impression that stockmen then considered it official.

integrity of the Taylor Act, rejection of the bill also maintained the 80 million acre limit which, by this point, had already been divided into 30 districts, including the single district in the Strip.[64]

Opposition to the extension of grazing districts slowly faded, and Ickes continued pushing to extend the acreage limit to 142 million acres. Greenway and Hayden both introduced bills to allow formation of grazing districts in Arizona regardless of the 80 million acre limitation. Several Arizona cattle and sheep men opposed these bills, claiming they allowed formation of districts over the objections of those affected. Wayne Thornburg led a group called the Statewide Livestock Advisory Committee, composed of about 100 cattle and sheep men, in opposition to the bills. The group originally formed in 1935 at Carpenter's request to aid in the formation of districts. Informed in 1936 that their services were no longer required, Thornburg kept the group together to oppose the Hayden bill and the formation of new districts. The State Land Commissioner, Charles Mullen, who was interested in the bill because of its land exchange provisions, criticized Thornburg's group, saying, "The committee wants no control. They've used the public domain for nothing. They don't want the little man built up. This is a direct protest against the New Deal." He warned that opposition would "delay or defeat one of the most important pieces of federal legislation, as far as Arizona is concerned, ever offered in congress." This evoked a charge from Arizona Attorney General John L. Sullivan that Mullen was "incompetent." On May 10, 1936, Thornburg's group met in Phoenix to galvanize further opposition. Carpenter himself came to the meeting to defend the Taylor Act directly. "I wasn't for this act myself at first," he told the committee. "But I know that it can be worked out so that control of the ranges is in your hands. No one hates a bureaucratic method of operating a cattleman's business more than I. But the Taylor act will not bring this on if we all cooperate under it." A. A. Johns of the Wool Growers Association responded, "we are all right as long as we have a western man like you in charge of the grazing act, but what is going to happen when a politician gets your job?"[65]

Although the Greenway and Hayden bills did not pass, Congress finally agreed at the beginning of 1936 to raise the limit of the act to 142 million acres, which allowed for several new districts in Arizona. Stockmen in Mohave County approved a second grazing district,

[64]Ibid., February 15, 1935, 1:1; May 24, 1935, 1:5 June 21, 1935, 1:4; July 27, 1935, 1:1; August, 1, 1935, 1:1, 1:6; September 6, 1935, 1:1. Ashurst's opposed the Taylor Act because he feared that large interests would us it to monopolize the land.

[65]Ibid., March 28, 1936, 1:6; April 22, 1936, 1:7; April 29, 1936, 1:1; May 4, 1936, 1:9; May 8, 1936, 1:3; May 10, 1936, 1:1.

encompassing two million acres in February. A third district, encompassing portions of Graham, Greenlee, and Cochise counties was in place by the end of March. The Soil Conservation Service strongly supported creation of this district to protect its work in the upper Gila valley. Because of this growth and the desire to support home rule, Arizona was separated from New Mexico and given its own regional office in Phoenix under C. F. Dier of Safford. Despite these gains, many stockraisers continued to oppose the act and the creation of more districts. Not until March 1937 did stockmen in Yavapai and northern Maricopa counties approve the state's fourth district, encompassing approximately 2.3 million acres. By this time, most other states had completed forming their grazing districts.[66]

Also attending the national stockmen's meeting in Denver in February 1935 were game commissioners from nine states who believed the act could also be used to create game preserves by excluding others from the public domain. Such restrictions in land entry were in the interest of both stockmen and wildlife conservators. After the 80 million acre limit was removed and three other grazing districts created in Arizona, the Division of Grazing and the Biological Survey proposed a fifth district under their joint administration in Yuma County. Despite protests from the Arizona legislature, the Arizona Colorado River Commission, and other Arizonans, Ickes in August 1937 withdrew 3.4 million acres, largely in Yuma County to preserve grazing lands and protect the habitat of mountain sheep and goats. Several important Arizona politicians vehemently opposed this action, particularly because the area encompassed potentially irrigable lands. Responding to this pressure, Ickes reduced the proposed game refuge to 550,000 acres, divided into two parcels. The first was 250,000 acres in the Kofa Mountains that later became the Kofa National Wildlife Refuge, including the unusual Palm Canyon. The other tract of 300,000 along the border became the Cabeza Prieta National Wildlife Refuge.[67]

Despite the slow progress in forming grazing districts, and continuing hostility of stock raisers against federal regulation of public lands, the Taylor Grazing Act successfully altered the relationship between the federal government and private range interests. The drought of 1934 and the AAA's relief purchases of cattle aided the implementation of the Taylor Act by reducing the number of cattle on the range. This allowed the Grazing Service to avoid some problems that would have arisen had it tried to significantly reduce livestock

[66]Ibid., January 26, 1936, 1:5; February 2, 1936, 2:1; May 12, 1936, 1:6; September 23, 1936, 1:1, March 14, 1937, 2:2; April 9, 1937, 1:6; April 11, 1937, 1:9.

[67]Ibid., August 3, 1937, 1:1; August 21, 1937, 1:1.

numbers through its permitting system. It could easily use the number of cattle and sheep remaining in 1935 as the basis for its permitting. With the districts came both a system of permitting and fees for use of public lands. One important early policy established by the Division of Grazing was that it would not support stockraisers who used only public lands. Permits were granted according to how much "commensurate" grazing land they either owned or leased. This rule worked to the advantage of established ranches. This led to charges by Senator Ashurst, in opposing the act, "that the little man is being discriminated against." At the same time, fears were expressed that the government would use the act to eliminate the giant cattle concerns that had grown in the late 19th centuries and replace them with many small operations. As charges were leveled on both sides, it is not clear whether, at least during the 1930s, the operations of the Taylor Act worked to the detriment of any particular group of stockraisers. The early advantages given to established stockmen by Division of Grazing rules favoring property owners and those who could demonstrate traditional use, seem, if anything, likely to have solidified the *status quo*.[68]

CONCLUSION

Conservation of land and natural resources was a priority of President Roosevelt, and one reflected in the programs of several New Deal agencies. The FERA, CWA, and PWA undertook conservation work relief projects, and soil conservation also became a priority issue of the AAA. A centerpoint of the shift was the Civilian Conservation Corps, one of the first New Deal work relief programs, which was created to provide jobs for the unemployed in conservation activities like constructing soil conservation structures, water resource facilities, and recreational infrastructure. The CCC was a labor source for other federal agencies, some like the National Park Service and Forest Service, predating the New Deal, and others, such as the Soil Conservation Service and the Division Grazing, creations of the Roosevelt Administration. Each agency's work program reflected its own mission and plans. Thus, at the Grand Canyon, for example, the CCC concentrated on roads, trails, and other facilities needed to serve an increasing number of tourists, while the SCS used CCC labor primarily for the construction of water control features and such land restoration projects as reseeding grasses and rodent eradication. The immediate impact of the CCC in Arizona was the employment it gave to thousands of young men. Its most important permanent effect was in building the crucial infrastructure in the national forests, the national monuments, and at

[68]Ibid., February 8, 1935, 1:7; Muhn and Stuart, 38.

Grand Canyon National Park that allowed the Forest Service and the National Parks Service to become effective resource managers.

The CCC failed to survive the unemployment crisis of the New Deal years. The SCS, on the other hand, successfully attained permanent status. By 1935, Hugh Bennett had made his case that soil erosion was not merely an emergency problem of the depression, but rather a continuing threat to the nation as a whole. Through most of the 1930s, the SCS played an important role in guiding work relief projects, first using public works funding and CCC labor to establish demonstration projects on the Navajo Reservation and in the upper Gila River valley. Beginning in 1937, the SCS moved away from operating demonstration areas to organization of soil conservation districts across the country. Within a few years, the SCS had a cooperative system in place that helped to guide agricultural interests to better use of their land. Undoubtedly, the decision to make the SCS's program of technical advise to farmers permanent was due in large part to the fact that it was far less expensive than the CCC's direct employment program.

The Taylor Grazing Act also established another permanent reform of great importance to Arizona. The act ended the era of the open range and introduced federal management of the public domain. Most Arizona stockmen opposed the act because it restricted their traditional free access to public land. Despite opposition from Arizona livestock raisers, the Taylor Act successfully established another cooperative system in which federal land managers worked with private range interests through grazing districts. The new system introduced federal regulations without replacing the large measure of local control previously exercised.

9 THE INDIAN NEW DEAL

Many aspects of the New Deal in Arizona were similar to what occurred in most other states, particularly those of the West that shared such characteristics as the economic dominance of extractive industries, the prominence of federal land ownership, and an arid climate. The majority of public works projects, for instance, were similar in type to projects in other states. In no other regard was Arizona's experience with the New Deal more distinctive than in relation to its Indian peoples. Arizona's Indians—nearly 44,000 (about 10 percent of the population) according to the census count in 1930—had their own unique encounter with the Great Depression and the new policy initiatives pursued by Roosevelt and his administrators in the Interior Department's Office of Indian Affairs. These people, only recently granted the status of American citizenship, generally lived in a world apart, segregated from the white and Hispanic majority, on the state's eighteen reservations.[1] The New Deal treated them as a separate category of the needy and provided programs that were either exclusively designed for their assistance or special categories within larger programs. The quantity of aid provided to the Indians and its unique character justifies the extended and separate treatment provided by this study in this chapter.

For most Indians, poverty was not a new experience. It was difficult to earn a livelihood on the reservations; there was little commerce. Resource extraction—timber, for instance—was the closest thing to industry. Agriculture or livestock raising sustained many families, though typically only at a subsistence level. Poorly educated and unwelcome in many communities outside the reservations, Indians found off-reservation jobs limited to the unskilled and laborious. Even those opportunities disappeared as depression closed the mines, reduced railroad traffic, and increased competition for farm labor jobs. The superintendent of the Papago Reservation, Theodore B. Hall, observed that "practically all who had previously been employed away from home were compelled to return to the reservation [where] considerable suffering was felt."[2] Conditions were no better on the reservation, where drought desiccated the land and withered crops and cattle. Starving livestock ate what grass they could find, leaving barren ground

[1]American Indians were granted citizenship in 1924, but because the reservations were exempted from certain aspects of state law enforcement and taxation, and because Arizona policy makers considered them "wards" of the federal government, most Indians could not vote in Arizona until 1948.

[2]Booth, 88-89, from "Annual Narrative Report, Sells Agency, Arizona, 1935," 10 (quote). The term Tohono O'odham is now preferred over "Papago." The latter term is used in this study only in reference to historic entities such as the Papago Reservation or the Papago Tribal Council, as they were called in the 1930s.

exposed to eroding winds. What products they could harvest or drive to market found collapsed prices. By 1933, Indian workers averaged an annual income of about $81. Claude Cornwall, the Phoenix-based head of the Office of Indian Affairs' Civilian Conservation Corps program, wrote to the Washington office that if something "isn't done soon, erosion and over-grazing will destroy the reservation ranges and it will be impossible for the people to continue to exist [there]."[3]

The Roosevelt Administration sympathized with the plight of the Indians and put forward a plan encompassing relief, recovery, and reform that was so broad and so significant that has come to be referred to as the Indian New Deal. Relief came primarily in the form of employment on public works and conservation projects. Aid to promote recovery was directed primarily to rejuvenation of the land and the development of irrigation agriculture. Many of these efforts called upon agencies that provided similar aid to non-Indians, such as the CCC and the PWA. Both of these agencies separated the aid they provided to the Indians so that they became, in effect, distinguishable subagencies. The CCC provided racially segregated work camps on the reservations and the PWA simply allocated large blocks of funds to the OIA. In few areas were the New Deal's efforts to implement reform of greater significance than in regard to the reservations and the relationship between the Indian and the federal government. While many New Deal reform efforts were stymied by conservatism, inertia in the traditional system of federalism, and by contradictions within the New Dealers' own conceptions of what reforms to attempt, the Indian New Deal implemented a virtual revolution in federal Indian policy. This was possible for two reasons. First, since reservations were federally-created entities, Congress had full authority to legislate for them. Likewise, Congress and the OIA had broad authority to legislate and regulate the tribes and their members. The second reason was that the Indian New Deal implemented the reform policies promoted, to a large extent, by a single individual, Commissioner of Indian Affair John Collier.

A NEW DEAL FOR THE INDIANS

Federal Indian policy prior to the New Deal was guided largely by the Dawes Severalty Act of 1887 and the philosophy behind it. Under this policy, reservations were considered temporary institutions, eventually to be abolished. The goal of federal policy was assimilation of Indians into the larger American society and their integration into the economic whole. The means for achieving this end was to division the reservations into privately-held allotments, and to immerse Indian children in an American educational system. Many reservations were

[3]Ibid., 89. The Office of Indian Affairs became the Bureau of Indian Affairs in 1947.

carved into allotments and the surplus opened to settlement. While many Indians successfully made the transition, many others failed and lost their land and their livelihood. Some moved to urban areas to join the armies of the unskilled and underemployed; others took refuge in the shrinking tribal domain. Two states, Oklahoma and Arizona, represent opposite extremes in how this policy evolved over the nearly 50 years before Roosevelt's inauguration. In Oklahoma, the policy proceeded at a pace so that allotment of the reservations was largely accomplished. In Arizona, not only was there little allotment, the reservations actually grew in the latter part of the 19th and early 20th centuries. Arizona's eighteen reservations totaled over 19 million acres, or approximately 27 percent of its area. Most of the sprawling Navajo Reservation was here and its people comprised the largest tribe in the country. The Apache, Hualapai, and Tohono O'odham people also occupied large reservations. Tribal cohesion remained strong among most groups.

In 1933, Roosevelt appointed John Collier as head of the Office of Indian Affairs. A leading critic of federal Indian policy during the 1920s, by 1933 Collier had developed a broad plan to preserve Indian culture and improve their standards of living. His first goal was to stop the elimination of the reservations through allotment. Furthermore, he hoped to promote the economic development of the reservations by removing non-Indian occupants, consolidating and expanding the land base, and by providing funds for development projects. Collier also wanted to overturn the previous policy of encouraging, even forcing, acculturation into the main body of American society. He wished to strengthen the tribes and reinforce cultural identity among their members. One means to this end was to replace the current educational system, in which many Indian children were forcibly removed from their homes and families and sent to boarding schools, with local day schools that would instill a new sense of self-respect and cultural pride. At a higher level, Collier hoped to strengthen or create stronger forms of tribal government, genuine governmental entities to allow the Indians a real measure of self-rule and control over their own resources.[4]

[4]Donald L. Parman, *Indians and the American West in the Twentieth Century*, Bloomington: Indiana University Press, 1994), 76-93. John Collier was born in 1884 and raised in Atlanta. In 1908 he began working in the social field in New York, aiding newly arrived immigrants. He moved to California in 1919 where he continued his work with immigrants. He was introduced to Indian culture in 1920 during a visit to New Mexico where he witnessed some ceremonies at Taos Pueblo. Collier rejected the rampant individualism that characterized much of modern American society and saw in these Indians a surviving example of community life with its sense of group identity and shared obligations. In 1922 he began studying current federal policy and became part of a critical reform effort that wanted to end efforts at forced acculturation and allotment of the reservations. Collier was soon the most important voice in Indian affairs outside of the federal government.

The Indians did not universally approve this program. Decades of assimilationist policies had altered many Indians' identity, and some did not approve of "returning to the blanket." Several tribes in Arizona were divided between "traditionalists" and "modernists." Many of the latter were former boarding school students, and they did not always consider boarding schools and the Americanization they received there as a negative experience. Collier did not have an appreciation of the full range of Indian cultures in America. Some tribes, such as the Hopi of Arizona, retained a strong identity and maintained many active traditions, including self-government. Other Indians were all but assimilated to white culture, had abandoned reservations, and had no interest in reviving lost traditions. One result of these differences was that the Indians of Oklahoma were exempted from Collier's most important legislative measure, the Indian Reorganization Act of 1934. Arizona's tribes, on the other hand, offered Collier perhaps his best opportunity to realize his goal of protecting and reviving traditional tribal cultures.

RELIEF AND RECOVERY: REJUVENATING THE LAND AND PEOPLE

Significant reform required action by Congress, which did not address the issue in 1933. Relief was the first priority and in this regard, the Indians were not forgotten. Collier tapped several of the new agencies and combined them to implement a significant relief and recovery program. Because much of the grief and privation on the reservations was associated with the drought and subsequent soil erosion, Roosevelt's proposed Civilian Conservation Corps held much promise. Collier and his Hoover Administration predecessor, Charles Rhoads, called on the President and Congress to include Indians in the new program. This was accomplished on April 14. As with the war veterans, Indians were explicitly given their own allocation of CCC funds and jobs. Even more than for veterans, the rules applying to most of the CCC were relaxed so that the Indian Emergency Conservation Work (IECW) became, virtually, a separate program.[5] The Army expressed distinct hostility to the idea of operating camps on the reservations, so few were established. Instead, in many places, workers were allowed to return to their homes at the end of the work day. Rules on age and marital status were also waived. In addition, tribal councils were given wide latitude in the selection of work projects and supervisors. Ideally, Collier hoped, the IECW could not only provide

[5]Originally called Indian Emergency Conservation Work (IECW), the division became the Civilian Conservation Corps—Indian Division (CCC-ID) when the name of the agency was officially changed to the Civilian Conservation Corps in 1937. Readers interested in greater detail on the administration of the CCC's Indian program will find Booth's thesis valuable. This study concentrates on integrating the CCC into the greater Indian New Deal in Arizona.

immediately needed employment, but could also support his overall plan for developing tribal self-governance and economic self-sufficiency. "If it shall succeed," he wrote, the IECW "will produce changed people, living within a changed land."[6]

Planning proceeded quickly, leading to 72 project proposals for the first season in 1933, 43 in Arizona and New Mexico with 25 on the Navajo Reservation. So large did the Navajos loom in the IECW program that Collier made it a separate administrative division linked directly with Washington. The remaining Arizona reservations were coordinated along with New Mexico and southern Colorado under the direction of J. D. Lamont, the Regional Production Coordinating Officer in Albuquerque. Other projects were on the Hualapai, San Carlos, and Fort Apache reservations. Despite a few problems, enrollment proceeded quickly. By September 1933, the IECW employed over 4,000—more than four times Arizona's quota in the regular CCC. Following passage of the Wheeler-Howard Indian Government Reorganization Act (the Indian Reorganization Act) in 1934 (see below), Collier left primary responsibility for overseeing the IECW with his assistant commissioner, William Zimmerman. Zimmerman, Southwest Region Supervisor Daniel Murphy, and OIA veteran J. P. Kinney concentrated on developing successful work projects. To improve administrative efficiency, Murphy brought in Claude Cornwall to oversee the Arizona reservations (along with California's Mission Reservations) from the OIA District Five office in Phoenix. The Navajo Reservation remained a separate jurisdiction.[7]

Since the IECW operated without Army assistance, the OIA had to improvise its own coordination structure. Historically, the Washington and Regional offices of the OIA provided only broad policy guidelines and generalized administration. Primary responsibility and authority traditionally lay with the individual agencies. Wanting to rapidly implement the CCC, Collier found it convenient and efficient to build on this decentralized structure, so reservation agencies became responsible for planning and carrying out IECW work projects. Collier's general policy of empowering tribal governments further decentralized administration by encouraging tribal participation. Decentralization led to variations in the program's implementation. Several reservation

[6]Salmond, 33; Booth, *The Civilian Conservation Corps*, 90-91. Booth refers to the 'ID' in CCC-ID as 'Indian Division,' whereas an agency publication from circa 1938 refers to itself as 'Indian Development.'

[7]Booth, *The Civilian Conservation Corps*, 91-92. Nash had tried to implement a reformist educational program as part of CCC-ID. William Zeh replaced Lamont in the spring of 1934. Shortly after, D. E. Harbinson took on the main responsibility of CCC production coordination after Zeh became occupied as acting general superintendent of the Navajo Reservation.

superintendents had their own opinions on tribal development, and they used the IECW to fulfill their plans. For example, C. H. Gensler of the Colorado River Agency, supervised projects on five reservations—Fort Mohave, Colorado River, and Cocopah in Arizona, and the Yuma and Chemehuavi in California. He altered project priorities according to the needs of each reservation, giving priority to agricultural improvements at Yuma and Cocopah, and range development at Mohave.[8]

Roosevelt and Fechner released the IECW from most of the enlistment regulations guiding the regular Corps, and Collier left selection largely to the agents. The program remained largely restricted to men, but Guy Hobgood, at the Truxton Canyon Agency, took advantage of the enlistment leniency to enroll women, a rare occurrence in the Civilian Conservation Corps. Gensler chose to limit CCC enrollment at Yuma to one member per family so as not to drain the labor force on the reservation farmland. One rule that Collier did enforce was the seemingly innocuous requirement that enrollees undergo a medical examination. Even this caused problems at Fort Mohave, where many refused to undergo the scrutiny of the local female examiner. In some instances, labor crossed reservation boundaries. Because so many enlistees were from the Navajo Reservation, the IECW transported some to perform work at the Fort Apache and Zuni Reservations. Some Pima Indians also worked in other reservations. The Fort Apache Reservation benefited from workers from the San Carlos, Salt River, Camp Verde, and Papago Reservations. Students from the Phoenix Indian School enlisted during summers to work on projects at San Carlos.[9]

[8]Ibid., 96-97.

[9]Booth, *The Civilian Conservation Corps*, 97-98. Superintendent Gensler disliked the sudden availability of wage labor the IECW provided. More intent on developing reservation agriculture, he sought to limit employment opportunities, at one point even curtailing projects at both Yuma and Fort Mohave [p. 107]. In 1935, he even wrote that the most important activity of the IECW at the Yuma Agency was the venereal examinations [p. 118].

In addition to workers who returned to their homes after their day's work, the IECW ran three types of work camps. Boarding camps were the closest thing to the regular CCC camps. Most housed about 50 men, though one camp near Ft. Defiance held 200. Some agencies established family camps where whole families lived in the IECW "village." First promoted to encourage social reform, the family camps were largely abandoned by the second year. Only at Navajo and San Carlos did family camps continue with some success, largely due to the efforts of one Apache social worker, Mrs. Myron Sippi, who worked to instill homemaking skills in the women of the camps while the men went out to labor. The earliest of these family camps at San Carlos were composed of simple willow-framed, reed-thatched wickiups, fashioned by the women. Later camps used tents set out with streets and with sanitation and water facilities. The majority of Indian enrollees worked in mobile, on-site camps. Boarding and family camps finally disappeared about 1936.

Program planning varied considerably from reservation to reservation. It is a fair generalization, though, that the large reservations had the better planning and more and superior projects. Thus, there were no projects at the Ak Chin Reservation until 1935, while the Kaibab Reservation had the dubious honor of having the smallest IECW program in the nation—one man cutting fence posts. Many workers from smaller tribes such as the Paiute and the Pima from the Gila River Reservation were sent to other reservations to work. While providing them with employment, the program offered little improvement for their home reservations. A. H. Kneale, superintendent of the Sacaton agency, secured only $30,000 in IECW funds for his four reservations. He managed to have fencing projects approved at the Fort McDowell and Salt River Reservations, but once completed, the Pima workers were transferred to Fort Apache to work. In late 1934, the Sacaton Agency had only one IECW worker. The Colorado River Reservation received even less from the IECW than the Sacaton agency. The situation at Sacaton improved greatly when A. E. Robinson replaced Kneale in the fall of 1935. Robinson managed to triple his agency's IECW funds and extended projects to all four reservations in his charge.[10]

Although generally praised, the IECW did receive criticism about poorly planned or wasteful projects, both from its own officials and some Indians. In 1934, the OIA ranked the Fort Apache agency, under William Donner, among the top five in the IECW program and second in Arizona. Within a year, though, OIA inspectors were criticizing his program as sloppy, expensive, unsatisfactory, incomplete, and "all wrong." Joseph Elliott of the Papago Reservation was criticized for undertaking a large project to build a fire lookout station on Baboquivari Peak, a mountain of religious significance to the tribe. The IECW national production supervisor declared the station and the road leading to it "more elaborate than was justified." He also noted that Kitt Peak was both more accessible and more prominent. Poor construction also led to the wash out of many earthen water tanks on the Papago Reservation. Some elders among the Tohono O'odham disliked the influx of wage employment, fearing the program would weaken youth's ties to family farms and herds and further erode traditional culture. A fencing project sparked opposition because many older cattlemen wanted to maintain the open range. OIA engineers, however, were more intent on solving the technical problems of erosion and had less regard for cultural practices they believed harmed the land. Several such conflicts arose between tribes and white project planners. One group of Navajos objected to a rodent control project because it killed gophers they used

[10]Ibid., 101-102. The first project at Ak Chin, survey and fencing of the reservation, came in the fall of 1935.

for food. At one point, IECW workers placed an earthen tank in a wash and cut off the water supply to a Tohono O'odham village. More serious opposition arose when the federal government undertook to impose cattle and sheep reduction at the Zuni and Navajo Reservations.[11]

Responding to such criticisms, Collier supported increasing centralization of IECW planning, at least to the district level. This effort started at the Navajo Reservation where in 1934 acting superintendent Zeh began consolidating the six separate Navajo agencies into a single headquarters at Window Rock. The process continued under superintendents C. E. Faris and E. R. Fryer. Fryer established a land management agenda for the IECW. After Congress extended the CCC in 1935, Murphy promoted a complete reorganization of the IECW. Previously, confusion followed from the division of authority where officials in Albuquerque oversaw work projects while those in Phoenix oversaw the work camps. In the reorganization, Phoenix received control over most aspects of program work in the state. W. J. Keays became the district's project coordinator. The Navajo Reservation remained separate, while projects at Truxton Canyon and Fort Apache remained under Zeh's oversight from Albuquerque. To improve accountability, Murphy assigned William Straka, IECW auditor, to the Phoenix district staff. Local superintendents, however, continued to create accounting problems with late filings and inadequate preparation.[12]

Peak IECW enrollment came in 1935. The following year, when Roosevelt ordered the first cuts in the CCC, the IECW immediately lost $2 million, or fifteen percent of its budget. Straka and Keays of the Albuquerque office began to tighten up accounting procedures and made efficiency a top priority. Auditors discovered that tens of thousands of dollars had "disappeared" in the program's first three years, and they were determined that no such poor management or corruption would embarrass the agency in the future. Increased control over projects improved their quality overall, but the superintendents were never entirely reined in. For example, when Gensler disapproved of projects for the Fort Mohave Reservation coming out of Phoenix, he scaled back the IECW in 1936. Superintendent Hall at Sells refused to file his reports for months after being refused additional funds for road projects.[13]

[11]Ibid., 104-06, 109. Both Donner and Elliott were criticized for misappropriation of funds. Donner received a reprimand from Collier himself for spending money on unauthorized and wasteful projects. Elliott was criticized for hiring non-O'odham and too many white supervisors. He was replaced in 1934.

[12]Ibid., 115-16.

[13]Ibid., 117-18.

Though IECW projects varied greatly from agency to agency, they fell into the same four categories of those of the regular CCC—resource protection, resource development, infrastructure construction, and recreational development. Recreational facilities were less common than under the regular Corps, but some agencies did construct trails, picnic areas, and camp grounds, and Indian CCC workers built a playground in Sacaton. The few facilities built were intended for the Indians themselves, however, and not to attract tourists. The IECW improved the infrastructure of reservations by stringing miles of new telephone lines and constructing new roads and trails. A multi-agency road building project was one of Hall's priorities at the Sells Agency where, previously, the state route from Tucson to Ajo was the only improved road. At the Havasupai Reservation, a new IECW-built trail shortened the hike down to the main village from fourteen to five miles.[14]

Resource development, especially range management, was the primary category of IECW activities. Before the 1930s, reservations were unfenced, and livestock roamed on the open range. The result, as elsewhere, was overstocking and soil erosion. On the Papago Reservation, the OIA encouraged division of the reservation into grazing districts, with the IECW providing labor to build fences and develop grass and water resources. Projects included wild horse eradication, weed control, erosion control, well digging, revegetation, construction of earthen tanks, and herd reductions. Fencing the boundaries of the reservations helped curtail incursions by neighboring white stockmen. The village councils on the Papago Reservation also instituted a ten percent wage fund to establish the Papago Livestock Association. To improve agriculture on the Yuma Reservation, Gensler approved projects such as Johnson Grass eradication and the cleaning of irrigation canals. Timber management was important at Fort Apache and San Carlos.[15]

Additional budget cuts reduced the Indian CCC by about twelve percent in the 1939 fiscal year, while the Soil Conservation Service also suffered budget cuts and had to reduce its commitments to the Navajo Reservation from $830,000 in 1937, to $300,000 in 1940. Fortunately, with the reviving economy after 1940, Indians found increased opportunities for wage labor to replace relief work. When the CCC expired, nearly half of the 41,362 Arizona men who had found employment with the Corps—19,520—were Indians. The CCC provided more relief than any other New Deal program. In terms of its legacy of physical improve-

[14]*Indians at Work*, VI, April 1939, 12.

[15]Booth, *The Civilian Conservation Corps*, 118-21.

ments, only the Public Works Administration contributed a comparable amount.[16]

Between 1933 and 1936, the PWA provided funding for projects with an estimated cost of $6,991,200 (see Table 8.1). These projects provided both employment and valuable physical improvements to each of the reservations. More than a third of this ($2,650,000) was used in developing the San Carlos Irrigation Project for the benefit of the Pima Indians. These projects expanded the range of irrigation of the SCIP by building canals, laterals, pumping plants, transmission lines, and transforming desert land into suitable, irrigable fields.[17] The next largest set of projects was the construction of buildings and structures at Window Rock on the Navajo Reservation that would serve as the centralized agency for the reservation and the capital of the tribe. Road projects costing over $500,000 improved transportation at the Colorado River, Fort Apache, Hopi, Navajo, Papago, Pima, Salt River, and Fort McDowell reservations. Reclamation projects involving dams and distribution systems were also important, accounting for approximately $450,000 in projects, in addition to the SCIP projects.

Development of school facilities was another large category of PWA projects on the reservations. While in non-Indian communities school projects were common because they were simple to implement and it was easier to obtain local sponsors, Collier directed reservation school construction to meet one of his reform goals. Collier opposed boarding schools which separated Indian children from their families and culture. Nearly all of the PWA school projects in Arizona were for community day schools where children could attend school and return to their families, as most non-Indian children did. These day schools, he hoped, would help preserve tribal culture. Day school facilities were built or improved on the Fort Apache, Havasupai, Hopi, Papago, Pima, Salt River, and Navajo Reservations at an estimated cost of almost $2 million. Important examples of school construction include the Salt River day school, which removed 100 students from the Phoenix Indian School,

[16]Parman, 105; Merrill, 109; *Indians at Work*, VI, April 1939, 5.

[17]In the late 1920s and early 1930s, the SCIP provided the Pima with a rapidly expanding acreage of irrigated land. This rapid growth, a lack of farm equipment, and low prices in the early depression, combined to make wage labor more attractive than farming. The solution was alfalfa which could be grown with little labor so the Indians could continue other employment. The Agricultural Extension Service encouraged white ranchers to pasture their cattle on reservation land. Some hesitated, fearing "bloat" or that "the Indians would kill and eat all our cattle," but in late 1932, one company agreed to bring in 137 head. Three years later they pastured 1,600 head on the reservation. [*Indians at Work*, III, December 15, 1935.]

and the high school in Cibecue which removed 70 students from the boarding school at White River.[18]

The Office of Indian Affairs was one of the largest dispensers of PWA funds in Arizona, second only to the Bureau of Reclamation with its gigantic Hoover Dam project. PWA projects on the reservations exceeded in cost the funding for federal aid highways and all grants to nonfederal projects over the course of the program. Over the course of the public works program, per capita spending by the PWA in Arizona reservations was approximately $160. This exceeded the per capita spending of the PWA in Arizona as a whole and, in comparison to the $81 per capita income of Arizona's Indians in 1933, was a significant boost. Concentrated into a large number of permanent projects, these public works funds contributed significantly towards the fulfillment of Collier's goal of economic self-sufficiency for the reservations. While it was not fully adequate to meet that end, it represented one of the most substantial investments by the federal government in the Indian economies in the history of federal-Indian history.

Finally, other agencies also provided small, though not insignificant aid to the Indians. The Biological Survey, working with the CCC, the CWA, and Works Progress Administration employed Indians in rodent eradication projects. In its brief existence, the CWA provided $57,578 for employment on the reservations. The WPA not only provided employment, its projects contributed additional improvements to the reservations. The WPA in 1940 provided jobs for Pima Indians in Sacaton for road, water, and sewer projects. In the poor community of Sacaton Flats, the WPA constructed a sanitary privy for the new women's home extension club. The WPA's statewide nursery school project cared for approximately 50 children of Indians whose family's were with the WPA. Indians also took advantage of WPA-provided educational opportunities, such as a First Aid Instructors Course offered to reduce injury rates, which were often high on reservation. The Farm Security Administration provided $32,750 to the Navajos for erection of facilities at the annual tribal fair, for homes, and for aid to their destitute. The OIA, working with the Federal Surplus Relief Corporation, took advantage of the Agricultural Adjustment Administration, which in 1934 had purchased thousands of head of cattle as part of its drought relief effort. In 1935 the OIA acquired 12,000 of these to give to several tribes to encourage livestock improvement. The Rural Electrification

[18]Allotments for Federal Public Works Projects by Agencies, Reports of the PWA, Project Statistics, 1933-36, RG 135, Entry 67, Box 1, NARA.

Administration provided the SCIP with a $145,000 loan to construct 124 miles of transmission lines, providing electricity to homes in Sacaton.[19]

CASE STUDIES

Case studies of the San Carlos Apaches and the Tohono O'odham illustrate how the New Deal contributed to the economic development of Arizona's Indian reservations. In both cases livestock raising was the primary focus of attention, and development of water resources the major effort. New Deal programs fit easily into long-standing agency plans. The New Deal was not a new direction, but it provided the resources needed to meet existing goals. Differences between the two situations appear to owe to the continuity in agency supervision. At San Carlos a single superintendent with a focused program headed the agency through most of the 1920s and 1930s. The Papago Reservation had less continuity as the agency had two superintendents at Sells during the critical early New Deal years.

THE SAN CARLOS APACHES

In the 1870s and 1880s, the federal government concentrated the various Apache bands in Arizona into the White Mountains area of the territory, north of the Gila River, which was subdivided into the Fort Apache and the San Carlos Reservations in 1896. Though their reservation was large, most Apaches settled in three communities—Bylas, San Carlos, and Rice—where supplies were distributed. The government regularly purchased cattle from American ranchers to distribute to the reservation Indians, most of which were slaughtered immediately for food. Some Apaches slowly managed to save a few to breed, but the government made little effort to train the Apaches in livestock raising. By 1923, about 285 Apaches owned cattle that, as heads of households, may have represented a least half the population.[20]

By the end of the century, several non-Indian ranchers had secured grazing rights to reservation rangeland. The largest of these, the Chiricahua Cattle Company, had permits to graze 2,000 head of cattle on Ash Flat, but an investigation in 1899 found that the Company was actually running 12,000 head. The superintendent reported in 1913 that cattlemen turned their cattle out on the reservation and ran them off

[19] *Indians at Work*, III, December 1, 1935, 17; May 1, 1936, 28; May 15, 1936, 47; V, October 1, 1937, 36-37; VI, July 1939, 26; VIII, January 1941, 24; *Arizona Republic*, April 15, 1934, 3:1; August, 24, 1936, 1:6; U.S. Works Projects Administration, *This Work Pays Your Community*, (Professional and Service Division, May 20-25, 1940), 5; Parman, 104.

[20] Walker and Bufkin, 43-44; Harry T. Getty, *The San Carlos Indian Cattle Industry*, (Tucson: University of Arizona Press, Anthropological Papers No. 7, 1963), 27-28.

regularly to evade restrictions. Although the ranchers accused the Apaches of occasionally stealing cattle, they took no action because reservation had several compensating advantages, the most important of which was that no sheepmen or homesteaders were allowed onto the reservations. With themselves as the only non-Indians able to work on the reservations, San Carlos came "as near being [a stockman's paradise] as a cattle range could ever get to be."[21]

James B. Kitch, who became the agency superintendent in 1923, believed the Apaches must become self-sufficient. He implemented a policy to remove non-Indian permittees from the reservation and to aid the Apaches to become stock raisers. By 1938, all non-Indian owned cattle were removed from the reservation. In addition, large numbers of cattle were distributed to establish several Apache herds. Kitch reported in 1926 having issued over 1,400 heifers in the previous two years and anticipated distributing 700 more in the coming year. By 1931, Kitch estimated that the number of Apache-owned cattle had increased from about 2,700 head to about 16,000. Despite this effort, Kitch remained unsatisfied with the progress of the Apache cattle business. For one thing, many Apaches did not know how or desire to work the cattle themselves. Instead, they gave them over to white stockmen to manage and collected a fee, a practice Kitch discouraged. By 1936 there were ten livestock groups with herds of cattle. Clan relations were important in determining membership in these livestock groups. Eventually these groups developed into livestock associations, receiving formal tribal council recognition in 1938.[22]

To attain this goal of self-sufficiency, the government encouraged the improvement of the reservation herds by distributing 600 registered Hereford heifers in 1934, obtained under the drought relief program, and the Apache tribe purchased 30 registered bulls. Unfortunately, control over breeding was sometimes lax so that their herd could not be registered until 1938. The tribe also altered its method of selling cattle. Up to the early 1930s, cattle buyers were invited to the reservation to submit sealed bids. In 1939, this method was replaced by driving cattle to the Southern Pacific scales and pens, where they were auctioned. While the government pressured the Apaches to create a livestock industry modeled after the off-reservation industry, the tribe attempted to shape the new business both to meet government imperatives and to maintain cultural cohesion. The tribal council created at least two tribal herds.

[21]This is the opinion of Henry S. Boice, later owner of the Chiricahua Cattle Co., from Edward P. Ware, *Grazing (Section Fourteen)*, WPA, Arizona Writers' Project, 1940, 3-4.

[22]Getty, 29, 35, 38.

The first was a registered herd created to promote better breeding. The second, created in 1938, was sometimes referred to as the "Social Security herd" because it was dedicated to support widows, orphans, and others unable to earn a living.[23]

The CCC gave Kitch the opportunity to develop the reservation for stockraising. New fencing helped prevent non-Indian ranchers from entering the reservation and regulated the grazing in the newly-formed grazing districts. More important, the CCC developed water resources across the reservation. In the 125,000 acre range around Warm Springs, where previously there was only a single source of water for cattle, the CCC in 1934 and 1935 developed eight reservoirs and at least a dozen stock troughs fed from newly developed hillside springs. They constructed tanks at Brush Corral, Warm Springs, Junction, Juniper, Rocky Creek, Chiricahua, Freezeout, Broncho, and Ash Creek. Prior to 1933, on the north half of the Bryce-Mattice range, there was no water at all; cattle were only brought in when rainwater puddles were available. The CCC developed two reservoirs and three springs, Alkalai, Mud and Bull Springs, each of which furnished a permanent supply to cattle. Kitch also encouraged road development. In addition to these improvements, the IECW provided valuable training to enrollees and offered supervisory positions to many. Kitch believed that a IECW enrollee was "better off than anytime in their life" and he boasted of his newly trained Indian machinists, truck drivers, powdermen, foremen, and leaders.[24]

In 1937 the San Carlos Apaches led all other tribes in its sales of cattle, selling nearly 12,000 head for an average of $32. As a result, the average family income on the reservation rose to $731. Kitch retired in 1938 and died two years later, leaving behind a tremendous legacy of improvements on the reservation. The CCC had constructed over 400 miles of boundary and range fencing, almost 100 earthen and concrete water tanks, cleared stock drives, and developed wells and springs.[25] Efforts to improve cattleraising on the San Carlos Reservation continued after the New Deal and by 1950, the cattle industry was well established. Despite extensive range development, the resources of the San Carlos Reservation were limited. IECW work projects help to raise the tribal cattle industry to its maximum potential, but with an ever growing population, cattle could not bring self-sufficiency.

23Ibid., 43, 48.

24Ibid., 106-08, 114-15, 121; Claude C. Cornwall, ""Mile Posts:" An ECW Story of the San Carlos Apaches," *Indians at Work*, III, September 1935, 14-16.

25*Indians at Work*, VI , July 1939, 18-19; VII, March 1940, 19; VI, July 1939, 20.

The CCC also did work to protect the reservation's timber and range resources from fire. In the early 1930s, much of the San Carlos Reservation was a little-traveled wilderness. The timberlands were remote and in rugged terrain. The work of the IECW in carving forest access roads and constructing telephone lines revolutionized the reservation's forest management. For instance, a new truck trail from the San Carlos agency to Point-of-Pines lookout reduced the trip from three days riding to a three hour drive. As a measure of the change, in 1931 eighteen known fires burned 1,847 acres and destroyed $4,510 in timber, with an additional $2,434 in fire fighting costs. From July 1934 to June 1935, 51 known fires burned only 817 acres, causing only $429 in timber loss and costing only $1,775 to fight. Reservation Forester Allan boasted that the new system of lookouts, telephones lines, and truck trails put him within "striking distance" of every important area.[26]

Significant changes in the San Carlos Apache Reservation towards the goals of economic development and tribal self-sufficiency were being pushed long before the New Deal. A competent agent, Kitch, with a long-standing program of economic development continued to serve during the 1930s and took advantage of the New Deal to further his goals. The CCC provided labor to develop ranges with roads, fences, stock tanks, and fire suppression, while drought relief programs directly supplied high quality registered breeding stock to improve the Apache herds. Important steps in the creation of grazing districts occurred in the 1930s on the reservation, as elsewhere in Arizona. These developments continued after the New Deal had passed. Although New Deal work relief programs did not move economic development in a new direction, they were important because they were one of the largest investment programs ever undertaken by the federal government to aid the Indians.

THE TOHONO O'ODHAM

The Papago Reservation presented a great challenge to Collier's plan to use the New Deal to develop Indian resources. The reservation of more than 2,773,000 acres is the second largest in Arizona, located in the southern part of the state adjacent to the international border and between the Baboquivari Mountains on the east and the Ajo range to the west. The Tohono O'odham once lived along the well-watered vicinity of the Santa Cruz River to the east, but their current reservation has no permanent river. Their intermediate, low-lying desert receives less than ten inches of rain per year and is little suited for agriculture. Of necessity, they have turned to cattle raising as one of the few viable ways of using their vast land. Most of the Papago Reservation was set aside by an executive order in 1916. Because of inholdings of private land and a

[26]Cornwall, 13-16.

claim by the state for a large area, cattle raising was difficult for the Tohono because they could not graze over their reservation without crossing other jurisdictions. This situation improved in 1931 when Congress purchased some private lands and removed the state claim.[27]

The Tohono O'odham moved their cattle according to the season and land conditions. During the heat of the summer they stayed near the foothills. When water was available after winter or summer rains, they moved out to the low valleys. With few resources of their own, they had to rely heavily on support from the federal government to develop their reservation. During the late 1910s and 1920s, the tribe received small yearly appropriations for stock watering improvements and ground water pumping facilities for their villages. In 1928, the Secretary of the Interior reported that the reservation had earthen tanks and reservoirs to hold water for the Tohono O'odham's livestock during the dry season. The federal government also made a very small effort to improve their herds, giving them two registered bulls in 1912. The tribe purchased another 22 registered bulls in 1914. Unfortunately, all were dead by 1920, victims of drought and neglect.[28]

The Tohono O'odham turned to cattle raising because there was little else that their reservation could provide them, but this proved insufficient. In May 1935, while the San Carlos Apaches sold 1,700 head for an average price of $33.75, the Tohono O'odham sold only 865 head of cattle for an average price of $22.71. This difference reflected the inferiority of the Papago Reservation rangeland and the progress of the Apaches in improving their herds. The Tohono O'odham also tended to sell stock in small numbers to buyers in Ajo, Casa Grande, Tucson, and Tempe, a marketing practice that did not promote high prices.

The Tohono O'odham are a medium-sized tribe in Arizona. In 1930 their population was 5,159. Theoretically, this allowed each member almost 500 acres of land. But in a land intensive business like cattle raising, this was inadequate. To prevent overgrazing, the Department of the Interior regulations limited each family to no more than 50 horses, 100 cattle, and 500 sheep. A survey in 1930 found that sixteen families held 7,900 head, well over their legal limit of 1,600. As a whole, the tribe held 17,700 livestock units for an average of 3.4 animals per person, compared to a statewide average of 2.5 animals per person. The result

[27]Jay J. Wagoner, *History of the Cattle Industry in Southern Arizona, 1540-1940*, (Tucson: University of Arizona, 1952), 112-13.

[28]Ibid., 115.

was severe overgrazing. The Tohono were trapped between the imperative to earn a decent living and the poor carrying capacity of the land.[29]

The Great Depression ushered in a new era for the Tohono O'odham. Beginning in 1934, the IECW began to reorganize their land use, dividing the reservation into nine range units or districts, each fenced to regulate grazing. Tribal employees of federal emergency projects voted to contribute tribal funds to maintain tribal livestock associations. During 1935, the IECW built 44 earthen tanks, sixteen dams, eleven storage tanks, 22 wells, and improved nine springs. Another New Deal program bought up 968 horses and burros to reduce overstocking. Land surveys began to place grazing on a more systematic basis. Other IECW projects included grass seeding and rodent extermination. The OIA also tried to increase the reservation's weak water resources by acquiring adjacent, developed lands. For example, in 1937, the OIA bought the 320-acre Marstellar Ranch. This developed ranch included $5,250 in land and improvements such barns, fencing, storage tanks, corrals and troughs, and a well.[30]

At the start of the New Deal, Joseph Elliott was the superintendent of the reservation agency at Sells. He and his assistant, A. M. Phillipson at San Xavier, were responsible for organizing the first CCC work projects. His substantial $400,000 budget gave promise of both good employment and valuable projects. Elliott announced the beginning of enrollment at Sells and San Xavier on June 27, 1933, and by October, 891 men were engaged in a variety of projects. The new trail and lookout station at Baboquivari Peak was typical of the CCC, providing access to a remote region of the reservation and improving the fire management facilities. The criticism of this project, noted above, contributed to Elliott's replacement by Theodore Hall, who reorganized the reservation CCC program to cut costs. Hall lowered the number of enrollees to 300 and eliminating most of the family camps. From that point on, most enrollees worked from their homes or in small on-site camps.[31]

The CCC developed a comprehensive water development plan for the Papago Reservation that would supply water to improve livestock

[29]Ibid., 116-17. A livestock unit is a calculation based on the forage consumption of different animals. An average cow is the basic unit with 2.5 sheep the equivalent.

[30]Civilian Conservation Corps-Indian Development (CCC-ID), "Work Plays Its Part," n.d. [c. 1938].

[31]Booth, "Cactizonian," 307-08. Hall was a Choctaw Indian and a native of Whitefield, Oklahoma. He spent several years as a public school teacher before joining the Indian Service in 1933 as a field clerk at the Osage agency. That same year he was assigned to Leupp as superintendent, then transferred to Sells the following year. He left Arizona in 1939 to become superintendent at the Osage Reservation [*Indians at Work*, VIII, December 1940, 23].

raising on approximately three million acres. The primary difficulty was that the reservation had no permanent surface streams. When storms came during the summer season, normally dry stream beds turned into torrents and flat lands turned into impassable lakes of water and mud. Storing this water for year-around use was not as simple as constructing reservoirs everywhere. Research indicated that in the extreme desert heat, as much as 100 inches of water evaporated from an exposed body of water each year, and that another 50 inches seeped into the ground. To water cattle, a reservoir had to be at least twelve feet deep. In the CCC's initial planning, emphasis was placed on developing a wide dispersion of water tanks so as to avoid concentration of cattle. Sites in the low mountains, then little used for grazing, were worked first because of their greater suitability to sizable reservoirs and to permit rotation of cattle between there and the low lands by season.

The types of works built to hold water depended on the. In the flat valley areas, where water passed in a sheet with little velocity, workers used caterpillar tractors or horse-drawn scrapers to dig a large pit, using the fill to build up wide dikes. These were referred to as "charcos" after the Spanish for pond or tank. In hilly areas, earthen dams were constructed, usually using teams and scrapers. These were constructed on tributary streams to avoid being damaged by major floods. Reservoirs in these areas could be up to 25 feet deep. In mountain areas, masonry dams were more practical because of the rock floors and walls of the desert canyons. The CCC always constructed dams of the rubble masonry type, with Indian stone masons using cement, mortar and rock, much of which was available at the site. Such dams could be constructed almost entirely of hand labor and cost significantly less than concrete dams. Engineers noted that dams on the Papago Reservation tended to fill with sand fairly quickly, but this was not necessarily detrimental. Even when filled with sand, about a third of the volume of the reservoir was available for water, and the sand both reduced evaporation and acted as a filter. Such reservoirs provided clean water for cattle even though they appeared to be dry. Beyond the range of captive water flow, the CCC worked to develop groundwater wells and tanks. Most of these used windmill pumps, others gasoline motors. From the top of Baboquivari Peak, tanks and reservoirs could be seen shimmering across the reservation with checker board regularity.[32]

Fencing, road, and revegetation projects all contributed to the improvement of the reservation for cattle raising. Of course, the CCC did not have the manpower to fully improve the entire extant of the reservation. Selected areas, such as near San Miguel received

32S. W. R. Thompson, "IECW Range Development," *Indians at Work*, III, September 1935, 23-27.

concentrated effort that included fencing, terracing, and revegetation. Claude C. Cornwall, the IECW's district supervisor, stated the goals as "sustained yield," a careful balance of the number of cattle with the water and faunal resources of the land. These developments maximized the efficiency of the range while trying to avoid unnecessary depletion. Their general success could be seen in the spread of cattle ownership over a greater portion of the tribal population. In 1939, about 1,325 Tohono O'odham, out of approximately 6,000, were livestock owners, an increase of 133 percent from 1934. Cattle sales more than doubled between 1936 and 1939, from $102,947 to $222,638.[33]

After developing water resources, the next job for the CCC's range development program was to control brush and grass fires. The first step towards this goal was the construction of a forester's cabin to serve as a project headquarters. This was followed by constructing truck and horse trails to improve transportation for fire control, and then a lookout tower with a connecting telephone line to the forester's cabin and the agency headquarters. Elliott approved Baboquivari Peak with its commanding view of virtually the entire reservation for the site of the lookout. One hundred Indians from the Tohono O'odham, Quechan, Cherokee, Pima, and Maricopa tribes arrived at Camp "Babo" on July 5, 1933 and began their work. They first developed a nearby spring to provide their water, then began constructing the forester's cabin at the foot of the peak 22 miles southeast of Sells. This was followed by improvements to the approximately 4.5 mile trail to the top of the peak and construction of the lookout. A year after the start of work, on July 6, 1934, the lookout spotted its first fire.[34]

Development of wells and other water resources was one of the most important project types for the CCC. Tohono workers erected windmills and constructed tanks at Sells, Walls Well, and Covered Wells Mission. While the Tohono O'odham usually appreciated the benefit of these water projects, not all aspects of the land improvement program met with their universal approval. Soil erosion advisors were convinced of the necessity of removing excessive livestock, particularly horses, which had little market. Efforts to remove rodents appeared ridiculous to some, while cutting down mesquite trees seemed counterproductive. The government wanted to remove mesquite and restore the grassland environment that preceded the introduction of cattle. The Indians knew that the cattle ate the mesquite beans, and that people used the wood for fire and fences. The government told them that rodents should be re-

[33]*Indians at Work,* III, November 1, 1935, 41; VIII, December 1940, 9, 23.

[34]Harris H. Roberts, "Remaking a Reservation - IECW - Part I," *Indians at Work,* II, December 1, 1934, 18-24.

moved to prevent loss of grass, but at least some Indians did not believe them, attributing the lack of grass to the current drought. Ultimately, the agents of the New Deal had the money and authority and those who wished the benefit of employment had to follow their guidelines.[35]

By 1938, the CCC's peak employment had passed. To maximize employment, Hall allocated his entire CCC allotment to meet the enrollee payroll. This left no money for equipment and materials, the agency's projects shifted from well digging and road construction to maintenance and upkeep. While the CCC projects improved conditions on the reservation temporarily, they could not change the basic fact that the land was a desert that simply could not provide for enough livestock to support the entire population. The immediate impact of the CCC on the Tohono O'odham was so large that many looked back on it as the "CCC Era." Its greatest achievement was relief for the emergency at hand. No range improvements could have raised cattle raising to an adequate support for the entire, growing population of the reservation. The New Deal also loosened the ties of young tribal members to their immediate communities, provided them with training, and introduced many to wage employment. This was fortunate for when a severe dry period in 1948-49 devastated the reservation livestock industry, despite all the previous improvements, the tribal council in 1949 approved a plan to place the tribal economy on three legs. About a third were to go into farming, a third remain as livestock growers, and the rest to seek employment elsewhere.[36]

As these case studies argue, the development of economic resources of the San Carlos and Papago Reservations reflected both continuities and innovation. Broadly, the continuity was in the general desire of OIA officials to improve the economic lot of the Indians and their primary strategy of improving the tribal cattle industries. By the beginning of the New Deal, the San Carlos Apaches had made significant strides towards accomplishing that goal, while the Tohono O'odham lagged. The New Deal presented both tribes with vast resources that helped stretch their water and range resources to the limit of their capacity. The change was somewhat more dramatic for the Tohono O'odham only because less had been done for them previously. The New Deal was an innovation in federal-Indian relations because it instituted a large-scale program of investment in the tribes and their land. Few periods offer a comparable program of development.

[35]*Indians at Work,* III, August 15, 50; Peter Blaine, Sr., (as told to Michael S. Adams), *Papagos and Politics,* (Tucson: Arizona Historical Society, 1981), 76-77.

[36]Booth, "Cactizonian," 321, 324-35.

ADDITIONAL AREAS OF ECONOMIC DEVELOPMENT

Other reservations had development projects similar to those at San Carlos and Papago. Fencing to improve livestock management was among the earliest CCC projects at the San Xavier Reservation. By March of 1935, the entire reservation, except for a seven mile strip along allotted property was bounded. While the CCC provided the labor, the tribal cattleman's association provided funds for fencing materials. Irrigation improvements were important at San Xavier, some funded by the PWA. Tohono O'odham workers laid concrete pipe to carry water to fields and, in one project, excavating a long trench, about 25 deep, to a water-bearing sand. Water seeped into a pipe from this sand and was then conveyed out to irrigation ditches. The Works Progress Administration also provided employment after 1935. WPA projects at San Xavier included improvements at the tuberculosis sanitorium, flood and erosion control work, drainage for a sewage disposal plant, fencing, paving, and general ground improvements. Erosion control experts such as C. F. Allfilisch and Henry E. Collins, a University of Arizona graduate who had worked with the SES, undertook direction of a soil erosion control demonstration project in early 1935. These experts identified excessive runoff as causing destruction of irrigated farm land in the southern portion of the reservation. They convinced the Indians to set aside 3,000 acres as an experimental rehabilitation area where control dams, dikes, terraces, and artificial planting of shrubs and grasses, it was hoped, would reduce runoff.[37]

Parallel development work occurred on the Hualapai Reservation. There, the CCC worked to make Horse Flat Trail and Meriwhitica Canyon Trail more accessible to trucks with improved grading and installation of culverts. A fencing project along Route 66 and construction of cattle guards improved range management. Work to develop water resources such as improvements at Horse Trough, Tomanata, Dewey Mahone, and Surprise Springs, and development of wells and tanks such as Beecher Tank, Babylon Tank, Clay Tank, and Bull Pasture Tank. Erosion control work included terracing the walls and ends of gullies and the construction of check dams to hinder rapid runoff into some wide arroyos. In addition to the improvements to the land, the CCC also trained Indian workers and encouraged their use as supervisors. At the Truxton Canyon agency at Valentine, Isadore Feinstein, a road engineer, conducted regular educational sessions, where he demonstrated techniques in road location, design, construction, stone

[37] *Indians at Work*, II, March 15, 1935, 27; VII, October 1939, 41; *Works Progress in Arizona: Official Bulletin*, (Phoenix: Works Progress Administration, 1, March 1936), 1; Claude C. Cornwall, "Rehabilitation Area at San Xavier," *Indians at Work* II, March 15, 1935, 27-28.

masonry, and trigonometry. The result of such training was that Indians could replace non-Indian workers doing such work as surveying.[38]

At the Colorado River agency, the local Mojave and Chemehuavi Indians took the initiative in seeking range improvements. A group of fifteen Indians in 1934 formed the La Paz Pure Bred Cattlemen's Association, the fourth in the agency's jurisdiction, to take advantage of the availability of drought relief Hereford cattle. The group received 162 cows and 15 bulls by the summer of 1935 and grazed them on their pastures at the south end of the Colorado River Reservation. Most of these men were also farmers, and some worked part time on the occasional road project. Despite these other commitments, two of them always stayed with their cattle to pump water, ride the fence line, treat the cattle for worms, and other livestock work. Up to this time, the area was prone to regular flooding from the Colorado River, rotting the old fence, and making it difficult to control breeding. With flooding ended, as the reservoir behind Hoover Dam filled, the Indian cattlemen approached the superintendent, C. H. Gensler, with an offer to clear the right of way, cut mesquite posts, and build a new fence, if the agency and the CCC would provide wire and a truck. Despite temperatures as high as 120 degrees, they built about four miles of fence and repaired another thirty. The development of the reservation's livestock industry was the result of a series of such initiatives and projects.[39]

Indian workers contributed to more than natural resource management. Emil Haury and Byron Cummings used IECW workers to undertake excavations as they had tapped other New Deal labor agencies such as the FERA, CWA, and WPA. Haury led Tohono O'odham workers in excavations at Ventana Cave. Cummings oversaw excavations and reconstruction work at Kinishba near Fort Apache. In the fall of 1937, a four-tent camp of twelve men protected the site by putting up a fence around Kinishba. By 1940, workers were constructing the museum building that would make the site a permanent tourist attraction on the reservation. In July 1937 the National Park Service and the OIA formed a cooperative Navajo CCC mobile unit that performed stabilization work on ruins in Navajo, Tonto, and Montezuma Castle national monuments and in the Lake Mead National Recreation Area.[40]

38*Indians at Work*, III, September 1, 1935, 48; December 1, 1935, 48; November 1, 1935, 50; August 15, 1935, 38; II, August 15, 1934, 38; May 1, 1935, 50; June 1, 1935, 49; III, June 15, 1936, 49; July 15, 1936, 50; V, October 1, 1937, 46.

39Ibid., III, November 1, 1935, 40.

40Booth, "Cactizonian," 323; *Indians at Work*, III, September 1, 1935, 48; V, December 1, 1937, 27; VII, June 1940, 12; John C. Paige, *The Civilian Conservation Corps and the*

No other aspect of the Indian New Deal caused as much discord as programs to remove livestock from the range. Soil erosion experts believed that reservation ranges were overstocked, despite the expansion of water resources. Horses, they believed, should be removed because of their limited market value. But even if every horse on the reservations was removed, thousands more sheep, cattle, and goats had to be taken away if the herds were to match the carrying capacity of the land. Collier accepted this prescription and moved to implement it, using the full powers of the Office of Indian Affairs, which were considerable. Most reservations experienced some livestock reductions and the experience embittered many Indians to Collier and the New Deal. The largest reductions were carried out on the Navajo Reservation, where families depended on their sheep as the basis for their livelihood. Reductions varied across different parts of the reservation, depending on range conditions, and many Navajos believed they were being discriminated against. Opponents of tribal reorganization used the anger against Collier over the reductions to defeat the proposal in a tribal referendum.

In some instances the livestock reduction program was fairly simple, as at Fort Apache where wild horses were considered the chief cause of range depletion. Estimated to number about 5,000, wild horses were difficult to find and eliminate. By June 1934, about 800 had been captured and though a few were kept as saddle horses, most ended up at local fish hatcheries or dog food processors in Phoenix and Tucson. While the Navajo experienced the greatest number of forced reductions, primarily of sheep and horses, the Hopis also were required to reduce their herds at the same time. As late as 1942, the OIA was still ordering stock reductions. That year at Hopi, reductions of 20 percent were ordered for First Mesa, 22 percent at Second Mesa, and 44 percent at Third Mesa. Even though the OIA claimed that the higher percentage at Third Mesa was the result of more severe range depletion, some there believed it to be discrimination because of their long opposition to the directives of "Washington." The reduction program was the cause for much of the ambiguity that many Indians felt towards the New Deal. While they appreciated the employment opportunities and many of the physical improvements they brought, the reduction program emphasized their subservient position in relation to federal authorities. The irony that these reductions were being forced upon them by a man who was elsewhere proclaiming a new era of Indian self-government was not lost on either the Indians or Collier.[41]

National Park Service, 1933-1942 (Washington: National Park Service, 1985), 114. The Indian unit was disbanded in 1940.

41 *Indians at Work*, I, June 15, 1934, 18; James, 206.

INDIAN ARTS AND CRAFTS

By the 1930s, the American economy exhibited many of the characteristics of mass market consumerism. Mass production and a national transportation system eroded dependence on local production and factories replaced hand crafts. The trauma of the Great Depression and its demonstration of the weakness of the new economy contributed to a greater appreciation, or at least nostalgia, regarding the more traditional folk ways that were rapidly disappearing from the American scene. The CWA and FERA sponsored a few projects employing craftspersons to teach their skills to others. Indian tribes, expanding in population and living on economically insufficient reservations, had long since lost their ability to sustain themselves and were dependent on aid provided by the government. Their own craft traditions had eroded significantly and seemed in danger of being lost altogether if the policy of assimilation was continued longer. At the same time, Indian goods of quality were then beginning to find a larger and more appreciative market. Collier recognized that a change in policy to promote a revival of traditional and distinctive trades and crafts might serve the dual purpose of encouraging cultural preservation and promoting economic development.

To implement this program, Collier proposed, and Congress approved, the creation of the Indian Arts and Crafts Board within the OIA on August 27, 1935. The Board's pursued two goals in its effort to make native crafts economically viable. The first was to promote high standards that would gain higher prices for Indian goods. The Board experimented with a variety of standards intended to discourage mass production methods and to maximize the use of skilled artisans. It propagated rules on the use of materials, the means of production, and ways to verify authenticity. This goal of encouraging distinctive and high quality hand production could only succeed if the market, consisting largely of non-Indian buyers, was discriminating and wealthy enough to support a higher price. Goods of dubious quality and authenticity, but with a significant price advantage plagued the tourist trade. The Board's second goal was to promote this high-end market by offering expanded publicity to native wares. The goals of setting higher standards for craft production and expanded marketing complemented each other and together offered native peoples a workable strategy with a real potential to reverse the previous trend towards cultural deterioration.

Not unexpectedly, the Board found it difficult to implement this strategy. Congress was not generous in its appropriations for the Board's work, and Collier had continuing problems in manning the Board itself. Not until late 1936 was the Board's work well begun. Collier characterized the Board as a "research, planning, and promotional agency, working through other agencies," which were primarily the tribes. Setting production standards proved difficult and controversial. Existing producers for the tourist market opposed efforts that might handicap their use of cost-cutting devises. Also, defining hand crafts was not so simple, as many involved some use of tools. The Board's standards had to be, to some extent, arbitrary because they were intended to promote a particular kind of production. Criticism of the standards could not be avoided. Because of the Board's limited budget, it concentrated its first marketing effort on an extensive exhibit of Indian goods from around the country at the 1939 San Francisco Exposition. A tremendous success, the exhibit gained national publicity for the best in Indian craft production and provided a major boost to its market.[42]

Not all tribes participated actively in the Board's program. In Arizona, the Navajo and Tohono O'odham more aggressively pursued the policy of promoting their native crafts. On the advise of the Board, the Papago Council on November 6, 1937 requested that Collier obtain legislation authorizing the use of $3,000 on deposit in the U.S. Treasury to purchase Tohono baskets and other handcraft goods and to pay travel expenses, wages, salaries, and other expenses in order for the tribe to participate in the San Francisco exhibition. The council also wanted the proceeds of its sales there to be available in a special fund at the direction of the tribe itself. In September 1938, the tribal council created its own Papago Arts and Crafts Board to promote the expansion of the market for its goods. The Papago Board, chaired by the tribal chairman during his term in office, was to work "cooperative with and assisted the Indian Arts and Crafts Board... in its work on the reservation under the jurisdiction of the Papago Tribe." The Papago Board, however, was limited by a requirement that it advise and consult with the superintendent of the Sells agency over any disbursement of money. The Tohono shared in the great success of the 1939 exhibition and in June 1941, the council moved to create a new board with expanded authority and budget. The new Papago Board was more independent of the agency superintendent and had a salaried position of general manager. It had more explicit direction to advertise tribal products and to represent the tribe at fairs, rodeos, and future exhibitions. For its first manager, the Papago Board hired Anita Francisco. Fluent in the three languages used on the reservation, Francisco exhorted artisans to produce quality work and also bought and sold craft goods for the Board. One measure of the success of both the national and the Papago Boards was the rise in the sale of Tohono craft goods from $1,685 in 1939 to $4,700 in 1941. Late in 1940, the tribe built its own arts and crafts center at Sells. Collier was present at the dedication ceremony where he lauded the tribe for its

[42]Robert Fay Schrader, *The Indian Arts and Crafts Board: An Aspect of New Deal Indian Policy* (Albuquerque: University of New Mexico Press, 1983), 264.

accomplishments. He noted that tribal income had increased 150 percent over the last five years, with improvements to the livestock trade accounting for about two-thirds of this increase, while arts and crafts and farming contributed the remainder.[43]

The Navajo's trade in blankets, silver work, and other goods had long given support to many tribal members. Even before the Indian Arts and Crafts Board became active, the tribe was taking advantage of the rehabilitation funds provided under the IRA to promote its industry. The Navajo also presented a major display at the 1939 exhibition. Navajo weavers and silversmiths demonstrated the tribe's ability to adapt adopted forms successfully into their native culture, blending the modern and the traditional into a unique Navajo pattern. Building on this success, the tribe created the Navajo Arts and Crafts Guild in 1940 as a permanent institution to promote tribal artisans. The national Board gained approval from the tribal council of the plan for the Guild to move rapidly towards a mass marketing effort. The Guild began its operations with $10,000 loans in each of its first two years. Its success was noted in 1942 with a record $16,000 in sale of Navajo goods that year, second only to those reported for Alaska. By the end of the 1943 fiscal year, successful cooperative production and marketing associations were operating among both the Navajo and the Tohono O'odham.[44]

Navajo weaving and silverwork received positive notice at the San Francisco Exposition, but this publicity was more easily attained than the setting of standards for quality native wares. The Indian Arts and Crafts Board issued official certificates of genuineness, through the agency superintendents, that could be stamped or otherwise connected to the goods for sale. These certificates would distinguish quality craft wares from cheap imitations, often produced by non-tribal members with machine tools. On June 14, 1937, the Board approved standards for Navajo woolen products, with the Secretary of the Interior's approval following in October. Certification of genuineness required an indemnity bond of $500 from producers and use of local wool that was hand-spun on Navajo looms. Furthermore, the fabric had to be produced by a member of the Navajo tribe and in conditions not resembling either a workshop or factory system. If produced under these conditions, the certificates would be attached to the wool products stating the size and weight of the fabric along with a statement of their authenticity.

Standards for silver goods was important to the Navajo, Hopi, and Pueblo tribes. The standards were controversial because such goods

[43]Ibid., 213-14; *Indians at Work*, VIII, December 1940, 3-4.

[44]Schrader, 190-91, 221-22, 262. The Hopi also had a display at the exhibition.

were then being produced by a variety of methods. The Board held a meeting on October 5, 1936 in Albuquerque to discuss the issue with representatives of dealers, traders, manufacturers, museum heads, and others with an interest in the trade. Not represented at the meeting were any actual Indian artisans. An important point of discussion revolved around the use of sheet silver and no consensus could be reached at the meeting. Another question was whether a "genuine" native silver craft good should be the product of a single individual from start to finish. The meeting might have approved this condition except that the role of apprentices muddied the issue. Also at issue was whether stones had to be hand-cut and hand-polished. While the Board suggested this restriction, most of those at the meeting appeared in favor of allowing machine-cut stones. When the Board issued its standards in 1937, they were extremely purist. The government certification could only go to goods individually produced and entirely handmade. No silver work produced under anything resembling a factory system or that used any power-driven machinery could be certified. The goal was to protect the best native silversmiths and, hopefully, maximize their return by giving handmade goods the greatest distinction and price advantage.[45]

The Indian Arts and Crafts Board was a small, but important agency for Collier's program of cultural preservation and economic development. Hand craft work could not provide a livelihood for a large proportion of a tribe's population; the market was simply not large enough. Still, as an economic niche, craftwork has been successful enough that new generations of apprentices and craftsmen have continued their work into the present. The preservation and improvement of tribal crafts served a valuable purpose in promoting cultural distinction. Tribes have developed artistic motifs that are recognized and appreciated around the world. The Board, with its certificates of genuineness and its promotion of the best work, did much to reverse the earlier trend towards cheaper goods.

REFORM: THE INDIAN REORGANIZATION ACT

Towards the end of 1933, with the Civilian Conservation Corps and other agencies providing emergency employment and much needed improvements to the reservations, Collier turned to his goal of changing the basic thrust of federal Indian policy from assimilation to cultural pluralism. Conferences in early January 1934 united Indian policy reformers behind a set of general proposals. The first was to end allotment of reservations. This was followed by proposals to consolidate the reservations into viable economic units by such means as land purchases and trades to eliminate the checkerboard pattern of land

[45]Ibid., 131-33.

ownership that plagued many areas. There was also agreement on the need for new and stronger forms of tribal government to promote self-rule. The Wheeler-Howard bill, named after its Senate and House sponsors, encompassed these proposals.

The bill was altered significantly prior to its enactment on June 18, 1934, but the final provisions of the Indian Reorganization Act were some of the most significant in the history of federal-Indian relations. The act repealed the Dawes Severalty Act and ended the era of allotment. It laid out a process for organizing new tribal governments that required approval by a majority of tribal members. Reorganized tribes could form corporations and secure loans to promote economic development. It also gave the Secretary of the Interior the authority (but not much funds) to purchase land for the tribes.[46]

The IRA promised a great expansion of self-government for those tribes that wished to participate. Under the law, tribes were to hold two votes on the issue, the first on whether to reorganize. If approved, a constitution for the tribe would be drafted, and if a majority of voters and the Secretary of the Interior approved, the new tribal constitutions become legally valid. The first votes were to be held within a year. Collier began an active campaign to promote acceptance of the IRA, personally traveling to and speaking at many reservations. One such meeting was planned for mid-March, 1934 in Phoenix, although at the last minute, Collier was called away. Over 600 attended the meeting held at the Phoenix Indians School, representing the Whiteriver, San Carlos, Sells, Sacaton, Colorado River, and Truxton Canyon agencies. One Washington official described the bill as setting the Indians free. "The Indians," he stated, "now are living in a residence with barred windows, with a padlocked door to which only the secretary of the interior has the key. We propose to give you the key, open the door, and knock the bars out of the windows. If you want to come out, you can do so . . . But you won't be pushed out." The delegates did not express opposition to the Wheeler-Howard bill, but questioned it closely. After hearing from OIA representatives, one astute delegate asked, "What you tell us sounds good, but is it all in the bill?" Peter Blaine and Leon Pancho, Tohono O'odhams, arrived with a petition signed by 1,500 of their fellow tribal members seeking repeal of the ban on mineral entry on their reservation. The OIA officials refused to discuss the issue as they wished to keep the meeting focused on the bill, though repeal was later successfully added to it. A representative of Hopis at Chimopovi, Shepaulovi, and Telahaxtewa noted "We already have [a government] that's been handed down from generation to generation up to this time." One Pima compared the bill to a coat: "It has a few holes in it, but in

[46]Parman, 94-97.

what shape is your present coat? Is this bill merely a matter of changing coats, one with more holes in it than the other? I do not think so, but you must use your own minds in deciding. We, the Pimas, will fully back up the government in support of this bill." Though a majority of delegates apparently supported the bill, no official vote was taken as some delegates wished to return to their tribes to discuss the issue.[47]

The White Mountain Apache Indians debated the implications of the Wheeler-Howard bill amongst themselves in sectional meetings in March 1934, though little is known of the actual discussions. At a general meeting of tribal leaders in Whiteriver on April 5, the council supported the bill, though they expressed reservations that the new law not be used to further erode Indian cultures or the reservations. While they appreciated the intent to allow greater self-government, the council believed the tribe still needed federal assistance. They particularly approved efforts to provide a more practical education for tribal youth and for special education and scholarships for gifted youths. Even though the bill would end allotment, the council "emphatically" opposed any legislation that might alter or withdraw the present reservation boundary without the unanimous consent of the Indians themselves. Finally, the council concluded with a vote of confidence in John Collier. The Havasupais also supported the Wheeler-Howard bill, but expressed several concerns. They requested amendments that would explicitly protect their treaty rights and preserve federal responsibility for Indian welfare. The Havasupais also wanted the choice of continuing with their present form of government if they so desired and also wanted a relaxation of an original provision of the bill concerning heirship. This latter desire was satisfied by the law as enacted.[48]

The first referendums on the IRA in Arizona took place on October 27 and November 17, 1934. At Fort Yuma, where the potential voting population was 402, the Act was approved 188 to 32. At the smaller Cocopah reservation, the tribe approved reorganization by a unanimous

[47]*Arizona Republic*, March 14, 1934, 1:8; March 15, 1934, 1:1; March 16, 1934, 1:1; March 17, 1934, 1:1.

[48]*Arizona Republic*, April 6, 1934, 1:7; *Indians at Work*, I, June 15, 1934, 5. The Havasupais were one of the last tribes to complete their new constitution, receiving Ickes' approval on March 27, 1939. Their constitution established a council of four regular members and three recognized hereditary chiefs who were selected by the remaining subchiefs of the tribe. These chiefs, unlike the regularly elected members, were not subject to recall. The constitution limited membership to those over 35 years old and set terms of two years for the regular members. It also granted tribal members the right of referendum provided that 50 percent of eligible voters signed a petition. (Constitution and By-Laws of the Havasupai Tribe of the Havasupai Reservation, Arizona, [Washington, D.C.: U.S. Department of the Interior, Office of Indian Affairs, 1939], 1.)

vote of four out of a voting population of sixteen. Elections took place in mid-December at Camp Verde, Colorado River, Fort Mojave, Hualapai and all the reservations under the Pima and Sells jurisdictions. All approved reorganization, as did the Hopi and Fort Apache tribe in voting the following June. Approval of the IRA then set in motion the process of drafting a new constitution for each tribe.[49]

HOPI REORGANIZATIONS

After serious debate, the Hopis accepted reorganization in June 1935 by a vote of 522 to 295. In early 1936, Collier gave to Oliver LaFarge, an anthropologist familiar with the Hopis, the job of aiding them in writing a new constitution. Knowing the challenges that awaited him, LaFarge warned Collier in April, "I do not wish to assume the task of pushing the Hopis toward an organization which does not interest them... I warn you that my early progress will be very slow." LaFarge's role was so important that he was credited with largely writing the new constitution. Understanding the traditional divisions between the villages, LaFarge produced a document that attempted to balance a genuine authority of the villages and their traditional leaders with the new Hopi tribal council. As the preamble of the constitution stated, the new government was "adopted by the self-governing Hopi and Tewa villages of Arizona to provide a way of working together for peace and agreement between the villages, and of preserving the good things of Hopi life, and to provide a way of organizing to deal with modern problems, with the United States Government and with the outside world generally."[50]

The constitution established a tribal council with seventeen members serving single year terms. These members represented the villages and were apportioned by population. To preserve local autonomy, each village decided its method of choosing a representative and the council would admit no member unless certified by the village Kikmongwi, a traditional authority. Furthermore, the villages were permitted to adopt their own constitutions to preserve or alter their traditional leadership as they desired. The tribal council was to represent the tribe as a whole to the federal government, to choose its own officers, to act as a court to settle disputes between villages, to prevent sale, disposition, lease or encumbrance of tribal lands, to control use of land beyond clan and village boundaries, to administer the tribal council fund, and to protect the arts, crafts, traditions, and ceremonies of the Hopi people. In the exercise of these powers, the constitution established the principle of

[49] *Indians at Work*, II, December 1, 1934, 5; II, July 1, 1935, 45.

[50] Ibid., II, July 1, 1935, 45; Harry C. James, *Pages from Hopi History*, (Tucson: University of Arizona Press, 1974), 202-04.

majority rule within the council. The constitution also included a bill of rights that guaranteed freedom of speech, association, and religion, and promised to each member of the tribe an equal opportunity to share in the economic resources and activities of the tribe.[51]

With the constitution written, LaFarge and agency superintendent Alexander G. Hutton worked to secure tribal approval. The issue heightened divisions between factions of the tribe. Converts to Christianity and Hopi employees of the OIA generally favored the new council, while traditionalists, who least trusted federal officials, opposed it. Some older government employees and trading post interests were also accused of working against the new government. Chances for approval of the constitution were boosted because some Hopis who opposed it simply followed their tradition by abstaining from voting rather than voting against it.[52]

Approval of the new Hopi constitution on December 19, 1936 was only a single step in the process of reorganization. Making the tribal council an effective organization proved just as daunting a task. The first step was for each village to actually send representatives to serve on the council. Wesley Poneoma, who took over as the council's second chairman after the premature resignation of the first in June 1937, summarized his experiences at the end of his term:

> Since last year [1936] in December and January we tried many times to organize and elect our representatives according to our Hopi constitution and by-laws. Finally at Toreva [a] group of men met and elected their two representatives [including himself]... election was held at Oraibi in January and all the representatives were present. The tribal council officers were elected and I was made Vice-President.

Problems quickly developed that led to the resignation of the council's secretary in March and president in June. Poneoma continued:

> That puts more burden on those left that we simply all broken to pieces [*sic*] as our most important men were off our organization. Some people made fun at first and tried to make me mad at meetings. But we had several successful meetings and people began to

[51]James, 223-30. The constitution also formalized the split between upper and lower Moenkopi villages by granting each its own representative. Moenkopi traditionally recognized no higher authority than the elders at Oraibi, a tradition challenged by the creation of the new council [Shuichi Nagata, *Modern Transformations of Moenkopi Pueblo*, (Chicago: University of Illinois Press, 1970, 55].

[52]James, 202-04.

understand what this organization really meant. I've met with elders, chiefs, officials, and other people just as well to talk about these things.[53]

The work of the council proceeded slowly. Though it considered several ordinances, as late as June 1939 it had not actually passed any laws. The council adopted a number of resolutions which it sent to Washington. They did approve a reservation work program that included cooperation with the SCS and the Irrigation Service and later considered land and stock improvements, roads, and issues of law and order. The New Deal provided funds and work projects on which the council could deliberate and approve. This interaction between federal programs and the group representing the whole of the Hopis helped the reorganization process by giving the council a real function to perform, one that would be difficult the manage through a village-by-village consultation. Although the new constitution created an innovation in tribal organization, its careful protection of village prerogatives and the dedicated work of its early participants eventually made it a successful and permanent institution.[54]

TOHOHO O'ODHAM REORGANIZATION

The Tohono O'odham approved reorganization on December 15, 1934. Even before this date, several regions in the Papago Reservation were organizing local councils based on the existing grazing districts. Shortly after the vote, representatives of the Gila Bend, Papago, and San Xavier reservation met at Sells to discuss the organization of a new council. Gila Bend and San Xavier were the first to select five men to serve on their district councils until a new constitution was adopted. In April, the people of Topaway, Choulic, and Little Tucson met and chose a five-man council for their newly designated "Baboquivari District." Other districts included "Seef-Oi-Dac," composed of Quojote, Cocklebar, Chia Chuischu, and Anegam, and "Ki-eech-Muk," made up of Santa Rosa, Covered Wells, and Ak Chin. Opposition continued as some feared that a new constitution would prevent people from attending church. Superintendent Hall called on the villages to send representatives to work out a constitution. These representatives, about 20 in number, spent an "unusually long period" discussing the content of the proposed document. They were aided by the local Catholic priest, Fr. Bonaventure Oblasser, and Kenneth Moorman, the field agent of the OIA. Fr. Bonaventure was a strong supporter of local autonomy, an

[53] *Indians at Work,* V, March 1938, 28.

[54] Ibid., VI, June 1939, 16.

important feature of the final document. The constitution created a 22 member council with two members each from the nine districts of the Papago Reservation, and two from both San Xavier and Gila Bend. The council would select a chairman and other officers. Their draft provided for a decentralized system in which each districts was to govern itself "in accordance with its old customs." District representatives on the council could also be recalled. The constitution also allowed for adoption into the tribe of half-Tohono O'odham into the tribe, another innovation, since there was previously little marriage outside the tribe. The new charter was approved on January 6, 1937, and the new council met for the first time on January 30.[55]

The council chose Jose Ignacio as its first tribal chairman, a position he held from January 1937 to the end of 1940.[56] Despite some hostility towards the new council, they immediately began discussing a variety of important tribal issues. These included reservation projects, selection of a committee to draft regulations for control of the tribal revolving fund, appointment of tribal representatives to a board of appraisers to estimate damages to tribal property from the El Paso Natural Gas Company's line, and a request for development of additional irrigation water on the San Xavier reservation. The council appointed a committee to write a tribal Law and Order Code, which the council later adopted. To promote reservation business, the council set aside a Tribal Loan Fund from which members could borrow money for improvements of their homes, for livestock, and for other business purposes. The council encouraged the development of the commercial sale of bat guano and pushed to get part of the Tucson-Ajo highway that ran through the reservation paved. An Arts and Crafts Board was organized to supervise the buying and marketing of tribal products. The tribe sponsored an exhibit at the San Francisco Exposition in 1939 that led to wide advertisement of the value of native goods. By immediately confronting difficult and important issues, the new council quickly established its position of authority.[57]

THE NAVAJOS: REJECTION OF THE IRA AND REORGANIZATION

In late 1933 and early 1934, the Navajos were already benefiting from a large infusion of relief funds from the CCC, the PWA, and the SCS, and the tribal council endorsed both Collier's plans and the Wheeler-Howard bill. This support was not unanimous, however. A group of "modern-

[55]*Indians at Work*, III, May 1, 1936, 20; VII, December 1939, 22; Blaine, 67-68, 83.

[56]Ignacio was a native of Sonora and educated in Kansas. He returned to the reservation at the time the CCC was beginning and became a blacksmith at Sells.

[57]*Indians at Work*, VI, June 1939, 8.

ists" led by J. C. Morgan supported assimilation and opposed a return to traditionalism. The livestock reduction program in 1934 and 1935 was instrumental in turning many Navajos against Collier. Morgan capitalized on these ill feelings in his campaign against reorganization. When the tribe voted on June 17, 1935, the IRA was defeated by the narrow margin of 7,992 to 7,608. The Navajos were the only tribe in Arizona to reject the IRA, but because they were the largest in the nation, the defeat could not have been more embarrassing to Collier.

Collier refused to concede defeat and continued to pressure the tribe and council to accept reorganization outside the IRA. The council was increasingly pressured on one side by Collier to endorse the stock reduction program, and on the other by Morgan, who was rising in political prominence. In November 1936, Collier unsubtly reminded the council that it had been created by the Secretary of the Interior in 1923, and informed them that Ickes now thought a reorganization was needed. Giving in to the pressure, the council on November 24 voted to reorganize itself through a constitutional assembly of tribal headmen. The assembly met at Window Rock on April 9-10, 1937, declared itself to be the new tribal council, and began working on a constitution. The assembly sent a draft constitution, with features similar to many IRA constitutions, to the Department of the Interior in September with the hope that Congress would pass special legislation enacting it. Neither Ickes, nor Congress approved the draft. Prior to this rejection, the constitutional assembly also wrote a proposed "Rules for the Navajo Reservation," which included regulations on tribal membership, the make up of the Tribal Council, and other elements similar to a constitution. The document was notable because it clearly continued the strong authority of the Secretary of the Interior directly in council affairs. Ickes approved the document, now called the "Rules for the Navajo Council" on July 26, 1938. This document remained for decades, the basis of tribal government on the Navajo Reservation.[58]

John Collier had great sympathy for Indians and their traditional cultures, but as his treatment of the Navajos demonstrated, he also believed that Indians had to be led if they were to achieve cultural preservation and self-government. Even though the Navajos opposed reduction in their livestock, Collier took the side of the soil erosion experts and forced reduction on them. When the tribe responded by rejecting the IRA, Collier decided to force reorganization on them anyway.

[58]Robert W. Young, *A Political History of the Navajo Tribe*, (Tsaile: Navajo Community College Press, 1978), 85-89, 99-101, 111, 114.

Apart from the Navajos, reorganization of tribes under the IRA appears to have been implemented fairly smoothly and with general support of the members. The new constitutions were approved by wide margins at Salt River (126-56), Colorado River 141-33, and Ft. McDowell (71-4). Tribal constitutions for the Apaches at San Carlos, the Pima at Gila River, Ft. McDowell, the Quechan at Ft. Yuma, the Hopis, and the Tohono O'odham received approval from the Secretary of the Interior by August 1937. However, the numbers available also indicate that there was a sizable portion of the potential voting population, even a majority, who did not vote. In some instances this may represent a passive resistance to reorganization, in which case, reorganization may have been imposed on an unapproving tribe by a minority faction. In other situations, the relatively low turnout simply represented women staying at home, something that makes a broad generalization about support of the issue more difficult. The constitutions were similar in their creation of tribal councils and officers able to represent the tribes as a whole to the outside world. They differed in the autonomy they granted to subsections of the tribes and in the size of their councils. Despite reports of early opposition, the councils soon began to deal with issues of significance to the tribes.[59]

CONCLUSION

The Indian New Deal involved a major reorganization of Indian governance. Under the Indian Reorganization Act, the tribes created new forms of government, governments by and for their own people, that respected traditional organizations and cultural practices. After ending the era of allotment and forced assimilation, the Indian New Deal began the modern era of federal-Indian relations. This era is characterized by a greater respect for Indian cultures and recognition that they can contribute their distinctive qualities to the whole of American society. The new governments did not perfectly conform to the native governing practices that existed up to that point. Despite their respect for tradition, they were an important innovation. In the case of the Navajos, officials in Washington imposed reorganization upon the tribe. Despite this, tribes learned to adapt to the new institutions and

[59]Ibid., V, October 1, 1937, 13; V, November 1, 1937, 16-17; V, July 1938, 17; VI, July 1939, 22; VIII, December 1940, 27. In 1940, the San Carlos tribe held two elections on the issue of incorporation of the tribe under the IRA. The first election was invalidated because fewer than 30 percent of the eligible voters cast ballots. It was reported that women came to the polling place with their families, but hesitated to go inside the agency building where the men stood in line to vote. For the second election, the ballot was placed on the porch of the agency building and the women formed their own line to vote. In the final tally, women accounted for 40 percent of the votes cast.

combine them with traditional practices in ways that preserved their cultural identity.

At the same time, the Roosevelt Administration implemented the largest programs of investment in the reservations up to that time. Per capita spending by the New Deal on the reservations in Arizona far exceeded spending in the rest of the state. In addition to the benefit of wage employment provided by the CCC, the PWA, and other emergency works agencies, the New Deal left a large legacy of improvements to the land. Most of these were targeted to particular areas of the reservation economies. Most important were the rangeland improvements designed to maximize the economic potential of the livestock industries. Also important were reclamation projects that expanded reservation agriculture. Construction of several new schools, and the move away from the philosophy of the boarding schools, represented a direct investment in the future of youths to improve their opportunities in the American economy, while at the same time preserving their special identity as tribal members. Later experience demonstrated that with growing populations and limited reservation resources, Indians could not avoid a greater engagement in the larger wage employment economy. The New Deal helped to contribute to this realization by raising the reservations to the upper limits of their ability to support agricultural and pastoral livelihoods.

10 THE WORKS PROGRESS ADMINISTRATION

By the end of 1934, President Roosevelt concluded that early New Deal efforts to provide relief were becoming obsolete. The lessons learned from the FERA's grant system, the direct employment method of the Civil Works Administration, as well as lessons from other agencies were applied in a new set of proposals in 1935, that included a new public works program to replace the grants for relief system of the FERA. The Emergency Relief Appropriation Act of 1935 made available $4,880,000,000 for the new program, and Roosevelt used the broad grant of authority under the act to create the Works Progress Administration. The WPA was a federal employment program, similar in many ways to the CWA. Like the CWA, projects depended on local initiative, and its success revealed the vitality of local-state-federal cooperation.[1]

This chapter focuses on three aspects of the WPA in Arizona. Following a brief outline of the national organization, the state organization is described. While the WPA maintained important links to state and local officials, particularly in planning of projects, it did not implement work projects through state or local officials. Responsibility for implementing projects, which during the CWA and FERA had rested with the State Board of Public Welfare, went to a new state office of the WPA. Although many staff members of the State Board moved to the WPA, several of the top administrators were new figures in the New Deal in Arizona. The second topic is an examination of the work projects themselves. To ease implementation, the WPA continued a large number of established work projects. Many project types—schools, streets, water and sewer improvement—were the same as found in the earlier CWA and FERA programs. With greater funding, the WPA was able to expand some project types. For example, professional and arts projects developed far beyond the CWA/FERA precedents. The chapter concludes with a detailed consideration of WPA's work relief for women. A final element of the WPA was the National Youth Administration, but because it was later made independent, and given a specific focus, it is the subject of the following chapter.

ORGANIZATION OF THE WPA

By mid-1935, Roosevelt clearly preferred the methods of Harry Hopkins, whose emphasis on small-scale work projects implemented by the FERA and CWA had provided greater immediate employment than Ickes' PWA. With the President's support, Hopkins quickly turned the new Works Progress Administration into the leading New Deal works agency. The speed with which Hopkins organized the WPA rivaled his previous mass mobilization of the CWA. The first step was to organize

[1]Biles, 104.

the WPA administration and to set its rules. In addition to the division by state offices, the WPA subdivided these into districts to, as Hopkins stated, "make for economy and practical working efficiency." The purpose of the districts was to equalize the number on relief, the distribution of funds, and the settling of wage disputes. The establishment of the division was based on the number of families on relief in a given area, the availability of good transportation, and the efficiency of central headquarters administration. Hopkins initially announced a complicated wage scale. For the western region, the scale ranged from a low of $40 per month for unskilled labor in counties where the largest municipality was less than 5,000 persons, up to $94 per month for professional or technical labor in counties with municipalities greater than 100,000 persons. Furthermore, Hopkins was authorized to make further adjustments of up to ten percent of these figures. Wages varied considerably across the country and over time during the life of the WPA.[2]

In Arizona, many of the FERA's administrative workers moved over to the new WPA organization. Florence Warner was not among them, retaining her position as executive secretary of the State Board of Public Welfare and becoming increasingly involved in the Social Security program. As state director in Arizona, Hopkins approved W. J. Jamieson on June 3. Jamieson was "widely known in engineering circles around the state" and then working in Howard Reed's public works office. Prior to his employment administering the PWA, he worked as a state highway engineer and with the United Verde Copper Company, then served as the Phoenix city engineer and superintendent of streets from 1926 to 1932. As directors of the various WPA division, Jamieson selected E. M. Whitworth, formerly superintendent of the state highway department's motor vehicle division, for operations; D. B. Wiley, former secretary for the Maricopa County Farm Bureau and accountant with the State, for finance and statistics; L. W. Phillips of Phoenix, a former labor compliance officer with the NRA and former official of the Arizona Federation of Labor, for employment; Charles Cunningham for transient activities; and Jane H. Rider as head of both the Division of Women's and Professional Projects and the National Youth Administration. The WPA divided the state into three districts. Jamieson selected men with local business connections to head each of these division. District 1, led by Charles C. Elrod of Prescott, encompassed the vast area of Coconino, Mohave, Apache, Navajo, and Yavapai counties. Peter Riley of Clifton

[2]Ibid., 104-05; *Arizona Republic*, May 21, 1935, 1:1; May 25, 1935, 1:1, 10; July 17, 1935, 1:6. The initial wage rates for Arizona were set at $44 per month for unskilled workers, $50 for semi-skilled, $68 for skilled, and $75 for professional or technical workers. These latter two rates applied only in Pima and Maricopa counties. Elsewhere in the state they were $60 and $67, respectively.

was director of District 2, which included Pima and five other southern counties. Maricopa, Gila, and Yuma counties were under former Maricopa County Board of Public Welfare member, John J. Curry. The administrative staff was in place by July 20.[3]

Immediately after his appointment, Jamieson went to Washington for a conference of state directors. At the meeting, the President spoke of his vision of a new direction for public works. He referred derogatorily to the CWA as "made work. . . invented work" and wanted the new program to provide projects of value, but quickly. "We have all that experience behind us. Of course, there will be a great many large projects, but we must keep to that mathematical figure of 3 1/2 million people and four billion dollars." The President told the state directors, "We want insofar as possible, to have every relief administrator make every effort to get the unemployed into private industry, even if it means slowing down or stopping some of the jobs we have undertaken." Hopkins warned that the first six months would "make or break" the new program. Jamieson returned to Phoenix to begin work as quickly as possible. Though connected to the Washington office through Clinton P. Anderson, WPA field representative for Arizona, New Mexico, Colorado, and Wyoming, serving out of Albuquerque, the success or failure of the WPA ultimately depended on the quality and speed of the projects, and the primary responsibility for these lay with Jamieson's office.[4]

On July 5, Jamieson announced that his office at the Heard Building was ready to accept applications for WPA projects. This followed Hopkins' statement that the WPA would be ready to begin taking people off of relief at the first of August. Jamieson promised employment for between 12,000 and 15,000 persons. While smaller than the employment temporarily achieved by the CWA, these figures were higher than the FERA work program. He then traveled to the District 1 office in Prescott and the District 2 office in Tucson to explain the program. He also met officials from Maricopa County and the City of Phoenix to discuss

[3]Ibid., June 4, 1935, 1:1, 4; July 10, 1935, 2:6; July 11, 1935, 1:1, 1:2; July 13, 1935, 1:1; July 19, 1935, 1:8; *Works Progress in Arizona: Official Bulletin*, (Phoenix: Works Progress Administration, 1, January 1936), title page, 1. The reason for selecting businessmen to head the districts is not clear.

[4]*Arizona Republic*, June 18, 1935, 1:1; July 1, 1935, 1:6. It was not a good omen when the *Arizona Republic* reported that "Phoenix has been buzzing for days with conferences between representatives of the various agencies concerned in the reorganization. The political battles being waged more or less under the surface are delaying completion of reorganization, observers say." The paper also quoted one federal official who characterized the reorganization of the public works program and the politics involved as "a mess." Patronage and pet projects were blamed for this, though no specifics were mentioned [July 11, 1935, 1:2].

projects, plans, and how to move things quickly. Despite his efforts, the WPA mobilization did not meet initial hopes. Before the end of July, the start date for the first projects was pushed back two weeks to mid-August. On August 8, Robert Hinkley, assistant to Hopkins was in Phoenix and stated that not until mid-September would the first projects begin, though there were currently 134 project applications in review. Hinkley promised employment for 14,000 persons. To help speed the process, President Roosevelt ordered September 12 as the application deadline with approvals to follow by the 24th. But deadlines for project applications did not mean a speedy start for projects. Not until November 1 were the first workers, nearly 1,400, set to their jobs. Once started, though, the WPA moved quickly and had about 12,100 at work in Arizona by November 18.[5]

Guided by general instructions from Washington, Jamieson traveled around the state soliciting partnerships with the state, county, and local governments for projects. Although a federal program, the WPA did not have the funds to undertake complete funding of many projects. Hopkins enforced the rule that most of the federal funds must go to labor. Jamieson explained that cooperating governments sponsored the projects and must contribute needed materials and equipment. While the WPA might supply these upon a special application, this would be unusual and would necessarily take resources away from providing jobs elsewhere. Governor Moeur protested this labor rule as adversely affecting some irrigation projects, but to no avail. Men and women wanting jobs with the WPA had to be certified as relief clients with their county Boards of Public Welfare and register with the U.S. Employment Service. Despite this tie to their home counties, once workers were employed with the WPA, they were assigned to projects irrespective of county.[6]

The project applications that Jamieson solicited reflected what had been learned by local officials over the previous three years. Most were fairly simple—road improvements, construction or improvement of schools, and water and sewer upgrades (see Table 10.1). Jamieson urged communities to take advantage of the broad WPA rules allowing an imaginative use of funds. "It appears to me," he said, "that many communities are overlooking opportunities to obtain improvements for their school properties under the WPA program; especially those in need of recreational facilities and playground improvements. The opportunity

[5]Ibid., July 10, 1935, 1:7; July 11, 1935, 1:8; August 8, 1935, 1:7; August 24, 1935, 1:1 November 2, 1935, 1:1. These delays, which occurred nationwide, required the FERA to extend its direct relief program longer than expected, as described in chapter 4.

[6]*Arizona Republic*, June 17, 1935, 1:1; July 12, 1935, 2:1; July 14, 1935, 2:2; July 17, 1935, 1:6.

to stimulate interest in arts by submitting projects that will involve . . . depicting drama, art, music and related subjects, should not be overlooked. Under such a heading a city like Phoenix, for instance, might gain great help towards staging a fiesta week of southwestern atmosphere for the benefit of its winter visitors." Although there would ultimately be some unusual and imaginative projects, the WPA at this stage was hurrying to get men and women to work. Planners and engineers who, up to this point, had the most significant role in project planning, naturally found it easier to implement community infrastructure improvements rather than to begin thinking about arts projects or fiestas for tourists. Indeed, many of the first WPA applications were for continuation of projects begun earlier by the CWA and FERA. These included Tucson's ornamental copper crafts project, which employed up to 48 men and women under the WPA. The initial allotment for Arizona projects at the start of work amounted to $2,619,075, later raised to $3,788,219 on October 10, as more projects were approved. Arizona's initial quota, based on its relief rolls was $4,270,000. So well had Jamieson done his work in promoting projects that applications totaled $13,811,744, sufficient to employ nearly 20,000 persons. Many of these projects had to await further reallocations of public works funds to the WPA by the President or later appropriations by Congress.[7]

New Deal opponents soon found ammunition for criticizing the Roosevelt Administration in the WPA. Among the negative accusations were charges that WPA employed illegal aliens. In mid-1936, Jamieson announced that illegal aliens were ineligible for WPA employment. "It may be true," he stated, "in some instances that there are persons on our payrolls who have no legal right to work under this program. However, in these instances the true circumstances have not been disclosed to us. Every such case brought to our attention will be investigated, and any of the workers on our projects found to be aliens illegally in this country will be immediately discharged." While admitting that cases may have escaped the notice of WPA representatives, he added, "We consider it the duty of public-spirited citizens to take sufficient interest in a public program to inform us of any such cases." An investigation of Arizona's WPA by the Immigration Service discovered 59 illegal aliens.

In 1936, the Associated General Contractors of America began a concerted effort to put an end to the public works program. In February, Harvey Scull, secretary of the Maricopa County branch of the group filed a protest with the Phoenix City Commission urging them to "do their utmost" to stop the expenditure of public money by the WPA in order to "turn construction back to the construction industry." Scull

[7]*Arizona Republic*, August 29, 1935, 1:3; September 30, 1935, 1:4; October 11, 1935, 1:1; *Works Progress in Arizona*, March 1936, 2.

criticized the WPA's "unwise expenditure of public money" in direct competition with private business. On October 23, 1936, the *Arizona Republic* published a criticism of the WPA by W. A. Klinger of the Associated General Contractors of America, who charged the works program with "terrific waste" and a wage scale "so attractive that relief workers are refusing to take jobs in private industry." Jamieson's response, published two days later, noted that the WPA wage scale was determined through the Arizona Industrial Commission with a high rate of $1.00 per hour for skilled workers and a maximum monthly wage of $68 per month. He also pointed out a drop in recent WPA employment as evidence that workers were returning to the slowing reviving private market. Defending the WPA from charges of boondoggling became a regular part of Jamieson's job.[8]

To publicize itself, the WPA employed a public information officer. Initially, this work was done by Lewis Allison, an employee of the federal writers' program, but as publicity became more important and criticism grew, Allison was replaced in July 1936 by Columbus Giragi, the owners of several newspapers in northern Arizona and an important figure in the state Democratic party. Giragi traveled across the state defending the WPA against charges of waste. A boondoggle, Giragi believed, was what people in one town called the projects in another town. "I've been hunting all over the state for one," he declared, "but everywhere I go I'm told its in the next county. So far I haven't been able to catch up with a real, live one." Giragi left the WPA in early October to work for the President's reelection campaign.[9]

The intensity with which the WPA's self-promoted was tied to the presidential campaign of 1936 between Roosevelt and Republic nominee, Alf Landon. In September, Republicans charged that C. E. Addams, financial administrator for the Roosevelt campaign in Arizona, was soliciting funds from WPA works with warnings that they would lose their jobs if the Republicans took over. Addams responded that his words were misinterpreted and little came of the issue. Waste in the public works program naturally became a theme in the Republican campaign. As a safe state for the Democrats, Arizona did not receive visits from either of the parties' standard-bearers, though in September, leading figures in both camps made competitive appearances in Phoenix. Hopkins came to Phoenix on September 21 to speak at the dedication of

[8]*Arizona Republic*, February 20, 1936, 2:1; *Works Progress in Arizona*, 1, No. 8, 1936, 4.

[9]*Arizona Republic*, July 3, 1936, 1:7; September 25, 1936, 1:4; October 6, 1936, 1:7. Allison served as Giragi's assistant until he resigned at about the same time as Giragi to become editor of the Mesa *Journal-Tribune*.

Table 10.1. Initial Approved WPA Projects in Arizona, by Type and Community, September-October, 1935.

Project Type	Communities
School Improvements	Ash Fork, Beaver Creek, Buckeye, Chandler, Clifton, Duncan, Flagstaff, Florence, Ft. Grant, Ft. Thomas, Gila Bend, Glendale, Globe, Green Valley, Higley, Inspiration, Isaac, Laguna Valley, Mayer, Mesa, Miami, Mobile, Naco, Nogales, Nutrioso, Patagonia, Payson, Phoenix, Pine, Pomerene, Prescott, Rainbow Valley, St. Johns, Scottsdale, Sentinel, Snowflake, Solomonsville, Tempe, Thatcher, Three Points, Tucson, Vicksburg, Wickenburg, Willcox, Woodruff, Youth, Yuma, Yuma Valley.
Road Improvements	Ajo, Bisbee, Casa Grande, Christmas, Clifton, Congress vic., Douglas, Flagstaff, Florence, Glendale, Globe, Hassayampa, Hope, Jerome, Kingman, Patagonia, Phoenix, Poland Junction, Prescott, Russell Gulch, Salome, Tempe, Tucson, Warren, Wickenburg, Willcox, Williams, Yava, Yavapai County, Yuma
Park Development	Benson, Bisbee, Brannaman, Clifton, Flagstaff, Gilbert, Mesa, Morenci, Patagonia, Phoenix, Prescott, Quartzsite, Snowflake, Tempe, Thatcher, Tucson, Willcox, Winslow
Community Service Projects	Bisbee, Bowie, Globe, Lowell, Maricopa County, Mesa, Phoenix, Prescott, Safford, St. Johns, Snowflake, Superior, Tempe, Tucson
Other Public Building Construction or Improvement	Casa Grande, Flagstaff, Florence, Globe, Mesa, Phoenix, Prescott, St. Johns, San Xavier, Tempe, Tucson, Willcox
Water and Sanitation	Douglas, Globe, Holbrook, Phoenix, Tolleson, Tucson, Vicksburg, Wickenburg, Winkelman, Wittman
Irrigation	Casa Grande, Peoria, Tucson
Other	Flagstaff, Globe, Mesa, Prescott, Wickenburg

Source: *Arizona Republic*, September 30, 1935, 1:1, 1:4; October 11, 1935, 1:10.

"Moeur Stadium," the $200,000 centerpiece of the WPA's improvements at the state fairgrounds. At a gathering at the Hotel Westward Ho, he declared his unreserved pride in the public works program. Even though by this time he had distributed some $6 billion to the needy through the CWA, FERA, and WPA, Hopkins stated, "the only thing for which I will be sorry when this job is done is that I didn't do more for the unemployed." At the stadium dedication, the WPA's band and orchestra played, and Hopkins mocked the WPA's critics. "So this is boondoggling project No. 1," he said sarcastically of the new stadium, "'a great waste of public money.' This is one of the projects they say a lot of shovel-leaners have been working on." The next day, the Republican vice presidential nominee, Col. Frank Knox, spoke to supporters at Phoenix Union High School's auditorium, criticizing Hopkins, the WPA, and the fairgrounds stadium. Noting that the school auditorium in which he spoke cost only $85,000 but had about the same number of seats as the stadium, Knox returned Hopkins' sarcasm. "It would appear that Phoenix got a new stadium worth $85,000 and $115,000 worth of dedication. That was a good dedication."[10]

Not all criticism was political in nature. Even Sharlot Hall became disenchanted by the end of 1936. "The WPA seems in a dreadful tangle at present," she wrote a friend, "and the hundreds of people I see from all over the East tell me just the same story—nothing finished—no system in anything—and discrimination and favoritism in every group. . . . Up here all the older and really needy people have been cut off the employment rolls and I think there will be much suffering. However, they have a "youth movement" and recreation classes and teach tap dancing and all sorts of games—though families are out of food and fuel."[11]

WPA PROJECTS

The WPA's works program included three main project types. The largest category was the building program consisting of a variety of physical improvements and construction of buildings, roads, parks, and similar undertakings. The majority of the agency's activities, spending, and employment fell under this category. The second category consisted of "white collar" or professional work. Projects under this heading included musical and stage performances, public works of art, the writers' projects, health, and educational service projects. These professional and service projects provided employment for many hundreds of men and women who were not suited for hard construction labor. The third category consisted of projects specifically employing women. Sewing rooms, household labor training, and nursery work provided jobs and income for many women and many useful goods for the needy of the state. At its high point, in the late winter-early spring of 1936, 14,776 Arizonans found employment with the WPA. Men doing construction work made up the largest portion. Women's, professional, educational, research, and statistical projects employed, in May 1936,

[10]*Arizona Republic*, September 25, 1936, 1:1; September 22, 1936, 1:1, 1:5; September 23, 1936, 1:1. Rexford Tugwell, head of the Resettlement Administration, was also in Phoenix at the time of the dedication, inspecting his agency's projects.

[11]Maxwell, 225.

2,984 relief clients and 147 non-relief workers, of whom, 890 were men and 2,241 women.[12]

The previously discussed initial projects under the construction program set the pattern followed by the WPA up to 1941. School projects were common because they were simple to implement and there were local sponsors able to provide matching funds for materials. Up to January 1, 1940, the WPA built 24 new school buildings and improved 209 more. The WPA also built auditoriums, gymnasiums, and did grounds work at many school. In St. Johns, where the old school building had been condemned in 1934, children were forced to take classes in an old, overcrowded house. Using FERA funding, the community made some 33,000 adobe bricks, then, in 1936, the WPA assembled them into a new six-room school. Adobe was a common material used in WPA projects, including gymnasiums in Casa Grande and Tolleson, an agricultural workshop in Tucson, and the large armory at the National Guard facility in Papago Park. The WPA also built stone school buildings at Nutrioso and in Bumble Bee. The choice of materials depended on what was available locally. The WPA provided new schools and improvements on existing buildings in communities across the state. In Phoenix, the WPA constructed the first buildings on the campus of Phoenix Junior College. Although their economic value was problematic, the WPA found construction of armories for the National Guard a convenient way to put met to work. Work on armories occurred in Phoenix, Chandler, and Prescott. The large armory built in Papago Park was noted as the largest adobe building in the United States. A smaller armory between Van Buren and Woodland Avenue was Phoenix's last federally funded building project in the depression.[13]

In addition to the construction program, the WPA's Division of Operations built or improved 1,714 miles of highways, roads, and streets by the end of 1939. Like schools, road work was easily implemented and employed a high proportion of labor. The largest portion of this road work, about 84 percent, was rural, farm-to-market roads and mine to market roads. The WPA also continued the program of airport facilities improvements, sponsored by the Department of Commerce and the Army, begun by the CWA. In Douglas, WPA labor provided nearly $93,000 worth of airport construction and improvements, including a new adobe administration building. Airports in Tucson and Phoenix

[12] *Works Progress in Arizona*, [August] 1936, 3; [May] 1936, 11.

[13] *Works Progress in Arizona*, 1, June 1936, 1; April 1936, 1; Luckingham, 112; *Arizona Republic*, January 12, 1936, 4:1; July 26, 1936, 1:6; Kotlanger, 112: *Summary of Inventory of Physical Accomplishments by the Work Projects Administration, From July 1, 1935 to January 1, 1940*, (Phoenix: Federal Works Agency, 1940), 41.

received even more substantial improvements. In July 1936, the Army announced that Arizona was in need of $1.4 million in improvements, though only $112,920 in authorized expenditures had been made and only four projects were active. The WPA tried to work with these agencies to develop a comprehensive air development plan.[14]

Extensive construction work inevitable led to concern about safety problems. Roosevelt signed an executive order in early 1936 mandating that "all work projects shall be conducted in accordance with safe working conditions, and every effort shall be made for the prevention of accidents." The Arizona WPA's safety consultant was Albert Tallon who recorded the pattern of accidents and worked to prevent them. From November 1935 to April 1, 1936, Tallon recorded 149 accidents causing loss of time. The most significant category of accidents was "handling objects," which caused 46 accidents in this period, with falls the next largest category. One WPA worker died in a vehicle accident. In the spring of 1936, the WPA's National Safety Department, initiated a campaign to train personnel in first-aid. The goal of the project was to have at least one person competent at first-aid on every WPA project. In cooperation with the Red Cross, Tallon organized training classes.[15]

PROFESSIONAL PROJECTS

The WPA sponsored an assortment of professional and public service projects. Educational projects employed teachers or persons with special skills to serve people outside of the normal school environment. To avoid the controversy of directly competing with public schools, the WPA educational projects concentrated on adult education. A survey conducted in 1939 found that in a two week period, 4,608 persons participated in WPA-provided educational classes. These included literacy, naturalization, vocational training, music, and art. The WPA's music project sponsored several groups around the state. The music project allowed unemployed musicians to maintain their skills and to give performances to the general public and to the underprivileged. Ensembles included a concert band, dance orchestras, and several soloists, composers, and teachers. In four years, these groups gave approximately 2,500 performances. One of these was the Old Pueblo Orchestra, a group of mainly Mexican-born musicians in Tucson. The Pima County Board of Public Welfare under the FERA originally sponsored this group. The orchestra performed folk music at local parks, on

[14]*Arizona Republic*, December 13, 1935, 1:14; January 24, 1936, 1:4; 2:1; July 26, 1936, 4:1.

[15]*Works Progress in Arizona*, 1, April 1936, 2.

the radio, and at least twice traveled out of state to perform in San Diego. In the survey period, these groups played to audiences of over 10,000.[16]

Public health and hospital assistance projects provided community improvement work and direct aid to hospitals and patients. In a City of Phoenix-sponsored community service project, Dr. R. W. Hussong, the City's health officer, oversaw work to clean out vacant lots in the poor, south part of town. In Springerville, where the closest hospital had been in Gallup, the WPA constructed a new 12-room hospital. The WPA built a pool at the Pima County hospital where those with infantile paralysis could exercise. The housekeeping aide service helped with home chores for people too ill to fully take care of themselves. The service aided approximately 30 families a month and made over 47,000 visits by the end of 1939. In 1937, the WPA initiated a statewide school lunch program. Sponsored by the State Board of Education, the WPA provided labor to prepare and serve lunches to needy children selected by local school officials. The program operated in as many as 37 schools and provided aid for an average of 3,787 children at its height. By the end of 1939, nearly 950,000 lunches had been served. Another health project, sponsored by the Pima County Board of Health used an abandoned CCC camp fifteen miles west of Tucson as a tuberculosis 'preventorium,' where an average of 130 needy children from families with cases of tuberculosis received care and proper nourishment. The largest public health project was the continuation of the CWA's Community Sanitation Project. Among the early WPA projects, the Community Sanitation Project received an allocation of $343,584 to build 12,000 sanitary privies.[17]

Many of the WPA's community projects provided recreational activities for youths. Boys programs, particularly sports, overshadowed girls programs, but the balance improved over time. By March 1939, the WPA Recreation Project employed sixteen supervisors, eighteen male leaders, and ten female leaders. Local sponsors added another 23 workers and nearly 500 volunteers. Moving away somewhat from an initial concentration on physical activities for boys, by 1939 the program included handicrafts, music, drama, children's play activities, game rooms, dancing, meetings, and other activities. Sports included ping pong, horseshoes, golf, croquet, tennis, volleyball, softball, and track. The program served 39 communities around the state, only ten of which

[16]*Summary of Inventory*, 89; *This Work Pays Your Community*, 5; *Works Progress in Arizona*, June 1936, 3.

[17]*This Work Pays Your Community*, 1-2; *Works Progress in Arizona*, February 1936, 2; [May] 1936, 6; [July] 1936, 6. The WPA justified the massive construction of sanitary privies by pointing out that from 1925 to 1934, Arizona suffered a death rate from typhoid of 7 per 100,000, nearly double the national average.

previously had local public recreation agencies. Boys accounted for approximately two-thirds of participation.

The recreation projects varied considerably across the state according to the particular local leadership. The Prescott project's leader, Sam Locken, placed special emphasis on hobby-type leisure activities. The Prescott Kiwanis Club sponsored the WPA Junior Philatelic Club and helped exhibit their stamp collection. Sports such as baseball and basketball naturally figured larger in the projects according to the season with different communities competing towards statewide meets. Coconino County public schools, the Catholic Youth Society, churches, and other civic organizations sponsored the Flagstaff program. Joyce A. Killip supervised the WPA activities at Hart Prairie, the city park, the Brannon School, and a play area at the teachers college. The WPA introduced Flagstaff to a year-around youth recreational program. The youth community served in Flagstaff included a relatively high percentage of Hispanic and black youths. The WPA recreation staff, though primarily white, included Spanish-speakers and "a very capable colored recreational worker."[18]

Archaeologists at the university and at the Museum of Northern Arizona used WPA labor, as they did with other New Deal programs, to undertake a variety of projects including excavation, site reconstruction, construction of visitors' centers, and curation. Malcolm Cumming, who organized work at Tuzigoot, smoothly continued the work begun under the CWA and FERA with WPA labor. This included work on the museum building, excavation, and curation of artifacts. In February of 1936, this project employed 57 men and women. This was part of the WPA's Statewide Archaeological Project that also included work at Pueblo Grande, Besh-ba-Gowah, and numerous field sites.[19]

The WPA provided clerical workers for several state and federal agencies. In the summer of 1939, floodwater damaged millions of records of the State Highway Commission, including the state's motor vehicle title records. The Commission sponsored a WPA project to restore these records to usable condition. This was one of many WPA projects in which men and women worked in the collection and preservation of important documents. Another was the Statewide Highway Right-of-Way Project, also sponsored by the State Highway Commission, to compile and map all of the state's right-of-ways. The Weather Bureau

[18]Ford S. Hoffman, "Narrative Report of Work Progress Administration Recreation Program for Arizona, March 1939," WPA, Central Files: State 1935-1944, Arizona, RG 69, Box 840, NARA.

[19]*Works Progress in Arizona*, February 1936, 3; [August] 1936, 8; *This Work Pays Your Community*, 3.

used WPA workers to compile the state's weather data to provide a complete climatological record. The National Archives sponsored a national records project to preserve and protect the documents produced by the CWA and the WPA. In the State Land Grant Project, WPA workers researched all of the federal land grants to the State of Arizona.[20]

The Federal Artist Project built on the precedent set by the CWA and FERA to hire artists to create murals, portraits, statues, and other works of public art. Art classes for children and adults were a common community service project. The WPA conceived a plan to develop a Federal Arts Center, which opened on July 15, 1937. The center was under the direction of artist Philip Curtis, and it provided space for exhibitions of WPA work from around the country, as well as space for art classes. The Federal Arts Center, and the community of arts sponsors who gathered around it, were later responsible for the founding of the Phoenix Art Museum.[21]

One of the WPA's more innovative projects, one that did not simply continue the kind of projects undertaken by the CWA or FERA, involved employing writers to produce a number of useful works. Initially directed by Arizona newspaperman Charles M. Morgan, Ross Santee, a prominent Arizona author, became the state's writers' program director early in 1936. Santee was an Arizona cowboy and writer of western novels and stories. His short story, "Water," was an O. Henry Award winner in 1935. The most important project undertaken by the writers' program was the publication of a guidebook to the state as part of a national American Guide Series. This extensive work integrated historical and geographical information along with descriptions of places and current events, providing a permanent record of many aspects of the state in the late 1930s. Research and production of the guide employed as many as 29 workers in 1936.[22] The WPA writers also prepared and edited the September 1936 issue of *Arizona Highways*. As an offshoot of the guide book, the WPA writers also prepared a number of special topic bulletins, including several on various tribes in the state; "Hard Rock," a volume on mines and miners; "Muchos Hombres," a selection of Arizona pioneer stories; "Arizona Vacation and Recreation Guide;" and, "Yavapai County Guide." Another ambitious project was a history of cattle ranching in the state. This project was a natural interest for Santee,

[20]*This Work Pays Your Community*, 3-4.

[21]Ibid., 6; Daniel August Hall, *Federal Patronage of Art in Arizona From 1933 to 1943*, (Thesis, Tempe: Arizona State University, 1974), 74, 80.

[22]Originally published as *Arizona: A State Guide*, this work was republished as *The WPA Guide to 1930s Arizona*, (Tucson: University of Arizona Press, 1989).

but it never reached publication because of the war. Another valuable series of publications produced by the WPA was a set of inventories of county archives around the state.[23]

THE WPA'S WOMEN'S PROJECTS

Public works programs typically emphasized construction projects that employed men. At the time of the CWA, Eleanor Roosevelt, Hopkins, and others recognized that women also needed assistance. The Civil Works Service was created to sponsor work projects for women and the FERA work division carried on this work. The type of work projects devised by these agencies reflected the relatively few employment options available to women in that era. Sewing projects were simple to implement and were the most common. Other project types included survey work and clerical, nursing, and educational work. Despite their limited sphere, many of these projects were very valuable. In addition to the wages provided to women on relief, many projects produced goods such as clothes, blankets, and canned foods, which were distributed to others on relief. Women's projects provided a number of services that were of value to their recipients. Few women's projects left lasting monuments, but their work was often more immediately beneficial.

Because the number of women and professionals employed by the WPA was relatively small, their administration was placed under a single Division of Professional and Women's Projects. Between 1935 and 1939, Jane Rider, led this division. She also headed the National Youth Administration, another division of WPA. Hopkins and the WPA made a significant commitment of funds to provide work for women on relief. As early as August 28, 1935 there were 613 projects employing women approved across the country with an allocation of $20,218,000. Arizona was already approved for thirteen projects costing an estimated $972,879. These early projects included library work, Braille transcription, nutrition, survey, canning, sewing, landscape beautification, and community service. Given the hurried pace in the summer and fall of 1935, when the WPA was trying to get its projects approved and started, it is not surprising that most of the projects to aid women on relief were continuations of established projects. Despite the late start of WPA work, by the second week of November 1935, there were 861 women working in sewing rooms and in professional and service projects, with more added daily. By the end of the month, women employed by the WPA number over 2,000. The greatest number of these, over 1,500, were engaged in sewing work. Other early projects included 310 women

[23]*Arizona Republic*, October 16, 1935, 1:3; August 7, 1936, 1:12; *Works Progress in Arizona*, 1, January 1936, 6; February, 1936, 8; June 1936, 2; *This Work Pays Your Community*, 6; *Inventory of the County Archives of Arizona, No. 7. Maricopa County*, Phoenix: Work Projects Administration, 1940, v. The draft chapters of the cattle ranching history can be found in the Arizona State Archives. Much of the work relates descriptions and tales of cowboy life, Santee's area of expertise.

preparing and distributing school lunches, 117 doing canning work, 34 in Phoenix eradicating nuisances, and 27 in Tucson doing hand laundry work. The cannery projects canned produce from the county gardens at Safford and State Farm No. 1 at Duncan. This was a direct continuation of previous work under the FERA.[24]

The WPA hired women to work in nursery schools to take care of the children of other relief workers. There were nursery schools in Phoenix, Tempe, Mesa, Globe, Miami, Tucson, Nogales, Bisbee, Chandler, and Eloy. Most were continuations of FERA projects. One nursery school in Tucson was supervised by Mrs. J. R. Fitzgerald and held in the Ochoa grade school where it helped local Indians and Hispanics. The WPA also provided parent education classes under the supervision of the school. In public libraries and courthouses, women repaired and catalogued thousands of books and documents. In Cochise County, WPA women going through a vault in the old courthouse in Tombstone uncovered about 2,000 territorial-era civil and criminal judgment files long thought lost. Not only were these missing files a long-standing embarrassment for the county, but a significant loss of revenue for the county's library fund as well. As a result of these women's work, the county had a complete record of its activities since its creation.[25]

One of the more ambitious women's projects was a Household Training Program to prepare women for domestic service. Part of a national program, Jamieson called it "our most valuable project for women." Agnes Hunt Parke, assistant director of women's work, formed a committee in Tucson to plan the project composed of women representing the U.S. Employment Service, social workers, school nurses, and Dr. B. Eleanor Johnson, the head of home economics training at the university. Johnson suggested contacting employment agencies to ensure a means of placing women in private work following their training. With a pragmatic training course developed and a means for moving the women from classes to jobs, the actual training began. This project provided employment for several teachers in Tucson who had home economics training, but were currently on relief. The women receiving the training were not WPA employees. The work was carried out at Safford School, which was located near the Hispanic and Yaqui

[24]WPA Press Release, August 28, 1935, Work Projects Administration, Central Files: State 1935-1944, Arizona, Files 660 to 661, RG 69, Box 839, NARA; Ellen S. Woodward to Sen. Ashurst, November 11, 1935, Files 660 to 661, RG 69, Box 839, NARA; List of Women's Projects in Arizona, November 1935, Files 660 to 661, RG 69, Box 839, NARA; Jane Rider to Woodward, October 5, 1935, Files 660 to 661, RG 69, Box 839, NARA.

[25]Fred D. McDonald to Woodward, December 19, 1936;, Files 660 to 661, RG 69, Box 839, NARA; J. R. Fitzgerald to Anna M. Driscoll, July 22, 1936, Files 660 to 661, RG 69, Box 839, NARA; Dan S. Kitchel to Rider, December 17, 1936, Files 660 to 661, RG 69, Box 839, NARA.

area of town. The Yaqui's in particular, the committee hoped, would benefit from the program as many had never been in a classroom before, though the WPA's task was compounded by the necessity of having to also teach rudimentary English.[26]

In Phoenix, the WPA took over two well-established domestic service training programs from the FERA. The most important of these operated at the Friendly House, a private charitable organization that helped the poor of Phoenix's Hispanic community. Under Mrs. Schiffer, an experienced home economics teacher, youth Hispanic girls were given basic training in domestic service. As soon as they had some competency, Schiffer sent them out for temporary employment and then brought them back for further training. This combination of training and real work proved highly successful for both the girls and their employers. The second program, located at the Arizona Vocational School, concentrated on English-speaking girls. Difficulties arose there because although the teacher, Miss Salsbury, had good training in home economics, she was less successful in recruiting women to take the training. This, Jane Rider thought, was due to the relatively higher social status of the women who, though now on relief, thought domestic service was below them.[27]

A plan to provide similar training for black women ran into a number of difficulties. The FERA had no existing projects for them and it was thought undesirable to mix them with the Hispanics and unthinkable to combine them with the whites. In January 1936, the WPA employed a black home economics teacher to work out of Carver High School, the segregated high school for blacks in Phoenix. In June, the program there was expanded to train black boys to become waiters and busboys, and later to train "colored house boys." Taught by Aubrey C. Aldridge, of Dunbar School, the black grade school, a small number of boys received domestic service training. In September, two boys were noted as having received employment at \$40 to \$50 a month, considerably higher than what the girls were getting. Parke expressed disappointment in the progress of the black girls, primarily because their teachers were themselves untrained. She later switched to employing white teachers which she found more satisfactory.[28]

[26]Jamieson to Woodward, July 14, 1937, Files 661.1 to 690, RG 69, Box 840, NARA. In March 1937, the project employed eighteen relief workers and two non-relief home economics trainers in Phoenix and Tucson [Rider to Woodward, March 2, 1937, Files 661.1 to 690, RG 69, Box 840, NARA].

[27]Rider to Woodward, November 5, 1935, Files 660 to 661, RG 69, Box 839, NARA.

[28]Outline of Preliminary Plans for Household Worker's Training Schools in Arizona, January 8, 1934, Files 660 to 661, RG, 69, Box 839, NARA; A. M. Driscoll to Jamieson, June 26, 1936, Files 660 to 661, RG 69, Box 839, NARA; A. H. Parks to Driscoll, September 5, 1936, Files 660 to 661, RG 69, Box 839, NARA.

The Arizona Household Worker's Training Program suffered a setback when national administrator of the program, Anna Marie Driscoll, came to Tucson in April and attempted to alter it to fit the national goals. Driscoll did not want NYA-eligible girls to be in this sort of training program and preferred to see it aimed at older women from 20 to 35 years old. The Arizona women directing the projects in Phoenix and Tucson had been recruiting younger girls to receive the training, but under Dricoll's direction, tried to bring in more older women. Many of the women selected failed to report to the training because they did not feel they needed it. G. E. Goyette, chairman of the Pima County Board of Public Welfare blamed the problem on the fact that most of the older women were Hispanics and Indians and unwanted by potential employers. Employers wanted younger girls who were more adaptable to "American ways." After several complaints, Driscoll relented and allowed the Arizona program to concentrate on training young women.[29]

The Arizonan's strategy also ran into problems as a number of the trained girls and boys returned to school in the fall rather than seek employment. Although all of the boys training under Aldridge had promised to accept employment, nearly all dropped out of the training within a week of completion to return to school. Many of the Hispanic girls did likewise, leaving Parke in "a most embarrassing situation." Feeling justified in her original position that the program should not enroll NYA-eligible girls, Driscoll wrote an "I told you so" letter to Rider, commenting that "Though unquestionably this training has been of value to these needy girls and boys, we have not attained the desired objective of rendering community service until each trainee has been placed locally in household employment." Despite these problems, the Household Training Program continued at least to the end of 1938.[30]

In 1937, the WPA sponsored a Home Management Demonstration Project, a household training project specifically targeting the wives and children of black relief clients. The group selected came from a high crime area of Phoenix, referred to by Rider as "Little Ethiopia," and were recommended by the judge of the Juvenile Probation Court. Though older women were slow to attend the demonstrations of the homemaking arts, children "came in hordes" and were eager to learn

[29]F. M. Warner to Rider, April 24, 1936, Files 660 to 661, RG 69, Box 839, NARA; G. E. Goyette to Warner, April 17, 1936, Files 660 to 661, RG 69, Box 839, NARA; Rider to A. M. Driscoll, June 24, 1936, Files 660 to 661, RG 69, Box 839, NARA. The national Household Workers Training Program had a budget of $500,000.

[30]Parke to Driscoll, November 23, 1936, Files 660 to 661, RG 69, Box 839, NARA; Driscoll to Jamieson (attn: Rider), December 3, 1936, Files 660 to 661, RG 69, Box 839, NARA.

how to sew. Several hundred black women attended the demonstration classes until mid-summer, when its funds were exhausted.[31]

Though no scandals occurred regarding women's projects, occasional complaints arose. One complaint directed towards Harry Hopkins charged that women in Warren were required to stretch out their allotted work time over 22 days in a month while the men were able to complete theirs in as little as eleven. Rider dismissed the charge as the work of a labor agitator trying to stir up discontent among WPA women. There was also a complaint that the clothes coming out of WPA sewing rooms had a distinctive look and that recipients were embarrassed to wear obvious relief clothing.[32]

A more serious problem arose in Globe, where politics intruded into the work relief program. Florence Warner warned the WPA staff that she had had difficulties in the past with projects in Globe, in part because the mayor believed it his right to appoint the foremen for all the projects there. When the WPA took over Globe's FERA sewing room, the mayor requested a constituent be made its manager. The WPA dismissed the mayor's request and insisted on its right to select its supervisory personnel. Another problem arose in the same sewing rooms when it was noted that under previous lax management under the FERA, the women were in the habit of checking in with the timekeeper in the morning, then going back home to go about their business, and then returning at the end of the day to check out. The WPA made clear that they were being paid a security wage and that they were required to do real work.[33]

More problems in Globe arose in the summer of 1936. As related by Lourilla Raynolds, the supervisor of Gila County Sewing Projects, the Globe sewing room was visited one day by Lester Doan, a self-styled "Labor Representative." Doan requested to announce to the women that a labor meeting was going to be held, but was told they he could not address them during work time. Disregarding this instruction, he announced to the women that they should be receiving a dollar an hour. He later approached one of the workers individually on the same topic. In both instances, the women replied that they were happy with their current wage and grateful for the employment. One woman responded that she had a son in college and had no other means of support. Doan

[31]Rider to Woodward, August 4, 1937, Files 661.1 to 690, RG 69, Box 840, NARA.

[32]Anonymous to Harry Hopkins, July 22, 1936, Files 660 to 661, RG 69, Box 839, NARA; Rider to Woodward, September 2, 1936, Files 660 to 661, RG 69, Box 839, NARA.

[33]Rider to Woodward, November 30, 1935, Files 660 to 661, RG 69, Box 839, NARA; Rider to Woodward, December 23, 1935, Files 660 to 661, RG 69, Box 839, NARA.

apparently did not continue his "agitation," and Raynolds told Rider that she found only "a small percentage of women are dissatisfied."[34]

Late in 1937, some of the WPA women's projects planners began to think that the WPA might be used to rejuvenate the hand weaving industry in Arizona. This may have been sparked by the concurrent effort by the Office of Indian Affairs to promote Indian arts and crafts, such as hand weaving, as a viable economic outlet. They purchased a bale of cotton and began the whole process of carding, spinning, dyeing, and weaving. For models, they used designs worked out by a WPA art project at the university. The art project developed motifs based on prehistoric Indian designs on ancient fabrics supplied by Emil Haury. Dr. Harold Colton also offered to help bring in a Hopi weaver in the summer of 1938 to teach the women to work on small native hand spindles. These hand works were displayed at national exhibits sponsored by the WPA, and their native motifs were noted as outstanding. Though these efforts provided work and produced some interesting goods, the idea of reviving hand weaving faded as women found alternative employment.[35]

Although the WPA was intended to provide only temporary employment, some workers stayed on for years. Under the terms of the Emergency Relief Appropriations Act of 1939, all WPA workers, except veterans, who had worked longer than eighteen months had to be dismissed. This was done to force relief workers to seek private employment and to spread the benefit of the limited WPA employment available. However justified in some cases, the Act did cause distress for many individuals. The files of the WPA contain a large number of letters requesting exemption from the law. Many were addressed to Eleanor Roosevelt, whose heart and influence, they hoped, might gain them leniency. One such letter is this:

> Dear Mrs. Roosevelt:
>
> Your unfailingly kind and understanding attitude has prompted me to make this effort to enlist your interest in my behalf, with regard to the provision of the recent Act of Congress which requires the dismissal of all who have been enrolled on WPA Projects for more than eighteen months.
>
> Since I have been enrolled continuously from November, 1935, until now, the provision definitely applies to me, and Mrs. Roosevelt, if I am not permitted to go on working, I honestly cannot think what I am to do. I have been teaching and transcribing

[34] L. S. Raynolds to Rider, August 27, 1936, Files 660 to 661, RG 69, Box 839, NARA.

[35] Rider to Woodward, April 28, 1938, Files 660 to 661, RG 69, Box 839, NARA; *Phoenix Gazette*, January 13, 1938, n.p., Files 660 to 661, RG 69, Box 839, NARA; "Points Way to Cottage Weaving Industry for Arizona," *Arizona Farmer*, May 3, 1939, 3, Files 660 to 661, RG 69, Box 839, NARA.

textbooks into Braille under the Educational Division of the WPA, at the Arizona State School for the Deaf and Blind, and I have honestly tried to do my best every moment of the time, for I love and enjoy my work sincerely. But aside from that, there is nothing else that I can possibly turn to, for I am totally blind, and must reside in Arizona, if it is at all possible, because of an arthritic condition. Then, too, I am the only support of my mother, which makes it imperative that I should go on working, somehow,--and I have not yet been able to think of an alternative. We have no other income than my salary from the WPA, and I hesitate to face the contingency of its being withdrawn from me.

I [k]now that you will help me to remain employed, if it is [at] all possible. I was wondering whether the desire expressed by President Roosevelt, that no one should be dismissed upon whom undue hardship should devolve, could be made to apply in my case?

From the bottom of my heart, thank you for the thoughtful consideration I feel sure this petition will be accorded at your hands. May God bless you, dear lady!

Yours very truly,
Margaret R. Smith

Her letter was forwarded to the appropriate WPA official who responded that no exemption from the law was possible, though workers could be recertified for the WPA after 30 months. It is unlikely that she would have been recertified as the WPA was nearing termination by the time 30 months had past.[36]

Women's projects produced goods used to feed and clothe the needy. The output of all the sewing units totaled 1,083,573 articles of clothing or bedding. The canning projects, which occurred almost exclusively in Graham County, produced 32,927 quarts of canned foods for distribution to people on relief. Women working in public libraries and school libraries repaired 268,341 volumes. These were some of the benefits, beyond the jobs it provided, that the WPA's women's division provided to the people of Arizona.[37]

THE DECLINE OF THE WPA

Despite the boost given the public works program by the creation of the WPA, President Roosevelt always hoped for a revival of prosperity that would allow a return to a balanced budget. By February 1936, he urged Hopkins to stretch out the available funding for as long as

[36]Memo, File 662, RG 69, Box 840, NARA.

[37]*Summary of Inventory*, 90-91.

possible. Hopkins complied by ordering cuts in WPA employment beginning in the spring. Employment in Arizona was ordered reduced to 13,000 by March 1, part of a national reduction from over 3,800,000 to about 3,450,000. Further cuts reduced Arizona employment to 10,000 by April 25. Jamieson could only hope "that private industry and other employing agencies will be able to absorb these men and women.[38]

Even with these cuts, the speed with which the WPA was expending its 1935 appropriation threatened to shut down public works projects in 1936 unless Congress approved additional funding. On June 18, 1936, Congress approved a relief deficiency bill appropriating an additional $2,375,000,000, most of which Roosevelt assigned to the WPA. Hopkins immediately announced a significant change in the WPA's wage structure, allowing local committees to decide the scale. This practice, a return to the FERA method, was intended to provide generally higher wages and a cut in hours. Despite the injection of an additional $1,441,375 into Arizona, WPA employment continued to decline to 9,150 persons by July 11. Roosevelt's concern for the budget continued past the 1936 election with cuts ordered across nearly the entire scope of the New Deal in late 1936 and 1937. Arizona's WPA employment was reduced to 7,792 by Christmas, with further cuts in 1937. To save on administrative costs, Hopkins suggested an end to the smallest projects. Facing a cut in administrative funds, Jamieson considered eliminating all projects with less than eleven workers, which would have involved nearly half of the women's and professional projects. To avoid such cuts, Jamieson pursued options such as combining smaller projects doing similar work into single projects. With the economy apparently reviving, Roosevelt largely stopped trying to prime the pump.[39]

The drop in federal spending contributed to a severe renewal of depression conditions in late 1937 and 1938. When recovery proved a mirage, the Administration returned to a program of massive spending and lending. Agencies Roosevelt nearly liquidated, such as the Reconstruction Finance Corporation and the PWA, received an infusion of funds to renew their activities. On April 14, 1938, the President requested of Congress funds for more public works. Congress

[38]*Arizona Republic*, February 25, 1936, 1:1, March 5, 1936, 1:3, March 6, 1936, 1:1; April 19, 1936, 1:5; June 4, 1936, 1:4. The general cuts in New Deal programs reduced total employment in Arizona from 26,377 in February to 20,403 in May.

[39]*Arizona Republic*, June 11, 1936, 1:12; June 19, 1936, 1:1; June 21, 1936, 1:9; June 24, 1936, 1:2; July 1, 1936, 1:8; July 24, 1936, 2:1; November 30, 1936, 1:1; December 1, 1936, 1:5; December 30, 1936, 1:8; Ray Vyne to Woodward, September 17, 1937, WPA, Central Files: State 1935-1944, Arizona 661.1 to 690, Box 840, NARA; Leuchtenberg, 224. These cuts sparked some labor disturbances in New York and Chicago, but no evidence has been discovered that Arizona's discharged WPA workers publicly expressed their feelings or protested.

responded in June with a $3.75 billion appropriation. The largest share of these funds, $1.4 billion went to Hopkins and the WPA.[40]

In 1939, Roosevelt implemented a reorganization plan designed to modernize the executive branch of the federal government. A part of this reorganization involved the creation of the Federal Works Agency, which gathered under it the various works programs that previously had been operating as independent agencies. These included the WPA, now renamed the Work Projects Administration, the PWA, the Public Roads Administration, the U.S. Housing Authority, the Federal Fire Council, and the Public Buildings Administration. This reorganization and the continuing depressed condition of the economy indicated a move to make permanent some of the agencies that up to that time were considered temporary. The Federal Works Agency began operating on July 1, 1939. The outbreak of war in Europe two months later altered Roosevelt's priorities from economic recovery to national defense. By 1941, the American economy had left the depression behind and many of the New Deal programs faced an uncertain future. The death warrant for the WPA came in a presidential letter of December 4, 1942, eliminating the agency effective June 30, 1943.

CONCLUSION

In early 1938, an appraisal committee was established in Arizona to summarize and evaluate what the WPA and the PWA had accomplished up to that time. Some of the members of the committee included Grady Gammage as chairman, Fr. Emmett McLoughlin, Linn B. Orme, Howard Reed, and James Girand, people who had either worked in administering the public works program over the previous five years, or whose institutions had substantially benefited by it. The committee's report consisted largely of summary statistics of PWA and WPA activities as of December 31, 1937, counting the number of buildings constructed, miles of sewer lines laid, the number of murals painted, garments sewn, and parks improved. The report did not, in fact, appraise the public works program and merely let its product stand as its own justification.[41] It is no easier at this time to evaluate whether the methods of the WPA were optimal in an economic, political, or humanitarian sense.

Economically, the WPA was a large-scale transfer of income to millions of men and women, who were able to work, but could find no sufficient employment in the private sector. The cost of this income transfer was carried by current and future taxpayers. As a humanitarian gesture, the WPA reflected the philosophy stated by Roosevelt in 1935 that the federal government had the responsibility to provide social security for citizens who were victims of economic forces beyond their

[40]Leuchtenberg, 257.

[41]*Report of Arizona Appraisal Committee*, (Phoenix: Works Progress Administration, 1938).

power to control. A decade earlier, such an agency was unthinkable in the mainstream of political thought. Politically, the WPA was a tremendous success. Despite charges that Democrats manipulated WPA employees for votes, Roosevelt's overwhelming victory in 1936 confirmed the general approval of the New Deal, of which the WPA was one of the most prominent parts.

The WPA's contribution to economic recovery is less clear. The debate between Hopkins and Ickes over whether to support small- or large-scale works ended in political success for Hopkins in that he gained the lion's share of relief appropriations after 1935, but not necessarily in the optimal choice of economic policy in terms of reviving the economy. Though providing income for millions of out of work men and women, the projects on which many worked provided little stimulus to the economy beyond their wages. WPA projects did little to revive mines and factories in ways Ickes claimed for the PWA. Whether the Hopkins' or Ickes' approach was a better economic stimulus is in some ways irrelevant, since the total funding for federal public works under the New Deal was insufficient to fill the gap in investment spending created by the depression.

Much of the WPA's product was temporary—a musical performance or an article of clothing, but much was durable. Even now one can walk along a WPA sidewalk or drive across a WPA bridge. In small rural communities, where money for new facilities has remained scarce since the 1930s, children still learn in WPA-built schools. For example, only in 1998 did the City of Casa Grande feel they no longer needed their WPA-built adobe gymnasium and demolished it as part of a renovation of the old school into their new city hall. In a town such as Bisbee, hundred of homes are protected from sliding down eroding hillsides by WPA-built retaining walls. Whether the benefits that the WPA produced were "efficiently" made is a complex question and not one that this study has undertaken to measure. We are left, as was the appraisal committee in 1938, to conclude that the WPA provided aid for many in need and produced works of value. The cost was great, but the price of not meeting those needs would also have been great.

11 THE NATIONAL YOUTH ADMINISTRATION

On June 26, 1935, Roosevelt issued Executive Order No. 7086 creating the National Youth Administration as a division within the WPA. Allocated $50 million from the Emergency Relief Appropriations Act of 1935, this new agency set out to treat the specific problems of American youth hard hit by the depression and not yet adequately considered in previous New Deal initiatives. The executive order empowered the new agency to carry out "a program of approved projects which shall provide relief, work relief, and employment for persons between the ages of sixteen and 25 years," the work relief to be channeled to two groups: those in high school and college and those out of school. The President's order named Aubrey W. Williams, Hopkins' chief deputy under both FERA and WPA as the NYA's executive director.[1]

As a work relief program, the NYA was little more than a "junior WPA" and was consistent with the New Deal's general approach to the relief of unemployment since the CWA. Characterizing the NYA as merely another work relief agency, however, obscures important reform features that, to some of its founders, were its true reason for being. The FERA planners who moved into the WPA and NYA perceived young people's problems as considerably different from those of adults. Their means of attacking the problems was similar, but the ends they hoped to achieve diverged considerably. Work relief as the means represented a late compromise achieved in mid-1935 between the many people, both within the FERA circle and outside, who had contributed to defining the problem, proposing solutions, and making it a political imperative. The NYA was a compromise, not a consensus, and a strong contingent remained opposed to its goals. During the course of the NYA's operations from 1935 to 1943 opinions continued to change on the nature of the youth problem. Williams proved adept at adapting the program of his agency to the changing priorities of the Roosevelt Administration. After 1938 the NYA's program increasingly emphasized defense-related work and training. Opposition remained, however, and despite continued backing by the President, a conservative, budget-conscious Congress in the midst of war finally eliminated the program in 1943.

NATIONAL ORIGINS OF THE YOUTH PROGRAM

Social commentators long before the 1930s recognized that urbanization and industrialization had altered traditional patterns of childraising and relations between adults and children. Expanding public education reached a broader proportion of the population at all levels of schooling. A youth culture arose that appeared to threaten tra-

[1]Carol A. Weisenberger, *Dollars and Dreams: The National Youth Administration in Texas*, (New York: Peter Lang, 1994), 23.

ditional mores. Beginning in the 1890s, reformers looked to physical conditioning and group organization under adult supervision and guidance as the means to integrate youths—young men particularly—into adult society.[2] The depression added the crisis of unemployment to the pre-existing concern over the morals of young people. The New Deal's response was *ad hoc* and uncoordinated, representing the undeveloped state of thought within the Roosevelt administration. The very first New Deal relief program was the CCC, which attempted to rescue hundreds of thousands of desperate and demoralized young men by removing them from the afflicted cities to the clean and invigorating environment of outdoor work. Also, the financial problems of states and localities hit school systems particularly hard. In response FERA allocated funds to employ teachers in programs of preschool and adult education. Beginning in February 1934, FERA initiated a program of college aid, distributing funds to colleges to fund jobs that allowed many to continue their studies. Work relief programs under the CWA, PWA, and FERA included a number of projects building or improving schools. Critics recognized, however, that these efforts did not constitute a coordinated effort to relieve the conditions of America's young people. Women, for instance, were specifically excluded from the CCC. Crucial to the formation of the NYA was the belief among New Dealers that the national youth problem could only be resolved through national planning and the resources of the federal government.

International movements further stimulated worry over the morale of American youth. The Nazi and fascist regimes of Germany and Italy had active youth organizations—the Hitler Youth being the most infamous—which indoctrinated young people into the ideologies of the ruling parties and prepared them to serve the state and its leaders. In the United States, such programs raised two concerns. In the first place policy makers worried that young people unable to find employment or remain in school might become disenchanted with the American system and susceptible to radicals and demagogues. In a crisis atmosphere, the minds of youths became an ideological battleground where democratic values had to be implanted or the future of the nation was in jeopardy. While this worry increased pressure for a federal youth program, it also raised concern that the Administration not create something that could

[2]Richard A. Reiman, *The New Deal & American Youth: Ideals and Ideas in a Depression Decade*, (Athens: University of Georgia Press, 1992), 5. The formation of such movements as the *Wangervogel* in Germany in 1901 and the Boy Scouts in Britain in 1908 indicates that concern for youth and proposed solutions were an international problem. Such opinions and organizations began to appear in the United States late in the first decade of the twentieth century.

be characterized as the "Roosevelt Youth." These dual concerns directly contributed to the program and organization of the NYA.[3]

By 1935, the youth problem was many faceted. Among the particular troubles facing young people was the decline in child labor. Among the NRA's few successes was significant progress in eliminating exploitative child labor. By restricting youths' jobs opportunities even further than the depression already had, the NRA contributed to the pressure on financially-strapped schools and relief facilities. Some sort of aid to schools seemed imperative both to keep alive the educational hopes of those in high school and college and to decrease the surplus labor pool. Controversy whirled, though, on the form this aid should take. Even when educators accepted the need for federal aid, most preferred it be delivered to the educational system without conditions. The first student aid program of the FERA gave money to colleges to fund student jobs, but Hopkins and Williams were critical of the educational system and preferred to provide relief directly to students.

Williams hoped that a federal youth program emphasizing alternative forms of education could reform the educational system by challenging school administrators to develop relevant vocational education for the children of low income families who were otherwise the most likely to drop out. The challenge was to be indirect, with experiments in federally-sponsored forms of education such as apprenticeships. He did not support federal control over school curriculums, placing his hopes instead on the defensive conservatism of local school administrators to expand their curriculums to ward off federal intervention. Through a temporary federal program of "on-the-job" training, America's existing educational system could be democratized to better serve the needs of the poor and disadvantaged.[4]

The image of marching Hitler Youth and the growing fear that depression conditions were becoming permanent raised fears that young people might become disattached from American democratic institutions. Whereas in the 1920s traditional morals had seemed threatened by youthful antics, in the 1930s unemployed, dispirited youths appeared increasingly susceptible to radicalization and to threaten democracy itself. A federal youth program could serve the invaluable purpose of educating young people with the meaning and spirit of democracy. To achieve this end the New Deal's youth program differed fundamentally from the rigid indoctrination and regimentation of fascist movements through decentralization and local control. Youth people would participate in programs sponsored and directed by their

[3]Weisenberger, 13; Reiman, 5.

[4]Ibid., 4.

communities. The NYA's program of work relief intended to teach youths about democracy through the method that became its motto—"learning by doing."[5]

Aubrey Williams played the most important role in planning the NYA and was its only executive director. Williams, one of the most liberal New Deal administrators, strove to make the NYA an instrument of reform on several fronts. He believed that the federal government ought to provide opportunity for the most underprivileged and disadvantaged segments of society. The current school system was elitist, he believed, and the NYA could fill a void by providing young people with real training in marketable industrial skills. Williams never viewed the NYA as overthrowing the educational system, however. He realized that the NYA was a temporary agency, and that its best chance for promoting reform was by involving communities and schools as closely as possible in developing work projects. Although Alabama-born, Williams was liberal on race issues, and he made the NYA the New Deal's foremost advocate of racial justice. Blacks served on the NYA's advisory committee and staff. Although he realized that the NYA could not overturn segregation or prejudice, Williams made sure that blacks received a fairer proportion of benefits than from any other New Deal program. The NYA's aid program for black graduate students was the first federal affirmative action program. The NYA's 1938 conference on needs of black youth was the first federal conference on the problems of black Americans.[6]

Williams' effectiveness was limited by his continuing duties with the WPA. He had little time to manage daily operations of the NYA, which he left in the hands of his own deputy executive director. Williams retained control over major policy decisions and administrative appointments. In the first weeks, Williams appointed the national and state administrators. The choice of state directors was crucial because the NYA decentralized much of the decision making on planning and implementing work programs. The Washington office consisted of the executive and deputy executive directors, five division heads, and their respective staffs. Between Washington and the states were five regional representatives. These administrators set policies and broadly supervised the state administrations and their programs. Control over the states was established through a system of standardized reporting and extensive correspondence related to the approval of projects and the appointment

[5]Ibid., 10.

[6]Weisenberger, 45-46; Reiman, 2.

of personnel. This left state directors with "wide latitude for independent judgment and initiative."[7]

THE NYA IN ARIZONA

To head the Arizona NYA, Jamieson appointed Jane H. Rider, head of the WPA Division of Women's and Professional Projects. Rider served in this dual capacity until 1939 when the NYA was separated from the WPA, and she became solely its director until the end of the agency in 1943. Rider was one of only seven women in the nation to lead a state NYA office. As assistant state director in charge of work projects, Rider selected Hope Brown.[8]

Arizona received an initial allocation of $90,000 from the $50 million dedicated to the NYA by Executive Order 7086, an amount Rider wrote was "more than we had ever dreamed of having before for work with youths in this state." Of this amount, $16,000 was set aside to establish and run the state's NYA administration through June 30, 1936. Rider's first task was to gather a staff and organize the State Advisory Committee. The WPA had already divided the state into three administrative districts, and Rider followed this organization by appointing someone to take charge of the NYA work in each district. Successful cooperation with the university began early. The university provided an office in its student activity building and clerical assistance for the NYA representative there. The university also granted Marguerite Chesney a one year leave of absence to become the NYA supervisor of educational aid.[9]

The student aid program proved easier to implement than the work program. By September aid was being channeled to twenty high schools and five colleges. In November 800 to 900 high school students received payments of almost $5,000. By December, 74 high schools were cooper-ating, and Arizona reached its quota of 1,008 students receiving aid. The state's colleges requested assistance for 508 undergraduates and

[7] Reiman, 36-37. John Corson served as first deputy executive director until October 1935, then Richard Brown until the end of the NYA.

[8] Weisenberger, 143.

[9] Rider to Brown, n.d. [Sept.-Oct., 1935], Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Administrative Correspondence with State and Territorial Directors, Arranged by State and Territory, 1936-1938, RG 119, Entry 51, Box 1, NARA. Chesney returned to the university in July 1936 and was replaced by Mary Keeth [Rider to Brown, June 25, 1936, Records of the NYA, Records of the Office of the Director, Reports Concerning Outstanding Work Project Units, by State, 1938, RG 119, Entry 250, Box 1, NARA]. As of the end of 1938, the NYA district administrators were Charles V. Fowler, Jr., Adrian Roberts, Paul E. Leary, and John S. Rouse.

received $7,620 in aid. Also, nine masters and two doctoral students at the university received $150. By the end of the 1935-36 school year, the number of high school students and college undergraduates getting part-time work rose to 1,504 and 656, respectively. It was not enough that students received money that might make the difference between staying in school or joining the overburdened workforce, Rider also hoped to provide students with experiences of a permanent value. She wrote that the NYA "asked local school authorities to find useful work for the students employed which will give them some training related to the fields which they hope to enter upon completing their education. We are anxious not only to give students who would otherwise be forced to drop out of school an opportunity for an education, but to give them practical training which will be of value to them after they finish school."[10]

The state office allocated the available student aid to the counties in proportion to the number of young people on relief. Williams and his staff, of course, could not anticipate all of the administrative issues that would arise in distributing aid. For example, it was not clear whether college students living in fraternity or sorority housing should be allowed aid. Rider originally followed national practices and ruled such

[10]Rider to Aubrey Williams, September 13, 1935, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Administrative Reports Received from NYA State Offices, 1935-1938, RG 119, Entry 62, Box No. 1, NARA; *Works Progress in Arizona: Official Bulletin* (Phoenix: Works Progress Administration, Vol 1, No. 1, January 1936), 2; *Works Progress in Arizona*, Vol. 1, No. 7, July 1936), 2; Rider to Brown, October 16, 1935, Records of the Deputy Executive Director and the Deputy Administrator, Administrative Correspondence with State and Territorial Directors, Arranged by State and Territory 1936-1938, Entry 51, Box 1, NARA.

For the 1936-37 school year the college allotments were as follows:

Institution	No. Students	Allocation
Flagstaff Teachers College	50	$750
Tempe Teachers College	112	1,680
Gila Junior College	20	300
Phoenix Junior College	72	1,080
University of Arizona	254	3,810
U of A Graduate Aid	9 MS; 2 Ph.D.	150
Total	519	7,770

[Source: Brown to Rider, November 13, 1936, Records of the Office of the Director, Reports Concerning Outstanding Work Project Units, by State, 1938, Entry 250, Box 1, NARA.]

During December 1936, the NYA assisted 1,770 young men and women including eight in graduate school, 679 in college, 1,083 in high school, and another 425 for out-of-school youths on work projects [Tetreau, 82]. For the 1938-39 school year, applications totaled 381 boys and 360 girls for high school aid, 200 boys and 173 girls for college aid, and five men and four women for graduate aid.

students ineligible, since that might make the difference in their being members, but not whether they stayed in school or not. University officials countered that the situation in Tucson made this ruling unfair. The housing situation there made it necessary for students to live in fraternity and sorority housing in order to be under proper supervision. The university itself did not have sufficient dormitories, and private housing was limited because so many local homeowners had tuberculosis. Rider pleaded the case to Washington, and deputy executive director Richard Brown acknowledged that an exception to this rule might be appropriate.[11]

The employment program involved two strategies. The first was to develop projects with the agency's own budget. Second, because the $50 million available to the NYA was inadequate to the need, the NYA hoped to take advantage of the much larger WPA budget by employing young people on its projects. To get the NYA program started, Rider and her staff asked the social service division of the FERA to give them a list of all the youths in the larger families on relief in the various communities. They searched through the WPA project list for projects that could employ youths, who she hoped to employ at a ratio of three for each adult laborer. They also conducted an informal survey of communities around the state to begin planning statewide projects. Delays frustrated both the national and state offices trying to get the NYA off to a fast start. The list of out of school youths whose families were certified for work relief was received from the FERA only in November. To help speed the collection of necessary information, the NYA assigned ten youths to the U.S. Employment Service to help with the registration.[12]

The Washington NYA administrators established general categories of eligible and excluded work projects. Eligible projects could be classified under three headings: light construction, service, and survey. Within the boundaries of allowable projects, state officials could exercise their imaginations, though limited by where they could find local sponsors. Washington officials declared a deadline of September 12 for project proposals. This left Rider scrambling to devise projects. Unable to complete a survey of youth recreational needs in the state, she

[11]Rider to Brown, October 11, 1935; Brown to Rider, October 21, 1935, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Administrative Correspondence with State and Territorial Directors, Arranged by State and Territory, 1935-1938, RG 119, Entry 51, Box 1, NARA.

[12]John J. Corson to Rider, September 16, 1936; Rider to Richard R. Brown, October 18, 1935; Rider to Brown, Oct. 16, 1935 , Rider to Williams, January 22, 1936, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Administrative Correspondence with the State and Territorial Directors, Arranged by State and Territory 1936-1938, RG 119, Entry 51, Box 1, NARA.

conferred with various recreational directors who traveled to Phoenix at their own expense to help her formulate a blanket project for each of Arizona's three WPA/NYA districts. Projects were conditioned by agreement by each community to furnish additional supplies and workers and to give assurance that the programs would be continued after the NYA ended. Rider held conferences with the presidents of the five colleges and with many high school principals. By mid-September, she sent to Washington requests for approval of three statewide projects covering construction, service, and survey, with seven recreational projects sponsored by communities. She wrote to Williams that she expected to start organizing individual community NYA programs the next week, and that the State Advisory Committee was being formed. The Arizona administrators immediately ran up against the boundaries of the national rules. The first three statewide projects submitted for Washington approval were rejected in early October as ineligible because they involved ineligible construction. This returned Rider nearly to square one. She made contacts with J. A. Waldron, Acting State Director of Rural Rehabilitation, P. H. Ross, the director of agricultural extension services at the university, and Steve Spear of the NEC in order to salvage the community activity project for rural areas. She also requested the aid of the state planning board to reconfigure a recreational program acceptable to Washington.[13]

Another administrative issue was whether the NYA should employ more than one youth from a single family. Late in November 1936, Hope Brown and second district supervisor Charles Fowler made an inspection trip of NYA projects in southern Arizona where they discovered families with several children, but only one receiving NYA aid. The local representatives of the WPA Division of Employment informed them that WPA policy was to assign only one member of a family to a NYA project, that all assignments were made on a casework basis according to the needs of the family, and if, in their judgment, the family did not need extra income, no youths were certified for NYA. Rider requested guidance from Brown, saying she understood there to be three purposes for the NYA: first, to augment the family income; second, to give youth a feeling of competence and self-assurance; and

[13]Rider to John Corson, September 2, 1935; Corson to Rider, September 6, 1935; Rider to Aubrey Williams, September, 1935, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Administrative Reports Received from NYA State Offices, 1935-1938, RG 119, Entry 62, Box No. 1, NARA; Rider to Brown, October 19, 1935, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Administrative Correspondence with State and Territorial Directors, Arranged by State and Territory, 1936-1938, RG 119, Entry 51, Box 1, NARA.

third, to give youth job training and prepare them for a continuing occupation. This last point, she believed, was one of the underlying plans of the program. If training was indeed the primary purpose of the NYA, then it made little sense to deny such benefits to some youths just because their siblings received it. Brown explained to Rider that although there was no written policy on the matter, he believed that employment of siblings "is not desirable excepting in the case of very large families, as the public rightly feels that we should not employ two youths in one family while there are other families with no youths employed. The emphasis here, then, was directed on the relief aspect of the NYA over its reform goals. The rigidness of this policy, however, was left to the local administrators to work out.[14]

The NYA established a wage scale substantially below the security wage scale of the WPA.[15] At no point was the NYA intended to provide youths with a living wage. For those in school, NYA jobs were meant to provide the marginal difference between being able to afford to stay in school and being forced to seek employment or go on relief. The wage scale set in Washington, which changed over time, was only a guideline which recognized that major differentials existed in different parts of the country. States could receive exemptions from the national guidelines where justified. Arizona, for example, asked for and received an exemption to pay youths living in counties with more than 25,000 population only $15.10 monthly. Rider and others within the WPA organization feared that a wage any higher might inhibit private employment.[16]

[14]Rider to Brown, November 25, 1936; Brown to Rider, November 30, 1936, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-38, RG 119, Entry 52, Box 2, NARA. One case of NYA-employed siblings is reported. Two black twin sisters were employed as laboratory helpers at the Arizona State Laboratory. Although these girls were noted as having been "somewhat of a problem" on other assignments, they became interested in their work and did so well that Laboratory requested that their wages be included in the agency's regular budget so they could be employed full-time [Rider to Brown, March 10, 1938].

[15]Untitled memo, July 25, 1938 Records of the NYA, Records of the Office of the Director, Correspondence of the Director with State Administrators Concerning Defense Training Activities, 1941-1942, RG 119, Entry 235, Box No. 1, NARA. Youths were employed 50 hours per month. For unskilled youths, the $15 monthly wage compared to $44 for the WPA worker. Intermediate skilled youths received $17, skilled $23, and professional/technical $25 compared with the WPA scale of $50, $68, and $75, respectively.

[16]Rider to Brown, September 17, 1935; Brown to Rider, September 30, 1936, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-38, RG 119, Entry 52, Box 2, NARA. The wage scale was adjusted again in October 1937 to 15$

By February 1936, the NYA was in full swing. Forty-five projects employed 689 males and 218 females (see Table 11.1). At the peak of employment in the spring of 1936, the NYA provided work for 1,013 young people. This declined in the summer because of enrollments in the CCC and jobs in the melon fields. NYA employment continued to fluctuate according to the seasons, rising again in autumn, falling in January for the lettuce picking season, then rising the following spring.[17] Many people in the state, particularly farm owners, were concerned that work programs not interfere with private employment. When seasonal agricultural jobs were available, relief workers were encouraged, if not required, to take them. Failure to take an available job could result in decertifying the person for relief.

By September 30, 1936, the NYA had authorized $115,916 for school aid and $91,800 for work projects. Most projects employed a small number of youths, dispersed around the state, and completed fairly quickly. One such project, begun in June 1936 under the sponsorship of the Yavapai County agricultural agent, employed two boys and two girls. The girls conducted a farm-to-market survey of local production and consumption and gathered data on soil erosion, while the boys exterminated rodents. Most projects involved service-type labor such as recreational programs or library projects, although many boys worked in landscaping and other school grounds improvement. Once well organized, the NYA could respond quickly to a perceived need and opportunity. In the winter of 1938, an unusual cold spell depleted the available supply of firewood for relief clients in Maricopa County and a shortage of logs for the Salvation Army as well. With no wood to chop for meals, the number of Salvation Army customers for free meals increased greatly. A local landowner offered the State Board of Public Welfare two miles of cottonwood trees for firewood if they could be chopped and transported to Phoenix. The Board, the NYA, and the Salvation Army cooperated to take advantage of this offer. The NYA provided the wood choppers, the Board furnished the tools and

for unskilled, $17 for intermediate, $23 for skilled, and $25 for professional and technical [Rider to Brown September 28, 1937; Brown to Rider, October 5, 1937]. The NYA wage and hours scale in Arizona appears to have been rather flexible. In June of 1936, Rider wrote to Brown that pay was $10 per month for 46 hours of work. This was usually scheduled as two and a half hours per day except where continuous labor was needed, then it was seven hours per day [Rider to Brown, June 17, 1936, Records of the Office of the Director, Reports Concerning Outstanding Work Project Units, by State, 1938, Entry 250, Box 1, NARA].

17 Rider to Brown, June 17, 1936, Records of the NYA, Records of the Office of the Director, Reports Concerning Outstanding Work Project Units, by State, 1938, RG 119, Entry 250, Box 1, NARA.

Table 11.1. Early Work Projects of the NYA, as of February 1936.

Sponsor	Youths Employed M=Male F=Female	Project Description
Apache County High School Board	34 M	Prepare baseball diamonds and improve fields at St. Johns, Round Valley, and Concho.
Holbrook Public Schools	6 M	Leveling and clearing recreational fields on High School grounds.
Mohave County Union High School	6 M	Clearing, leveling, and surfacing of recreational fields on High School grounds and card indexing in
NYA Office	12 M, 8 F	Arts and Crafts Project to make ornamental tile and characteristic road signs to mark directions to historic and scenic points of interest.
American Legion Auxiliary	8 F	Renovation and repairing of clothing for the needy.
Yavapai County Agricultural Agent	14 M, 6 F	Agricultural Extension work including rodent, insect, and weed control, milk testing; survey and research work, community improvement.
Holbrook Public Schools	6 F	Installation of card catalog system and series of ability tests in Holbrook schools.
Apache County Board of Supervisors	5 F	Cataloging old records of Apache County.
Community Council, Prescott	2 M, 2 F	Preliminary survey of youth problems in Prescott and vicinity
University of Arizona	16 M	Minor improvements on campus.
Tucson City Recreation Dept.	11 M, 23 F	Exchange for repair and loan of toys to needy children and making scrap books to be loaned out.
Arizona Children's Home	5 M, 6 F	Recreational supervision for children at Arizona Children's Home and St. Joseph's Orphanage.
Yucca Club	23 F	Making of educational scrap books, making and repairing of dolls and doll clothing and development of children's library for needy children.
American Legion, Bisbee	23 M	Collection, repair, and distribution of toys for needy children.
Bisbee Senior High School	5 M	Printing a guidance hand book for Bisbee schools for youths not in school.
Ray Public School	16 M	Improvement of baseball diamond at Ray High School and trail from High School building to ball park.
Kiwanis Club	5 M, 16 F	Collection, repair, and distribution of discarded toys to needy children.
Pima County Welfare Board	31 M	General improvements at Preventorium.
City of Douglas	33 M	Beautification and improvement of city park, playground, and streets.
Cochise County Agricultural Agent	10 M	Mosquito control project for Willcox and vicinity.
Thatcher Public Schools	8 M	Make minor improvements around swimming pool and athletic field on school grounds.
Willcox High School	7 M, 1 F	Beautification and improvement of Willcox High School grounds.
School Board of Amphitheatre District #10	30 M	General improvement and beautification of school grounds and community recreation area.

Table 11.1 (Continued).

Sponsor	Youths Employed M=Male F=Female	Project Description
Coolidge Union High School	16 M	Development and improvement of school grounds at Coolidge High School.
Board of Education	15 M	Improving and beautification of school grounds at Ft. Thomas High School.
John R. Allen State Industrial School	20 M	Two men for each town to develop interest, organize, and train a baseball team along with preparing and maintaining a playground. Benson, Bowie, Willcox, Dos Cabezas San Simon, Ft. Grant, St. David, and Pearce.
Solomonville Public School	5 M, 5 F	Improving and beautifying school grounds, minor repairing, enlarging rural library service and community center.
Gila Junior College	5 F	Opening of library to the public during evenings and the dissemination of books among the rural people of Graham County through a traveling library.
City of Bisbee	3 M	Public service project workers for Bisbee City Hall.
Red Cross	6 F	Furnish clerical assistance for Tucson Red Cross.
Cochise County Board of Supervisors.	2 M	Assistance in county offices.
Mesa Union High School	33 M	Improve play fields on school grounds by building a patio with fire places, bonfire ring, and rustic furniture all made out of native materials.
Mesa Union High School	33 M	Improve play field on colored school yard by using available material to build equipment.
Arizona Vocational School	12 M, 3 F	Preparing teaching material for gymnasium, domestic science and arts and craft work teachers in the Vocational Education school.
City of Phoenix Recreation Department	38 M, 24 F	1) Recreational aides to handle the care and repair of recreational supplies, courts, and fields; 2) Construction of toys and handcraft articles; and 3) Mexican boys orchestra to furnish programs at playgrounds and dances.
Mesa Union High School	27 M	Build a picture library for visual education, collection, classifying and preserving plants, shrubs, trees, etc.
YMCA (Miami)	14 M	Maintenance and upkeep of public lobby and reading room in the central branch and the Mexican Community Center of the YMCA.
City of Phoenix	121 M, 17 F	Traffic checks, city beautification, collection museum and historical data, police clerks, destroying fire hazards.
Phoenix City Sewage Treatment Plant	32 M	Landscaping and beautification of park around plant.
Glendale Union High School	11 M, 1 F	Improving and beautifying school grounds and recreational areas.
Delta Club & City of Yuma	11 M, 1 F	Leading recreation and community activities and maintaining recreational grounds.
Maricopa County Board of Public Welfare.	3 M, 3 F	Clerical workers for Board.
Red Cross (Phoenix)	2 M, 4 F	Clerical and other assistance.

Table 11.1 (Continued).

Sponsor	Youths Employed M=Male F=Female	Project Description
Arizona Vocational School	9 F	Local research and survey of household service improvement conditions in Phoenix.
NYA	13 M, 37 F	Coordinate youth project activities and to establish and assist youth placement service with the U.S.E.S.
Total employed:	689 M, 218F	

Source: Project List as of February 10, 1936, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Administrative Reports Received from the NYA State Offices, 1935-1938, RG 119, Entry 62, Box No. 1, NARA.

transportation for the workers, and the Salvation Army furnished the additional labor necessary to cut the logs into stove lengths. By March, the NYA boys chopped 77 cords of wood.[18]

As work relief, these projects provided needy youths with much needed financial aid. It appears likely that most provided valuable services to the communities and organizations that co-sponsored projects. Whether the projects met the NYA founders' hopes of providing youths with valuable training experience is problematic. For young men, the projects involving simple landscaping or woodchopping labor seem ill-suited to provide meaningful vocational experience or marketable skills. Clerical work, a common project type for young women, may have been more serviceable in terms of bettering their future job prospects.

Rider's efforts to promote more practical vocational education included a cooperative effort with the Civilian Conservation Corps. Early in 1936, Rider conferred with Mr. Hjalmarson, the CCC's educational advisor, about how the NYA might aid the better qualified camp enrollees with college aid. The two worked out a plan for the NYA to aid returning CCC enrollees readjust to their community perhaps by working as NYA project foremen. By February 1936, the WPA's educational program had found only a few qualified educators on the relief rolls. Rider hoped to find older men who were skilled artisans, but

[18]Rider to Brown, June 12, 1936, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-38, RG 119, Entry 52, Box 2, NARA; Outstanding Project Units, March, Records of the NYA, Records of the Office of the Director, Reports Concerning Outstanding Work Project Units, by State, 1938, RG 119, Entry 250, Box 1, NARA.

no longer capable of heavy labor, and transfer them to her education program to provide manual training for the CCC enrollees. By March, two such men were assigned to CCC camps in southern Arizona.[19]

The NYA began work on an innovative project in the spring of 1937. Tuberculosis had long been one of the most serious diseases in Arizona. Thousands of sufferers came to Arizona hoping to recover in the more healthful climate. In 1936, the death rate for tuberculosis in Arizona was 230.9 persons per 100,000 and 1,100 in Maricopa County. For this number, less than 300 hospital or sanitarium beds were available for the treatment of needy tuberculosis patients. The NYA and WPA joined in a project to construct small frame structures, called Burr cottages, just large enough for a person to stand in and to hold a small bed. The idea behind the Burr cottage was to provide isolation at home for tuberculosis sufferers in lieu of bed spaces in public institutions. Promoters especially publicized the value of the cottages for children who could be isolated from their families yet remain at home. The NYA in March 1937 provided the materials and labor, worth about $188, to complete the first Burr cottage to use as model to sell the idea to the various welfare agencies around the state. In April, the Health Mobile, which was then taking a statewide tuberculosis survey of school children, requested thirteen cottages for needy families with active cases.[20]

The chief problem with building a number of Burr cottages was procuring sponsors to provide the needed materials. The NYA provided the materials for the model unit, but did not have funds for more. The Junior Service Club of Chandler indicated willingness to provide materials for two cottages, but only after they had knew which public welfare agency would make the most advantageous use of them. Rider hoped to hoped to enlist the WPA on this kind of problem, as its Community Sanitation Projects in the southeastern states had reduced malaria through drainage and construction of sanitary privies. The local WPA administrators were enthusiastic, but the national office ruled that the project could not be a community sanitation project and wanted some public agency sponsor that could take possession of the properties upon completion, since national rules generally prohibited projects on private property. In late July, the State Superintendent of Public Health agreed to provide some state money for materials to construct several cottages.

[19]Rider to Brown, February 28, 1936, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Administrative Correspondence with State and Territorial Directors, Arranged by State and Territory 1936-1938, RG 119, Entry 51, Box 1, NARA.

[20]Rider to Brown, April 3, 1937, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-1938, RG 119, Entry 52, Box 2, NARA.

Finally, in November of 1937, the legislature granted enough money to pay for materials for up to 25 cottages, and construction with NYA labor began immediately, with the first units put to use in December.[21]

Not all project ideas met such important needs. In March 1938, Gila Junior College in Thatcher requested that the girls employed in the local sewing project be used to make venetian blinds for the school. Rider asked Washington how to make such blinds. David Williams, the Director of Work Projects, sent back some information from *Popular Mechanics*, but warned that unless produced in quantity, such production might be more costly than buying them retail. There is no indication that this project idea was actually implemented. The NYA often simply took up project ideas that had proven valuable in previous work programs. In January 1937, the NYA participated in the long-standing copper craft project in Tucson that dated back to the FERA. The NYA also continued the FERA's work at the Pima County preventorium, building a new mess hall in the spring of 1937.[22]

It is impossible to gauge the monetary worth of many of the projects completed by the NYA. The cost in wages directly to the needy youth measures only one portion of the benefits of the program. Thousands of people benefited directly or indirectly from the projects. The Tucson Recreation Department sponsored the Tucson Toy Project, which employed young women to collect, make, and repair more than 2,500 toys for distribution to local charity homes. This project later expanded to make rugs for distribution as surplus commodities, and at Easter they constructed baskets for local needy children. At one point, this project also had an active orchestra. Young men under the same project cleared, leveled, and worked on both new and old play areas, helped repair athletic equipment, and worked in a manual training shop where they constructed equipment like ping pong tables, tennis net supports, baseball bats, and basketball backstops. At Mesa High School, youths receiving NYA aid made costumes and scenery for a pageant performed

[21]Ibid. Arthur Williams to Rider, April 14, 1937; Williams to Rider, July 21, 1937; K. E. Miller [Senior Surgeon, Public Health Service, Dept. of the Treasury] to Karl E. Jensen [NYA, D.C.], July 14, 1937; Rider to Brown, July 30, 1937; Rider to Brown, November 27, 1937, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-1938, RG 119, Entry 52, Box 2, NARA. The State Board of Health officially sponsored the Burr cottage project.

[22]Rider to Brown [attn: David R. Williams, Director of Work Projects], March 17, 1938; Williams to Rider, March 25, 1938; Williams to Rider, March 2, 1938; Williams to Rider, April 30, 1938; Rider to Brown, January 15, 1937; Rider to Brown, February 21, 1936; Rider to Brown, May 13, 1937, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-38, RG 119, Entry 52, Box 2, NARA.

at the Theater of the Hills. In Springerville, they leveled the ground, built retaining walls, and put in walks and steps at the new WPA-built Apache County hospital. They landscaped sections of state highway, developed new putting greens and other improvements at the Douglas Municipal Golf Course, repainted the interior of the dormitories of the State Pioneers' Home in Prescott, installed traffic and parking signs on the streets of Nogales, and repaired the public cemetery at Bisbee.[23]

The NYA, like all New Deal agencies, had to continuously justify its existence. The committee established in 1938 to appraise the WPA also evaluated the work of the NYA. The committee catalogued that up to the end of 1937, the NYA renovated four street cars, constructed one detritor tank and three ferreous chloride treatment plants, resanded three sludge drying pits, built two warehouses and one paint room, constructed seventeen Burr cottages, laid sidewalks and forest trails, landscaped grounds around seven school buildings, erected 5,312 cubic yards of rock retaining wall, excavated 12,140 ft. of drainage ditch for mosquito control, made 202 new chairs, fifteen cabinets and other articles for recreational centers, made 27,0123 adobe bricks and used them to construct a 34-unit garage for county mobile equipment, renovated 4,028 toys and made 123 new toys, erected 3,194 ft. of fencing, constructed ten handball, 21 horseshoe, and three tennis courts, catalogued 2,550 books, started two new traveling libraries, indexed and cataloged 54,818 records, and furnished assistance to twelve schools who prepared 57,210 lunches served to 387 children.[24]

In February 1938 the NYA and the teachers college at Tempe began planning an ambitious resident agricultural project. This project differed from most NYA projects in that young workers would live and work at the site. The goal was to provide extensive training in the most modern methods of farming. Located at the new college farm one mile south of Tempe, the plan included a dairy barn, milking sheds and milk house, hog pens, fences, and other farm-related structures. The resident center itself would be located at a former CCC camp between Phoenix and Tempe. The boys at the resident center could also work at the University of Arizona's experimental farm near Mesa, where they could get training in stock feeding and management as well as the planting of

[23]Rider to Brown, May 15, 1937; Rider to Brown, March 5, 1938, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-38, NARA. *Works Progress in Arizona,* (Vol. 1, No. 6, June 1936), 4; (Vol. 1, No. 7, July 1936), 5.

[24]*Report of Arizona Appraisal Committee, WPA,* 1938, Arizona State Department of Library and Archives. 17-18. The detritor, built in Phoenix, eliminated grit from sewage flow. This project provided the first construction experience for many youths.

diversified crops. Regular faculty of the university would provide the classwork. Delays in obtaining the camp site convinced project sponsors Grady Gammage and Herman E. Hendrix to make the project nonresident in order to get it started while classes were still in session. As this initial work was nonresident, it employed only local youths who constructed housing to use later for resident use.[25]

In June 1938 the number of NYA projects fell to thirteen, employing a total of 340 males and 220 females. The boys continued to be employed primarily in landscaping. Light construction projects included additional Burr cottages, work at the agricultural project, and small structures at St. Johns High School and Pima High School. The girls were occupied with garment making, library work, clerical work, serving school lunches, and as recreational assistants.[26]

Although several NYA projects were difficult to manage, only one had to be canceled because of fraud. This project involved improving the baseball diamond at Ray High School and a trail from the school building to the ballpark, and employed fifteen boys. The chairman of the school board, a local merchant, signed the project application. Rumors reached Rider that boys were being employed on the project without regard to eligibility and without being requisitioned through the proper agencies. A WPA representative discovered that the boys were told they would receive merchandise orders on the store operated by the chairman in payment for labor done. Rider canceled the project and shuffled eligible boys to a WPA road project to avoid penalizing them. The investigator believed the same individual had previously exploited FERA and CWA projects to benefit his store.[27]

All New Deal work programs received criticism from some in private industry over unfair competition, even though Roosevelt always directed his agencies to be noncompetitive with the private sector. In

[25]Rider to Brown, February 15, 1938; Rider to Brown, February 23, 1938; David K. Niles [Assistant Administrator, WPA, D.C.] to W. J. Jamieson, April 1, 1938; Rider to Brown, April 9, 1938; David R. Williams to Rider, April 18, 1938; Rider to Brown [attn: David R. Williams], May 11, 1938; Williams to Rider, May 16, 1938; Williams to Mr. Marbury [internal memo], May 13, 1938, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-38, RG 119, Entry 52, Box 2, NARA.

[26]Rider to Lull, June 17, 1938, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-38, RG 119, Entry 52, Box 2, NARA. Most of these projects were continued into 1938-39 [Rider to Brown, July 13, 1938].

[27]Rider to Brown, February 19, 1936; Rider to Brown, March 3, 1936, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-1938, RG 119, Entry 52, Box 2, NARA.

one case in 1938, the WPA in Washington received complaints that NYA library projects in Arizona took legitimate business from commercial binderies. In defense of her library projects, Rider described the many services the NYA provided to libraries around the state. She noted that the NYA was mainly active in rural communities where no library services had been available to children. The NYA and WPA established a children's library in Bisbee which included story telling and other activities. In one example of a success, a library begun by the NYA and WPA in St. Johns was continued with funds from Apache County. In the small community of Concho, girls at the school were cleaning and renovating books. Two workers had been assigned to the Duncan High School to help them extend the services of the school library to the rest of the community and similar services had been provided for rural schools in Gila and Graham counties. In response to the question of rebinding, Rider claimed that the NYA did only a "comparatively small" amount of that sort of work.[28]

While the national office set the broad rules on eligibility, the agencies responsible for determining eligibility were the county Boards of Public Welfare (after 1937 the State Board of Social Security and Public Welfare). These bodies, established by state law, followed state relief mandates that could contradict federal rules. In such cases the tension inherent in federalism could cause serious difficulties in administration. Rider ran into conflict with a State Board of Public Welfare policy to count NYA wages as part of the family budget. This effectively used the NYA to subsidize state and county welfare responsibilities and was contrary to the NYA intentions to provide the margin of aid that would keep many youths in school. At a regional NYA conference in Salt Lake City in the fall of 1936, the NYA set the policy that no more than about 20 percent of NYA wages ought to be counted in family budgets. Since the NYA could not dictate the policy of the state relief administration, it was decided to eliminate those youths where this was done from the NYA rolls.[29]

The most significant controversy concerning the NYA in Arizona related to eligibility for aid. The specific problem that arose in 1938 was

[28]David R. Williams to Rider, April 30, 1938; Rider to Brown [attn: David R. Williams], May 13, 1938, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-38, RG 119, Entry 52, Box 2, NARA.

[29]Eva Hance [Assistant Regional Director, Division of Employment] to Evelyn Wooley [Assistant Director of Employment, WPA in Phoenix], December 18, 1936, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-38, RG 119, Entry 52, Box 2, NARA.

whether youths from families receiving Farm Security Administration subsistence grants should be eligible for NYA aid. Some county officials refused to certify the eligibility of youths from such families, and were backed by P. H. Brookes, director of the State Board of Social Security and Public Welfare, and his successor, Don P. Lenz. According to state law, only persons with three years residency in Arizona could be certified for public relief. NYA rules, however, clearly allowed families receiving FSA aid, which was independent of state residency.[30]

According to J. A. Waldron, state director of the FSA, 215 youths in Maricopa County and another 85 in Pinal and Yuma counties received FSA aid and should have NYA consideration. Rider's hands were tied unless county official there agreed to follow the federal guidelines rather than the state law. With Brooks and then Lenz supporting their position, Rider had no leverage to alter these officials' position. In the fall of 1938 when the state NYA was revising its eligibility rules, Lenz objected that there was no mention of the three-year residency requirement. Rider pointed out to Lenz that because the NYA was a federal program, the state could not place additional restriction on eligibility. Officials in Washington confirmed Rider's stance. A temporary accommodation was made when NYA sent out the rules without mentioning the residency issue, but with a note attached from the Lenz's office reminding county officials of the state rules.[31]

One way around the state residency requirement was to establish an alternative means of certifying youths for eligibility that would bypass the county and state officials. Williams told Rider that the FSA might do its own certifications for the NYA. In early December, while discussing the issue of certifications with social workers of the Yavapai County Board of Social Security and Public Welfare, NYA officials discovered that the State Board had a ruling that allowed youths whose families had only one year residency in Arizona to be enrolled with the CCC. Rider confirmed this with Lenz, who agreed to bring the issue up with the Board. Still, Lenz did not want this to be used as a wedge for the NYA to get around the three-year residency requirement.[32]

[30]Rider to Lull, November 16, 1938, Records of the NYA, Records of the Office of the Director, Reports Concerning Outstanding Work Project Units, by State, 1938, RG 119, Entry 250, Box 1, NARA.

[31]Rider to Lull, November 21, 1938; Lenz to Helen Dail Thomas, September 12, 1938; Lull to Rider, October 4, 1938, Records of the NYA, Records of the Office of the Director, Reports Concerning Outstanding Work Project Units, by State, 1938, RG 119, Entry 250, Box 1, NARA.

[32]Rider to Lull, December 7, 1938; Williams to Rider, December 13, 1938, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator,

RACIAL ISSUES AND THE NYA

In line with Williams' directive that blacks receive a fair proportion of NYA benefits, aid to racial groups could not be less than their proportion in the population.[33] Mary McLeod Bethune, the administrative assistant in charge of Negro Affair in the Washington office spoke at Phoenix Junior College in 1937. This college made special efforts to aid black students who made up 35 of its 680 student body. For the fall of 1938, Bethune's office granted college aid to five black students at teachers colleges in Flagstaff and Tempe. Phoenix Junior College requested an additional allotment to aid three students and received $405 for the year. By this time, nineteen of the school's 35 black students had received NYA aid. Rider noted—proudly or defensively—that NYA aid to blacks was going only to those "who have a real possibility for future leadership of their people."[34]

There is no evidence of controversy regarding the distribution of NYA aid to blacks in Arizona. The NYA nationally made a concerted and public effort to guarantee that blacks received aid at least in proportion to their numbers in the population, though the goal of aiding them in proportion to their numbers on the relief rolls was far more difficult to achieve. Such fairness proved controversial in some parts of the country where racism and segregation were deeply implanted. Perhaps because the overall number of black in Arizona was so small controversy did not arise. Nor was there apparent controversy concerning Hispanics. Controversy did arise, however, regarding Indians. A small school on the Papago Reservation made "very insistent requests" in 1938 for NYA funds to aid its students. Though no such funds had ever been distributed in Arizona, the educators on the reservation claimed that Indian schools in other states had received funding. Rider immediately took the issue to officials in Washington.

Correspondence with State NYA Directors Concerning Projects, 1935-38, RG 119, Entry 52, Box 2, NARA. Unfortunately, it has not been discovered if or how this issue was finally resolved.

[33]Corson to Rider, August 28, 1935, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Administrative Correspondence with State and Territorial Directors, Arranged by State and Territory, 1936-1938, RG 119, Entry 51, Box 1, NARA.

[34]Rider to Orren H. Lull [attn: Mary McLeod Bethune], September 24, 1938, Records of the NYA, Records of the Office of the Director, Reports Concerning Outstanding Work Project Units, by State, 1938, RG 119, Entry 250, Box 1, NARA.

Orren H. Lull, the regional representative, ruled in October that federally supported Indian schools were not eligible for NYA aid.[35]

Williams' concern for equity in distributing NYA benefits was admirable, but it was not comprehensive. As a native of Alabama, Williams was particularly conscious of the problems of black Americans in a segregated society. His empowerment of Bethune as the head of the NYA's Division of Minority Affairs and her further access to the President as a member of the so-called "Negro Cabinet" ensured that the NYA, more than any other New Deal agency, dealt fairly with the country's largest minority. Neither Williams nor Bethune's concern extended in equal measure to all minorities. While Native Americans were excluded from the NYA program because they had their own advocate and programs under John Collier's Office of Indian Affairs, Hispanics received no comparable national attention. The change in the name of the division that Bethune headed to the Division of Negro Affairs is indicative of the problem. Bethune's efforts were directed almost entirely on the needs of blacks and she did not even gather statistics on Hispanic participation. In Arizona, where the proportion of Hispanics in the population was larger than that of blacks, it was up to the local administrators to understand that minorities suffered disproportionately from the depression and to ensure that they received an equitable level of the available relief funds.[36]

Rider and her staff belatedly recognized the needs of Arizona's Hispanic community, adding a Hispanic representative on the State Advisory Committee a month after the board was first formed. After that time, the NYA in Arizona supported a number of projects employing Hispanic youths and reported the relevant statistics even though the national office did not require them. It is difficult to gauge the degree of segregation that may have occurred within NYA work projects. While numerous projects employed whites, blacks, and Hispanics together, many others appear to have been specifically targeted to a particular group. The crucial factor appears to be the project sponsor. Since segregation was practiced in the schools of many communities, and schools themselves were co-sponsors of many NYA work projects, the character of those projects was defined by the nature of the student body. The character of the student body also may have influenced the imaginations of those devising work projects. At Dunbar School in Tucson, the district supervisor and principal formulated plans to train a number of

[35]Mary Keeth to Lull, October 6, 1938; Lull to Rider, October 12, 1938, Records of the NYA, Records of the Office of the Director, Reports Concerning Outstanding Work Project Units, by State, 1938, RG 119, Entry 250, Box 1, NARA.

[36]Weisenberger, 139.

black students as janitors. The supervisor's report that "the Negroes are enthusiastically grateful" for the project probably reflects the students' welcome for any assistance despite their feelings about the positions to which they were being assigned.[37]

The NYA integrated some work projects. Work Project No. 471 in Phoenix in 1938, consisting of the construction of three reaction tanks for ferrous chloride treatment plants on the city's sewerage system, employed three whites, fourteen blacks, and 60 Hispanics to lay sewer mains, construct forms, mix and pour concrete, remove the forms, and clean up the ground around the units. Project No. 678 in Jerome in 1937 employed two white and seven Hispanic boys to build 50 yards of road, improve parking, and construct 75 yards of stone retaining walls to prevent landslides. At the Globe high school, 28 boys repainted classrooms and lavatories and refinished the floors in the classrooms and hallways. About three-quarters of this group were Hispanic.[38]

Numerous other projects were plainly segregated. For example, the City of Phoenix employed 30 black youths as recreation aides to handle the care and repair of recreational supplies, courts and fields, and to construct toys and handicraft articles. City of Phoenix projects employed about 75 blacks collecting historical material for museums and for city beautification. The Phoenix Colored High School employed eighteen black girls to do recreational work and to assist in the cafeteria. The segregated YMCA in Miami employed a few Hispanic youths at its Community Center and even managed to provide a small measure of vocational training with the little equipment they had. The success of this project inspired a black YMCA in Phoenix to employ six boys reconstructed furniture and provided maintenance labor for the local YMCA. In March of 1936, Rider reported to Washington that at least half of the youths working under the NYA in the Salt River Valley were black. This was far beyond their proportion in the population, though perhaps closer to their relative need. In Tucson, 33 black boys improved the grounds, buildings, and recreational equipment at the Colored Grammar School. Two black recreational aides, employed for this school from those receiving college aid at the university organized a recreational program for black children and youth people. Far fewer blacks were employed by the NYA in northern Arizona, where relatively few lived. It appears that Rider made every effort to make the NYA in Arizona

[37]Monthly Report for December, NYA, Arizona, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Administrative Reports Received from NYA State Offices, 1935-1938, RG 119, Entry 62, Box No. 1, NARA.

[38]Reports for April, May, and July, 1938, Records of the NYA, Records of the Office of the Director, Reports Concerning Outstanding Work Project Units, by State, 1938, RG 119, Entry 250, Box 1, NARA.

fulfill the needs of minorities. Not surprisingly, she faced some resistance in trying to implement this goal. In 1938, while describing a proposed craft shop to be built in Harmon Park, she found that the City of Phoenix's Park and Playground Board was "not in sympathy with providing recreational facilities and leadership for the poorer districts."[39]

WOMEN AND THE NYA

Segregation in work projects occurred not only between ethnic groups, but also between the sexes. In general, young men and women were given different types of work judged to be suited to their gender. This practice, of course, was followed by all New Deal agencies and was fully in line with the general pattern of public opinion at the time. Still, the NYA was not like the male-only CCC and many of its administrators were greatly concerned that women receive a fair proportion of the available aid. This is especially true in Arizona where the agency's chief administrator and her primary assistants were women. Rider was also the head of the Division of Professional and Women's Projects in the WPA and so was daily aware of her special responsibilities.[40]

Most NYA projects for girls were similar to women's projects of the FERA, CWA, and WPA. At Winslow High School, eleven girls worked preparing school lunches and, when that project ended, were transferred to a WPA sewing room. In Jerome and Clemenceau, young women were simply added to the WPA sewing rooms. The Douglas Public Schools employed girls to work on school lunches while the Pima County Board of Social Security and Public Welfare gave them jobs as hospital helpers, both of which, Rider hoped, would equip the girls with skills to get private employment in small sanitariums or household service. Rider happily noted that six young women at the university could get "an entirely different type of job training" and "a new outlook on job possibilities" when the university transferred them from a sewing

[39]Rider to Brown, March 7, 1936; Rider to Brown, April 7, 1936; Rider to Brown, February 9, 1938, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-38, RG 119, Entry 52, Box 2, NARA. Unfortunately, it is unclear what Rider fully meant to imply by this comment. The project at the Phoenix YMCA caused some concern in Washington. Brown criticized the project for benefiting only the current members of the organization because the youths simply provided general building maintenance labor. Other projects at the Friendly House, the black high school, and elsewhere successfully used the NYA to extend their programs to more people in the community. Since the project was only for one month, Brown let it go, though he did not want it renewed [Brown to Rider, March 17, 1936].

[40]Rider to Brown, July 3, 1936, Records of the NYA, Records of the Office of the Director, Reports Concerning Outstanding Work Project Units, by State, 1938, RG 119, Entry 250, Box 1, NARA.

room to work in campus laboratories. The new jobs, Rider hoped, would provide basic training needed for janitorial service in doctors' offices and scientific departments. Rider happily reported in the spring of 1937 a loss of young women from the NYA to private employment as household servants and clerks in retail stores.[41]

In October 1937, Mabel C. Costigan of the Washington office informed Rider that the national NYA staff was becoming concerned by an increasing percentage of young women on NYA work projects and the value of the work they performed. Richard Brown and Costigan wanted to meet with Rider, the other women state directors, and a few others where the "problem is particularly difficult" on October 26, the day before a general meeting of NYA state directors.[42] The outcome of the meeting is unknown, though the lack of follow-up on the issue may indicate that there were no foundation to the apparent fear that the women state directors were biased in favor of aid to women.

By 1941, the NYA operated resident centers and two work centers for women. The resident centers were located in Phoenix and Eleven-Mile Corner; the work centers in Phoenix and Tucson. Considerable tension developed in these women's projects and the NYA tried to adjust to the changing demands on the agency. Most of the women living at the Phoenix resident center were Hispanic and were transported to the work center two miles away to work three hours a day, five days a week. An inspection by Verda W. Barnes, Regional Girls' Work Officer, on June 21, 1941 revealed the presence of some "racial feeling" at the center. The work center—largely a sewing room—was not well managed, according to Barnes, and the quality of the sewing output was "not good." Women did not report to work promptly and were allowed to wander the center during project hours. She suggested a wider variety of projects, including a summer lunch project, hospital assistance in public health units, upholstery and draper projects, and work in the woodshop and radio shop currently under development. The resident center at Eleven-Mile Corner was part of a migrant camp facility operated by the Farm Security Administration. Seventeen girls worked in the center at the time of Barnes' visit, though the facility could house thirty. Work in the camp hospital, kitchen, laundry, clinic, and office was run on a rotation system. Rider told Barnes there were job

[41]Brown to Rider, July 16, 1936; Rider to Brown, August 17, 1937; Rider to Brown, June 3, 1937; Rider to Brown, April 23, 1937, Records of the NYA, Records of the Deputy Executive Director and the Deputy Administrator, Correspondence with State NYA Directors Concerning Projects, 1935-38, RG 119, Entry 52, Box 2, NARA.

[42]Mable C. Costigan to Rider, October 14, 1937, Records of the NYA, Records of the Office of the Director, Reports Concerning Outstanding Work Project Units, by State, 1938, RG 119, Entry 250, Box 1, NARA.

opportunities for these young women, primarily in housework, and that a representative of the State Employment Service called there frequently. The work center in Tucson was located in the abandoned CCC camp at Randolph Park, about three miles from town. Seventy girls worked two shifts per month on sewing, food preparation, laundry, painting, and maintenance. The sewing output of this center compared favorably to that of the Phoenix center and Barnes noted that the "attitude of the girls working at this project was especially good." In discussing possible improvements, Rider agreed that courses in personal hygiene, child care, and home care of the sick would be valuable. She also hoped to have off-hours field trips to inspect model dairies, bakeries, libraries, newspapers, and similar business where women might find employment.[43]

THE NYA AND THE WAR YEARS

The NYA was fortunate to receive substantial increases in its budget for each fiscal year until the beginning of the war, which meant an increasing number of projects to coordinate and aid to distribute. It also meant increasing work for Rider who continued to head the WPA's Division of Professional and Women's Projects. Feeling the need to dedicate more time to her NYA work, Rider moved the NYA staff away from the WPA's office at the Heard Building to an office in the Orpheum Theater Building. This temporarily removed some work distractions, but she continued to serve in both positions. When the two agencies finally separated in 1939, Rider chose to remain with the NYA.[44]

Throughout 1939, even prior to the outbreak of hostilities in Europe, the Roosevelt Administration cautiously moved the country towards a state of preparedness. Those New Deal agencies still in existence began to shift their priorities from relief and recovery to defense training and production. Aubrey Williams understood the changing political imperatives and moved to adjust his agency to meet them. Rare among New Deal agencies, the NYA received substantial funding increases from Congress. The NYA budget for 1940, which followed the

[43]Verda W. Barnes, Report on Trip to Arizona, June 21, 1941, Records of the NYA, Records of the Service Products Section, Field Inspection Reports and Related Correspondence of the Section Chief Concerning Administration of Girls' Projects, 1941-1943, RG 119, Entry 304, Box No. 1, NARA. The Phoenix Resident Center closed on June 30, shortly after Barnes' visit. Twenty-one of the girls were transferred to the Eleven-Mile Corner Center, five got jobs, and the remainder returned to their homes [Rider to Mrs. Winthrop D. Lane, Director, Service Projects, July 3, 1941].

[44]Lull to Robert H. Hinckley, September 15, 1937, Records of the NYA, Records of the Office of the Director, Reports Concerning Outstanding Work Project Units, by State, 1938, RG 119, Entry 250, Box 1, NARA.

separation of the agency from the WPA, rose more than $17 million over the previous year to $92,075,000. Williams did as well the next year with another $17 million increase to reach the agency's historic high of $119,150,000. Congressional support for the NYA collapsed in 1942 and it ceased further appropriations in 1943.[45]

After 1939 little remained of the NYA's original reform emphasis and its activities fall more within the context of the war era than with the depression. In the beginning, Williams and others interested in the problems of youth saw the NYA as a means to serve those previously ignored or ill-served by the current educational system. War in Europe shifted the emphasis from what the agency could do for youths to what they could do for the nation. Ironically, this led to far more practical kinds of vocational education than earlier NYA projects provided, with projects looking forward to training a corps of war industry workers. In Phoenix in 1941, projects included training in radio repair and assembly for employment in the Goodyear factory. At the Randolph Park training center in Tucson in 1942, NYA youths were employed on woodshop projects in preparation for employment at the recently completed Consolidated Aircraft Corporation plant. All such work and training had to be justified for its contribution to the war effort. When the woodshop at Randolph Park was scheduled for closure by June 30, 1942, Rider gained the support of Col. J. L. Brooks of Fort Huachuca who defended the Army's need for furniture and equipment.[46]

In late 1940, the NYA workers salvaged building materials from the abandoned CCC camp at Randolph Park and transported it to Thatcher where they erect temporary structures at the women's resident center operating at Gila Junior College. In 1942, the women at the center completed 4,711 articles for the quartermaster at Davis-Monthan Field in March alone, and served 1,260 lunches to young workers. In addition to this work for the Army, the center provided 856 garments for children at the Tucson Preventorium. From the center's woodshop and paint shop, the youths by April 1942 had made and delivered to the Army at Davis-Monthan and Williams Fields 939 pieces of furniture for offices and squadron dayrooms. Furniture was also made or refurbished for the cavalry and artillery units and for the soldiers centers operated by the Defense Recreation Program in Tucson and Phoenix. The quartermaster at Davis-Monthan validated the value of NYA work for the Army,

45 Reiman, 180.

46 L. S. Hawkins to Edwin C. Gracey, November 22, 1941; Williams to Rider, June 26, 1942; Rider to Williams, June 19, 1942, Records of the NYA, Records of the Office of the Director, Correspondence of the Director with State Administrators Concerning Defense Training Activities, 1941-1942, RG 119, Entry 235, Box No. 1, NARA.

estimating that the agency was saving the Army a considerable amount of money. He estimated work by the NYA on uniforms alone had saved the Army $1,200 in March.[47]

Rider did what she could to make the NYA serviceable to the war effort. The NYA provided clerical help for the State Defense Council and made stretchers for the Phoenix city fire department as part of its civilian defense work project. In the sewing rooms, women stopped producing costumes for schools and switched to war work. Women in Phoenix and Tucson worked in woodshops, though their experiences varied considerably. In Phoenix, fourteen women did little more than sandpapering and finishing in the woodshop under the supervision of Thomas E. Hinckley, who was "not too enthusiastic about supervising girls." The fifteen women in Tucson did better under the direction of Mr. Biggs, who had a more "positive attitude." Despite its efforts, the NYA faced some barriers it could not surmount. For example, the personnel man at the Goodyear plant stated that they would not accept blacks or dark-skinned Mexicans, limiting the opportunities of a large percentage of NYA youths.[48]

Williams efforts to adapt the NYA to the needs of the war ultimately failed in the face of persistent pressure from congressional advocates of domestic economy. Although for a short time it survived the New Deal's other youth effort, the CCC, Congress finally omitted funding for the agency in 1943, and the nation's first extensive effort at youth aid was at an end. Concern for America's youth remained a major priority of renewed federal activity following the war, but the methods of the NYA were never revived. Since World War II, federal grants to education and student loans have been the primary aid for students. Such programs, though controversial in their own ways, avoided the kinds of controversies that dogged the NYA, such as regimentation of youth and the propriety of direct federally sponsored education. The NYA was an important experimental step leading to a vastly expanded federal role in education

[47]Rider to Williams, April 17, 1942, Records of the NYA, Records of the Office of the Director, Correspondence of the Director with State Administrators Concerning Defense Training Activities, 1941-1942, RG 119, Entry 235, Box No. 1, NARA.

[48]Verda W. Barnes [Regional Girls' work Officer], Region V, Arizona Report - January 16-20 inclusive, January 23, 1942, Records of the NYA, Records of the Service Products Section, Field Inspection Reports and Related Correspondence of the Section Chief Concerning Administration of Girls' Projects, 1941-1943, RG 119, Entry 304, Box No. 1, NARA.

CONCLUSION

The depression struck hard at America's young people. Economic need forced many to leave school to seek jobs to supplement their family's income. In the labor force, they competed against experienced, unemployed adults, and where they got jobs it was often because they worked at the lowest wages. The primary goal of the National Youth Administration was to provide aid to students in high school and college so they could remain in school. But Aubrey Williams, Harry Hopkins, and other founders of the NYA also believed that it could fulfill a reform role by challenging the existing school system to provide practical vocational education that would fit young people for the real work world. The NYA's program consisted primarily of work projects, both for students and for youths out of school. By 1935, work projects were the New Deal's primary method of aiding the unemployed. Williams believed that work projects could be designed to provide training and skills, vocational education outside of the school system, or "learning by doing" as stated in the NYA motto. Finally, the NYA's founders hoped that it would help instill democratic values in young people by engaging them in community sponsored projects. Decentralization distinguished the American youth movement from more insidious youth programs overseas.

In practice, hopes for practical on-the-job training fell in priority to the relief goal of maximizing aid to the largest number of young people. Arizona's NYA administrators found it difficult enough simply to come up with acceptable work projects. The value of training in many projects was marginal. Rider did not abandon the goal, however, and some projects did have a valuable training aspect. Examples of practical training in work projects include the resident agricultural center in Tempe for boys and the several clerical projects for women. The value of skills training increased in the agency's last years as it concentrated on war-related work. There is no evidence that the Arizona public school system perceived any threat from the NYA or that it increased its vocational education in response to this federal initiative. On the contrary, most high schools, and all of the colleges, eagerly encouraged aid to students in any form. The Arizona school system had been severely debilitated by the depression and it sought as much benefit from the New Deal as it could get. Where the NYA differed from other New Deal programs, was that much of its aid went directly to students, rather than to the schools themselves. Either way, school officials understood that they and their students were better off with the New Deal than without it.

The NYA also sought to be an agent of change in race relations. While the New Deal generally did not confront institutionalized segregation, the NYA was exceptional just in the fact that it made a concerted effort to ensure that blacks received aid proportional to their population. This laudable goal failed, however, to acknowledge that their relative poverty was far greater than their proportion of the population. The goal also did not directly benefit Hispanics, the largest minority in Arizona. Liberals in Williams' office concentrated on the needs of blacks, particularly in the South. In Arizona, it was up to local administrators like Jane Rider to see that Hispanics also benefited from the NYA. The work project records show that the NYA employed a significant number of out-of-school blacks and Hispanics. Rider's reports to Washington went beyond requirements by making special note of NYA employment of Hispanics. Segregation and prejudice were as real in Arizona as anywhere else in the country, and the NYA could not alter this fact. This does not decrease its importance as one of the first federal programs in the 20th century to ensure minorities of a share of its benefits.

In its seven years of operation, the NYA in Arizona provided direct aid to thousands of high school and college students, giving many the margin of resources necessary to keep them from dropping out and seeking scarce jobs. This included aid for scores of black students, many of whom might not have been able to continue in college but for the NYA. Evidence is lacking on similar aid to Hispanics. For young people out of school, the NYA provided jobs in a variety of work projects. From sewing rooms to light construction, NYA projects produced many valuable goods and services. As with the WPA and previous work agencies, much of this work provided goods for distribution to the needy and helped to stretch limited relief budgets. As a work program, the NYA was rarely innovative and it largely earned its characterization as the "junior WPA." The primary importance of the NYA was that it targeted a particular group in need who were not being served by other New Deal programs. Though its methods were not exactly repeated, the NYA established a strong precedent for later federal aid to students.

12 THE HOLC AND PUBLIC HOUSING

The Great Depression created a crisis in housing. Unemployment and the banking crisis drove millions of homeowners into default on their mortgages; economic uncertainty prevented millions more from building new homes, decimating the construction industry. The following two chapters examine those agencies created to deal with differing aspects of the housing crisis. The first is the Home Owners' Loan Corporation, created in the First Hundred Days, as a rescue program for homeowners facing the loss of their homes because of default on their mortgages. The HOLC directly refinanced hundreds of thousands of mortgages, including thousands in Arizona. By the time its major lending operations ceased in 1936, the HOLC had refinanced nearly a fifth of all non-farm, mortgaged homes in the country. The HOLC became the largest single holder of mortgages in Arizona. The HOLC also introduced reforms in the home finance market such as long-term mortgages, amortized payments, and lower interest rates.

The early New Deal also introduced efforts to directly provide housing. The urban, subsistence homesteads projects tried to remedy the problem of unemployment by providing families with homes on large lots where they could grow a large portion of their own food. Experiments in back-to-the-land projects evolved later under the Resettlement Administration to communal agricultural housing projects. Several of these projects were built in Arizona, mostly in the Phoenix area. Arizona did not participate in other early New Deal public housing programs directed by the PWA, however, after the passage of the U.S. Housing Act of 1937, Phoenix received three public housing projects targeted to the poorest part of the city. Much of the credit for facilitating these projects goes to Father Emmett McLoughlin, a Catholic missionary in south Phoenix who relentlessly publicized the inadequate housing in that area and who successfully directed the attention of city and New Deal administrators to providing aid there.

The next chapter examines the Federal Housing Administration, an agency created to revive the construction industry by insuring home improvement and mortgage loans. These chapters reveal the important relationship between the HOLC and FHA and the largest bank in the state, the Valley Bank and Trust Company, later Valley National Bank. Officials with Valley Bank not only used these programs to expand their institution's interests, they served in important administrative positions in both agencies. The support of these important bankers helped to implement both agencies' programs, making them a success at the same time the bank expanded its dominant position in the state.

THE HOUSING CRISIS

Homeownership has been idealized as part of the American Dream, promoted as both a sound investment and for its presumed stabilizing influence on society. Hoover in 1931 expressed this opinion in a call for a conference to investigate problems in the housing industry when he declared that adequate housing "goes to the very roots of the well-being of the family." Roosevelt and others in the New Deal shared this opinion and the presumption that homeownership was an important part of adequate housing. In reality, only 46.8 percent of American families in 1930 owned their own residence. The rate was slightly lower in Arizona where only 43.2 percent of the state's 105,992 homes were owned by their resident, and among nonfarmers the ratio was even lower. While 60.9 percent of the 21,001 farm homes were owner-occupied, ratio for the 84,991 non-farm homes was only 38.8 percent.[1]

The Great Depression threatened the financial position of many homeowners. Increasing unemployment eroded personal incomes, placing home purchase beyond the reach of many families. Others, who had purchased homes in the 1920s with mortgage debt, expecting the prosperity to continue, found themselves unable to make their payments and fell into default. At the same time, the banking crisis dried up the available pool of credit. Lending institutions called in loans as soon as they were due, then foreclosed and tried to sell houses at whatever price the declining market would bring. Tens of thousands of homeowners lost their homes to foreclosures and tax sales. In the trough of the depression in 1933, the monthly rate of foreclosures reached a staggering 26,000—nearly a thousand a day. At that point, close to half of the nation's $20 billion in home mortgage debt was in default.[2]

These tens of thousands of individual tragedies added up to a national crisis. President Hoover initiated federal action to contain this crisis by calling for legislation to create a system of banks to buy and sell mortgages as investments. Congress approved the suggestion and on July 22, 1932, Hoover signed the act creating the Federal Home Loan

[1]Gertrude Sipperly Fish (ed.), *The Story of Housing*, (New York: MacMillan Publishing Co., Inc., 1979), 178; U.S. Department of Commerce. Bureau of the Census. *Fifteenth Census of the United States: 1930*. Volume VI. Families, (Washington: Government Printing Office, 1933), 113; *Sixteenth Census of the United States: 1940*, Housing, Vol. II, General Characteristics, Part I: United States Summary, (Washington, D.C.: Government Printing Office, 1943), 7. A home in the 1930 census was any place of abode and by census definition equaled the number of families. The family was any body of people, even a single individual, living as an independent unit. A home might be a single-family residence or a unit within a multi-family apartment.

[2]Fish, 183, 186.

Bank System. The system included twelve Federal Home Loan Banks which provided credit for financial institutions significantly engaged in financing home mortgages, mainly savings and loan associations, savings banks, and insurance companies. The Federal Home Loan Bank Board, located in Washington, guided the general policies of the banks. Member institutions could borrow funds from the Federal Home Loan Banks using their mortgage assets as collateral. In design and function, the system was analogous to the Federal Reserve System, created in 1913 to stabilize and aid the commercial banking sector. As an emergency measure, the original act also allowed the Federal Home Loan Banks to make direct loans to homeowners unable to find financing elsewhere.[3] The 1932 act was a major accomplishment in terms of Progressive financial reforms, but it was inadequate to rescue the hundreds of institutions on the verge of collapse. Neither the Federal Home Loan Banks, nor the Reconstruction Finance Corporation, created that same year, were able to prevent the near complete failure of the American financial system during the last months of the Hoover Administration. Like the RFC, the significance of the Federal Home Loan Banks in the era of the New Deal was that it provided President Roosevelt with a preexisting organization he could use to accomplish his program.

With foreclosures mounting, Roosevelt sent a message to Congress on April 13, 1933 declaring that it was in "the broad interests of the nation [to] require that special safeguards be thrown around home owners as a guaranty [*sic*] of social and economic stability." He requested passage of legislation to protect homeowners from foreclosure and to relieve them from a part "of the burden of excessive interest and principal payments incurred during the period of higher values and higher earning power." He qualified this federal initiative with a reassurance that private investors would not suffer any injustice and that the proposed plan would place the least possible charge on the federal treasury. "The plan... should put an end to present uncertain and chaotic conditions that create fear and despair among both homeowners and investors," the President reassured Congress. Congress responded with passage of the Home Owners' Loan Act, signed into law on June 13, 1933. The act directed the Federal Home Loan Bank Board to create a subsidiary agency—the Home Owners' Loan Corporation—whose directors were the members of the Board. The initial $200 million in capital for the new Home Owners' Loan Corporation was provided by the Treasury, which in turn secured the funds from the RFC.

[3]Ibid., 178-82; *The Federal Home Loan Bank System*, (The Federal Home Loan Banks, 1961), 2, 23-24. The number of Federal Home Loan Banks was later reduced to eleven when the district served by the Bank in Portland, Oregon was merged with the district served by the Bank in Los Angeles, California (which included Arizona). The merged Bank was located in San Francisco.

Additionally, the HOLC was authorized to issue $2 billion in its owns bonds.[4]

These assets made the HOLC one of the largest relief agencies of the early New Deal. The target of HOLC aid was homeowners whose mortgages were in default and whose property was in danger of foreclosure.[5] The plan offered mortgage holders needing liquidity two alternatives to foreclosing. First, the mortgage holder could exchange the mortgage for HOLC bonds, subject to certain conditions. These conditions included a limitation of HOLC aid to no more than 80 percent of the property's appraised value with a limit of $16,000. The properties had to be owner-occupied, worth no more than $20,000, and limited to buildings housing no more than four families. Properties with some business usage were allowed, but farm homes were not. Initially, the federal government guaranteed the interest, though not the principal of HOLC bonds, so there was an initial concern that mortgage holders would not accept them. In such cases, the HOLC could provide cash up to 40 percent of the appraised value in exchange for the mortgage.[6]

In addition to lifting the immediate threat of foreclosure from distressed homeowners, the HOLC offered generous terms on its loans. An HOLC loan of up to 80 percent of the appraised value of the property was more generous than could generally be found in the private market. Also, the interest rate was five percent, below the market rate. Not only were HOLC loans amortized over fifteen years, it permitted loans with no amortization for the first three years. The HOLC frequently negotiated with mortgage holders to downsize the outstanding debt before it would provide a loan. These features of HOLC aid allowed lower monthly payments for home debt. In addition to buying out the original mortgage holder, the HOLC also offered cash loans to pay overdue taxes and for necessary maintenance and repairs of the property.

The importance of HOLC services is best understood when compared to practices prevailing in the private mortgage market. Private mortgage credit had been far more limited than the modern norm. Lenders typically limited their credit to around 40 percent of the value of the property, leaving buyers to finance the balance in cash or a second mortgage. Mortgages were for relatively short terms, typically from

[4] *Arizona Republic*, April 14, 1993, 1:1, 1:2; C. Lowell Harriss, *History and Policies of the Home Owners' Loan Corporation*, (New York: National Bureau of Economic Research, Inc., 1951), 11. Two later congressional acts raise its spending authority to $4.75 billion by May 1935.

[5] Farm home owners were not eligible for HOLC loans as another New Deal agency had been created specifically to privide aid to them.

[6] Ibid., 10, 12.

three to five years, with interest-only payments and the balance due at the end of the term. Through the 1920s, however, the fairly high level of credit available and the general practice of rolling over debts into a new mortgage mitigated this relatively restricted system.[7] The depression demonstrated the weakness of this system by squeezing homeowners between dwindling incomes and unwillingness by cash-desperate lenders to renew mortgages. While the RFC and the Federal Home Loan Banks provided credit for financial institutions so that they could continue lending, the HOLC altered the way the home finance market operated. Long-term, amortized loans increasingly became the norm, providing lower payments and a more secure means of building equity in property. The HOLC also began the trend towards home purchase on smaller margins. An HOLC loan of up to 80 percent of the appraised value was a far greater margin than the private market offered. These changes set the stage for the home ownership boom after World War II that turned a majority of American families into homeowners.

When the HOLC was created, the less-than-year-old Federal Home Loan Bank Board had only 87 employees. The task of creating a new agency to handle the expected flood of loan applications proved daunting. A centralized system was out of the question since efficiency required close contact with borrowers, their properties, and with local economic conditions. Operations centered on the state offices. Below the state offices were branch offices—208 around the country. In addition, there was at least one local part-time fee attorney and fee appraiser for every county in the country. Initially, state offices had nearly complete autonomy in the selection of employees. This led to criticism of political patronage in many places and eventually to an increasing level of centralization as the Washington office tried to ensure the integrity of its operation. The creation of regional offices in 1934 was an important step in that direction. HOLC staff eventually peaked at about 20,000 around 1934-35 then tapered off as lending activities were curtailed.[8]

William Roy Wayland, a vice president and major stockholder in the Valley Bank and Trust Company, served as manager of the HOLC's Arizona office. Evan S. Stallcup served as assistant state manager. Others in the state office included Russ F. Tatum, chief appraiser, and E. H.

[7]Fish, 183.

[8]*Arizona Republic,* April 19, 1934, 1:1; Harriss, 6, 14-15. Rooting out political corruption was a part of the reorganization of the HOLC instituted by John H. Fahey when he became chairman of the FHLBB in November 1933. Charges ranged from workers forced to contribute to political funds to the use of offices for drinking and dancing. Appraisers were accused of extorting bribes to expedite applications and of inflating appraisals. By mid-April, six state directors had resigned. There is reason to suspect that early operations of the HOLC in Arizona were not without politics.

Wheat, chief accountant. Sidney Moeur, the governor's nephew, served as counsel for the state office. In addition to the state office, a local attorney and at least one appraiser was hired for each county.[9] A link between the local administration of the New Deal and Valley Bank began at the inception of the Roosevelt administration when Walter Bimson, president of the bank since the beginning of 1933, encouraged Governor Moeur to declare the state bank holiday of early March. The selection of Wayland, one of the bank's leading stockholders, to head the home owners' rescue effort began a systematic entanglement of the New Deal in Arizona with Valley Bank's business planning. Bimson publicized his support of the New Deal and acknowledged that an important part of his strategy for future growth was to tie the bank to the New Deal. Wayland's leadership of the HOLC demonstrates the commitment of the Valley Bank's board of directors to this strategy. The partnership between the New Deal and Valley Bank grew after Walter Bimson's brother Carl, also an officer of the bank, and C. H. Tinker, another vice president, became leading administrators of the FHA in Arizona.

Loan applications poured into the state offices of the HOLC—over 400,000 across the country by the end of September. Nationally, the HOLC took in 1,884,356 applications from June 1933 to June 27, 1935, when it permanently ceased accepting them. The Arizona office took in 9,458 applications during these two years for a total of about $26 million and with an average of $2,702 per application. Despite efforts to educate the public on the criteria for HOLC loans, a large number of applications were ineligible on their face, for example, for farm properties. Although there is no precise number of ineligible applicants, FHLBB chairman John H. Fahey estimated for Congress that about 30 percent of applications were ineligible. In the end, 868,670 applications—46 percent of the total—were either rejected by the HOLC or withdrawn before HOLC action. In its early months, states varied widely in the effectiveness of their early screening of applications. For example, one HOLC rule required applicants to try to refinance through private creditors before coming to the HOLC. Strict enforcement of this rule varied in different jurisdictions. Ultimately, 6,508 applications in Arizona were approved, totaling approximately $16 million.[10]

[9]John P. Connolly Collection, Special Collections, Northern Arizona University; *Arizona Republic*, December 13, 1933, 1:7.

[10]Harriss, 16-17, 21-22, 23. Harriss calculated the number of potentially eligible properties for each state and for the nation, however, the estimate is based on a number of qualifying assumptions. The first is that the frequency of mortgage indebtedness was the same in 1930 as it was in 1940 when the first detailed housing census was taken. It is not possible to separate out the number of properties valued at more than $20,000 that were ineligible for HOLC aid.

The rush of homeowners seeking help threatened to overwhelm Wayland's small staff. Every property had to be appraised and a credit report assembled for each applicant. Naturally, the pace of local operations disappointed applicants desperate to save their homes from foreclosure. Wayland defended his staff to the press: "The work of our organization is naturally slower out here than in the East. In New York City the same amount of money probably would be loaned in the area of a few blocks, while in Arizona hundreds of miles of travel and much postal communication is necessary. We are doing our best to overcome such obstacles to the immediate relief of every homeowner who has applied for aid." By Christmas, Wayland could report that 139 loans in Phoenix had been approved for $441,610.[11]

The state office suffered a setback when Wayland was severely injured in a car accident near Tucson in March 1934. Despite early claims that the HOLC's work would not be delayed, Evan Stallcup, the assistant manager, admitted to a sizable backlog of unprocessed applications. "A tremendous task faced the local corporation when it was finally organized," Stallcup said in late March. "Although the set-up was authorized by the administration last August, it was late in fall before it was actually functioning. Now more than 900 loans have been actually completed, entailing a distribution of approximately $2,500,000 in all parts of the state. By June 1 at least $1,500,000 more will have been distributed, the most of which will go to settle delinquent city, county and state taxes. With the prospects bright for federal guarantee for home loan bonds, the future success of the plan is assured." Wayland had still not returned to work by mid-April so the Washington office sent R. L. Olsen as a special representative to Arizona to push forward the work and to implement "a few minor changes... to conform to the Washington policy of uniformity of operations." Olsen promised to close every approved loan by June.[12]

Olsen also announced that the state office would concentrate on the HOLC's "wholesale operations." These worked differently than the regular process of taking applications from homeowners. The HOLC presumed that any mortgage held by a closed financial institution was threatened, even if the particular homeowner was not experiencing immediate difficulties and had not applied for aid. This activity typically worked in cooperation with the RFC. The RFC began by loaning funds to a financial institution in difficulty, accepting its mortgages as collateral. The institution then exchanged those mortgages on eligible

[11]*Arizona Republic*, December 15, 1933, 1:11; December 25, 1933, 1:2.

[12]Ibid., March 22, 1934, 2:8; March 25, 1934, 2:6.

properties for HOLC bonds or cash so that it could repay the RFC. This operation provided the institutions with much needed liquidity. Within two weeks, the HOLC provided this aid to the insolvent First National Building and Loan Association and the Intermountain Building and Loan Association. Apparently, the HOLC substituted its bonds for the bonds of the two building and loan associations, rather than purchase their mortgages, not its usual procedure. This rescued the bond holders of the two associations.[13]

To speed approval of HOLC applications, Congress in late April 1934 approved a new law expanding the federal guarantee on HOLC bonds from interest-only to principal as well. The law liberalized the expenditure of HOLC funds for rehabilitation and enlargement of homes as well as repairs and maintenance. It also placed new restrictions on unclosed applications by requiring that mortgages must have been in default on June 13, 1933 to be eligible. The public swamped the state office with questions about the changes and the staff worked overtime to close as many loans as possible before the President signed the bill. The staff closed 85 loans on the last day before the new rules went into effect, compared with 77 total in the previous week. For this extra effort, the Phoenix Real Estate Board voted its thanks to the HOLC staff.[14]

Prior to the HOLC, the mortgage market was essentially a conglomeration of local markets served by numerous individuals and local financial institutions. Property appraisals were conducted in a relatively unsystematic way. As the first national mortgage operation, the HOLC had to systematize its method of appraisal while still relying on knowledgeable locals. By law, HOLC loans were limited to 80 percent of appraised value. How this appraised value was calculated would have a major impact on the agency's effectiveness. The most conservative method would have been to estimate current market values, which in 1933 were severely depressed. While protecting the government's interests by limiting its investment, this method would have limited the HOLC's ability to provide relief to a sizable number of homeowners in distress, which was its reason for being. The HOLC settled upon an appraisal formula based on three factors weighted equally: the estimated current market price; the cost of a similar lot at the time of appraisal plus the cost of reproducing the building, less depreciation; and the capitalization of the monthly reasonable rental

[13]Ibid., April 17, 1934, 1:3; May 2, 1934, 1:7; Harriss, 37-38. No information has been found on the number of mortgages purchased by the HOLC in Arizona through these wholesale operations. The description of the exchange of HOLC bonds for the bonds of the B&Ls is based upon a single newspaper article and so may not be entirely accurate.

[14]*Arizona Republic*, April 27, 1934, 1:1; May 1, 1934, 2:1.

value of the property for the last ten years. This formula tended to calculate a value greater than the current market price. The idea of such a formula was another innovation introduced into the housing market by the HOLC.[15]

Applying the formula required a field staff that could reliably use it both to provide needed relief loans and minimize the agency's risks. Since applications would arrive from every corner of the country, a centralized staff of appraisers was not practical. Also, applications would be disbursed in small numbers in every community so that it was not practical to hire a full-time appraiser except in the large urban areas. The agency decided to rely on local people on a part-time fee basis. One or more appraisers were hired for each county and were paid, initially, $5 per application. Problems in obtaining consistent appraisals as well as criticisms of politics in the selection of employees pushed Fahey's Washington staff in developing uniform appraisal regulations and standard forms and instructions. After consulting with the American Institute of Real Estate Appraisers in December 1933, the HOLC announced new regulations designed to ensure that only qualified local appraisers were hired. The appraisal fee was raised to $12 to $15 per application. It would take many months, though, to build up a staff that met the qualifications.[16]

Little is known about local HOLC operations in Arizona except for the work of two appraisers in Yavapai County, John P. Connolly and Thomas A. Miller, who were hired early on to do appraisals in the Verde Valley area between Jerome and Camp Verde.[17] That Connolly was a former mayor and Miller the current mayor of Jerome may have had something to do with their selection as appraisers. Connolly admitted that he had no prior experience as an appraiser, though Miller apparently did have experience. Both men worked together and did a total of 46 appraisals up to October 1, 1934, for which they were paid $240. Connolly discovered some issues that made HOLC relief more complex than originally thought. For example, he had to seek guidance regarding the eligibility of non-citizen property owners. He also raised the issue of whether someone with a lease on a property of greater than 99 years was eligible. It was the job of Wayland's office to answer such questions by field staff. In these instances, Wayland responded to

[15]Harriss, 2.

[16]Ibid., 42-43.

[17]The only known records of the HOLC preserved in Arizona are in the special collections of Northern Arizona University where John P. Connolly donated copies of his materials.

Connolly that both property held by non-citizens and on long-term leases were eligible. Efficient operations depended on the effort made by local field staff such as Connolly. When he fell ill in April and May 1934, appraisals in that part of the state were delayed by a month. Connolly took note of the efforts by the HOLC to improve the quality of its staff and appraisal methods. "Apparently there is a disposition to tighten up on all these Home Owners' loans and the requirements are becoming more stringent all the time," he commented. On September 24, 1934, after the HOLC instituted written exams for appraisers, he resigned from HOLC service, reporting that he had another job and that doing appraisals was more work than at the beginning.[18]

The mining camps of the state, where the depression hit hardest, presented several challenges. In a community such as Ajo, where Phelps Dodge owned nearly all the housing, the HOLC was irrelevant. In others, such as Jerome and Clarkdale, where residents could own their own homes, HOLC aid was much needed. However, the closure of the mines raised two important problems. First, the HOLC did not loan to the unemployed. Second, property values in the copper camps had fallen precipitously, often below the nominal value of the mortgage. In such cases, owners had no equity to protect and so no incentive to continue the effort to make their monthly payments. Mortgage holders faced the financially disastrous possibility of foreclosing on properties and selling them at great loss. Despite the HOLC's generous appraisal method, many properties were valued at less than the outstanding mortgage amount. Wayland informed his appraisers that no refinancing would be approved for owners without equity in their property and that the only way to advance aid would be if the mortgage holder would agree to accept a lesser amount rather than take over the property.

Since the target of HOLC relief was homeowners in distress, it is not surprising that despite reduced monthly payments, some people remained unable to meet their obligations. HOLC policy was to make every reasonable effort to help those who found themselves in continuing difficulties. Inevitably, a number of delinquent accounts arose that required action. To these the agency provided personal service with its representatives meeting with the debtor and attempting to work out conditions under which they could either meet their obligation or get

18Connolly Collection, Series 1, Box 1, ephemera, Northern Arizona University. Similar questions were raised about nonresident homeowners and owners of multiple properties. Aid could be extended to nonresident owners if the HOLC determined that their they were not resident for reasons beyond their control. Owners of multiple properties were restricted to HOLC aid only for their own residences. Another question revolved around the extent of allowable political activity by HOLC employees. While most political activity was forbidden to HOLC workers, they were allowed to served as precinct committeemen.

out from under it. The HOLC might recommend sale to obtain whatever equity the owner was due or it might suggest renting the property while the family lived in less expensive quarters. Arrangements might be made to pay the overdue amount over a period of time. The evidence indicates that where the debtors showed good faith, the HOLC was extremely lenient and did what it could to prevent foreclosure.[19]

Despite this leniency, thousands of people remained unable or unwilling to meet their loan obligations, leaving the HOLC no choice but to foreclose. Nationally, the HOLC acquired nearly 200,000 homes. The greatest number of foreclosures occurred between May 1937 and July 1938, ranging between 4,094 and 5,013 in a month. This bulge in foreclosures coincided with the "Roosevelt Recession" which followed an attempt by the Administration to cut the federal budget. Foreclosures peaked in March 1938 and then dropped to a relatively insignificant level by 1941. The decline in foreclosures owed, first, to the Mead-Barry Act of August 11, 1939, which offered up to ten years extension of the loan period on outstanding loans. At the same time, the HOLC lowered the interest rate on all loans from 5% to 4.5%. These two actions further reduced monthly payments. Finally, the real estate market began to move upward at the end of the decade, providing homeowners with an increased equity in their property.[20]

In Arizona, on June 20, 1935, Wayland's office began foreclosure proceedings against Mr. and Mrs. Lawrence Marberry, who had defaulted on their loan of less than $1,500. This was the first foreclosure for the HOLC in Arizona. The rate of foreclosures varied considerable across the country. The total of foreclosures nationally was 194,134 or 19.1% of the total number of loans. New York had the highest rate at 42.9%; Nevada the lowest at 4.4%. Arizona had 915 foreclosures, which was 14.1% of the total number of loans. Arizona's rate of foreclosure was the second highest in the Mountain and Pacific states region, exceeded only by Utah's 14.8%. In part, this relatively high rate of foreclosures reflects the relative leniency of state foreclosure laws. In Arizona the average time to foreclose on a property was 9.1 months, one of the shortest periods in the Mountain states region. Foreclosures occurred for a number of reasons. In 1944, the HOLC compiled a list of these reasons with the number of associated foreclosures by regions of the country. The two largest categories of reasons were "noncooperation of the borrower" and "obstinate refusal to pay," which accounted for nearly two-thirds of the total foreclosures. Despite screening applicants for credit information prior to approval, it was

[19]Harriss, 3.

[20]Ibid., 73, 135-36.

impossible for the HOLC to completely weed out borrowers willing to take advantage of government aid and live in their homes effectively rent free until evicted.[21]

After properties fell into HOLC ownership, the agency had to make further investments to protect its interests. To avoid losses caused by dumping properties on the market, it rented them out for a time. While renting provided some income, the agency typically had to spend money on reconditioning and repair, and when eventually sold, few houses returned the total HOLC investment. In Arizona, the HOLC spent $389,000 on reconditioning and repair of the 958 properties it acquired through foreclosure and voluntary transfer. The net investment by the HOLC in homes it acquired in Arizona, including the original loan, averaged $4,349, and their ultimate sales price averaged $3,192. This capital loss nearly matched the national rate.[22]

On April 27, 1934, Congress authorized the HOLC to make "reconditioning" loans for "the rehabilitation, modernization, rebuilding and enlargement" of homes. These loans were justified as a means to employ workers in the virtually moribund building trades. By July 2, 1936, the HOLC had received 675,042 reconditioning loan applications and approved 478,467 for a total of approximately $99 million, far below the $400 million authorized by Congress. The HOLC could also advance funds for the payment of overdue taxes, insurance premiums, and other outstanding assessments against the property. Of the $3.1 billion disbursed by the HOLC during its initial loan period, $208 million went to pay back taxes, $25 million for other special assessments, and $6 million for insurance premiums.[23]

The local administration of the HOLC changed hands when Wayland resigned on August 27, 1935, in order to devote his attention to Valley Bank business. Sidney Moeur became the new head of the organization. Wayland saw the HOLC through its most important phase, the period when it was granting loans. In fact, his resignation was delayed when on May 31, 1935, the HOLC renewed its lending operation, suspended since November 15, 1934. When this rush of several hundred applications was processed, Wayland returned to the private sector.

[21]*Arizona Republic*, June 21, 1935, 1:5; Harriss, 74-75, 80, 84-85. Other reasons for foreclosure were abandonment of the property, 18.0%; total inability to pay, 11.6%; death of the borrower, 5.4%; and legal complications, 0.6%. The HOLC acquired 198,200 homes through foreclosure and voluntary transfer.

[22]Ibid., 109-10 121-23.

[23]Ibid, 127-130.

Moeur's duties revolved around the later tasks of mortgage servicing and foreclosures.[24]

Nationally, approximately 70 percent of the HOLC's loans were closed in the twelve months beginning March 1934. The corporation ceased accepting new applications on June 27, 1935, after receiving a total of 1,884,356. It ceased closing new loans on June 12, 1936 with a total of 1,017,821. After that, FHLBB chairman Fahey oversaw the slow reduction of staff as the HOLC concentrated on servicing its existing loans and handling the properties it acquired. By 1940, foreclosures were becoming a relatively small problem and the need for individual state offices was no longer imperative. All state offices were closed by September 1942. The regional offices took over the remaining responsibilities for managing the corporation's outstanding loans. The HOLC finally liquidated in 1951 after disposing of its remaining loans to private entities. In its final accounting, the HOLC recorded a slight profit after its nearly eighteen years of operation—a nearly unique record for a major New Deal agency.[25]

In total, the HOLC in Arizona loaned about $16 million to 6,508 homeowners. The average loan was for $2,423 on a property of approximately $3,616 in value. In 1940, the census recorded 114,916 non-farm dwelling units in Arizona. The vast majority of these—89,362—were single-family residences. This compares with 84,991 "homes" recorded in the 1930 census. A total of 15,020 1- to 4-family homes had outstanding mortgages in 1940. Of the 14,065 reporting the holder of the mortgage, 3,596 were held by the HOLC, making it the single largest institutional holder of mortgages in the state, the remainder being held by a variety of private institutions and individuals. By far the largest category of property in the HOLC portfolio was single-family residences, totaling 3,267 properties. As a measure of what HOLC meant to the homeowners fortunate enough to have HOLC loans, by 1940, the interest rate on HOLC loans was 4.5 percent while the average interest rate in the state was 5.72 percent. Phoenix and surrounding communities contained over half the total number of mortgaged 1- to 4-family residences in the state. This was approximately three times higher than their proportion of the state's population, indicating the relatively high growth rate over the previous two decades. Relatively few mortgages remained in the mining communities, towns that had grown most rapidly in the late 19th and first two decades of the 20th centuries. The rate of new home construction in these communities, many with declining populations,

[24]*Arizona Republic*, May 3, 1935, 1:7; June 1, 1935, 1:5.

[25]Harriss, 141-42, 160, 180. All loans in Arizona were already settled before the final liquidation of the HOLC.

was far less than in Phoenix or Tucson. During the 1930s, only two communities in Pima County experienced much growth, Tucson and Ajo. All of the HOLC's mortgages in Pima County were in Tucson. The HOLC made no investment in Ajo because Phelps Dodge owned most of its housing.[26]

The census also recorded the race of occupants in mortgaged properties. Nonwhites, who made up approximately 40 percent of the population, occupied 3.2 percent of the single-family mortgaged residences, while accounting for only 2.8 percent of the outstanding HOLC loans. This small level of homeownership, as measured through outstanding mortgages, reflects the marginalized economic niches occupied by minorities in the 1930s. It is impossible to determine from these numbers if there was any overt racial discrimination in the administration of the HOLC in Arizona. For one thing, there is no record of applications by race that would allow one to calculate if nonwhites were turned down in relatively higher proportions. Since these minorities tended to be poorer, they were more likely to be renters, and would not be served by the HOLC. It is notable, however, that the number of HOLC loans and mortgages owed by black was much higher than for other nonwhites. It appears that Arizona's Hispanic population, which greatly outnumbered blacks in numbers, gained little from the HOLC. This reflects the general marginalization of Hispanics by the private mortgage market in general.[27]

There is also little information about the properties for which the HOLC provided loans. The great majority was single-family residences valued by the HOLC at the time the loans were granted at an average of $3,616. Most properties were modest dwellings, far below the $20,000 maximum value for HOLC-eligible properties. Of the 3,197 properties reporting the year of construction in the 1940 census, 1,508 or 47.2 percent were built in the boom decade of the 1920s. Another 946 were constructed during the 1930s and the remainder prior to 1920. The HOLC provided only a small number of loans for the highest end homes. In 1940, only nine loans were outstanding for amounts of $10,000 or more and only 73 for residences between $5,000 and $9,999.

[26] *Sixteenth Census of the United States: 1940, Report on Housing,* Volume IV, Mortgages. Part 2: Alabama-New York (Washington, D.C.: Government Printing Office, 1943), 47. Use of census data to evaluate the HOLC must be qualified by acknowledging that many of its loans had already been settled by 1940, some through foreclosures or voluntary transfers, others at the time the property was sold to a new owner.

[27] Ibid., 36.

PUBLIC HOUSING

Interest in housing began early in the New Deal. In addition to the HOLC's mortgage refinancing program, the Department of the Interior became involved in direct construction of homes. Roosevelt's own interest in the "back to the land" movement, spurred creation of the Division of Subsistence Homesteads with a $25 million appropriation from the National Industrial Recovery Act. One aspect of the plan was to create part-time farms where residents on large lots—three-quarters acre—could grow citrus and garden crops to supplement part-time employment in the city. The plan reflected both an idealization of contact with the soil and a fear that a portion of the population might never attain full-time, secure employment in industry. Governor Moeur actively sought homestead projects for Arizona and DSH head Milburn L. Wilson, who thought Arizona an "interesting state," promised one or two projects. The DSH acquired three tracts in the Salt River Valley, in Glendale, Chandler, and the Baxter Tract northeast of Phoenix. Development of the Baxter Tract, a project that became better known as the Phoenix Homesteads, was the most important of the three. The homes, designed by Arizona architect R. T. Evans, were fairly small, constructed of adobe and with few windows to minimize costs. In 1935, families began to move into the development's 25 homes. That same year, the DSH was eliminated and replaced by the Resettlement Administration under Rexford Tugwell. The RA developed a second tract, just north of the first, of 35 homes designed by San Francisco architect Vernon De Mars, and completed in 1937. A common farm divided the two developments and the second project included a community center. Another 40 homes were developed on the tracts in Glendale and Chandler. The Chandler development included four multi-family, two-story units designed to house eight families. The Glendale project consisted of single-family residences. Another large RA project began in 1937 on a tract about five miles west of Florence. Seventy homes were eventually completed there.[28]

The National Industrial Recovery Act also included a provision for slum clearance and public housing. Although justified as work projects, New York Senator Wagner, who wanted to see the federal government try to eliminate substandard housing, inserted this provision. Public Works Administrator Harold Ickes shared this same ideal. The PWA established a Housing Division to provide low-interest loans to limited-dividend housing corporations. Unfortunately, between 1933 and 1935, the PWA provide loans for only seven projects, none of which were in

[28]Robert M. Carriker, *A New Deal Program: The Phoenix Homesteads, 1933-1948*, Masters Thesis, (Tempe: Arizona State University, 1993), 2-3, 10, 29, 35-36, 46, 67-69; *Arizona Republic*, January 15, 1937, 1:4.

Arizona. Ickes replaced the loan program with direct construction of low-rent housing projects in 1934. The PWA developed 51 low-rent housing projects between 1934 and 1935, when the PWA's housing program ended. Again, no projects were built in Arizona. Critics attacked the PWA both for the pace it pursued housing projects, and for its centralized methods. Senator Wagner began pushing a new housing measure in 1935 that would create a permanent federal housing agency to oversee a larger-scale housing program, but would rely on local governments to implement it. Roosevelt threw his support behind the proposal in early 1937 and Congress passed the U.S. Housing Act of 1937 on September 1.[29]

The U.S. Housing Act of 1937 declared it national policy to "promote the general welfare of the Nation by employing its funds and credit... to remedy the nonsafe and unsanitary housing conditions and the acute shortage of decent, safe, and sanitary dwellings for families of low-income, in urban and rural non-farm areas." It established the U.S. Housing Authority within the Department of the Interior, although it would not directly build or manage public housing projects as the PWA had done. Implementation was to be carried out by local public housing authorities that could receive 60 year loans for up to 90 percent of the development costs. The U.S. Housing Authority, under the leadership of Nathan Straus, initiated a vigorous campaign to convince states to pass the necessary legislation to permit creation of local public housing authorities. Enough states complied, and enough local authorities were created that the new agency was responsible for 100,000 new units of housing by 1942. The 370 housing projects begun before the war included three in Phoenix. In 1939, Congress restricted the U.S. Housing Authority's program by failing to approve any additional funding, leaving it to complete its program with the $800 million approved in 1937 and 1938.[30]

Arizona might have missed any participation in the housing program, but for the effort of Father Emmett McLoughlin. McLoughlin moved to Phoenix in 1934 and undertook a mission in the poorest, black neighborhood of the south part of town. He bought an abandoned grocery store at 7th Avenue and Sherman Street and converted it into a Catholic church and social hall called St. Monica's Community Center. He immediately began to tap a number of public entities for assistance, including the WPA, the NYA, the Surplus Commodity Corporation, the Farm Security Administration, and the U.S. Public Health Service. He

[29]Robinson & Associates, Inc. and Jeffrey Shrimpton, *Public Housing in the United States, 1933-1949* [draft], 1997, 22, 29, 48-52, 58.

[30]Ibid., 58-61, 67.

soon became the most prominent social worker in the state after the departure of Florence Warner. In early 1938, he served on the appraisal committee that reported glowingly on the activities of the WPA. Aware of the conditions in which the poorest Phoenix residents lived, McLoughlin saw great hope in the U.S. Housing Act. Together with a reporter from the Phoenix *Gazette*, he publicized the southside slums with its leaning shacks, 'one-holers,' and congested fire-traps.[31]

Passage of the U.S. Housing Act followed the stormy legislative sessions of 1937 that were dominated by Social Security and health care issues. Disillusioned by politics, Governor Stanford announced in September that he would not seek a second term as governor. Despite the publicity given the problem of the slums, Stanford did not take the issue to the legislature in another special session. McLoughlin himself took the issue directly to the legislature during its next regular session in January 1939. After managing to be appointed chaplain for the session, he refused to be neutral and openly called for passage of legislation to authorize creation of public housing authorities. At one point he even threatened to "forget to bless the members" if they refused to approve the bill. The legislators complied with the priest's demands and Governor Jones signed the new law in March. The Phoenix City Commission quickly approved creation of a public housing authority and named McLoughlin chairman. The public housing authority proposed three projects in south Phoenix, one each for whites, Hispanics, and blacks. Opposition immediately arose from the slumlords, to which McLoughlin responded, "The cries that rose to the city commission would have led bystanders to believe that we were about to tear down the country club." The U.S. Housing Authority approved a grant for $1,613,000 to build the three housing projects with 150 units for whites, 225 for Hispanics, and 135 for blacks. Despite the opposition, the city approved the sites and condemned the property beginning in the spring of 1940. The projects were completed the next year with one of the lowest per-unit costs of any in the country. As a reward for his prominent leadership role, McLoughlin was chosen as the president of the Western Association of Housing Officials in 1941.[32]

The physical legacy of these housing programs can be found in Phoenix (where the Phoenix Homesteads are now well within the city

[31]Luckingham, 118-19.

[32]Ibid., 119-20; Kotlanger, 136-39, 152. The three housing projects were Matthew Hensen Housing Project, in the area bounded by Sherman St., 9th and 7th Avenues, and Tonto St. The Marcos de Niza Housing Project was built in the area bounded by Yavapai St., Harmon Park, 1st Ave., and Pima St. The Frank Luke, Jr. Housing Projects was in the area bounded by Villan, 19th and 20th Streets, and Highland Avenue.

limits), in Glendale and Chandler homestead projects, and in the three south Phoenix public housing projects. The Phoenix Homesteads common farm is now filled with houses of a later vintage and all of the communal aspects of the projects have long since been abandoned. The community center is now a school administration building. In south Phoenix, the public housing projects stand as a reminder of a method of urban redevelopment that is no longer followed. It is still possible to find houses dating back to the 1920s and 1930s, the very same ones that Father McLoughlin condemned as the shame of the city. These, however, are rapidly disappearing, giving in to the forces of deterioration, vandalism, and to the Community Development Block Grant program of the Department of Housing and Urban Development. Housing projects have given way to construction of affordable single-family dwellings. Within two square miles south of the railroad tracks, it is possible to see remnants of much of the history of public housing in Phoenix.

CONCLUSION

Prior to 1932, the housing market was a private market sector with little government involvement. Federal intervention began with the creation in 1932 of the Federal Home Loan Bank System. The formation of the Home Owners' Loan Corporation was the first step taken by the Roosevelt Administration towards a policy that would, by the end of the New Deal, involved the federal government in every aspect of the housing market ranging from materials to urban planning, and from indirect subsidy to public housing. Central to this intervention was the policy of promoting homeownership and construction of single family dwellings. After the interruption of World War II, this policy of subsidizing private homeownership led to a tremendous housing boom and more widespread homeownership than ever before. By 1960, the proportion of homeownership in America rose to 62 percent.[33]

Although it is one of the dimmest of New Deal agencies in the public memory, the HOLC was, in fact, one of the largest relief agencies created in the first year of the Roosevelt presidency. It provided categorical aid to a limited clientele of Americans in need—a characteristic common to most New Deal agencies. Its beneficiaries were homeowners who held their property through mortgage debt and who were experiencing financial difficulties. The HOLC did not aid renters who made up a majority of American families. It did not aid homeowners without mortgages who might be suffering from the depression in other ways; nor did it extend aid to the unemployed who could not repay an HOLC

[33] J. Paul Mitchel (ed.), *Federal Housing Policy and Programs, Past and Present*, (New Brunswick: Rutgers, State University of New Jersey, Center for Urban Policy Research, 1985), 9.

loan. At least in Arizona, approximately 97 percent of its aid went to whites. But for those whom it did aid, over a million families nationwide, its benefits were substantial. Arthur M. Schlesinger, Jr. wrote of the HOLC, "Probably no single measure consolidated so much middle-class support for the administration."[34]

Of the "relief, recovery, and reform" categories of New Deal programs, the HOLC was clearly a relief agency. It rescued a million homeowners whose mortgages might have gone into default. While an innovator in the areas of standardized appraisals and long-term home financing, the HOLC by itself did not, and could not, alter the traditional structure of private home finance. Perhaps the most important reason for this was that its leadership, Fahey in particular, never sought such a reform role. The HOLC performed its rescue function from 1933 to 1936 and when its statutory lending capacity was exhausted, it ceased to make new loans and became, in effect, little more than a collection agency. There was never an effort to extend the HOLC as a permanent lending agency. Apart from the HOLC, President Roosevelt steadfastly refused to allow the federal government to become a direct lender in competition with private financial institutions. The dilemma remained, however, of a construction industry flat on its back and a credit system that could not revive it.

[34]Schlesinger, Jr., *The Coming of the New Deal*, 298.

13 THE FEDERAL HOUSING ADMINISTRATION

By early 1934, the HOLC's loan program was successfully preserving the property of thousands of homeowners temporarily unable to meet their mortgage obligations. Despite its important success, the HOLC contributed little to reviving the construction industry, one of the hardest hit segments of the Arizona economy. To meet this need Congress and the President created another housing program in 1934 under a new agency, the Federal Housing Administration, whose purpose was to provide insurance for private lenders for home improvement loans, mortgage refinancing, and new home mortgages. Though slow in implementation, by the end of the 1930s the FHA contributed significantly to a nearly full revival of the construction industry in the state. In addition to its recovery role, the FHA also promoted important reforms in the housing industry that reshaped both mortgage finance and the construction of new houses and subdivisions. The FHA continued and expanded on the work of the HOLC in promoting long-term, amortized mortgages, eventually making them the industry norm. In addition, as a condition of FHA insurance, lenders and builders were required to meet minimum standards set by the FHA in such things as construction materials, home design, and subdivision layout. FHA standards altered the way neighborhoods and cities were planned and built. The change could be seen by the end of the 1930s, although it was not until the housing boom after the war added dozens of new subdivisions and thousands of new homes that the extent of the FHA's influence became apparent. For its long-term effect on transforming an important aspect of American economy, the FHA ranks with the Social Security as one of the most important legacies of the New Deal.

INITIATION OF THE FEDERAL HOUSING PROGRAM

At a meeting of the National Emergency Council late in 1933, John Fahey requested an additional $2 billion for the HOLC. This precipitated a request from the President to his advisors for a way to revive the building industry without a significant charge on the treasury. The result was the enactment of the National Housing Act on June 27, 1934. The NHA is notable for creating one of the few New Deal agencies—the Federal Housing Administration—that would survive the Roosevelt years intact as a permanent agency. Unlike the relief goal of the HOLC, the FHA was intended to fulfill the dual purposes of recovery and reform. New Dealers hoped the FHA would revive the moribund construction industry by encouraging the construction and improvement of private homes. They also wanted it to reform private lending practices by establishing incentives for the granting of long-term credit.[1]

[1]Fish, 200-01.

The NHA contained five interrelated titles. Title I created the Federal Housing Administration and established the first program to revive of the construction industry—a program to finance housing repair and modernization. Housing program planners hoped that small-scale work could provide immediate employment to the building trades. The FHA's role was as an insurance agency, not a direct lender. For approved financial institutions, the FHA insured loans made "For the purpose of financing alterations, repairs and improvements upon real property." This insurance was limited to 20 percent of the total amount of the loan, with a maximum of $2,000. The FHA was authorized to extend up to $200 million in such insurance obligations. A Reconstruction Finance Corporation loan provided the FHA's initial capital.[2]

Title II created an insurance program for refinancing existing mortgages and for mortgages on new construction. Unlike the HOLC's refinancing effort, the FHA program was not targeted to mortgages in distress. Any homeowners who qualified could refinance their current short-term, high interest loans with long-term, amortized, FHA-insured loans. This program offered no boost to the economy other than to reform the traditional housing credit system. Insurance on mortgages for new construction, on the other hand, would do both. The interest rate on FHA-insured mortgages, plus additional charges, was capped at six percent—significantly cheaper than prevailing private interest rates.[3]

A mortgagor wishing to refinance an existing loan, or a potential homeowner wanting a new home construction loan could apply to any FHA-approved financial institution. These institutions would grant the loan based on their routine evaluation of the character of the applicant and an appraisal of the property following FHA standards. In case of default on the loan, the mortgagee—the financial institutions—would foreclose the property and convey its title to the FHA. The FHA then transferred debentures of three year maturity, at three percent interest, equal to the value of the mortgage plus any taxes and fees paid by the mortgagee. Unlike the initial debentures of the HOLC, those of the FHA were fully guaranteed for both principal and interest by the U.S. Treasury. To minimize losses on acquired properties, the FHA could delay sale, invest in modernization and repair, and rent them out.

[2]Ibid., 201-02; *Arizona Republic*, July 29, 1934, 3:5. This issue publishes a digest of the National Housing Act prepared by the National Realtors Association.

[3]Other conditions were similar to those of the HOLC. An eligible property had to be either owned or held on a long-term lease, could not house more than four families, and be worth no more than $20,000. The FHA would insure a loan up to 80 percent of the value of the property. Title II limited FHA insurance obligations to $2 billion, divided equally between refinancing mortgages on existing properties and new construction.

As experience proved, Title II offered very little incentive to encourage private lenders to participate in the FHA program. In the first place, many states' banking laws limited the proportion of bank assets that could be invested in mortgages. Second, lenders perceived a significant disadvantage in extending up to 80 percent of the value of properties on very long-term assets. Tying up a large portion of their funds in long-term assets at low interest rate exposed them to a higher opportunity cost by not being able to participate in potentially higher yielding ventures. Fixed low interest rates were particularly unattractive in 1934 and 1935 because there seemed a very real possibility that the Roosevelt Administration might pursue an inflationary monetary policy. Also, as the experience of 1932-33 demonstrated, should confidence in the banking system fail, these institutions would be squeezed between the immediate demands of their depositors and assets that could not be readily liquefied. The NHA offered two solutions to this dilemma.

To encourage participation in Title II, Title III authorized a system of national mortgage associations. These were to be private corporations regulated by the FHA, whose business was to purchase and sell mortgages. These associations, the law's framers hoped, would create a national secondary market for mortgages where lenders could liquidate their mortgage holdings. The system proved difficult to implement until the RFC intervened by creating its own subsidiary national mortgage association. Title IV created the Federal Savings and Loan Insurance Corporation which, like the Federal Deposit Insurance Corporation created in 1933, provided insurance to depositors in participating financial institutions, reducing the chances of the kind of massive panic and subsequent runs on banks and other lenders that had proven so devastating in 1932 and 1933.[4]

President Roosevelt chose James W. Moffett, a wealthy oil man whose father had been president of Standard Oil of New Jersey as first Administrator of the FHA. Moffett quickly identified himself as a protector of private industry against the intrusions of government. In particular, he criticized the PWA's housing program and downplayed low cost housing projects as a meaningful part of FHA's program. Although Moffett did not remain Administrator very long, retiring in mid-1935, his early decisions had a major impact on how the new agency operated and on its immediate success, or lack of success. Two such decisions were his choices of men to oversee the separate programs in Titles I and II of the NHA. For the repair and modernization program,

[4]Fish, 200-01. Fahey's criticism of the FSLIC led to his opposition to the entire National Housing Act. For this reason, the FHA was made an independent agency rather than placed under the FHLBB as initially planned. Title V of the NHA amended the Federal Home Loan Bank Act, the Farm Credit Act, and the Federal Reserve Act, and increased the loan authority of the HOLC.

Moffett selected Albert Dean. Dean, one of the drafters of the NHA and an expert on consumer credit, was a good choice for he enthusiastically launched a publicity campaign to encourage the American people to upgrade their homes now in order to meet their own needs and to provide immediate employment. Moffett placed Title II in the hands of a New York banker who had little sympathy with the program and whose actions significantly reduced its effectiveness. While thousands of financial institutions received FHA approval for repair and modernization loans, many large banks and insurance companies were reluctant to cooperate fully with the new construction program. In addition, the FHA established exceedingly strict procedures for appraising properties. The result was that the new construction program was slow in picking up momentum.[5]

THE MODERNIZATION PROGRAM

In the initial implementation of the NHA, the repair and modernization program took priority because it offered the best potential to boost employment quickly. Naysayers argued that such work would languish as long as construction costs remained relatively high. Moffett countered that he did not "look for any general reduction whatever" in prices in building material. "There has been a general impression," he told reporters, "that to start the [modernization] campaign a bargain price might be named. With few exceptions I believe prices are reasonable and generally below the 1926 level." The FHA would go ahead and launch a massive publicity drive to get people to take out home improvement loans. Moffett looked to decentralization as the means to accomplishing this task. The publicity campaign "will be purely a local effort," he declared, "steered by the [state] directors."

Moffett wanted the Title I program to move quickly and he did not want the delays associated with creating a bureaucratic organization from scratch. He turned to the National Recovery Administration, which had experience in leading a national publicity campaign, to aid in implementing the FHA. Donald Richberg of the NRA agreed to allow the existing local organizations of the National Emergency Council to serve as administrators of the FHA. Around the country, 30 state NEC directors became the local FHA administrators in mid-August, 1934. Moffett hoped to replace this temporary structure in "a few weeks or months" with permanent state organizations with only FHA personnel. In Arizona, Steve A. Spear, already burdened with trying to make the NRA work, found himself with the new FHA program to launch. Spear

[5]Nathaniel S. Keith, *Politics and the Housing Crisis Since 1930*, (New York: Universe Books, 1973), 30; Fish, 203; Leuchtenburg, 135.

was dedicated to this work, however, and threw himself into the effort, even at the expense of sacrificing his political power.[6]

Spear's first task in launching the Title I program was to obtain support from local bankers and other lenders. The first two banks to receive FHA approval for modernization loans were the First National Bank of Arizona and the Bank of Willcox. Nine other banks received FHA approval by September 21, providing coverage for nearly the entire state. The most important of these was the Valley Bank and Trust Company, not only because of its many branches across the state, but because of its expanding policy of linking its officers to the New Deal. Wayland and Walter and Carl Bimson understood the implications of the NHA and actively worked for its passage. At the same time as Spear's appointment to head the FHA in Arizona, Valley Bank vice president, C. H. Tinker, became the liaison between the American Bankers Association and the FHA.[7]

With the banking community lined up to provide modernization loans, Spear turned next to the publicity campaign to advertise the new program. In Phoenix, the Chamber of Commerce established a special committee to distribute information and encourage people to take out loans for improvements. The Junior Chamber of Commerce, the Jaycees, organized a Better Homes Show starting on October 2, coincident with the beginning of "Better Homes Week" as proclaimed by Phoenix Mayor Joseph S. Jenckes. Housing information and publicity drives also began in Prescott and Mohave County. Spear traveled across the state speaking to groups and extolling the importance of modernization work. Local radio in Phoenix broadcast information about the program.[8]

In Phoenix, the leg work to "put over" the modernization campaign was carried out by some 50 FERA workers who canvassed the city distributing information on the FHA to likely prospects. During this week-long work, these FERA workers contacted 1,870 homes. Spear triumphantly announced to the press that 1,250 Phoenix households had indicated their intention to apply for FHA loans. Some loans had already been made and follow-up visits would pursue these likely prospects. The Jaycees' Better Homes Show, by all indications, was a great

[6]*Arizona Republic,* August 12, 1934, 3:1; November 21, 1934, 1:1. Spear had served as Speaker of the House in the legislature in its regular session in 1933 and in two subsequent special sessions called by Governor Moeur. When Moeur called a third special session in November 1934 to deal with issues related to securing PWA loans, Spear resigned his seat.

[7]Ibid., September 6, 1934, 1:8; September 9, 1934, 2:2; September 22, 1934, 1:3; Luckingham, 108-09.

[8]Ibid., August 22, 1934, 1:1; September 6, 1934, 2:1; September 16, 1934, 3:1; September 19, 1934, 1:6; September 20, 1934, 2:1; September 30, 1934, 1:2.

success. Lured by free entertainment, thousands of people wandered through the Shriners Auditorium where they examined 50 exhibitors of building materials, supplies, and household equipment. Visitors could even apply for a home improvement loan right at the show.[9]

Spear acknowledged that there was a great deal of confusion regarding the FHA program. The first misunderstanding was that the FHA itself did not make loans to people. Applicants had to apply for loans at any of the approved financial institutions. Loan amounts could range from $100 to $2,000, depending upon the income of the applicant, and the loan period was three years. Also, the modernization loans were not limited to homeowners. Commercial and farm property owners could also apply for modernization loans under Title I. Property owners could apply for as many as five properties. The initial FHA rules decreed that loans could not be granted where properties had overdue taxes, but this was repealed and left to the discretion of the lender in September 1934. The need for modernization was great, Spear stated, quoting figures of a CWA housing survey that found that 5,167 structures in Phoenix needed minor repairs and another 1,849 required structural work. The benefits would extend not only to the homeowner, but to the entire community. "The repairing, renovation, and new construction of Arizona homes alone," Spear stated, "would employ thousands of carpenters, plasters, paper hangers, plumbers, painters, roofers, and other skilled and unskilled mechanics in carrying out this program."[10]

The Better Homes Show, which the *Arizona Republic* called the first FHA-inspired exhibition of its type in the country, was credited with spurring interest in home repair where none existed just a few weeks previous. On October 9, soon after the closing of the show, Spear announced the beginning of a follow-up campaign in which fifteen FERA canvassers pursued the 1,400 prospects who had expressed interest in obtaining loans. "The results of the administration's project have been very favorable in Arizona so far," said Spear. "More than 100 loans, aggregating $45,000 have been actually made and as many more are in process of being completed. In Phoenix, banks have made 53 loans for a total of $22,310." The Chamber of Commerce in Tempe accepted the offer of the FHA to canvass that community and report on needed repairs to buildings and dwelling. Statewide, only seven out of 35 eligible financial institutions were not participating in the FHA program. M. B. Hazeltine, president of the Bank of Arizona in Prescott, announced

[9]Ibid., September 5, 1934, 1:2; September 16, 1934, 3:6; September 30, 1934, 3:1; October 6, 1934, 1:2.

[10]Ibid., August 14, 1934, 2:1; August 26, 1934, 3:1; September 9, 1934, 2:2; September 23, 1934, 3:1.

on November 3, 1934, that his bank had approved eleven Title I loans in that community for $5,280. In early November, Spear claimed that because of the FHA modernization drive, every competent carpenter, painter, roofer, and plumber in Phoenix was employed. This was doubtless an exaggeration, as was his claim that national mortgage associations were being formed under Title III of the NHA around the country. In fact, none were being formed, and this fact was soon to cause increasing stress in the housing program.[11]

Judging from the public pronouncements emanating from Spear's office, the modernization program was a great success. Arizona, though a small state, ranked high nationally both for the vigor of its modernization drive and for the number of loans approved. By December 1934, Arizona ranked eighteenth in the nation in money expended for modernization with $86,624.27 in loans made. The state passed the half-million dollar mark by early January 1935. Spear gratefully acknowledged the efforts of so many people and organization in the success of the program. "The loyal co-operation of the banks, community chairmen and members of the local housing committees, civic organizations, merchants and dealers, is responsible for our excellent progress," he stated. An example of the people leading these local efforts was C. H. Webber, chairman of the better housing committee in Tucson who oversaw a housing survey in that city completed in January 1935, which found a million dollars in needed repairs and modernization. The *Arizona Republic* gave its full support to the effort, at one point advertising an FHA publication, "Modernizing Old Houses," on it front page, and providing statewide coverage of the modernization campaign.[12]

Spear boasted of Arizona's efforts: "Of the 11,000 bank and other loan organizations participating in our national drive, an Arizona bank [Valley Bank] stands 45th in loans for modernization, and Arizona ranks 16th of the 48 states." Walter Bimson directed a cooperating publicity campaign for modernization loans so that his bank would reap the greatest number of loans. This was one part of his overall strategy that was resulting in a tremendous explosion in his bank's size. When Bimson took over the bank in January 1933, on the eve of the banking crisis, its deposits had fallen to $6.7 million. By November 1934, its deposits rose to $14.3 million. It then acquired the Consolidated National Bank of Tucson to give it a combined value of $22.5 million. In

[11]Ibid., October 6, 1934, 1:1; October 9, 1934, 1:3; October 20, 1934, 2:8; November 4, 1934, 1:3; November 6, 1934, 2:1.

[12]Ibid., November 25, 1934; 1;1; December 16, 1934, 4:4; January 20, 1935, 4:1. Given the quantity of advertising done by banks, construction-related business, and home appliance manufacturers, it certainly served the paper well to support the FHA effort.

February 1935, Bimson shifted the charter of the bank from state to federal, creating the Valley National Bank, the largest in the state for decades to come.[13]

Publicity for modernization took many forms. In May 1935, air conditioning and other home appliance manufacturers opened another Better Homes Show. One of the more interesting publicity stunts to publicize the modernization drive was undertaken by the Jaycees from February to May of 1935. The Jaycees purchased a "shabby shack" for $35 and moved it the corner of Central Avenue and McKinley. Numerous local building firms donated labor and material, transforming the structure (which collapsed at one point) into a model "Better Home" valued at $5,500. On April 6, workers and businessmen paraded from downtown to the house, displaying their tools and advertising their firms. Spear, Governor Moeur, and Mayor Jenckes spoke and opened the house to the public. The house remained a prominent display of what modernization could do until May 4, when it was raffled off.[14]

FHA officials never tired of boasting the accomplishments of their program. John R. Towles, public relations director in Spear's office, credited banks and other financial institutions with putting a daily average of $20,000 into the hands of property owners for building repairs and purchase of modern equipment for the home. "In Phoenix," he stated to a meeting of the Exchange Club, "the increase in building permits has gone above 167 per cent. In Tucson, the increase of building permits has reached 324 per cent. During February [1935] $6,496 worth of repairs and modernization permits were issued in Prescott and the March permits in Prescott increased $4,944. . . . Throughout the state there is not a lumber yard, building supply dealer, hardware or equipment dealer that has not enjoyed an increase in business since the passage of the housing act." In early June 1935 modernization loans reached $1 million.[15]

The original authorization of Title I modernization loans under the NHA expired at the end of March 1936. By that time, over 8,000 such

[13]Ibid., November 22, 1934, 1:1, 1:12; February 12, 1935, 1:1. In 1937, the VNB acquired the First National Bank of Douglas [March 7, 1937, 2:2]. It is interesting to note that at the same time Bimson was leading the Valley Bank to greater heights, James "Rawhide" Douglas, father of Lewis Douglas, and formerly a leading banker in Arizona, was liquidating his holdings and preparing to leave the country for Canada. Douglas, an old fashioned rugged individualist, despised the New Deal, believing it destroyed the American free enterprise system; the Bimsons understood that it actually helped build a firmer foundation for the capitalist economy.

[14]Ibid., February 3, 1935, 4:1; March 31, 1935, 4:1; April 7, 1935, 1:4; May 1, 1935, 1:10; May 4, 1935, 1:13.

[15]Ibid., April 26, 1935, 1:9.

loans had been approved in Arizona for approximately $3 million in home improvements. Arizona was the first state to reach its quota for such loans. Credit for this distinction goes primarily to the officers of VNB who made nearly two-thirds of the modernization loans in the state. On March 31, Congress approved a one year extension of Title I, though with a number of changes. Loans were no longer allowed for movable equipment such as refrigerators or similar appliances. Previously, such appliances had been an important part of the loan program. Many manufactures of household appliances boosted FHA financing as part of their regular advertising. Although home modernization loans remained limited to $2,000, the amended Title I allowed loans up to $50,000 for remodeling apartment houses, small business structures, and similar buildings. Under the original Title I, it was possible to construct a new, low-cost home for less than $2,000 because early construction standards allowed for homes without electricity or heating equipment, in a suitable climate, and allowed alternatives to public water and sewage services. The extended Title I forbade use of modernization loans for complete construction. In response, the FHA liberalized its rules under Title II to allow for new home construction outside of urban areas.[16]

Throughout Arizona, local chambers of commerce provided strong support for the FHA's modernization, and later new construction, programs. Chambers of commerce, along with building supply companies, appliance manufacturers, and Valley Bank, were primary sponsors of better homes shows and model homes in numerous communities. The state FHA architect, Leslie Mahoney, was a past president of the state Chamber of Commerce. Chambers also gave strong support to other New Deal Programs as well. This placed the Arizona chambers in an uncomfortable position when the national organization launched an anti-New Deal campaign in the fall of 1935. In November, the national chamber circulated a referendum to gauge local chambers' support for the New Deal. Controversy flared because the referendum's questions were blatantly designed to elicit a negative response. Not surprisingly, the poll indicated strong opposition to the New Deal, which the national chamber proclaimed as a mandate for opposing the Administration. Republicans praised the poll while Democrats dismissed it as "loaded" and meaningless. Of the 1,473 local chambers of commerce, only 833 responded to the poll and 45 objected to it. Despite the questionnaire's bias, the votes of the Arizona chambers were considerably more favorable to the New Deal than the national average.[17]

[16]Ibid., March 20, 1936, 2:1; April 1, 1936, 2:1; April 19, 1936, 4:1.

[17]Ibid., November 16, 1935, 1:8; November 26, 1935, 1:1, 1:3.

THE NEW HOUSING PROGRAM

In October 1934, Spear began to speak increasingly of the imminent start of the Title II program to encourage new construction. J. Arthur Younger of the FHA in Seattle, visiting Phoenix on October 10 to interview applicants for positions as FHA field representative, indicated that the mortgage guarantee program would start January 1, 1935. Spear spoke more optimistically, anticipating a start date as early as November 20. On November 8, Spear announced the formation of a new division in his office to handle the expected flood of new construction applications. Working with him were Carl Bimson, lent for FHA service by Valley Bank, as the banking liaison officer to coordinate the activities of private lenders and to aid them in the broad program.[18]

Spear expected Arizona to swing into the new housing program as vigorously as it had the modernization campaign and anticipated millions of dollars in expenditures. At the same time, the mortgage refinancing program would relieve the burden of excessive payments for many homeowners, a necessary step to reestablish the security and stability of real estate values and mortgage investments. In early November, Spear stated that all that was necessary was for banks to have the necessary forms and "be done with preliminaries" to release their credit. A few days later, he had to tell the press that the program would not be ready for another week to ten days. When Spear and Carl Bimson returned from a San Francisco conference on December 18, Spear expected the opening of the new home and refinancing drive to begin "at any time." A delay of days turned into a delay of weeks. Without early action, J. M. Kellogg, the president of the Phoenix Real Estate Board predicted a housing shortage in Phoenix.[19]

Finally, Spear announced that the new home program was ready to begin on January 14, 1935, with four banks covering 22 towns ready to take applications. Kellogg lauded the plan: "It should mean a considerable increase in real estate activity and the provision of added facilities for our growing population." Walter Bimson also praised its potential and stated that Valley Bank had approved the first loan application under the program in Arizona. On January 22, Bimson telegraphed Spear that the Valley Bank had allotted $1 million for new home loans under the program. "This money is available right now for those who may wish to build without delay," he wrote. A delighted Spear declared that he expected new home loans to soon equal the modernization program and that "I am confident that new construction

[18]Ibid., October 11, 1934, 1:3; November 9, 1934, 1:1.

[19]Ibid., November 10, 1934, 3:1; November 20, 1934, 1:2; December 19, 1934, 1:9, January 8, 1935, 1:6.

will increase the modernization and repair program which now is so well advanced."[20]

The public responded with ambivalence towards the new program. No rush of applicants flooded bank offices with loan requests, and there is no indication that the majority of lending institutions in the state saw much in the program either. At a meeting of the Phoenix Building Congress, Spear said, "If any of you building contractors will make an application at my office at 9 o'clock in the morning for an 80 per cent loan for building a new house, I will guarantee that we either will put it through by 4 o'clock tomorrow night, approve it or reject it, as the appraisal may justify." The problem, however, lay not with the efficiency of the FHA staff. E. W. d'Allemand, at the Building Congress, criticized the FHA and said that its success depended upon the formation of mortgage rediscount agencies. Walter Bimson's telegram in which he announce the Valley Bank's million dollar commitment to the new housing program, stated the situation more starkly. "We want to co-operate with you in getting construction work in new homes started," he wrote, then added, "Until definite assurances are given by the Federal Housing Administration that a method has been provided for rediscounting of housing loans, we cannot make loans longer than 10 years nor lend more than 50 or 60 per cent of the valuation. These terms will be liberalized when the government program permits."[21]

Despite Bimson's support for the New Deal and the FHA, he was not going to risk his bank's earning potential by investing too heavily in illiquid mortgage assets. The limitations he placed on Valley Bank loans effectively made them only marginally superior to standard mortgages already available. With banks unwilling to lend up to 80 percent of the new home's value for 20 years, there was little to draw people into the program. The problem was national in scope and one that drew the attention of the President. Roosevelt wrote to Governor Moeur and to 41 other state governors, requesting their legislatures pass necessary legislation to allow their state's banks to fully cooperate with the federal program. Although the federal banking acts were amended at the time of the NHA to allow operation of the FHA programs, 42 states, including Arizona, had restrictions in their own banking laws that discouraged banks from lending up to the full 20 years. Spear explained that the volume of any type of mortgage loans that can be made "naturally hinges largely on the formation of the national mortgage associations, which are authorized under title no. 3 of the National Housing Act." Speaking to the Lions Club on January 24, Spear admitted

[20]Ibid., January 13, 1935, 4:1; January 23, 1935, 1:1.

[21]Ibid., January 23, 1935, 1:4.

that FHA refunding of existing mortgages would not be started until the government formed corporations to rediscount loans. Still optimistic, he hoped this would happen soon.[22]

Despite this problem, the FHA did what it could immediately to spur public interest in new home construction. Funds were available and at better terms than traditional mortgages. The reform ambitions of the agency were explicit; it intended to reform the mortgage market by making it long-term. It established 61 underwriting offices in as many cities around the country to make appraisals, searches of title, and to take care of other legal matters. By mid-February, 1,200 institutions were approved to make new home FHA loans across the country (compared to 11,000 approved to make modernization loans).[23]

Spear and his staff could do little to solve the main impediment hindering progress in the Title II program, so they concentrated on stimulating public interest with more publicity. In March, Spear accepted an appointment to serve on the advisory council of the "Palace of Better Housing" at the upcoming California Pacific International Exposition in San Diego starting May 29. In Arizona, he and others continued to canvass the state explaining the program to any group that would listen. In Flagstaff on March 21, Carl Bimson applauded that community's "big program of building and home improvement." He noted that in the past few weeks, eighteen applications for new home loans had been filed with local banks there. The Phoenix Real Estate Board, using figures provided by the federal lumber code administrator, tried to counter the general feeling that building cost remained high, especially in Phoenix.[24]

While better homes shows proved effective in promoting the modernization program, the FHA at the state and national level decided that construction of model homes was the most effective way to advertise the new housing program. One of the first model homes was the "All Arizona" house, built by Phoenix Union High School students beginning in January 1935 as part of the concurrent "Buy Arizona" campaign. The architectural firm of Lescher and Mahoney—Mahoney being the FHA's state architect—provided specifications for the house. The effort was heavily publicized and included a mayoral proclamation of "Model Homes Week." Beginning in April 1936, the FHA promoted the construction of three model homes in Phoenix. The first was referred to as the "Home of Romance" and illustrated the quality of construction

[22]Ibid., January 23, 1935, 1:1; January 25, 1935, 1:3.

[23]Ibid., February 10, 1935, 2:1.

[24]Ibid., March 22, 1935, 2:1; March 24, 1935, 4:1.

possible in the $3,500 to $4,500 range. The second house, started in May, was the largest of the three and called the "Home of Comfort." In July, construction of the "Home of Happiness," a model in the $5,000 to $6,000 range began. In addition to constructing these model homes, FHA officials also continued to tour the state, speaking to groups to explain the housing program. The state office also sponsored a film, "Arizona Forges Ahead with the Federal Housing Administration," which was shown in theaters around the state.[25]

In May 1935, two major personnel changes altered the course of the administration of the FHA programs. At the national level, Administrator Moffett resigned, setting the stage for significant liberalization of FHA rules. Roosevelt appointed Stewart McDonald, a prominent Missouri industrialist and politician to replace Moffett. Unlike Moffett, McDonald put greater effort behind the FHA's low cost housing program. In Arizona, on May 2, Spear announced his resignation as state director of the FHA. For eight months he had attempted to maintain control over both the FHA program and the work of the National Emergency Council. In the process, he gave up his position as Speaker of the House in the legislature. By April, with the future of the NRA in question, and with the PWA revitalized with a substantial new appropriation, it was clearly necessary for the housing program to have its own full-time director. Given his choice of programs, Spear decided to remain with the NEC. The new FHA director was Thomas J. Elliott of Tucson.[26]

[25]Ibid., January 19, 1936, 4:1; January 21, 1936, 1:7; January 26, 1936, 4:1; April 12, 1936, 4:1; May 10, 1936, 4:1; July 5, 1936, 4:1; October 1, 1935, 2:5. The PUHS students' house was located in the F.Q. Story neighborhood of Phoenix on Willetta St., between 15th and 16th Avenues. The Home of Romance is located at 34 W. Cambridge Ave., the Home of Comfort at 1806 Palmcroft Way NW, and the Home of Happiness at 317 W. Palm Ln. All were built by private individuals with FHA-insured bank loans. The VNB provided the loan for the Home of Romance, the State Building and Loan Co. provided the loan for the Home of Comfort, and the lender of the Home of Happiness has not been identified.

[26]Ibid., May 3, 1935, 1:7; May 8, 1935, 1:1; May 12, 1935, 1:1, 1:4; September 8, 1935, 1:2; August 10, 1936, 1:2. Elliott was 44 years old at the time of his appointment and a resident of Arizona since 1919. Prior to the war, he worked in banking in Boston, then served in France during the war. He arrived in Tucson after the war to work as district manager of the Mountain States Telephone and Telegraph Company. He graduated from the University of Arizona's law college and began to practice law in 1924. He served a term in the legislature beginning in 1925, worked for four years as Tucson city attorney, then became city manager. Rumors that the FHA office would be moved to Tucson quickly spread following announcement of Elliott's appointment. Phoenix interests, such as the Phoenix Real Estate Board, the Phoenix Clearinghouse Association, local banks, lumber men, and others, vehemently protested any suggestion of a move by the FHA's fifteen employees out of the capital. The rumor proved to have no basis in fact. After a conference with Spear in Washington, Elliott relocated to Phoenix to take over the FHA on May 14.

In Phoenix for the transition of leadership from Spear to Elliott, the San Francisco regional director spoke optimistically to a gathering of contractors and building materials suppliers. Arizona, he declared, was ready to begin construction of new homes under the NHA. "The local housing office probably will have 75 applications within the next 10 days," he said. "Already there are 34 applications on file. Of this number, 17 are for the construction of new buildings and 17 for the refinancing of existing mortgages. Construction should begin daily on six to eight new houses in Arizona during the next 18 months. Most of these will cost $3,500 to $5,500, judging from FHA experience elsewhere. People are now housing conscious, and shown the opportunity to build a modern home, will grasp it." He pointed out that a $5,000 home with a 20-year FHA guaranteed mortgage would cost only $36.58 per month. That banks were not yet loaning to the full extent allowed under the FHA was left unsaid.[27]

With no action at the national level to form national mortgage associations, the state FHA offices sought greater publicity to stir consumer demand to drive the new home program. The President and governors around the country proclaimed June 15 to be "National Better Housing Day." State offices planned a coordinated effort to begin a large number of model homes on that date. Groundbreaking ceremonies were planned in communities across the nation, together with parades and opportunities for local politicians to make speeches. Arizona director Elliott believed that such model homes were the best sort of publicity for the FHA and worked to start as many as possible on the appointed day. FHA staffers canvassed the state, meeting with local better housing committees, to find sponsors for model homes, with the FHA providing "a liberal allowance" to anyone who would undertake construction. When "Better Homes Day" arrived, Arizona contributed 55 housing starts to the national total of 3,464. Not letting the publicity momentum slow, Elliott's staff continued to travel around the state and push for new housing. On June 16, Albert Johnson, assistant to Elliott, named Chandler Mayor J. Lee Loveless as chairman of the Chandler better housing committee. A mass meeting, with speeches by Carl Bimson and John Towles, followed in the city park on June 20.[28]

[27]Ibid., May 10, 1935, 1:6.

[28]Ibid., June 6, 1935, 2:6; June 8, 1935, 1:9; June 15, 1935, 1:9; June 16, 1935, 4:1; June 17, 1935, 2:4. The largest number of groundbreaking ceremonies occurred in Tucson with ten. Many other communities participated, Phoenix with nine; Chandler, eight; Coolidge and Winslow, four each; Mesa, three; Kingman, Prescott, Bisbee, Douglas, Safford, and Tempe, two; and Williams, Flagstaff, Holbrook, Yuma, and Casa Grande, one.

By 1936, Valley National Bank's initial allocation of a million dollars for new home construction mortgages neared exhaustion. Without the national mortgage associations, the bank had to seek other private entities willing to purchase its mortgages. Insurance companies were among the few financial institutions possibly willing to make such arrangements, but when VNB offered to sell 20-year, 5 1/2 percent FHA-insured mortgages, representing only 70 to 80 percent of the appraised value, at 98 percent of face, to nearly all of the major Eastern insurance companies doing business in Arizona, they were turned down. Finally, just before its funds were depleted, a west coast insurance company made a million dollar commitment to purchase the mortgages. Valley National Bank immediately published a full-page ad in newspapers across the state publicizing that it had another million dollars to invest in FHA mortgages. In addition to the new loans fund, Bimson also announced a liberalization of his bank's credit terms for up to 80 percent of appraised value and for up to 20 years. "I will be surprised," said Bimson, "if in the next six months this does not mean another $1,000,000 spent for building in Arizona. This program will supply a new stimulus for the Arizona building industry, increase employment and fill a genuine need for new homes in Arizona."[29]

While VNB expanded its commitment to the FHA, other Arizona financial institutions either refused to participate or did only token business. A reporter for the HOLC in May 1936 noted that not only did VNB establish a special department to handle FHA loans, such loans were the only type of mortgage business the bank handled. By contrast, the First National Bank of Arizona only made FHA mortgage loans because of competition with VNB. Also, as First National's vice president, S. C. Ganz stated, they provided FHA and other mortgage loans only when customers demanded them and even then, they only provided three-to-five year mortgages for up to 50 percent of the appraisal. The First Federal Savings and Loan Association was also qualified to give FHA mortgages, but it had made none up through April 1936. Harry F. Lane, a broker and mortgage correspondent of the State Mutual Building and Loan Association, Los Angeles, commented to the HOLC reporter: "It is extremely difficult to meet the competition

[29]Carl A. Bimson, "Thirty Years of Progress in Arizona Home Financing," *Arizona Review of Business and Public Administration*, Vol. 12, No. 2 (Tucson: University of Arizona, February 1963), 10; *Arizona Republic*, October 4, 1935, 1:1, 1:4. Bimson notes that loan limits for financial institutions then were very real. Most institutions in Arizona were small and in the case of commercial banks such as VNB, regulations limited their mortgage loan portfolios to 60% of their savings accounts. As of October 1, 1935, the VNB made 3,348 FHA loans totaling more than $1.5 million, the fifth highest among banks in the nation. Nearly all of these were for modernization loans. By that date, the VNB had only 132 applications for new construction or refinancing loans.

furnished by the Valley National Bank in their FHA lending. Their advertising has created an impression that FHA plans are superior and more favorable than others. It is also impossible for any of us independent insurance men to write insurance in connection with FHA loans. It does not appear proper for the government to afford such competition for those of us who are in a legitimate business in the mortgage lending business." Valley National Bank's competitive advantage owed to more than good advertising, though it did a great deal of that. When the HOLC reporter interviewed Wayland, now returned to his duties with the bank, he noted that VNB had liberalized its terms, offering up to the full 20 year loans and up to 80 percent of the appraisal. The reporters also credited Wayland, the bank's principal stockholder, with the idea of doing extensive FHA financing.[30]

Between the start of the new construction program in January 1935 to June 30, 1936, only 222 new homes in Arizona were constructed with FHA insurance. Construction in Maricopa County accounted for 125 of these homes. One FHA official admitted in August that the new construction program "hasn't really begun yet." Statistics indicated, however, that the pace of new construction was beginning to accelerate. Seventeen new houses were started in the state in the first half of July 1936. In the Phoenix area, about 70 percent of new homes carried FHA insurance. The persistent problem hindering the new construction program was the lack of an adequate secondary mortgage market.[31]

Sponsors of the NHA expected that private entrepreneurs would rush into the potentially lucrative mortgage rediscount market under the terms of Title III. When this failed to happen, banks hesitated to make extensive loans for new construction. It was Jesse Jones' Reconstruction Finance Corporation that stepped in to fill the void left by private financial interests. The RFC, beginning in 1933, already had authority to purchase preferred stock in banks in order to provide them with capital needed to renew lending operations. In 1934, the RFC requested and was granted similar authority to invest in mortgage companies. Unfortunately, no private interests would put up the matching funds for common stock and no joint mortgage companies were started. Finally, in the spring of 1935, Jones approved a wholly federal operation, the RFC Mortgage Company. The RFC Mortgage Company bought and sold FHA-insured mortgages on older homes in order to demonstrate

[30]R. L. Olson, Report of a Survey in Phoenix, Arizona For the Mortgage Rehabilitation Division, Home Owners' Loan Corporation, Washington, D.C., May 28, 1936. Records of the Federal Home Loan Bank Board-Home Owners' Loan Corporation, Records Relating to the City Survey File, 1935-40, RG 195, Box No. 73, NARA, 19, appendix.

[31]Ibid., July 26, 1936, 4:1; August 26, 1936, 1:7.

that there was a profitable market. This brought to life the FHA's mortgage refinancing program. The RFC Mortgage Company also stepped into the void of refinancing mortgages on income-producing properties, an area previously uncovered by New Deal programs.

As the number of FHA-insured new homes slowly but steadily rose from 1935 to 1938, private investors did little to develop a secondary mortgage market. Early on, the Administrator of the FHA requested that the RFC aid in the development of Title III national mortgage associations. Despite the RFC's offer to match private dollars with RFC funds for preferred stock, no private entity formed a national mortgage association. For nearly three years, the RFC made this offer with no takers. Finally, Jones stepped forward again with another RFC subsidiary, creating on February 10,1938, the Federal National Mortgage Association. Soon known as "Fannie Mae," the FNMA was established to deal exclusively in the purchase and sale of FHA-insured new home mortgages. Within a year, the FNMA had authorized and purchased 26,276 mortgages aggregating more than $100 million. The profitable success of the FNMA provided the final necessary ingredient for the success of the FHA program. With Title III finally providing the crucial rediscounting services required by the Title II mortgage insurance program, the hesitancy of private bankers broke down. Before the Second World War brought domestic construction to nearly a standstill, the FHA underwrote nearly $4 billion in mortgage insurance.[32]

After 1937, most of the institutional problems that hindered the rapid implementation of the federal housing program were resolved, and the FHA began to have a truly momentous impact on the housing industry. National housing starts numbering only 62,000 in 1934, rose to 347,000 in 1938. Approximately 40 percent of all private housing starts were under the FHA mortgage insurance system by 1940.[33] In Phoenix, the number of new housing starts rose along with this national trend (see Table 13.1). By 1937, much of Phoenix's economy had recovered nearly to the 1929 level. The population of the Phoenix housing market area rose in the 1930s from about 94,000 to 125,000, a one-third increase. This was equivalent to 9,000 families. After 1936, the rate of increase averaged about five percent per year. Increasingly, single-family residences made

[32]Jesse H. Jones, (with Edward Angly), *Fifty Billion Dollars: My Thirteen Years with the RFC (1932-1945)*, (New York: The MacMillan Company, 1951), 148-51. The RFC Mortgage Company was absorbed into the RFC in 1947, just a few years before the RFC itself was eliminated. The FNMA separated from the RFC to continue its operations to this day.

[33]R. O. Barrett, "Doing It the F.H.A. Way," *Arizona Builder & Contractor*, July 1940, 10; Keith, 39.

13.1. Dwelling Units Built in the Corporate Limits of Phoenix, by Year.

Year	Total	1-family
1929	995	501
1930	410	216
1931	222	135
1932	48	48
1933	11	7
1934	20	14
1935	75	71
1936	189	181
1937	233	176
1938	391	331
1939	515	485

Source: Douglas V. Cannon and Raymond J. Fox, *Phoenix, Arizona Housing Market Analysis, as of July 1, 1940*, FHA, August 1940. Records of the FHA, Research and Statistics Division, RG 31, Box No. 1, NARA.

up a larger proportion of residential construction. During the 1920s, duplexes were a common housing type, but this gave way to a dichotomy between single-family residences and large multi-family apartments. The FHA's policies encouraging homeownership and construction of single-family residences contributed to this trend.[34]

The growth of Valley National Bank paralleled the increasing influence of federal programs in the housing market. After the HOLC (headed by VNB's W. R. Wayland) saved the homes of over 6,000 homeowners, the FHA (which included VNB's C. H. Tinker and Carl Bimson) underwrote insurance for thousands of loans. In its first year, the FHA underwrote 3,933 individual loans, mostly for modernization, totaling $1,423,000, nearly half made by VNB. Only the Consumer Credit Corporation, a west coast finance company, approached this importance with just over 40 percent of the total. By March 1936, Arizona had exceeded its original quota of $3 million for modernization loans by $200,000 and VNB ranked 5th in the nation. To appreciate the importance of this quantity of loans, it should be noted that at the beginning of 1934 the total loans held by the ten commercial banks in Arizona amounted to only $15 million. These modernization loans

[34]Ibid., 93.

provided a major boost to Arizona's financial institutions, with the greatest share going to VNB. Bimson's report to stockholder at the end of 1935 gave credit where credit was due: "[FHA] insured loans have assisted materially in increasing our earnings per common share and increasing deposits from $13,900,000 on December 31, 1934 to $25,230,000 on December 31, 1935." It continued, "Last December our loans totaled $4,336,000. This year the same date shows totals of $8,601,000. Our cooperation with the F.H.A. has resulted in our obtaining a number of loans. We have made 4,607 loans, involving $1,646212.69. It is a remarkable fact that of this very substantial total of loans, we have had to call upon the government to reimburse us under the insurance program for only 13 out of 4,607 loans made." Do to increasing prosperity and the FHA, the value of loans and discounts in Arizona banks had doubled to $30 million. It would double again by 1945 and again by 1947. A boom was begun that would transform the state.[35]

FHA BUILDING AND PLANNING STANDARDS

From the beginning, FHA imposed standards on the properties it would insure. Initially, FHA insurance for new construction was available only to homes built in urban areas. This rule was repealed in March 1936. Another early standard, meant to encourage low-cost housing, allowed for omission of electricity and other features later considered necessary to decent living. While the revival of the construction industry remained the FHA's priority through the 1930s, the agency increasingly emphasized standards for use of materials, construction techniques, stylistic design, and subdivision development. It was the chief responsibility of FHA architect, Leslie Mahoney, to educate builders and the public on FHA standards and to review plans to ensure that they met the specifications.

Housing starts rose steadily in the Phoenix area after 1936, though they remained behind the 1929 level. The FHA's long-term liability gave it a strong interest in setting strong neighborhood design standards that would help to maintain property values. Seward H. Mott, chief of the Washington FHA's land planning section, began holding conferences around the country on improving subdivision standards. "The creation of desirable residential communities," he stated, "has a much greater significance than simply the providing of a decent home site. Growth and character of our cities is absolutely controlled by the manner in which subdivisions are developed. A badly-planned street layout or the lack of control of land use in a single subdivision can create traffic and social problems that throttle a whole section of a city with losses of

[35]Bimson, 3-4. As a commercial bank, the majority of the 4,607 loans made by VNB in the 1935 would not have been FHA-insured.

millions of dollars to home owners and investors." In addition to careful consideration of topography, soil, drainage, transportation, sewer and water connections, lot sizes, street patterns, and other features of neighborhood design, Mott stated that the FHA had developed a model of what made a good neighborhood. "The property should be in a neighborhood homogeneous in character," he said. "It should, through zoning, deed restrictions, or otherwise, offer security against decline in desirability for residential purposes due to the encroachment of inharmonious land uses." Such inharmonious land uses might be the intrusion of commercial uses in residential neighborhoods, or the intrusion of minorities into white neighborhoods. The FHA did nothing against the common practice of "red lining" neighborhoods, preventing minorities from getting home loans in white neighborhoods, and it did little against the practice of including racial discrimination among property restrictions.[36]

The President signed another extension of the FHA on February 20, 1937, which Administrator McDonald declared, gave "a green light" to the construction industry. The next day, Washington FHA officials held a conference in Phoenix to discuss the low cost housing program and to promote development of new residential subdivisions. Approximately 300 local real estate people and builders attended. Previously, developers of subdivisions had to await review in Washington for approval of their plans before their areas could be accepted for FHA insured loans. To expedite plans, the FHA's subdivision expert, Charles H. Diggs, came ready to examine 30 new and partly developed subdivisions in Phoenix during his visit. Most of the subdivisions were approved immediately. The most difficult problems were in partially developed areas. What the FHA wanted, officials declared, was good quality construction and uniformity in style. To protect land uses, it required restrictions lasting at least 25 years. Arizona director Elliott said, "In the rehabilitation of partially developed residential areas, in which, possibly the trend is downward, we attempt to stop this downward trend and deflect it upward by providing better restrictions and, if necessary, by having some of the adverse influences removed." With stronger public demand for FHA loans, developers had a greater incentive to meet FHA standards.[37]

The FHA's original low cost housing program encouraged the creation of special purpose, low cost housing corporations, with additional incentives such as insurance for the full value of the properties they built. As with the mortgage associations, private investors shied

[36] *Arizona Republic*, December 20, 1936, 4:2.

[37] Ibid., February 21, 1937, 1:3, 4:1, February 23, 1937, 1:3; March 1, 1937, 1:6.

away from forming low cost housing corporations. Instead, FHA used its subdivision standards to encourage more efficient production of housing to bring down price. Through the 1920s, the standard practice of subdivision development in Phoenix was for a developer to subdivide his land, perhaps providing a transportation incentive such as an expansion of the streetcar line, and to sell lots individually or in small groups. An individual might then hire a contractor to construct a house. Alternatively, a builder might buy a small number of lots and build houses on speculation. FHA standards encouraged the vertical integration of subdivision developers, architects, and builders into a single firm. Increasingly, the developer retained ownership of the lots until sold as finished homes. The developer would then offer the buyer a choice from a limited selection of models, which he then constructed. These methods encouraged larger scale production that brought down the per-unit cost of housing. The first example of a Phoenix subdivision fully incorporating FHA design guidelines was Womack Heights. Beginning in July 1939, Porter and Andy Womack subdivided a tract of land and constructed 52 houses, all on speculation, at a cost of $250,000. Every house was sold by July 1941, demonstrated to every local builder the profitable possibilities of the new methods.[38]

CONCLUSION

In the first two and a half years of its program, the Federal Housing Administration was a very public New Deal agency. To meet its goal of revitalizing the construction industry with modernization and new home construction, the FHA engaged in a large-scale promotional campaign to convince the public that the time was opportune for taking on modest debts, at good terms, in order to meet not only their needs, but also to provide employment for many idle workers. Though implemented slowly, the FHA laid the ground work for a revival of the building trades that was only temporarily reversed during the "Roosevelt recession" of late 1937 and 1938. By 1940, new housing starts in Arizona, and especially Phoenix, were nearing the historic high of 1929. Though the war interrupted domestic construction, the post-war years saw an explosion of growth and new construction that would eventually transform the metro-Phoenix area into one of the larger urban areas in the United States. At the same time, a far-sighted group of managers at the Valley National Bank, led by William Roy Wayland and Walter Bimson, realized early that the FHA could contribute greatly to their

[38]Ibid., November 30, 1934, 1:1; Deborah Edge Abele, Roger Brevoort, Bill Jacobson, and Vicki Vanhoy, "Historic Residential Subdivisions and Architecture in Central Phoenix, 1912-1950," National Register of Historic Places Multiple Property Documentation Form, City of Phoenix Historic Preservation Office, 1994, Section E, 17-18, 20-21.

institution's growth. Nearly alone among Arizona financiers, VNB managers tied their growth strategy to the new government insurance program. The result was a tremendous growth rate and expanded profits for the bank. Perhaps the success of both the FHA and the VNB owes in equal measure to their symbiotic relationship.

The accomplishments of the FHA were many and widespread. Its implications were barely visible during the 1930s and only after decades of operation are we fully able to appreciate its impact on the growth and development of cities and towns across the country. The FHA rationalized the mortgage market by eliminating the need for multiple mortgages. It provided more security for both borrowers and lenders. It lowered the cost of mortgage financing and so made homeownership more affordable. Its standardized appraisal methods allowed the mortgage market to evolve from a conglomeration of local markets into an integrated national market. In cooperation with the RFC Mortgage Company and the Federal National Mortgage Association, a national secondary market for mortgages arose which unleashed billions of dollars in housing credit. The FHA also provided the federal government with a flexible method of intervening in the housing market with a far greater impact than was possible through its direct housing programs.[39]

After mid-1936, the FHA assigned decreasing importance to its publicity campaign. With the building industry slowly reviving, the agency could concentrate on its other goals. Better homes shows and model homes gave way to a routinization of work in processing loan applications and applying its standards. FHA officials spoke increasingly to bankers and developers, and less to the general public. The agency's planners developed guidelines for use of materials, stylistic designs, and subdivision planning. As a result, the FHA altered the way that neighborhoods were built and cities expanded. By requiring housing to meet certain specifications, the FHA altered the materials and design of individual houses and influenced significant changes in large-scale residential development patterns. FHA insurance, and the strings that came along with it, established the patterns of residential subdivision development that characterize post-World War II urban sprawl. Modern suburbia owns much of its character to the rules established by the FHA. This is especially true of Phoenix and its surrounding communities, which experienced their greatest population gains after the Second World War. Its influences came to guide residential development just as the United States was about to enter a period of housing development more extensive than ever before. In a state such as Arizona, whose cities and towns were fairly small prior to the 1930s, the greatest areas of urban

[39]Fish, 203-06.

development reflect the influences of federal housing policies. Homeownership is the norm because of these policies. Sprawling subdivisions look the way they do because of the influences of FHA design policies. The FHA was, to a large degree, responsible for the character of the urban places where most Arizonans live.

14 SOCIAL SECURITY

The New Deal permanently altered the relationships between the federal government, the states, and individual citizens. The American public, by the 1930s, was no longer willing to accept inactivity by the national government during an emergency that many compared to the exigencies of wartime. The rushes of legislation during the First and Second Hundred Days, created new agencies and appropriated unprecedented sums to undertake initiatives affecting virtually every aspect of the economy. Most of these were framed as emergency measures, many with explicit expiration dates and others with no immediate plans to appropriate additional funds. The Civilian Conservation Corps, the Home Owners' Loan Corporation, and the National Recovery Administration were three such agencies. Others were intended to implement permanent reforms that would prevent a reoccurrence of the conditions that had contributed to the depression. Banking and public utilities legislation, the Agricultural Adjustment Administration, and the Soil Conservation Service are examples of this category. Still other programs represented victories for progressive-liberal political ideas that had been evolving for a number of years and could be implemented because of the sweeping Democratic victories of the early Roosevelt years and the willingness to try new things in the economic emergency. The most significant piece of reform legislation from the New Deal was the Social Security Act.

The Social Security Act was framed as result of Roosevelt's evaluation of the progress of the New Deal in mid-1934 and early 1935. As a progressive, Roosevelt sympathized with the growing trend to enact government pensions for citizens. He understood the problems encountered by state pension plans and realized that only a national plan could effectively provide financial security for the aged. The experience of the depression and early New Deal convinced Roosevelt that more than just pensions were needed. The plan he proposed in 1935 encompassed a number of proposals intending to provide citizens with a broader "social security." Even though he was a strong nationalist, Roosevelt did not want a completely centralized system. Practical politics dictated that states play an important role in implementing the kind of major reforms contemplated in the social security plan. Roosevelt believed the plan would invigorate a stronger federalism in which each level of government undertook more responsibility for protecting citizens from the vicissitudes of the business cycle. Roosevelt wanted to turn the federal government away from the support of persons who, even under normal circumstances, could not be expected to provide for themselves. These people, referred to as the "unemployables," were traditionally the charge of families, local and county relief, or private charity. In the crisis years of 1933 and 1934, the

FERA provided states with much needed cash to support these persons, as well as those who were unemployed as a result of the depression, but who otherwise could be expected to provide for themselves. Roosevelt wished to see a clear separation of governmental responsibility between these two groups. Because he identified national and international causes for much of the suffering in the agricultural and industrial sectors, Roosevelt believed it was the responsibility of the federal government not only to stabilize the economy, but also to provide employment for those able to work. The care of the unemployables he wanted to see continued and expanded at the state levels. Congress supported this vision of a stronger federalism in 1935 by enacting the Emergency Relief Appropriation Act and the Social Security Act. The former legislation provided funding for the Works Progress Administration and other New Deal programs. The Social Security Act created the framework for a state and national program of support for a number of categories of persons in chronic need. The federal government undertook a program of old age insurance, intended to provided workers with a secure foundation of income in their retirement. It also established a system of federal grants to aid in the support of state programs of old age assistance, unemployment insurance, and aid to the blind and dependent children.

The Social Security Act did not require states to take a fuller responsibility to support the unemployables. It did, however, create an irresistible financial incentive. Most of the taxation funding the Social Security programs was mandatory, and the only way states could benefit was by passing cooperative legislation and creating administrative agencies. Similar financial incentives had been used in the past to encourage state cooperation. In 1932 and 1933, the RFC had required states wanting public works and relief loans to create modern public welfare agencies to ensure efficient project planning and fiscal responsibility. The PWA had also regularly required suitable legislation to secure its loans, an important cause of much delay in implementing its program. The Social Security Act encouraged more sweeping state legislation because it contemplated a larger and permanent state role in supporting public welfare. In Arizona between 1935 and 1937, governors Moeur and Stanford and two legislatures worked to create state welfare institutions to implement the state portions of the Social Security programs. In doing so, they had to consider such issues as the existing state pension plan and the current Board of Public Welfare. Legislation was framed to maximize the state's financial interests—to obtain the maximum federal grants, minimize the outflow of social security tax funds, and minimize state appropriations. The unemployment insurance program was separated administratively from the rest of the state welfare program, a move that probably enhanced its efficiency. Old age assistance became bogged down in a political conflict between the state and the counties, or, more precisely, between Maricopa County and the rest of the state. The decision to create a new state public welfare agency caused considerable inefficiency and delay in getting funds to those in need. The actual loss of federal grant money during 1936 and 1937 because of these delays meant a hardship both on the needy and the state's taxpayers. Despite these problems, Arizona implemented its share of the Social Security programs by the end of 1937.

THE SOCIAL SECURITY ACT

For several decades before the 1930s, the poverty of many of the aged drew increasing attention. Industrialization and urbanization took much of the blame for the rise of insecurity, contributing to the rise of wage labor, the encouragement of labor mobility, and the breaking of family ties. The growing number of young, old, sick, and disabled poor strained traditional local institutions of public relief, particularly during periods of recession when large numbers of workers lost their means of subsistence. While a number of European countries instituted pension plans and other welfare programs during the late nineteenth and early twentieth centuries, the federal government in the United State refused to consider such an expansion of its responsibilities until the Great Depression both transformed the need into a crisis and placed the progressive-liberal Roosevelt Administration in power along with an overwhelmingly Democratic Congress. In the late nineteenth century, the federal government provided support for a large number of Union Civil War veterans. At its height, these pensions took up a third of the federal budget and were the largest federal "welfare" program until the New Deal. States also refused to adopt general welfare legislation or create pensions in the early 20th century, leaving the initiative to the private market.[1] Labor unions experimented with pensions, but these could cover only a small portion of American workers. Moreover, during the 1920s, union membership declined from its wartime peak at the same time that more members were qualifying for retirement, threatening the stability of their pension funds. The 1920s also saw experimentation by private industry in company pension plans. These plans were intended to promote labor stability and weaken employees' ties to unions, thus further contributing to the weakness in union pensions. When the depression struck, many of these company pensions also collapsed or were severely cut. Experience up to 1935 indicated that

[1]Southern states also had pensions for disabled or aged Confederate veterans.

the private sector could not be relied upon to provide a secure broad base for old age financial security.[2]

The 1920s also saw the first experiments in state pensions. Ten states, beginning with Montana, Pennsylvania, and Nevada, passed pension plans during that decade. Unfortunately, many of these plans included provisions for county option, which severely limited coverage. In six states with operative pension laws in 1929, only 53 out 264 eligible counties had adopted the plans. The failure of many union and company pensions during the first years of the depression, along with increasing Democratic victories in state legislatures, helped push seven more states to enact pensions by 1932. Most of these latest plans were mandatory on counties and included a more substantial state contribution to funding.[3]

Arizona, along with every state of the South, was without a pension program in 1932, although the issue had not been ignored. During several sessions of the legislature in the 1920s and early 1930s, septuagenarian senator Kean St. Charles, the senate's oldest member, introduced bills for a state pension. The persistent senior senator finally attained his wish when the legislature passed and Governor Moeur signed the first state pension law in March 1933. Like most recent state pension laws, the Arizona act required statewide coverage. The state contributed two-thirds of the cost of the program, with the remainder provided by the counties. The plan was fairly restrictive. Pensions could only be paid to citizens who had resided in the Arizona continuously for over 35 years.

[2]Jill Quadagno, *The Transformation of Old Age Security; Class and Politics in the American Welfare State*, (Chicago: University of Chicago Press, 1988), 3-15, 115-116. Quadagno attributes much of the delay in the formation of an American welfare state to the power of the South in Congress. Southerners opposed any social legislation that might threaten its delicate social structure. In the 1930s, there were enough Democrats in Congress to pass the Social Security Act, but southerners greatly influenced its provisions, particularly it protection of local control. Southerners were also largely responsible for the omission of agricultural and domestic service labor from the act, and for the wide latitude given to states to formulate their own social security structure.

Theda Skocpol (*Protecting Soldiers and Mothers: The Political Origins of Social Policy in the United States*, [Cambridge: Belknap Press of Harvard University Press, 1992]) has shifted the debate over the origins of the American welfare state. She emphasizes the role of women in convincing Congress to enact the Sheppard-Towner Act of 1921 and creating the U.S. Children's Bureau. She characterizes the Civil War pension and mothers' aid programs as a "precocious social spending regime." Arguing that it is a mistake to take European trends as the norm and try to explain why the U.S. did not follow a similar path (as Quadagno does), Skokpol deemphasizes the role of labor organizations. She also argues that welfare programs are an important instrument of state-building. Experience with the maternity program of the 1920s contributed to the success of the FERA and Social Security's Aid to Dependent Children during the New Deal.

[3]Ibid., 51.

Furthermore, no person with an annual income greater than $300 qualified. The amount of the pension was determined by the pensioner's income and could not exceed $30 per month. Hundreds of Arizona pioneers applied for pensions, more than was expected or appropriated for. Maricopa County, the state's most populous county, had 579 pensioners in 1934. In December 1934, with its funds nearly exhausted by the unexpected demand, the county cut its payments in half. In the 1935-36 fiscal year, the legislature and counties appropriated $825,000 for pensions, but this fell short of the amounted needed. By 1937, 2,480 Arizona pensioners were getting a monthly average of $24.[4]

The Arizona pension plan lasted for only four years before it was succeeded by Social Security. It was significant to the latter program for two reasons. First, as a precedent, it broke through the argument that it was not the proper role of government to provide support for the aged. Second, the higher than expected cost, and its rapid growth, gave legislators an incentive to look to the federal government for assistance. Federal grants for old age assistance promised large savings to state taxpayers.

Roosevelt had a long-standing interest in promoting policies to provide economic security to all citizens. As early as 1910, when he served in the New York State Senator, he had supported a workmen's compensation law; twenty years later, as governor, he had approved enactment of that state's pension plan. By mid-1934, the emergency agencies created the previous year were in full operation and his Administration was no longer preoccupied with banking and currency issues. Desiring that the federal government "must quit this business of relief," Roosevelt turned his attentions to formulating a comprehensive economic security plan that would protect workers and the aged from financial tragedy during any future economic downturn, and would provide a permanent floor of support for those persons who, because of age or disability, could not provide for themselves. He sent a message to Congress on June 8, 1934, notifying them that "next winter we may well undertake the great task of furthering the security of the citizen and his family through social insurance. . . . I think it is difficult to attempt to solve them piecemeal. Hence I am looking for a sound means which I can recommend to provide at once security against several of the great disturbing factors in life—especially those which relate to unemployment and old age."[5]

[4]*Arizona Republic*, March 10, 1933, 1:4; March 29, 1933, 2:1; September 20, 1935, 1:5; July 1, 1937, 1:1.

[5]Arthur J. Altmeyer, *The Formative Years of Social Security*, (Madison: University of Wisconsin Press, 1966), 3-4.

This message was followed by an Executive Order on June 29, 1934, creating the Committee on Economic Security to formulate the Administration's proposal. The Committee was composed of the Secretaries of Labor, Treasury, and Agriculture, the Attorney General, and Harry Hopkins. Of these, Hopkins and Secretary of Labor Francis Perkins played leading roles. The President's order also created a technical board to work out the details of the proposal, an advisory board of business, labor, and other outside interests who would provide additional comment and perspective, and an executive director who would hire staff and oversee the research process needed to formulate the plan. Roosevelt issued the broadest guideline for the new programs. His message indicated his preference for an omnibus measure addressing several aspects of economic security at the same time. He also stated his view that it should be based on a "maximum of cooperation between States and the Federal government.[6]

The Committee on Economic Security, the technical committee, and the advisory council debated a number of important points. Security for the aged was provided in two separate items. The first was an insurance program paid for by contributions from employers and employees, with retirement benefits tied to the level on contributions. To meet the immediate needs of the aged poor, the states would enact assistance programs with the federal government providing matching grants. Another insurance program would cover workers temporarily out of work, paid for, again, by a tax on payrolls. In addition, the plan included grants to states for aid to dependent children, public health programs, vocational rehabilitation, and maternal and child welfare services. Early suggestions to include medical care insurance were dropped because of anticipated opposition from the medical profession.[7]

Congress debated the Administration's economic security proposal between January and August 1935. The final bill, known as the Social Security Act, became law with the President's signature on August 14, 1935. The Social Security Act included all of the Administration's major proposals and represented one of the most significant accomplishments of Roosevelt's presidency. Changes made by Congress included administration of old age insurance and assistance, unemployment insurance, aid to dependent children, and aid to the blind by an independent Social Security Board. Aid to the blind was also a congressional addition. Other programs, including grants for public health programs, vocational rehabilitation, and maternal and child welfare, were administered by other existing agencies. Nine out of the ten programs in the Social

[6]Ibid., ix, 7-9.

[7]Ibid., vi, 21, 27.

Security Act were administered by the states, with the federal government providing only broad policy guidelines and grant money. This followed the President's desire for maximum state participation, which reflected his faith in the federal system of government in the United States. The system of federal grants for state programs also seemed more likely to prove acceptable to the Supreme Court, a crucial consideration in 1935. Only the old age insurance program was to be wholly federal.[8]

The Social Security Act set minimal standards for state old age assistance (OAA) programs. They had to be statewide in coverage, and, if administered by the counties, mandatory on them. The state had to pay a part of the cost of the program. Administration or supervision of the plan had to be by a single state agency reporting to the Social Security Board. Any applicant denied aid must be given a fair hearing. Finally, the state law must provide "such methods of administration as are found by the Board to be necessary for the efficient operation of the plan." Although weak, these provisions gave the Board authority over the state programs. Aid to dependent children had similar standards except that state residency requirements for children could be no greater than one year. Aid to the blind could not go to persons also receiving OAA. The unemployment program was paid for by a one percent payroll tax levied by the U.S. Treasury upon all "employers of eight or more." This would begin in January 1936, and later rise to three percent. The taxpayer, under an approved state law, would receive a credit against the federal tax up to 90 percent. This tax provision was one of the most important incentives for many states to pass unemployment insurance laws. The old age insurance program was severely limited by the exclusion of agricultural, domestic, maritime, and government workers.[9]

The act left the states with great leeway to shape the programs to suit their preferences. For all but OAA, states could set assistance at any level and still recover half the cost from the federal government. They could establish eligibility criteria more stringent that those set in the act. They also could establish their own administrative systems and name their own administrators. This freedom was also a requirement that state

[8]Ibid., 36, 39; Quadagno, 115-16. Congressmen, particularly those from the South, also deleted from the Administration's proposal any provisions that might threaten their social structure. For example, Fred M. Vinson, Senator from Kentucky and later Chief Justice of the Supreme Court, forced removal of a provision that would have required states to establish a merit system for the selection of employees administering the state program. Senator Harry Byrd of Virginia objected to a provision requiring old age assistance to provide "a reasonable subsistence compatible with decency and health." Fearing this might empower a federal bureaucrat to dictate assistance levels, he had the provision deleted.

[9]Charles McKinley and Robert W. Frase, *Launching Social Security: A Capture-and-Record Account, 1935-1937*, (Madison: University of Wisconsin Press, 1970), 13-15.

legislatures decide a number of important issues. Over the next two years, all states passed cooperative legislation in order to take advantage of the federal grants. In many states, especially those in the South with no significant labor, welfare, or pension laws, this process was long and drawn out. Implementing Social Security in Arizona was also a difficult process. As in the South, racial issues were important, but in Arizona the controversy was related to the state's Indian population, rather than to blacks or Hispanics. The debate in Arizona was also complicated by the issue of medical care for the poor. Finally, a political standoff between Maricopa County and the rest of the state threatened to wreak havoc on the agency designated to administer the state's programs. Admitted administrative problems and inefficiency resulted in delay in the implementation of Social Security programs and the loss of tens of thousands of dollars in federal grants to the state.

IMPLEMENTING SOCIAL SECURITY IN ARIZONA

Roosevelt nominated John G. Winant, former Republican governor of New Hampshire as the first chairman of the Social Security Board. The other two original members were Arthur Altmeyer and Vincent M. Miles, a prominent Arkansas Democrat.[10] The House of Representatives approved $1 million for the Board's work through the remainder of the fiscal year, but a filibuster by Huey Long in the Senate left the funds unapproved at the end of the congressional session. The Board was able to initiate its work with funds from the FERA and WPA, and personnel from the expiring NRA. The difficulties in implementing such a massive program as Social Security were accentuated by disagreement between Board members. They could not agree on who should serve as their Executive Director, and agreed to an unwieldy compromise of also appointing a planning "Coordinator" separately responsible to the Board. Winant's resignation in 1937 and his replacement by Altmeyer as chairman improved Board harmony and the position of Coordinator was eliminated. Frank Bane served as the Board's first Director, and Henry Seidemann served, briefly, as Coordinator.[11]

Assistance to the states was the most important part of the Board's duties in its first two years. The Board's small staff included social

[10]The Social Security Act required that no more than two members of the Board be from the same political party. Roosevelt often tried to promote bipartisanship through appointments of progressive Republicans.

[11]Altmeyer, 43-46, 72-73; McKinley Frase, xiv, xviii. Winant resigned on September 30, 1936 in protest against Alf Landon's criticism of Social Security. He returned to the Board after the election, but resigned again on February 19, 1937. Altmeyer became the new chairman. For nearly six months, the Board had only two members, making cooperation a necessity. George E. Bigge eventually filled the vacancy.

workers, lawyers, accountants, personnel experts, and others who could provide states with advice for framing legislation and developing administrative procedures and personnel. The Board opened twelve regional offices with the San Francisco office serving California, Arizona and Nevada. It also formed an association of all state unemployment administrators. In November 1937, the Board established the State Technical Advisory Service to provide technical aid to state agencies in setting up merit systems for their personnel. The Board could influence the establishment of state agencies through its advice and, as a last resort, by disapproving grants, should the states fail to meet the requirements of the act. Because withholding funds would entail hardship on those needing assistance, and involve the Board in political controversy, federal grants were only withheld, even temporarily, on three occasions in the history of the program.[12]

The most difficult policy question facing the Board with regards to OAA was whether state laws had to tie assistance to actual need. Some states would pay a fixed monthly amount to those over 65 whose income did not exceed a certain amount, while others proposed to pay a uniform monthly allowance to all persons over 65 years of age. Still other states (California and Colorado) were also boosting benefits above the $30 maximum for which the federal government would pay half. These state variations could debilitate the federal old age insurance program before it was even launched. While the Board believed it was the intent of the act to provide assistance only to those in need, the act contained no such explicit requirement. However, the Board's general counsel expressed the opinion that restricting grants to programs with a need-based criterion was within the "administrative discretion" of the Board. With this support, the Board required that OAA be given only to those in need and proportional to their need.[13]

Implementation of state legislation was delayed because of the timing of most state legislative sessions. Arizona was a typical state whose legislature met in regular session only during the first three months of the odd years following their election. The next session of the Arizona legislature following passage of the Social Security Act was not until January 1937. While the governor could call a special session, Moeur was always reluctant to do so because of the expense. Prior to June 30, 1936, only ten states, not including Arizona, had approved unemployment insurance laws. A year later, after each legislature had met, every state had such a law in order to qualify for federal grants. In general, the Board had a more difficult time in aiding states with developing suitable

[12]McKinley and Frase, 24, 98; Altmeyer, 51, 54.

[13]Altmeyer, 60-61; McKinley and Frase, 32.

unemployment programs than old age assistance programs. This was because there were so few state unemployment insurance programs prior to the Social Security Act, that there was little experience with how they might operate. States also hesitated until the Supreme Court finally ruled that such programs were constitutional. The validation of New York's law, and the Board's decision not to ask Congress for rebates on taxes for states without approved plans, led to a rush of state activity late 1936. The regional staffs attempted to guide these legislative efforts. In addition, the Social Security Act mandated that the federal government pay 100 percent of the administrative costs of the unemployment agencies, instead of the 50 percent under the other programs. This led the Board to investigate state administrative procedures more thoroughly. Arizona was somewhat atypical in that it successfully enacted its unemployment insurance program several months before its old age assistance program. The unemployment program in Arizona was relatively free of the political and administrative complications that hindered its OAA.[14]

The Social Security Act created strong financial incentives for states to enact cooperative legislation and agencies. Besides the 50 percent grants to match state contributions for aid to unemployables, there were also the mandatory tax provisions. Social Security taxes for old age and unemployment insurance would create a significant outflow of funds from a state which could only be recovered if the state enacted its share of the programs. These were sufficient incentive to move most states quickly. By June 30, 1936, 36 states had developed their cooperative plans and were receiving federal grants for OAA, and for at least one of the other three major assistance programs in the Social Security Act. Arizona was one of the first to receive grants for aid to the blind and to dependent children, but failed to win early approval of an old age assistance plan. Arizona benefited from the Board's leniency in approving programs for the blind and children that did not meet its requirements and letting the legislatures take care of the problems at a later time. The old age assistance program was delayed, however, because it would not accept Arizona's pension as a meeting the requirements of the act. The first cause of delay was Moeur's reluctance to call another special session of the legislature to pass Social Security legislation. In August 1935, he argued that the existing state pension plan was sufficient to meet the requirements of the state OAA program. That the federal law mandated entirely different, and more lenient, age and residency requirements did not seem sufficient imperative to the governor. "I see no reason why we should change the age requirement," he stated, "or the provision requiring residence here 35

[14]Altmeyer, 62; McKinley and Frase, 30.

years before being eligible. In fact, we are too poor as a state to let down the bars at this time. To do so would break the state." Always wary of the cost, Moeur delayed calling a special session until federal officials ruled that Arizona could not receive grants until it had passed suitable laws. At the same time, he expressed support for expansion of the act, writing to Arizona's senators, "I urge the very serious consideration be given to the broadening of the benefits of the old age pensions under this act to the end that aged citizens of the nation be given an adequate opportunity to live comfortably." As with most of the New Deal, Moeur supported any expansion of federal programs that could benefit Arizona's citizens without raising state taxes.[15]

After returning from a Social Security conference in Washington in December 1935, Florence Warner understood that the governor would have to be more cooperative if the state was to receive old age assistance grants, but Moeur remained obstinate. Meanwhile, the Board of Public Welfare submitted a request for grants for aid to the blind and aid to dependent children, based on its existing relief programs. On February 1, 1936, the Social Security Board issued its first grants to states with approved programs. Arizona was one of eleven approved for an aid to the blind grant, totaling $13,500. It was also one of nine states approved for an aid to dependent children grant, totaling $100,000. Arizona was not among those receiving OAA grants.[16]

In September 1936, visiting federal officials finally broke down Moeur's resistance to calling a special session of the legislature. The Social Security Board would not accept the restrictive Arizona pension law as an old age assistance program. They also warned that suitable legislation on unemployment insurance must be passed by the end of the year if the state was to receive unemployment benefits. They pointed out that whether or not the state passed such legislation, the one percent payroll tax would go into effect at the beginning of 1937. Moeur called the session to meet on November 5, after the election. The timing was least advantageous for promoting his program. Moeur had lost his bid for renomination to a third term, and the opening of the special session followed the victory of Rawghlie C. Stanford. Moeur's lame-duck status contributed to the turmoil that followed.[17]

Moeur proposed that the existing State Board of Public Welfare administer the Social Security programs. Although the governor was a

[15]Altmeyer, 59; Quadagno, 132; *Arizona Republic*, August 21, 1935, 1:1; January 18, 1936, 1:3.

[16]*Arizona Republic*, December 28, 1935, 1:5; February 2, 1936, 1:1.

[17]Ibid., September 19, 1936, 1:1.

strong supporter of the Board of Public Welfare, there were many legislators who preferred to see an entirely new agency take its place. Many of these were from Maricopa County and had long criticized the Board for its allocations of relief funds.[18] Other refused to enact any program assisting reservation Indians. Ultimately, bills for developing the old age assistance program were dropped from the session. Legislators concentrated on passing a suitable unemployment insurance law before the Social Security Board's deadline. The session ended on November 25, with an unemployment bill whose primary provision was the impoundment of 90 percent of the state's Social Security taxes within the state. The law created a separate commission to oversee the unemployment program, keeping it out of the hands of the Board of Public Welfare and apart from the other categories of Social Security aid. This was fortunate as the remainder of the state's Social Security programs continued to face significant problems and delays. Federal approval of the state's unemployment insurance program came on December 22.[19]

The state's unemployment organization became effective on February 23, 1937. Under the impoundment provision, the state collected the one percent payroll tax and retained 90 percent of it. Disbursement of funds for unemployment insurance did not begin until January 1, 1938 and for old age insurance until the following year. Administration of the program was under a three-member board appointed by the governor. Stanford appointed Milton C. Burk, a Phoenix attorney and member of the legislature who had sponsored Social Security legislation, as the commission's first chairman. Labor's representative on the board as John J. Durkin of Tucson. Durkin, president of the Arizona State Federation of Labor and editor of the *Southwestern Labor Record*. To represent business, Stanford appointed former Home Owners' Loan Corporation administrator and Valley National Bank executive, W. Roy Wayland.[20]

Implementation of Social Security was the most pressing issue facing Stanford and the regular session of the legislature in January 1937. By this time, Arizona was one of only six states without an approved OAA plan. In the State House, representatives, David J. Murks, M. A. Gray, and Bridgie M. Porter, led the effort to pass the governor's program.

[18]During the FERA, the Board distributed relief funds to counties according to size of their relief rolls. Maricopa County argued for distribution based on population. Warner held firm to FERA rules and gained the permanent enmity of many Maricopa County officials.

[19]Ibid., November 26, 1936, 1:1; December 23, 1936, 1:1; January 29, 1937, 1:1.

[20]Ibid., February 23, 1937, 1:5; February 24, 1937, 1:1; February 28, 1937, 1:1.

Their initial bill proposed to replace the Board of Public Welfare and the Unemployment Commission, created just a few weeks before, with a new Board of Social Security and Public Welfare. This new board would have three members with terms coextensive with the governor's. The bill also proposed three-member county boards with the chairman of the county board of supervisors one member and the other two appointed by the state board. This proposal was designed to maximize the governor's control over the welfare operation. At the suggestion of Washington officials, however, consolidation of the unemployment program with the welfare programs was dropped and the Unemployment Commission remained an independent agency. The Social Security Board staff also warned against any bill that set up administration by a board rather than by a professional staff.[21]

In its nearly four years, the Board of Public Welfare had played a crucial role in administering the New Deal in Arizona. As a result it accumulated both supporters and opponents. Representative William Spald of Tucson defended the Board as being non-political; M. A. Gray attacked it for being political. Representative M. E. Curry criticized the administration proposal, declaring "This is a patronage bill from every stand-point. You are playing with hungry people here, and I am telling you, you had better be careful." Despite this warning, the House passed a bill eliminating the Board of Public Welfare in favor of a new Board of Social Security and Public Welfare. The Senate, however, where James E. Babbitt of Coconino County led supporters of the Board of Public Welfare, passed a measure retaining the existing Board. In conference committee, the senators agreed to the creation of a new five-member board, but gained a reduction in the governor's control by lengthening the terms of members to six years. This same extension of terms also applied to the Unemployment Commission. In addition to creating the Board of Social Security and Public Welfare, the new law also eliminated the existing state pension plan in favor of the less restrictive OAA.[22]

Because of the complexity of the issues and the rush to close the session, the Senate overlooked the need to enact a bill to transfer authority over the relief revenues from the luxury tax over to the new Board, sending this much needed $90,000 per month back to the general fund. This loss of funds was extremely disruptive since the law also confirmed that the state was responsible for the medical care of the indigent poor. A tremendous burden lay with the Board, with no funds to meet it. Stanford hesitated to call a special session, but the alternative of

[21]Ibid., February 1, 1937, 1:1, 1:3; February 23, 1937, 1:5.

[22]Ibid., February 23, 1937, 1:5; March 4, 1937, 1:1; March 9, 1937, 1:1; March 13, 1937, 1:7; March 14, 1937, 1:1.

transferring the governor's relief fund to the board would mean the end of from 30 to 40 work relief projects. He soon decided that he wanted to maintain control over the relief fund, and that he had a number of other important issues that he wanted addressed. These included revision of the sales tax, a bill to authorize creation of soil conservation districts, authorization of a PWA project at the state hospital, creation of a state parks board, and enactment of a minimum wage law.[23]

On March 23, Stanford appointed the members of the Board of Social Security and Public Welfare. Several were prominent Democrats who had supported Stanford in his campaign. Raymond Marquis of Phoenix, became the chairman. Other members were Dr. Junius Gibbons, state Democratic chairman and a secretary to the governor; Esther Haynie of Douglas, a person prominent in Cochise County civic affairs and a former employee of the Arizona Highway Department; Bernard McDonald, a druggist from of Jerome; and, William P. Mahoney of Winslow, special agent for the Santa Fe Railroad, a former sheriff of Mohave County, and a former state senator. Lee Garrett, Stanford's campaign manager in Pima County and the chairman of the Pima County Democratic Central Committee, became Commissioner of Social Security and Public Welfare. Within three weeks, the county boards were organized and included both new persons and veterans of the older county boards. The only indication of problems in staffing the new boards was a complaint by the "Arizona Democratic Association" that federal officials were dictating appointments of personnel to oversee Social Security. Apparently, the complaint came to nothing. Florence Warner did not become a part of the new administration, perhaps because she was identified too closely with the previous administration. After nearly four years as one of the most important New Deal administrators in the state, Warner was without a job. "I'm going to be in Phoenix for a few days and then I'm going to knock around in Arizona for a while and enjoy myself," she told the press. In April, friends gave her a farewell dinner in honor of her services. She then left the state for a European vacation.[24]

Stanford called his first special session to open on May 10. He restricted his call to sales tax revision, leaving Social Security, soil conservation, and other issues for a planned second session to follow

[23]Ibid., March 16, 1937, 1:1; March 17, 1937, 1:1. In May, the state supreme court took away the governor's authority over the relief fund and gave it to the new Board, citing reference in the law that all public welfare responsibilities in the state now rested with the Board [May 23, 1937, 1:1].

[24]Ibid., March 24, 1937, 1:1; April 17, 1937, 1:3; April 27, 1937, 2:1; June 18, 1937, 1:1; August 5, 1937, 1:3. No information has been found indicating that Warner returned to Arizona.

immediately. Despite his efforts to lead and his vow of "no compromise," the legislature rejected Stanford's proposals. The governor called a second special session to begin June 2, but again the governor's opponents took control. The soil conservation district legislation was dropped, as was the attempt to create a state parks board. The legislature did however, transfer the luxury tax funds to the Board, and authorized PWA projects at the state hospital. It also enacted a landmark minimum wage law. For the first time, the Senate rejected a gubernatorial appointment, not once, but twice refusing Fred Colter to serve on the Arizona Colorado River Commission. The legislature also stepped outside the call of the session to pass a measure passing responsibility for indigent medical care back to the counties, a bill the governor promptly vetoed.[25]

The veto created a major problem for the Board, since it did not have any appropriation to carry out this responsibility. The Board was also hearing substantial criticism over its pace in certifying OAA applications. By the end of June, the Board had over 4,000 applications for assistance before it and expected the total to soon rise to between 7,000 and 8,000. The Board hired state representative and Stanford supporter, J. Irving Burk, to head the applications reviews. At this time, the Board's staff numbered approximately 420. The Board also had to continue the cooperative effort with the WPA. Stanford's call of a third special session starting on July 22 gave critics the opportunity to voice their concerns. Stanford's requested items were a bill to restore pensions to those previously receiving them, to appropriate funds for the Board, and to return responsibility for indigent medical care to the counties.[26]

The session began with a House resolution calling for the resignation of four of its members who also held administrative positions. One of these was J. Irving Burk, who admitted that he got his job with the Board because of his support of the governor. All four members were prominent Stanford supporters during the earlier sessions. The resolution failed and the members retained their seats. Legislators then turned their wrath onto the members of the Board. Critics charged that the Board was three months behind in certifying applicants for OAA and that $150,000 in federal grants during May and June had to be returned because of the lack of certifications. Board chairman Marquis admitted the charges, saying the Social Security setup was "full of bugs" and that the staff was suffering from "inexperience and inefficiency." In its first four months, the Board had completed only 500 certifications for assistance. There were also delays in the child welfare programs, because of

[25]Ibid., May 30, 1937, 1:1; June 16, 1937, 1:1; June 22, 1937, 1:1; June 23, 1937, 1:4.

[26]Ibid., June 20, 1937, 1:2; July 1, 1937, 1:5; July 22, 1937, 1:1.

priority given to OAA and indigent care responsibilities. He also requested $200,000 to help the Board carry out its mandates. Critics requested the governor call another special session to replace the Board.[27]

The legislature not only refused Marquis' request for additional funds, it passed, and the governor signed, a measure capping its administrative expenses. In response, the Board initiated a staff cutback to 300 persons. Prior to this time, it was believed that not all of the previous pensioners would qualify under OAA, so each was required to apply anew. During hearings on the measure to automatically enroll old pensioners in the new program, it was noted that Washington officials did not review applications for assistance. Neither the legislature nor the governor saw any problems in simply forcing the Board to provide benefits to all who had received them previously, passing a law to that effect, which quickly provided benefits for the 2,480 pensioners. Board commissioner Lee Garrett, overwhelmed by his responsibilities resigned for "health reasons." Marquis initially planned to resign his position on the Board to become the new commissioner, but later decided to retain his seat. Patrick H. Brooks then became the new commissioner.[28]

Two issues complicated the implementation of Social Security in Arizona. The first was the question of whether Indians came under its provisions. Several Arizona legislators opposed giving state benefits to Indians because they were "wards" of the federal government. Because the reservations were federal land, state property taxes did not apply to them. For these reasons, the state did not grant reservation Indians the right to vote. But others, such as Office of Indian Affairs Commissioner John Collier, believed they were eligible because they were citizens and since they were not an explicitly excluded category under the act. The bill in the December 1936 session of the legislature to qualify Arizona under the old age assistance program failed because of opposition to paying assistance to Indians. This opposition caused a delay of at least three or four months in implementing the program and contributed to the loss of approximately $150,000 in federal grants. Legislators in the next session dropped their opposition rather than risk a further loss of funds. Meanwhile, Senator Carl Hayden led a group of 22 western senators, including Henry Ashurst, in an effort to remove Indians from the benefits of Social Security. The issue of Indian eligibility was decided at the federal level by a determination that they did qualify. Arizona legislators then swallowed their prejudices and passed an old

[27]Ibid., July 24, 1937, 1:1, 1:2; July 27, 1937, 1:1, 1:6; July 28, 1937, 1:1; July 29, 1937, 1:1; August, 3, 1937; 1:4.

[28]Ibid., July 31, 1937, 1:1; August, 3, 1937, 1:1; August 4, 1937, 1:1.

age assistance bill that included benefits for reservation Indians rather than see more delay in getting federal funds to the state.[29]

More complex than the question of Indian eligibility was the conflict over indigent medical care. This issue was peripheral to the Social Security Act, which did not contain provisions for medical care assistance, but it complicated the creation of a state agency to oversee the Social Security programs. Counties were traditionally responsible for providing medical care for indigents, a tradition that the Social Security Act did not disturb. Arizona's counties each had at least one hospital providing care for the poor. A number of these hospitals received new buildings or other improvements as a result of various New Deal work relief projects. The law that created the State Board of Public Welfare in 1933, removed responsibility for administering these hospitals from the counties and gave it to the Board, although the counties were still obligated to fund their operation. Responding to the drop in FERA funding at the end of 1935, the Board ordered the counties to resume their duties to oversee indigent care. Maricopa County rejected the order, claiming the responsibility under the law rested with the Board, and took the case to court. The case was dropped when Florence Warner admitted the Board could not shift its responsibility. At the same time she requested that the county contribute nearly $13,000 per month for the remainder of the fiscal year for indigent care, which forced the county to seek an unpopular emergency tax levy. Warner continued to spar with Maricopa County over county responsibility for indigents. In June 1936, she requested all of the counties appropriate $100,000 for general indigent relief, with $37,550 from Maricopa County. At the same time, she tried to enlist the support of the attorney general in her effort to shift responsibility for indigent medical care to the counties in the next fiscal year. Maricopa County argued that no such appropriation would be necessary if the Board made an equitable distribution of the relief portion of the sales and luxury taxes. Wanting to avoid a tax increase, Moeur sided with C. Warren Peterson, chairman of the Maricopa County Board of Supervisors in the dispute and ordered the governor's relief fund given over to the counties.[30]

As noted above, the dispute between the Board and Maricopa County flared during the special session called by Moeur in November 1936 to pass Social Security legislation when some legislators, including

[29] Ibid., January 19, 1937, 1:2; January 22, 1937, 1:1; February 2, 1937, 1:1.

[30] Ibid., November 23, 1935, 1:1; November 28, 1935, 1:1; November 30, 1935, 1:1; December 7, 1935, 1:1; June 25, 1936, 1:1; June 26, 1936, 1:1. The enmity between the Board and Maricopa County extended to other issues. The county had argued to the national administration that the Board was unfairly distributing work relief funds under the CWA (see Chapter 4).

many from Maricopa County, insisted that the Board be replaced. In the following regular session under Governor Stanford, the legislature created the new Board of Social Security and Public Welfare. Responsibility for indigent medical care remained at the state level under the board, but as the Board's funding was low, it was a responsibility it wanted no more than the previous Board. The June 1937 special session, the second called by Stanford, debated the indigent care issue. Stanford and his supporters wanted an appropriation of $1.38 million to fund indigent care, but opponents countered with a bill to return responsibility to the counties, which they passed and sent to the governor's desk. Stanford vetoed the bill on grounds that it was beyond his call for the session. Responsibility for indigent care remained with the state, but with no funds to meet it.[31]

Responsibility for indigent care contributed to inefficiency in the Board's efforts to implement old age assistance and other Social Security measures. One Board member stated, "we've already got our hands full without this job, too." The Board worked with the Arizona State Medical Association to work out a plan by August 15, to operate the county hospitals. Facing an expected expense of $65,000 to $70,000 per month for indigent care and almost no funds, the Board requested that Stanford call the third special session, starting July 22. After resolving the issue of the old age pensioners, the session was dominated by the question of state versus county responsibility for indigent care. Representatives of most counties had, by now switched to a preference for full county responsibility. Maricopa County, which would care for approximately half of the state's total burden, fought tenaciously for state responsibility, or at least cost sharing. By preventing a two-thirds vote needed to pass the county responsibility bill with an emergency clause—necessary for immediately enactment of the law—Maricopa County representatives held back the close of the session. Maricopa County's united front was broken when the other members threatened to pass the bill without the emergency clause, thereby creating a three-month limbo in which the counties did not have responsibility for indigent care and the Board had no funds. With the burden of indigent care lifted, the Board could concentrate on implementing the Social Security programs. Political controversy no longer surrounded the Board's activities and it slowly moved towards an efficient system of routine certification of applications and payment of benefits.[32]

[31]Ibid., November 22, 1936, 1:1; December 3, 1936, 1:1; April 18, 1937, 1:8; June 6, 1937, 1:1; June 29, 1937, 1:1.

[32]Ibid., July 10, 1937, 1:2; July 13, 1937, 1:1; July 14, 1937, 1:4; August, 1,1937, 1:1; August 4, 1937, 1:1. Responsibility for indigent care remained solely with the

CONCLUSION

The Social Security Act was one of the most important pieces of legislation of the New Deal. The federal old age insurance program permanently altered the relationship between the federal government and its citizens. The act looked beyond the immediate emergency of the depression and established the policy that the federal government should play a large role in protecting citizens from the sometimes devastating effects of the business cycle. The act also contained a number of other programs that were of more immediate consequence to people in need in the 1930s. All of the act's provisions, except for old age insurance, were actually state programs that were subsidized by federal grants and followed broad federal guidelines. These included unemployment insurance, old age assistance, aid to dependent children, aid to the blind, and support to public health programs. Roosevelt's intent in decentralizing most of Social Security was to encourage states to take more responsibility for the welfare of their citizens. This decentralization also reflected political pragmatism because many congressmen opposed greater centralization.

The Social Security Act gave states strong incentives to enact supporting legislation and create administrative agencies. The federal government promised to pay approximately half of the costs of all the programs, and its tax provisions were applied whether or not states had programs. The RFC and the PWA had already demonstrated that the Arizona was willing to pass whatever measures were necessary to gain federal aid. Governor Moeur, however, usually tried to negotiate other means to gain federal aid without calling special sessions of the legislature. Moeur's reluctance to push legislation until absolutely necessary contributed to the delay in several programs, including public works and Social Security. He did not call a special session to pass Social Security measures until the end of 1936, and then only an unemployment insurance program was enacted. The failure to deal quickly with the OAA program led to a significant loss of funds. When the legislature under Governor Stanford finally passed an OAA program, it complicated matters by creating a new Board of Public Welfare and Social Security to administer it, and by not adequately considering related issues such as luxury tax revenues earmarked for relief purposes, or responsibility for indigent medical care. Only after three special sessions in the summer of 1937 were these issues finally resolved.

By the end of 1937, Arizona had a working welfare program that was larger in scope than anything previously considered. Despite local prejudices, the legislature resolved controversies over Indian eligibility

counties into the 1980s, until enactment of the Arizona Health Care Cost Care Containment System.

and responsibility for indigent medical care. The problem of how to transition from the state's old pension system was resolved with a blanket grant of eligibility to all previous pensioners. The solution reflected the wide latitude the act gave to states to develop programs to suit their own situation. It was a pragmatic solution that the Social Security Board in Washington saw no reason to challenge. Inefficiencies in the Board of Social Security and Public Welfare's first months eventually gave way to a routinization of operations. These permanent reforms guaranteed that the kind of deprivations suffered by the unemployed in the early years of the depression would not be repeated. All levels of government accepted more responsibility for social welfare than before and the Social Security system created the administrative agencies and funding mechanisms to meet future needs.

15 CONCLUSION

The broad scope of the New Deal creates an awesome challenge for historians to draw meaningful conclusions. So many new programs, affecting so many aspects of American society, economics, and politics were initiated, altered, or magnified, that it is difficult to grasp the significance of the era in its entirety. The New Deal has been studied extensively at the national level, but interpretations continue to change. Studies of specific agencies reveal many of the problems faced in the implementation of policies devised by the Roosevelt Administration and Congress. These studies recognize the importance of state and local administrators, differences in regional or state conditions, and political variations around the country, but it is difficult to adequately treat local variations while trying to understand an agency as a whole. A state study of the New Deal is valuable because it can reveal how federal programs adapted to widely differing conditions. It can also reveal how innovations in federal policy in the 1930s affected the relationship between different levels of government, and between the government and its citizens. Because Arizona's population was fairly small in the 1930s, it has received little attention in New Deal literature. It is rarely used to provide examples of issues important at the national level. A study of the New Deal in Arizona is valuable, however, because the state had many characteristics that made some New Deal programs more important than others. These characteristics include the prominence of the federal government as a landowner, the presence of several large Indian reservations, the dependence of agriculture on reclamation, and the importance of the copper industry. This study has attempted to derive an understanding of the broad scope of New Deal undertakings in the Arizona, both to gain insights into the New Deal itself, and to better understand how the state itself was changed.

The New Deal altered the relationships between the federal government, the states, and individual citizens. The American public, by the 1930s, was no longer willing to accept that the national government should not intervene in the economy during an emergency which many compared to the exigencies of wartime. The rushes of legislation during the First and Second Hundred Days created new agencies and appropriated unprecedented sums to undertake initiatives affecting virtually every aspect of the economy. Most of these were framed as emergency measures, many with explicit expiration dates and others with no immediate plans to appropriate additional funds. The CCC, the HOLC, and the NRA were three such agencies. Others were intended to implement permanent reforms that would prevent a reoccurrence of the conditions that had contributed to the depression. Banking and public utilities legislation, the AAA, and the SCS are examples of this category. A few programs represented victories for progressive-liberal political ideas that had been evolving for a number of years and could be implemented because of the sweeping Democratic victories of the early Roosevelt years and the willingness to try new things in the economic emergency. Examples of such legislation include the Wagner Act and Social Security Act.

Although it was one of the smaller states—in terms of population—the activities of the New Deal became a prominent part of daily life in Arizona. Support from the NYA helped keep hundred of youths in high school and college; mortgage refinancing from the HOLC saved the homes of thousands of families. Drought relief purchases of cattle prevented a financial disaster for ranchers, while AAA benefits saved many cotton farmers from bankruptcy. The CWA dug sanitary privies where no public sewers reached; the WPA provided band concerts in municipal parks. The Indian Reorganization Act created new forms of self-government for the state's tribes. Roads, sidewalks, schools, hospitals, air fields, wells, sewers, check dams, fire lookouts, telephone lines, and campgrounds are some of the buildings and structures constructed throughout the state as part of the largest federal public works undertaking in American history up to that time. The FHA, Social Security, the Indian Reorganization Act introduced permanent institutional changes in the pattern of housing and homeownership, economic security, and ethnic identity. New Deal activities could be as prominent as the Blue Eagle campaign of the NRA, or as obscure as a small mine development loan from the RFC.

It was the vast scale of the New Deal's efforts, its dozens of interrelated programs and policies, initiated mostly within the short period from 1933 to 1935, that made Roosevelt's administration one of the turning points in American history. Almost every individual initiative can be demonstrated to have a history of evolving ideology and institutions. These could be personal, such as Roosevelt's own interest in conservation and the problems of American urban youth that led to the creation of the CCC. Or they could be longstanding political controversies, such as the remonetization of silver, over which Roosevelt spent more time and effort than should have been necessary. The more the particulars of each initiative are examined, the more important the continuities between the New Deal and previous policies appear. Although the RFC expanded its operations to become one of the largest investment banks in the world, its time of greatest prominence was during the last months of Hoover's term when it was the primary federal agency working to restore prosperity. Hugh Johnson and those who thought the NRA might usher in a new era of government-corporate-labor cooperation referred back to their experience with the War Industries Board. Where continuity breaks down is that in no other period in American history were so many new agencies created and so much money appropriated to undertake so many programs. Contemporaries made comparisons with the war effort, when the federal government drafted millions of men, took control of the rail and maritime transportation industries, and invested millions of dollars in war-related facilities, including housing. But the single-minded purpose of the war effort does not compare to the complex program of relief, recovery, and reform that characterized the New Deal.

It is too simplistic to say that the New Deal was a result of the Great Depression. There are also important issues such as the state of contemporary ideologies, the division of power between the parties, and the division of power within parties between sectors, such as farmers versus city dwellers, or between sections, as with the industrial Northeast versus the cotton South. The timing of the economic slide maximized its political effects to the detriment of the Republican party. Despite his efforts, Hoover failed to reverse the prolonged decline that ultimately led to a near total break down of the nation's financial system. The decline did not happen all at once, but was extended over most of Hoover's four years. Democratic victories in 1930 increased the political pressure on Hoover to develop a more proactive program. He proceeded slowly, relying on exhortation to restore confidence, expanding credit to agricultural cooperatives, encouraging private initiatives like the National Credit Corporation, approving the federal RFC, then approving its expansion into relief loans. His program progressed incrementally and in such a way as to least compromise private initiative by surrendering to more "radical" suggestions. Each step set an important precedent, but perhaps more important, they did nothing to reverse the economic decline. The majority of the public attached the blame for this failure to Hoover's hesitancy to accept the programs being increasingly forced upon him, rather than to the programs themselves. The public rejected Hoover, not the Reconstruction Finance Corporation.

While there was a certain inevitability to the Democratic victory in November 1932, the election of Franklin Roosevelt was not. Roosevelt brought into office a broad progressive-liberal ideology that included support for conservation, concern for the needy, and a belief that American economy should be more cooperative. For his cabinet and chief advisors, he selected men and women of high ability, but whose beliefs ranged the political spectrum from conservatives like Lewis Douglas, to Bull Moose Progressives like Harold Ickes, to social liberals like Harry Hopkins. Congress, though strongly Democratic, also represented the broad range of political ideas from urban labor supporters like Robert Wagner to old-time silverites like Henry Ashurst. Hundreds of proposals were made by congressmen and by presidential advisors from which the New Deal was shaped. Beyond the President and Congress, stood the Supreme Court, with its Republican-appointed majority, insulated from the sweeping tides of electoral politics, and ready to deal sternly with any constitutionally errant legislation. Beyond these bodies were the states, many like Arizona demanding some sort of federal aid. Businessmen, farmers, and laborers each made vocal demands. A unique set of circumstances between March and June 1933 led to feeling of crisis and a willingness to accede to presidential leadership. This willingness to follow was enhanced by Roosevelt's pattern of shaping legislation to include many previously competing proposals. So it was that the Agricultural Adjustment Act included the Thomas Amendment that might have effectively remonetized silver, and the National Industrial Recovery Act which included both public works and industrial cooperation.

In March 1933, the federal government was ill equipped to oversee the implementation of so many new programs and initiatives. A few agencies had preexisting plans that they used New Deal resources to fulfill. Such was the case with the National Park Service which had long sought to develop the Grand Canyon with a full range of tourist services. Abundant labor provided by the CWA and CCC, with additional funds from the PWA, made up for the cuts imposed by Roosevelt's Economy Act of 1933, and built much of the current infrastructure on both rims of the canyon. In the case of the Agricultural Adjustment Act, the new agency was housed in the Department of Agriculture where it could take advantage of several supporting bureaus and their existing staff. With the full support of Secretary Wallace, the AAA overcame many of the obstacles that faced new agencies. Such was not the case with the FERA, the NRA, and the Social Security Board. Each of these new agencies was made independent of the existing executive departments and launched their innovative programs with the barest base of expert staff. Enthusiasm often had to substitute for experience, though with differing results. Harry Hopkins and his dedicated staff distributed hundreds of millions of dollars in grants to states for direct and work relief. In addition, these same persons built the CWA into the largest employer in the country in a matter of weeks, employing four million men and women in thousands of projects between November 1933 and March 1934. Less fortunate was the NRA, whose administrator, Hugh Johnson, was no less dedicated, but less capable. The task of organizing and overseeing codes of fair competition for hundreds of industries and arousing public support through the Blue Eagle campaign nearly overwhelmed the NRA staff. Though they were no less expert than the staff of other agencies, they faced an impossible task of transforming a fiercely competitive economy into one that both protected "fair competition" and encouraged cooperation in order to minimize waste and maximize employment. The NRA, however, was not without qualified success. In the case of the copper industry, a major industry in Arizona, it imposed a cooperative system in which the largest producers agreed to a production system that both favored smaller producers and stabilized prices. The Social Security Board also faced a daunting task, one complicated in its first months by the lack of a congressional appropriation. Its program of providing old age insurance for workers nationwide provided unprecedented challenges in administrative procedure. The Board was fortunate that the Social Security Act did not authorize payment of benefits for several years, giving it a luxury of time to develop that most New Deal agencies lacked. In addition, it had to oversee several grants-in-aid programs to the states and help them to develop efficient and effective administrative systems. Between 1935 and 1937, the Board aided nearly every state in the passage of legislation and the formation of administrative agencies to oversee unemployment insurance, OAA, and other aid. It accomplished this despite the act's limitation of the Board's authority over state programs.

The states and their political subdivision were primarily responsible for the implementation of most New Deal programs. In Arizona, this was perhaps less so because federal agencies such as the Forest Service and National Park Service managed significant portions of land and directly guided numerous work projects. More importantly, the Indian New Deal was a wholly federal undertaking that significantly affected both the social structure of the tribes and benefited their reservation economies with employment and physical improvements. Beyond these realms of the federal domain, state and local administrators, planners, and staff implemented most of the New Deal in Arizona. The success of the public works programs of the FERA, CWA, WPA, and PWA depended on the willingness of state, county, and municipal planners and politicians to initiate project proposals and provide matching resources. Foremost of these was the Board of Public Welfare, whose executive secretary, Florence Warner, guided Arizona's cooperation with the FERA, the CWA, and the WPA. Just as important, though not as prominent, were the county Boards of Public Welfare, whose dedicated members and staff, including Grace Sparkes in Yavapai County, John Curry in Maricopa County, and R. E. Souers in Cochise County, did the work of certifying thousands of persons for relief and who planned and implemented hundreds of work projects. Also important was Steve A. Spear, who as Arizona director of the National Emergency Council played a major role in the implementation of the NRA and PWA, and who also launched the FHA as its first state administrator. These state authorities were joined by numerous people within school districts, the university, the teachers' colleges, irrigation districts, and other public entities who actually formulated work plans, submitted applications, pushed the legislature for supporting laws, and then directly supervised many projects. An example of such people was Byron Cummings, archaeologist with the university who tapped a succession of work relief agencies to carry out excavations and development work at numerous prehistoric sites around the state. The more rapid success of the FHA in Arizona owed largely to the support given by the Valley National Bank, whose executives realized that cooperation with the New Deal could lead directly to expanded profits. Much of the credit for this cooperation goes to W. Roy Wayland who worked directly for the New Deal as state administrator for the HOLC and later as one of the first members of the state unemployment commission, and who was—along with the Bimsons—responsible for the Valley National Bank's cooperation with the FHA.

After 1937, there was little new that was added to the New Deal in Arizona. The FERA and NRA were gone. The HOLC did no more than service its mortgage loans and manage the properties it acquired. The PWA sponsored few new projects, it having been overturned by the WPA as the leading federal works agency. The CCC and the WPA continued their work, although with a declining appropriation. The permanent agencies, like the SCS, the FHA, and Social Security, slowly developed into low profile bureaucracies that concentrated on achieving greater efficiency in managing their routine work. Institutional reforms initiated by the Taylor Grazing Act and the Indian Reorganization Act gained acceptance, begrudged though it might be.

The most important part of the New Deal for the people of Arizona in the 1930s was the employment it brought and the relief it provided those who otherwise would have suffered a loss of their property, bankruptcy of their business or farms, or even starvation. A refinanced mortgage, a payment for cotton not grown, a housekeeping visit from a WPA worker fulfilled an immediate need, but left no long-term legacy. Other activities were of a more extended benefit, but are still quite limited. These included a home improvement loan insured by the FHA, the rise in price due to the major reductions in livestock in the drought relief program, and the display of art at the WPA's federal art center in Phoenix. A non-tangible benefit, though one with a longer legacy, was the education provided to students who were able to remain in school because of aid provided by the NYA.

The physical reminders of the New Deal, the product of hundreds of work projects, are scattered around the state. Check dams, erosion control features, fence lines, and other structures erected by the CCC can be found in many parts of Arizona, with especially high concentrations in the upper Gila River valley and on the Navajo Reservation. Park development work by the CCC can be found in several National Forest campgrounds, the Grand Canyon, Phoenix's South Mountain Park, and

Tucson's Colossal Cave. WPA sidewalks can be found in several towns and are identifiable because of their stamps. These sidewalks are becoming increasingly rare in the rapidly developing communities like Phoenix and Tucson. In Bisbee, on the other hand, WPA sidewalks, retaining walls, and road work, and a pump house are still important parts of the town's infrastructure, evidence of its lack of economic vitality. Unmarked, though still in use, is a small automobile bridge in Cottonwood, built by the CWA. A few monumental structures stand witness to the significance of the New Deal; Hoover Dam, funded in large part by the PWA, and Parker Dam, funded by the RFC. Numerous schools still use buildings constructed by the PWA or WPA, though these are also being abandoned as quickly as funding for new construction becomes available. Many other works have been lost to later development, the Maricopa County Hospital building and the buildings at the School for the Deaf and Blind are examples. Others are abandoned and threatened with loss. The passage of time cannot but erode the physical legacy until there remain only a few preserved tokens and an unknown number of forgotten archaeological sites.

The institutional changes brought about by reform efforts are the most enduring legacy of the New Deal. Foremost of these are the Social Security Act and the FHA. The federal old age insurance program fundamentally altered the relationship between citizens and the federal government. No other program of the Roosevelt era did more to provide a secure foundation of financial security for the American people. The irony is that Social Security was not operative until near the end of the 1930s, and did nothing to bring relief during the depth of the depression or to restore prosperity. Most of the act involved aids to a variety of other groups of persons in need—the unemployed, dependent children, the blind, the aged poor—as well as support for expanded public health programs. All of these depended upon the states to implement, with the federal government providing matching funds and administrative support and oversight. Social Security epitomized the changing relationship between the federal government and the states during the 1930s. Desperately short of funds, the states turned to Washington as the only entity with the taxing and borrowing capacity to meet the emergency. The federal government, however, refused to simply turn over money to the states to do with as they chose. Several agencies placed important constraints on their grants or loans to ensure the effective and efficient implementation of their programs. The RFC insisted upon the creation of the Board of Public Welfare; the PWA held back loans until legislature gave institutions like the university an expanded borrowing capacity. In most instances, the legislature approved these requests fairly quickly although the cost-conscious Governor Moeur often delayed calling special sessions until it was absolutely necessary. The SCS wanted states to authorize creation of new political subdivisions, the soil conservation districts, but in this situation, Arizona delayed participating until 1941.

The Social Security Act's combination of taxes and grants created an irresistible incentive to the states to create substantial new welfare programs of their own. Old age assistance expanded support, in its first year, to about three times the number of the aged poor as were aided by the earlier state pioneers' pension. Unemployment insurance was something wholly new to the state. Particularly in regards to unemployment insurance, the Social Security Act permanently expanded state welfare responsibilities, while institutionalizing a cooperative federal-state welfare program. Roosevelt fully believed in the American federal system of government, and the New Deal did nothing to subjugate the states or render them merely subdivisions of the federal government. In Roosevelt's view, the New Deal strengthened federalism by providing leadership in a time of crisis and enacting programs of cooperation rather than compulsion. The states remained fully capable of initiating programs of their own, as events in later decades would prove. The New Deal expanded the overall welfare responsibilities of all levels of government without overturning traditional American governing practices.

The FHA brought about significant changes in the structure of American housing and urban development. In a society characterized by a high degree of mobility, it made good economic sense that a majority of non-farm families rented their residences. Homeownership, however, was already enshrined as the American dream, and even Hoover believed something should be done to preserve the property of families threatened by unemployment and underemployment. The HOLC saved the homes of tens of thousands of families by refinancing their mortgages on more advantageous terms. The FHA built on this by providing mortgage insurance to private lenders on new and existing homes. In addition to boosting housing starts, the FHA also permanently reformed the home loan industry by institutionalizing the long-term, amortized mortgage. Furthermore, the FHA used its position as insurer to encourage home builders to develop low cost construction techniques. FHA guidelines encouraged simplified styles and mass construction methods which allowed for the massive subdivision growth that characterized most urban areas after the war. The FHA, along with tax benefits to homeowners, provided the incentives that have allowed the majority of families to own their own homes.

The physical legacy of the New Deal slowly fades as the number of surviving buildings and structures constructed by the CCC, CWA, PWA, WPA, and other work programs, declines. Its institutional legacy is diluted as old programs are modified and new one begun. Social Security's old age assistance has been replaced by the Supplemental Security Income program. In these cases, it is important to recognize the significance of the New Deal in the evolution of currently important institutions. In case after case, the New Deal, if not the point of origin, is at least a major turning point. It is particularly important to understand this legacy in a state like Arizona that experienced tremendous growth after the war. Despite its massive urban growth (which reflects the importance of the FHA), Arizona has a vast expanse of open lands which are daily affected by the continuing operation of the Taylor Grazing Act, soil conservation programs, and Indian reservation development projects. Besides their direct effects on rural and Indian populations, these programs have important indirect effects through the protection of forest resources and watersheds. As the New Dealers understood, the long-term viability of cities, particularly in the arid West, depends on the wise management of rural lands. The New Deal as an important step in land conservation, is nowhere more important than in Arizona.

The programs of the New Deal, the efforts of state agencies to help implement them, and the participation of citizens altered what Americans, including most Arizonans, expected from their government. Citizens now largely take for granted that the federal government will intervene to stabilize the economy. States are expected to provide a range of social services that before the 1930s were either ignored or considered the realm of the private sector. The New Deal was not a complete innovation in this regard. Important precedents in the rising role of government were set in Progressive Era, and in Arizona, as in many western states, the federal government had long assisted economic development through aid to railroads, highways, and reclamation. But precedents do not create inevitability. It was the New Deal that transformed these precedents into the norms of the American political economy.

The historic preservation movement is based on the assumption that a better future is built on a foundation of knowledge about the past. As stated in the National Historic Preservation Act of 1966, "the spirit and direction of the Nation are founded upon and reflected in its historic heritage." The preservation of historic buildings, sites, structures, and objects serves a valuable public purpose. Our understanding of the past is enhanced when we see the actual objects of another time. Furthermore, the juxtaposition of buildings and objects from different times, teaches us about the evolution of the world around us. By preserving such properties we give a depth of time to our society, linking the accomplishments of different generations, and providing examples of what was best or significant from each preceding era to the builders and decision makers of today and tomorrow.

Both Arizona and the federal government have declared it their policy to work for the preservation of significant historic properties. Laws and regulations exist to encourage the identification and protection of such properties from inadvertent loss. Federal and state agencies are mandated to identify properties that might be adversely affected by any of their undertakings. Positive incentives in the form of tax benefits and grants help to provide owners with the means to protect, restore, and rehabilitate their historic properties so that they can continue as valuable community assets in the future. The broad outline of the historic preservation program was established by the National Historic Preservation Act of 1966. This law established the National Register of Historic Places as the federal government's official list of properties considered worthy of preservation. The National Park Service established criteria for the evaluation of properties for listing in the Register. To administer the application of these criteria, federal and state laws established State Historic Preservation Offices (SHPO). The State Historic Preservation Officer and his professional staff are responsible for a program that includes the identification and designation of historic properties throughout the state. The SHPO also has primary responsibility for consulting with agencies in compliance with Section 106 of the NHPA, overseeing the Certified Local Government program, and many other duties as well.

Under the mandate of the National Park Service, and to aid in the fulfillment of these duties, the Arizona SHPO developed a comprehensive statewide historic preservation plan in 1996. A portion of this plan seeks to improve the method of identification of historic properties. The National Park Service has issued guidelines directing that properties must be evaluated within their *historic context* in order to separate out what is truly significant. A historic context is the important events, trends, persons, and other associations that define how a property came to exist or how it came to have historic significance. The evaluation of significance is a judgment based on the consideration of this historic context. For a number of years, the Arizona SHPO has published a series of historic context studies on a variety of topics in the history and prehistory of the state. These studies define the important aspects of the topic, identify the types of properties associated with that context, and provide guidelines for evaluating such properties for eligibility to the National Register. This study of the New Deal is published as a part of this series.

The preceding chapters described the New Deal as an event of great significance to the development of Arizona. The various new institutions and agencies initiated in that period left a substantial legacy that is recognizable in many forms today. Important institutional changes included the Social Security Act and the Taylor Grazing Act which, respectively, altered the way we think of retirement and old age, and how the federal government manages the vast public domain in the West. Many other agencies left a distinct physical legacy, the product of numerous work projects undertaken by such agencies as the CCC, CWA, FERA, PWA, WPA, and NYA. For decades after the 1930s, Arizonans learned in schools built or improved by relief workers, drank water from water systems they extended, or drove along their roads and bridges. Many of these properties have been lost over time, but a large number still remain, scattered in communities across the state. Each such survivor is a witness to the contribution these New Deal workers and agencies made to the growth and improvement of their communities.

THE PHYSICAL LEGACY OF THE NEW DEAL

Historic preservationists face a dilemma in that many of the most important aspects of the New Deal did not leave much of a physical legacy. The HOLC, for example, saved the homes of thousands of Arizona families, but it did not construct new houses or otherwise leave a mark on the urban landscape. It is therefore difficult to find anything to preserve that can relate the story of that agency. In such situations, we must consider indirect, alternative properties. The Heard Building in Phoenix, might be such a property. Several New Deal agencies, including the FERA, CWA, WPA, NRA, and FHA had their central offices there. The Heard Building was built prior to the Great Depression and is listed in the National Register of Historic Places. The National Register recognizes the building's local significance as the first multi-story commercial building in Phoenix, and for its association with Dwight Heard, owner (among other things) of the *Arizona Republic*, which had offices there. During the 1930s, it became, effectively, the administrative center of the New Deal in Arizona. Understanding this and other uses of the building enhances our understanding of why the

Heard Building was important and is worth preserving. Preservationists might also look for properties associated with leading administrators in the state. For example, the home of W. Roy Wayland might be preserved in order to convey the story of his importance to the New Deal in Arizona. Such a preservation effort was the rehabilitation of Governor Moeur's home by the City of Tempe. This model undertaking preserves an important historic property in Tempe that can be used to educate the public about the role of this important Arizona politician who did much to facilitate the smooth operation of the New Deal in Arizona.

New Deal work programs will naturally attract the primary attention of preservationists. Whatever their relative significance among all New Deal efforts these agencies left a legacy of properties that can serve to educate the public on a variety of historical issues. The challenge is use these properties in ways that will convey not only the stories of any particular work program, but also that program's place within the whole scope of the New Deal. Certainly the New Deal in its entirety cannot be interpreted by a single property. It may, however, be possible to frame and link many individual properties so that they cumulatively convey a richer story. This task of conveying important stories in history is the ultimate purpose of historic preservation.

This chapter describes the criteria of the National Register of Historic Places. It also defines many of the terms used by preservationists, such as "integrity," which are used to describe and evaluate properties for eligibility to the Register. We must recognize from the start that historic preservation is a subjective field in which practitioners are often separated by their common terminology. "Significance" is one such term indicating a value judgment that something is important. Significance is a key concept with the National Register because it attempts to be selective in designating what is worthy of preservation. Official listing or even just an evaluation that a property is eligible has legal consequences for government agencies contemplating actions that might affect those properties. Millions of dollars are spent each year by agencies and SHPOs to identify any adverse effects such undertaking might have on the properties, and to avoid or mitigate those effects. Selectivity is in the interest of both agencies and preservationists. The latter, in particular, have limited resources for protecting historic properties, and they can ill afford to squander time, effort, and money on properties of little value. Of course, what may seem of little value to one person may be highly significant to another. One reason for this is that not all people know or understand the historic contexts of the property, and what we do not understand we are not likely to appreciate. This detailed historical overview of the New Deal in Arizona will, hopefully, provide a firm basis for understanding the relative significance of properties from that era, an understanding that is accessible to all interested parties.

THE CRITERIA OF THE NATIONAL REGISTER OF HISTORIC PLACES

The National Historic Preservation Act defines the National Register of Historic Places as "composed of districts, sites, buildings, structures, and objects significant in American history, architecture, archeology, engineering, and culture" [Section 101 (16 U.S.C. 470a)]. The act directed the Secretary of the Interior to establish or revise more detailed criteria for eligibility to the Register and to establish the process for listing properties. Both the criteria and the process are described in the Department of the Interior regulations 36 CFR Part 60. More detailed technical information on the criteria is provided in the National Park Service's National Register Bulletin "How to Apply the National Register Criteria for Evaluation."[1] A number of other bulletins provide even greater detail on specific aspects of eligibility. The growing volume of guidance for the National Register program reflects the tremendous variety of property types that have been considered for listing. Many of these properties involve complex issues that have been difficult to resolve. As of the beginning of 1999, there were over 15,700 properties in Arizona listed in the National Register. Despite this accumulation of properties and the experience of evaluating and listing them, property owners, agencies, and the SHPO continue to encounter unusual or unique situations. Despite the detailed regulations and guidance, National Register evaluations remain difficult because, ultimately, they rely upon a subjective evaluation that a property is worthy of preservation.

The National Register's rules and guidelines provide a framework in which knowledgeable individuals are able to exercise their best judgment in determining what is worthy of preservation. The process ensures that the evaluation is carried out in a public forum involving a number of experts and interested persons. This collective process tempers individual biases. In addition to the SHPO staff, the process involves evaluation of a formal National Register registration form by the Historic Sites Review Committee (HSRC), the state's board composed of interested citizens and experts in the fields of history, archaeology, and architecture. Following approval of a nomination by the HSRC, the registration form is presented to the Keeper of the National Register for final evaluation. At any point in the process, the registration form can

[1]National Register Bulletin: *How to Apply the National Register Criteria for Evaluation*, (Washington, D.C.: Government Printing Office, 1990, [revised 1991]). Formerly designated as Bulletin 15.

be returned to the preparer with a request for additional information, clarification, or other technical improvements. It is unusual for a nomination to proceed through the process without some suggestion for improvement or better justification at some point in the review.

The evaluation of properties in the Section 106 process does not typically involve the HSRC as there is rarely a formal nomination to consider. Most such evaluations are handled between an agency, its consultants, and the SHPO staff, with occasional participation by the Advisory Council on Historic Preservation and the Keeper of the Nation-al Register. Individual biases in the Section 106 evaluation process are mitigated through the consultation process, which, in many cases, is adversarial. An agency may or may not be inherently sympathetic to historic preservation goals, and it may not have its own expertise to properly evaluate a property. There are a number of private cultural resource consulting firms which the agency can hire to provide it with the information it needs to move through the 106 process. The SHPO, on the other hand, may tend to be biased in favor of a liberal evaluation of a property under the criteria, because they are naturally more sympathetic to historic preservation in general. This bias, however, is checked by its limited authority under the law and the Section 106 regulations (36 CFR Part 800). The SHPO must stay within the strict boundaries of the regulations and be prepared to justify its positions in case of appeal to the Advisory Council, the Keeper of the National Register or, in rare cases, in courts of law.

Whether accomplished in the formal nomination process or in the Section 106 process, evaluations of eligibility are considered or debated within a strict framework of definitions and criteria. The definitions provide preservationists with a common terminology which, when properly understood and consistently used, helps to minimize disagreements or misunderstandings. Some of these definitions appear in regulation (36 CFR Part 60), and others appear in the National Register Bulletins and other guidance from the Keeper of the National Register.

Although it is called the National Register of Historic *Places*, the word 'property' is more commonly used to describe what sorts of things are eligible for listing. A property is something both tangible and divisible. The National Register does not list intangible values or ideas; it lists real things or places. An important person, for example, cannot be listed, although a property associated with that person may be. The Register does not list historical concepts directly, so the New Deal is not eligible in and of itself, despite its importance. Properties associated with the New Deal, the product of a work project, for example, may be eligible as embodying that association. It must be remembered that the National Register is the tool of historic preservation, which is narrowly interested in the preservation of properties. This limitations of the Register is what makes it difficult to memorialize important New Deal programs that left little or no physical legacy. Properties are also divisible, that is, we must be able to delineate a boundary that defines it.

The Register classifies properties into five categories: buildings, structures, objects, sites, and districts. A *building* is a property created principally to shelter any form of human activity. This includes houses, churches, schools, hotels, forts, stores, theaters, and many other properties that people go into. Properties such as barns, sheds, privies, and detached garages are also referred to as buildings because they are typically historically and functionally associated with something that does serve as shelter. A garage, for example, might be associated with a house and for convenience, is classified with it. The term, *structure*, is not used interchangeably with 'building.' A 'structure' is a property that serves some purpose other than human shelter. Cars, boats, trains, or aircraft hold people, but are classified as structures because their primary purpose is to provide transportation rather than a shelter from the outdoors. Other examples of structures include bridges, tunnels, roads, canals, gazebos, silos, and dams. *Objects* are those properties, distinguished from buildings and structures as primarily artistic, or small in scale and simply constructed. An 'object' may be moveable, but is usually associated with a specific setting or place. These include fountains, statuary, monuments, and boundary markers. Movable objects not associated with a specific place, such as furniture, movable art, and clothes are not normally considered eligible for the Register. A *site* is the location where an important historical event or activity occurred. The site might have included a building, structure, or object, that may or may not continue to exist, but it is the place itself that is considered important. Examples of sites include battlefields, campsites, the ruins of a building or structure, landscapes, trails, and rock art. A *district* is a concentration of buildings, structures, objects, and sites that are linked historically or aesthetically by a plan or by physical development. A 'district' is considered a property in itself because its component parts are interrelated and convey a single historical story. A residential district, for example, is composed of houses, garages, and perhaps privies, sidewalks, and roads, that reflects an important aspect of the development of a community. Since it is the district as a whole that is considered significant, individual properties within its boundary are classified as contributing or noncontributing according to whether they directly share in and convey the historical story.

To be considered for listing in the National Register, a property must meet three broad qualifiers. First, the National Register guidelines limit inclusion to only those properties that are *at least fifty years old* (exceptions to the fifty year rule are possible, but require extraordinary justification). The Register assumes that in most cases, a true sense of historic significance develops only after a number of years of consideration. The second qualifier is that properties must have *significance,* which we can define as the recognizable importance embodied in a historic property. Finally, the property must retain historic *integrity.* The age criterion is fairly straightforward and easily applied. The Keeper of the Register, as well as the SHPO and the HSRC have tended to discourage the nomination of properties less than fifty years of age by setting a very high standard for what is considered extraordinary significance. Problems do arise, particularly with districts that gained significance over a range of years. A hypothetical residential historic district, for example, might include a historic farm house that predates residential subdivision, then a number of houses built in the 1920s, then more houses from the late 1940s following the gap in construction during the Great Depression and World War II, and then modern infill or replacement housing. Defining when the district is fifty years old is less objective in such a situation. In practice, most Arizona historic districts listed in the Register were considered to be fifty years old when a majority of contributing properties within the boundary were that age or older. This method follows from the most common interpretation of the National Register guidelines, but it has not proven entirely satisfactory as it resulted in many gerrymandered districts and a continuous need to amend them as more properties came of age.

Evaluating the significance of a property requires an understanding of both the property and its historic context. This can imply considerable research. The property itself must be researched in order to both verify its authentic association to the historic context and to decide whether it is a good example of that association. This may mean comparing it to other properties with a similar association. The historic context must be understood in order to decide whether the historic events, trends, or persons associated with the property played an important role in history. The National Register recognizes different levels of our society and is not limited to properties important to the nation as a whole. Properties conveying an important aspect of state's history, or the history of a particular community, may also be eligible for listing. The Register classifies properties into one of three levels of significance: national, state, and local. Not all historic context fit easily into these classifications. The range of many prehistoric peoples, for instance, crossed many modern political boundaries and so are larger than state significance, yet not quite of national significance. Rather than create a new classification, the Keeper has allowed the state level of significance to serve as a proxy for regional significance as well. The definition of local level is even more amorphous. The National Register Bulletin "How to Apply the National Register Criteria for Evaluation" defines a local historic context as "an aspect of the history of a town, city, county, cultural area, or region, or any portions thereof." Local significance and the loose definition given to what constitutes a locality is what opened the National Register to the inclusion of tens of thousands of properties. It is also a considerable problem in Section 106 evaluations of eligibility. If the phrase "any portions thereof" is taken to an extreme, the locality can be so narrowly construed as to make any property appear significant.

Once a property and its historic context are known, its significance can be classified under the four National Register Criteria for Evaluation:

Criterion A: Event. Properties can be eligible for the National Register if they are associated with events that have made a significant contribution to the broad patterns of our history.

Criterion B: Person. Properties may be eligible for the National Register if they are associated with the lives of persons significant in our past.

Criterion C: Design/Construction. Properties may be eligible for the National Register if they embody the distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction.

Criterion D: Information Potential. Properties may be eligible for the National Register if they have yielded, or may be likely to yield, information important in prehistory or history.

Certain special classes of properties are normally not considered eligible for the National Register. These include cemeteries, birthplaces or graves of historical figures, properties owned by religious institutions or used for religious purposes, structures that have been moved from their original locations, reconstructed buildings, properties primarily commemorative in nature, and properties less than fifty years old. However, there are exceptions to these rules that are referred to as criteria considerations. If these seven exceptional classes of properties are integral parts of districts that otherwise meet National Register criteria, then they can be considered contributing elements. They may also be considered individually eligible if they meet one of the criteria considerations:

A. A religious property is eligible if it derives its primary significance from architectural or artistic distinction or historical importance.

B. A property removed from its original or historically significant location can be eligible if it is significant primarily for architectural value or it is the surviving property most importantly associated with a historic person or event.

C. A birthplace or grave of a historical figure is eligible if the person is of outstanding importance and if there is no other appropriate site or building directly associated with his or her productive life.

D. A cemetery is eligible if it derives its primary significance from graves of persons of transcendent importance, from age, from distinctive design features, or from association with historic events.

E. A reconstructed property is eligible when it is accurately executed in a suitable environment and presented in a dignified manner as part of a restoration master plan and when no other building or structure with the same associations has survived. All three of these requirements must be met.

F. A property primarily commemorative in intent can be eligible if design, age, tradition, or symbolic value has invested it with its own exceptional significance.

G. A property achieving significance within the past fifty years is eligible if it is of exceptional importance.

The historic context of the New Deal in Arizona identified hundreds of projects associated with a large number of important agencies. Only a few of these have been listed in the National Register (see table 16.1). There are potentially thousands of buildings, structures, objects and sites that share an association with the New Deal. It is not, however, the intent of the National Register to list every property with an association with an important aspect of history. The Register attempts to be selective by designating only those that "have the characteristics that make it a good representative of properties associated with [a significant historic context]. A property should be compared to other known examples of properties with a similar association in order to evaluate whether it is a distinctive example. Register guidelines state that a property has to be evaluated against other examples of the property type to determine its eligibility unless it is either a sole example of a property type, or it "clearly possesses the defined characteristics required to be strongly representative of the context."[2] The latter exception implies that a full description of a property type already exists which lays out these distinctive characteristics. Creating such a description is a part of writing a National Register Multiple Property Documentation Form (see below).

In practice, few National Register nominations include explicit comparisons of the subject property to others with a similar association. The requirement is more stringently applied to properties nominated under Criterion B than to other criteria. One reason is that the Bulletin "How to Apply the National Register Criteria for Evaluation" makes a general statement about the need to compare properties, but greatly emphasizes the point in its discussion of Criterion B.[3] The SHPO and the Historic Sites Review Committee should require that any evaluation of integrity, or actual nomination to the National Register, include an explicit statement of comparison between the subject property and properties with a similar association in order to justify the claim that the property is significant and a good example of its type. Going a step further, the SHPO might, perhaps in cooperation with one or more federal agencies, write Multiple Property Documentation Forms (MPDF) that define property types and the qualities that make them potentially eligible for listing. Enforcement of this guideline would go along way to preserving the selectivity, and thus the prestige, of the National Register.

It is beyond the scope of this work to lay out explicit descriptions of all the property types associated with the New Deal. A review of the project lists and description for the CWA, the PWA, and the WPA make it clear that there were a tremendous variety of work projects and potential property types. The SHPO is encouraged to follow up this context study with agency by agency MPDFs. Federal agencies might also undertake MPDFs for properties within their own jurisdiction. The Forest Service and the National Park Service, for example, used the CCC, the CWA, and the PWA to accomplish a wide variety of tasks which left a substantial physical legacy.

[2]Ibid., 9.

[3]Ibid., 15. The point is reiterated in Bulletin 32: "Guidelines for Evaluating and Documenting Properties Associated with Significant Persons," 20-22.

Table 16.1. Properties Listed in the National Register with a New Deal Association*

Property name	County	Date listed	Agency**
PS Knoll Lookout Complex	Apache	1/28/88	CCC
Bear Mountain Lookout Complex	Greenlee	1/28/88	CCC
Woody Mountain Lookout Tower	Coconino	1/28/88	CCC
Buck Mountain Lookout Tower	Coconino	1/28/88	CCC
Lee Butte Lookout Tower and Cabin	Coconino	1/28/88	CCC
Barfoot Lookout Complex	Cochise	1/28/88	CCC
Webb Peak Lookout Tower	Graham	1/28/88	CCC
West Peak Lookout Tower	Graham	1/28/88	CCC
Heliograph Lookout Complex	Graham	1/28/88	CCC
Silver Peak Lookout Complex	Cochise	1/28/88	CCC
Grandview Lookout Tower and Cabin	Coconino	1/28/88	CCC
Mount Union Lookout Cabin	Yavapai	1/28/88	CCC
Mingus Lookout Complex	Yavapai	1/28/88	CCC
Hyde Mountain Lookout House	Yavapai	1/28/88	CCC
Diamond Point Lookout Cabin	Gila	1/28/88	CCC
Camp Clover Ranger Station	Coconino	7/16/93	CCC
Rustler Park Fire Guard Station	Cochise	6/10/93	CCC
Big Springs Ranger Station	Coconino	6/10/93	CCC
Moqui Ranger Station	Coconino	6/10/93	WPA/CCC
Crown King Ranger Station	Yavapai	6/10/93	CCC
Sycamore Ranger Station	Yavapai	6/10/93	CCC
Copper Creek Guard Station	Yavapai	6/10/93	CCC
Walnut Creek Ranger Station	Yavapai	6/10/93	CCC
Pinal Ranger Station	Gila	6/10/93	CCC
Pleasant Valley Ranger Station	Gila	6/10/93	CCC
Sunflower Ranger Station	Maricopa	6/10/93	CCC
Portal Work Station	Cochise	6/10/93	CCC
Lowell Ranger Station	Pima	6/10/93	CCC
Columbine Work Station	Graham	6/10/93	CCC
Cima Park Fire Guard Station	Cochise	6/10/93	CCC
Beaver Creek Ranger Station	Yavapai	6/10/93	CCC
Canelo Ranger Station	Santa Cruz	6/10/93	CCC
Water Canyon Administrative Site	Apache	6/10/93	CCC
Pinedale Ranger Station	Navajo	6/10/93	CCC/NIRA
Colossal Cave Park Historic District	Pima	7/10/92	CCC
Verde Park Pumphouse	Maricopa	9/7/95	PWA
Grand Canyon Village Historic District	Coconino	11/20/75	CCC/CWA/PWA
Phoenix Union High School Hist. Dist.	Maricopa	7/15/82	WPA
Willcox Women's Club	Cochise	5/27/87	WPA
Gymnasium	Mohave	5/14/86	WPA

Table 16.1 (Continued).

Property name	County	Date listed	Agency**
Wickenburg High School and Annex	Maricopa	7/10/86	PWA
Willo Historic District	Maricopa	1/9/91	FHA
Laveen School Auditorium	Maricopa	2/16/96	WPA
Tumacacori Museum	Santa Cruz	5/28/87	WPA
Tumacacori National Monument	Santa Cruz	10/20/86	PWA
Casa Grande Ruins National Monument	Pinal	8/3/18	CWA/PWA
Prescott Armory Historic District	Yavapai	8/15/94	CWA
Univ. of Arizona Campus Historic District	Pima	6/13/86	PWA
Wupatki National Monument	Coconino	12/9/24	CWA/CCC
Tuzigoot National Monument	Yavapai	7/25/39	CWA/FERA
Northern Ariz. Normal School Hist. Dist.	Coconino	5/22/86	PWA
Moeur Activity Building	Maricopa	9/11/85	PWA
Casa Grande Union High School Gym	Pinal	2/3/86	WPA
Besh-Ba-Gowah	Gila	5/9/84	FERA/WPA
Kinishba Ruins	Gila	7/19/64	CCC
U.S. Post Office	Maricopa	2/10/83	WPA
South Beaver Street School	Coconino	8/6/87	PWA
Phoenix Homesteads Historic District	Maricopa	10/13/87	RA
Montezuma Castle National Monument	Yavapai	12/8/06	CWA/PWA
Mesa Journal-Tribune FHA Demo House	Maricopa	12/29/88	FHA
Lewis Douglas House	Maricopa	2/8/85	
Hoover Dam	Mohave	4/8/81	PWA
B. Thompson Southwestern Arboretum	Pinal	3/26/76	CCC
Heard Building	Maricopa	9/4/85	***
State Capitol	Maricopa	10/29/74	PWA
Encanto-Palmcroft Historic District	Maricopa	2/16/84	FHA
Agate House Pueblo	Navajo	10/6/75	CWA****

*New Deal association may be a minor portion of the property's significance.

**Many of the properties are only presumed to be CCC-related. Since many include properties built over several years, there may be other associations as well.

***The Heard Building housed offices for several New Deal agencies.

****Presumed CWA association because of the timing of stabilization work.

EVALUATING RESEARCH POTENTIAL OF CCC SITES

The evaluation of significance for properties associated with the CCC will provide numerous challenges for preservationists. More than any other New Deal works agency, the CCC has remained in the public memory. The combination of the good works it accomplished and the image associated with moving struggling city youths to the forests for a rejuvenation of both land and soul, led to a romanticization of the agency. SHPOs and other modern preservationists regularly initiate efforts to nominate CCC properties to the Register. In Arizona there are already a number of CCC-related properties listed. These include several National Forest fire lookout towers and administrative complexes, and the park facilities at Colossal Cave in Tucson (see Table 15.1). More often, CCC properties are encountered during federal projects and are reviewed for eligibility in the Section 106 process. What has heretofore been lacking in the evaluation of CCC properties is a consideration of the relative place of that agency in the whole scheme of New Deal activities in Arizona and a proper consideration of the role of the agencies guiding CCC efforts.

One conclusion of this context study is that the CCC should not be considered as an independent agency. It did not plan or supervise its own work projects. The Corps was a labor source guided by other agencies in fulfillment of their own plans and priorities. The Forest Service, the National Park Service, the Soil Erosion Service, the Office of Indian Affairs, and others were the lead agencies determining how to use CCC workers. Most CCC-related properties in reality reflect the goals, objectives, and methods of those lead agencies more than they convey the importance of the Corps. The purpose of the CCC was to provide jobs and to remove young urban males from the perceived unhealthy influence of the depressed cities to the great outdoors. If any properties reflect this important purpose, it is the camps—and only the camps—in which workers lived and developed much of the camaraderie for which the Corps is famous.

The best application of this principle is found in the National Register nomination form written by the Forest Service on "National Forest Fire Lookouts in the Southwestern Region, USDA Forest Service" (1987, amended 1989). This document traces the development of a particular property type, the forest fire lookout station, and its place in the evolution of federal forest management in Arizona and New Mexico. The Forest Service constructed nearly as many fire lookout stations in the 1930s as in all other years combined. Civilian Conservation Corps labor made this possible at a time when the regular budget of most federal agencies had been severely affected by the Economy Act of 1933. The CCC, however, is only one part of a century-long story of a national recognition of the importance of preserving forest resources. Early foresters believed it imperative to prevent or contain all fires. They initially built lookout platforms in trees, then later constructed high towers. In recent years, aerial surveillance has replaced some of the earlier reliance on fixed lookout stations. There has also been a change in attitude towards fire itself, to a greater appreciation of its role in the natural development of a healthy forest ecosystem.

The Forest Service has also a number of properties under the National Register thematic nomination "Depression-era USDA Forest Service Administrative Complexes in Arizona" (1989). This document does not attempt to take as broad view of history as does the forest fire lookouts documentation. Instead, it identifies the period from about 1929 to the early 1940s as a time of transition when the Forest Service moved "from custodial superintendence to extensive resource management." While the overall context is broader than just the CCC, the importance of the Corps is magnified by the failure to examine the entire range of forest administrative properties. On the other hand, it is true that the CCC was the most important resource for the Forest Service in its development during the 1930s. The National Industrial Recovery Act allocated a little more than $1.3 million for road projects in Arizona, and the WPA had only a few projects in the forests.

The mystique of the CCC complicates the identification and evaluation process. A careful reading of the two National Forest thematic nominations reveals that the connection of many properties to the CCC is merely presumed and has not been firmly established with documentary evidence. No mention is made of other possible connections, yet, as described in Chapter 4, it is known that the CWA employed over 4,000 workers in the National Forests, Monuments, and Grand Canyon in late 1933 and early 1934. It is quite possible that one or more of the properties from that time may actually be CWA rather than CCC projects. Similarly, there is a presumption that any erosion control features found in the upper Gila Valley are CCC-related, when it is known that the FERA and CWA also ran several work camps and employed several thousand workers in the region to do similar work. Such presumptions should no longer be allowed to proceed unrecognized in the state review process of National Register nominations.

In 1993, Thomas E. Wright of Archaeological Research Services, Inc. created a model historic context for the evaluation of CCC-related sites in the Tonto National Forest.[4] This model lists several research questions

[4]Thomas E. Wright, *Keeping the Boys Busy: Archaeological and Documentary investigations of AR-03-12-06-1391, A Civilian Conservation Corps Erosion Control Site in Tonto Basin, Gila County, Arizona, With A Brief Account of CCC Activities on Tonto National Forest Lands and A Suggested Historic Context and Research Issues for CCC Erosion Control Sites on the Tonto National Forest*, (Tempe: Archaeological

that can, with modest adaptation, be applied to erosion control sites in many other areas of the state, CCC-built or not, when evaluating them under Criterion D. These research issues are:

1. Location and Extent of Sites. In the case of SCS work on the Navajo Reservation and the upper Gila River Valley, we know that even with all of the labor provided by several New Deal work programs, the agency was able to treat only limited areas with erosion control improvements. Survey and documentary research can indicate the scope of activities, the location of target areas, and the pattern of their distribution.

2. Environmental Factors in Site Location. What factors affected the location of project? Survey and documentary research can help us to understand why particular sites were selected for treatment. Such factors might include the convenience of a nearby camp or town, the perceived threat to downstream features such as Coolidge Dam on the Gila, regional overgrazing, topography, and drainage patterns.

3. Definition and Distribution of Feature Types. What were the types of features used to control erosion? How did they vary between sites? By studying particular sites, we can evaluate how soil erosion control planners in the 1930s perceived the threat and what they adapted to the peculiarities of each location.

4. Feature Construction Techniques. How were features constructed to prevent soil and water movement? What materials were available at the site and what was brought it? Site evaluation can reveal to what extent soil erosion features changed the site during their construction.

5. Present Condition and Effectiveness of Sites and Features. Perhaps the most interesting research issue is whether the soil erosion control efforts actually worked. Examining soil erosion control sites, and comparing them with untreated sites may reveal whether the efforts made during the 1930s had any long-term impact on the environment. It may be that some features were more effective in controlling erosion than others. This historical evaluation can be used to determine whether the methods applied in the 1930s have any relevance for today.

6. Related Features and Artifacts. Features and artifacts at sites, but not directly related to soil erosion control may inform us about how these areas were used, and how the work agencies carried out their projects. For example, the presence of rock stockpiles may indicate that work was not completed at the site.

Research Services, Inc., 1993), 46-50. Wright's suggested context focuses on the work of the CCC on the Tonto National Forest. This report suggests that the development of forest management facilities and infrastructure should be the focus. The CCC will necessarily be a major portion of this larger context, but it will be recognized that such development was larger than just the CCC.

7. Similarities and Differences Between Sites. As the number of soil erosion control sites evaluated increases, it will become possible to examine how sites varied in different areas. Differing physical and environmental conditions, and perhaps administrative differences, may have influenced the selection of work sites and their design.

8. Association of Sites to Work Agencies. Because it can be difficult to definitely associate a site with a particular work agency, there may be a strong temptation to presume a CCC association. Documentary or archaeological evidence is necessary to establish an association, although this may be difficult to get. Circumstantial evidence, such as the nearby presence of a known CCC camp, may be strong evidence of an association.

9. History of Sites. The study of a site may provide an understanding of how it was constructed. How many men were involved? Was there more than one construction episode in a given site? What logistical factors affected feature construction?

10. Relevant Administrative Factors. What was the role of the supervising agency in planning the project location and design specification? Where was the laborers' camp? How did this project relate to other projects such as road building, revegetation, fencing, etc.?

In evaluating an erosion control site, or any other site, to the National Register under Criterion D, one should be careful to consider whether the site is truly capable of yielding important information. It may be that documentary research and informant interviews are the best means to answering these research issues. If the site is unlikely to yield any or much information, then it should not be considered eligible under Criterion D. On site evaluation is clearly necessary to answer the question of the effectiveness of soil erosion control efforts in the 1930s to accomplish their goals. This may be the most important research question related to soil erosion control sites, and may require the aid of a soil erosion expert, and not an archaeologist or historian.

EVALUATING SIGNIFICANT ASSOCIATIONS

In evaluating, for example, the WPA, one might consider all its projects equally significant in that the agency's primary goal was to provide temporary employment—which every project did. The imperatives of historic preservation today, however, are that we wish to preserve those properties that best convey the importance of the WPA. Not all surviving WPA properties can do this well. For example, WPA workers labored on many road improvement projects, including road widening, grading, paving, and other improvements. It is to be expected that much of this work will have been modified in the last six decades. Roads graded by WPA workers may have been regraded many times in subsequent years, or segments of road abandoned, or repaved or widened further. It may today be impossible to visually identify work done in a particular area by those workers long ago. This raises the issue of *integrity*, which is dealt with in greater detail below. It also raises the issue of significance. Many WPA work projects were not undertaken with any intent to create permanent monuments. Indeed, many of its service projects created only something of immediate value to the recipient with no lasting legacy. In other cases, there was a clear intention by the WPA and its cooperating project sponsor to create a building, structure, or work or art that might endure for a long time. In evaluating the significance of a surviving property today, we should, in part, consider the intent of the people who built it. A property that the WPA intended to be a lasting legacy should be considered of greater significance than another property that was planned to be only temporary.

Florence Warner and the Arizona administrators of the FERA and CWA work programs, published two reports that indicate what they believed were the important projects they undertook. These are *Outstanding Projects in Arizona CWA, ERA* (1935) and *The Federal Civil Works Administration: Interesting Programs in Arizona* (n.d.). A good starting place for inventory work on projects related to these two agencies would be these two reports. The WPA's *Summary of Inventory of Physical Accomplishments by the Work Projects Administration from July 1, 1935 to January 1, 1940* (1940), is less valuable as a guide to significance because it lists only a few specific projects, and then usually only as examples of project types. Also, while valuable for survey and inventory purposes, a comprehensive identification of WPA projects will require research in the records at the National Archives in Washington. Although this context study provides more information on projects of the PWA, a comprehensive survey and inventory will, again, require further research in order to identify specifically the project locations and exactly what work was accomplished. An even greater level of research is still needed in the National Archives' regional branches in California to identify the projects of the CCC.

This is, of course, only one factor to consider in comparing properties. Cases can be found of properties whose builders thought of as only temporary or marginally important, but which through the accidents of time, survive today and are now greatly appreciated. We, today, are free to place a greater value on any particular property than did the people of the 1930s. It is usually true, though, that self-consciously monumental projects of the 1930s involved greater funds, more workers, and a greater cooperative effort. The Maricopa County tuberculosis building, which involved the CWA and the FERA, was a beautiful example of Moorish Revival architecture, including wonderful interior murals depicting Middle Eastern scenes. It was the pride of these agencies, but is now, unfortunately, gone. On the other hand, the little CWA bridge at the north end of Main Street in Cottonwood remains in service to car travelers going towards Clarkdale. While we can only preserve those properties that have survived to our time, we are not bound to preserve every such property. An accidental survival may be only that—an accident—a survivor only because no one took the trouble to remove it.

The following list summarizes many of the project types undertaken by the FERA, CWA, WPA, NYA, and PWA, as described in previous chapters:

Urban street (improvements)
Rural road (improvements)
Parks (new development)
Park (improvements)
Buildings (new construction)
Buildings (additions, repairs)
Bridges (new construction)
Bridges (improvements)
Irrigation canals (improvements)
Sidewalks (new)
Archaeological (excavation)
Archaeological (reconstruction)
Sewer and water (improvement & extensions)
Airports (improvements)

What immediately becomes clear from this list is that a large proportion, if not most, work projects involved improvements, repairs, or additions to existing buildings, structure, objects, and sites. Such projects met the immediate needs of administrators and workers at the time by providing useful works and immediate employment. Their legacy for today might be in the form of an addition to a school, a concrete-lined irrigation lateral, a lengthened runway, an expanded bridge, or the particular route for a stretch of road. In general, such properties should not be considered significant under a New Deal context. Priority should be given to the identification and listing of properties whose entire existence owes to the New Deal.

An example of how to apply this idea can be found in the City of Phoenix along Van Buren Street. There are found two properties with a connection to the New Deal. Near 7th Avenue and Van Buren is a small National Guard armory. This building is distinctive as the last WPA project undertaken in Phoenix. The other property is Van Buren Street itself, which was widened in several areas by another WPA project. The armory is a significant property associated with the WPA because it owes its entire existence to that agency. The street, on the other hand, already existed and now only owes its width to the WPA. This characteristic is not separable from the rest of the street and should not be considered historically important.

A more difficult application of this idea was in consideration of a renovation project at the historic Casa Grande Union High School in 1997 and 1998. The school is listed in the National Register and it included an adobe addition constructed by the WPA. This addition, a gymnasium, was one of two WPA projects in Casa Grande. The other was an entire building that served as both the city hall and the fire station. That building was a small, but good example of Art Deco style and was a fine addition to the community. Comparing the two buildings, the city hall should be considered more significant of the two. However, the city hall was lost a number of years ago, so the gymnasium represented the only surviving property associated with the WPA in Casa Grande. The City of Casa Grande acquired the high school and converted it into its new city hall. The main building is a fine example of Neo-Classical Revival architecture from the 1920s, an example of the kind of monumental community building that is rarely built today. Planners had to consider whether the gymnasium should be retained as part of the new city complex or whether it should be removed, both to make way for other improvements and to restore the rear facade of the main building to its original architectural character. The city decided, and the SHPO concurred, that the most important aspect of the school building's significance was its architectural distinction. That distinction was, in fact, the reason why it was saved following its abandonment by the school. The gymnasium was only one part of a larger school campus that had developed over a number of years and really did not convey well the importance of the WPA. It was not considered especially worthy of preservation merely because it was the last WPA building in Casa Grande.

One rule of thumb that can aid in the evaluation of significance of a property is the "but for" rule. If it can be reasonably stated that "but for" a particular New Deal agency, a particular property would not exist, then that property better reflects the contribution of that agency than another property that would have, or might have been constructed with or without that agency's participation. An example of how to apply this rule is with Hoover Dam. Although the PWA invested tens of millions of dollars into construction of this monumental reclamation project, it was already approved and underway before Roosevelt took office. It cannot be said that "but for" the PWA, Hoover Dam would not have been built. The PWA's contributions to the project were to significantly speed up its construction schedule and provide more immediate employment. Despite being the PWA's largest investment in the region, Hoover Dam is not really significant under a PWA context. Its significance is as the most important element in the historic reclamation system built on the Colorado River, a context in which the New Deal is a relatively short chapter.

A more problematic application of this rule is with Parker Dam. It too shares with Hoover Dam in the larger context of development of the Colorado River, but its timing and financing are more closely tied to a New Deal context. The Metropolitan Water Company of Los Angeles constructed Parker Dam with funds from a loan by the RFC. The dam was controversial in its time, and a source of high political tension between Arizona and California. The availability of RFC funds may have played a crucial role in the decision to build it. Parker Dam would then be a good example of the contribution of the RFC to Arizona. The importance of this property in conveying an RFC context is heightened by the fact that there are very few other properties in this state with the same association.

The "but for" rule can be used to justify exclusion of an entire class of projects from eligibility under a New Deal context. Under the National Industrial Recovery Act of 1933, $400 million was allocated to the Department of Agriculture to spend on federal aid highways. This money was spent under provisions of the Federal Highways Act of 1921 and was entirely separate from the PWA. Projects funded with this allocation, and similar later allocations, were a direct continuation of existing federal policies and represent no innovation by the New Deal. Most highway projects likely would have been undertaken eventually under regular federal highways grants appropriations. Any properties associated with such projects would not be eligible to the Register under a New Deal context.

Many of the properties listed in Table 16.1 present interesting issues regarding the identification of New Deal-related properties and their nomination to the Register. There is at least one definite misidentification of the associated agency. The South Beaver Street School in Flagstaff was identified to the National Register as a WPA building constructed in the summer of 1935. In fact, the PWA funded the building. Proper identification of PWA and WPA properties is hindered by the coincidence of their initials. The uncertainty of some CCC associations has already been discussed. Many of the properties in Table 16.1 are not listed in the Register because of their New Deal association, which in some cases is insignificant. Tumacacori National Monument, for instance, is significant as a Spanish mission. The PWA is associated only in that it provided the National Park Service with funds to put up a fence around the monument. More substantial is the monument's museum and visitor's center, constructed by the WPA, which is listed in the National Register. This building is an example of how the WPA was used by the agency to fulfill its plans to turn the monument into a genuine attraction.

Several of the archaeological sites listed in Table 16.1 have New Deal associations because the CWA, FERA, WPA, and CCC provided labor for excavation, artifact curation, and reconstruction throughout the period. Byron Cummings and Emil Haury of the University of Arizona oversaw much of this work. Although many archaeologists today question the wisdom of reconstructing archaeological sites as tourist attractions, we are nevertheless left with a legacy at many of the state's national monuments of major reconstruction work. These properties convey the state of opinion of archaeologists in the 1930s, and the importance of these kinds of projects in providing employment during the depression. They are in many ways, products of that time as much as the product of prehistoric people. There is a great educational potential in interpreting the New Deal association of these sites.

One institution, however, failed to recognize this educational potential with another property. At the grounds of the Sharlott Hall Museum in Prescott, stands a log building known as Fort Misery. The building was one of the oldest log buildings in Arizona and Sharlott Hall herself helped convince the CWA to undertake its rescue. In one of the last projects undertaken by the CWA, relief workers dismantled the building and moved it to the museum grounds. Reconstruction of the cabin had to await funding by the WPA whose workers, carelessly, did not reconstruct it accurately. In that condition, the building reflected the importance of these New Deal work programs and the romanticization of the log cabin in the 1930s more than an original log cabin from the 1860s. Unfortunately, in 1996 and 1997, the museum decided to again dismantle and reconstruct the building, attempting to replicate its original character. When the building was submitted to the Keeper of the National Register, it was rejected as its three relocations and two reconstructions had effectively degraded its historic character.

EVALUATING INTEGRITY

To be eligible for the National Register, a property must have *integrity*, which is defined as the ability of a property to convey its historic significance. National Register guidelines recognize that consideration of a property's integrity depends on the nature of the property and the criterion used. An archaeological site, for example, is a very different kind of property from a standing building or structure. By definition an archaeological site is in ruins and cannot convey the appearance of the original buildings, structures, or objects that comprised the site. However, integrity under Criterion D means that the site must allow a meaningful archaeological reconstruction of the history of the site. Buildings, structures, and objects significant under Criteria A, B, or C must retain the essential physical features of the historic era they represent. These features must be sufficiently visible to convey associations with important events and persons, or to illustrate distinctive characteristics of the period of significance.

The National Register guidelines define seven elements of integrity to consider when evaluating a property's integrity. It is possible, even probable, that a particular property will not retain a high level of each of these elements. Properties change over time and the guidelines explicitly acknowledge that a property does not need to retain all of its historic physical features to be determined historically significant. The elements should be considered in various combinations appropriate to the nature of the property.

Location is the place where the historic property was constructed or the place where the historic event occurred. To understand the significance of a historic property one must understand the relationship between the association and the place where an event occurred or person resided. To move a building is to break that connection to the place and weakens our ability to comprehend a sense of historic events and persons. A property that has been moved to a new location is usually not eligible for the National Register. An exception to this is properties that are primarily important for their design under Criterion C. When this is the case, integrity of location is less important.

Any object that is manmade rather than natural has an element of *design*. The design of a property is the form, plan, space, structure, and style that were consciously instilled in the creation of the property. The elements of design can be classified according to their purpose, whether functional or aesthetic.

Setting is the property's physical surroundings or environment. This should not be confused with location, which is the particular place where the property was built. The elements of a property's setting may be either natural or manmade and can include topography, vegetation, simple structures and objects, and other buildings and open spaces.

Materials are the physical elements combined to create the property. What a property is made of often relates it to its historic era and reveals something of the conditions and ideas of its builders. For an archaeological site, a property has integrity of materials if the site contains enough historic matter to yield "information important in history."

Workmanship is "the physical evidence of the crafts of a particular culture or people. . . the evidence of craftsman's labor and skill in constructing. . . or embellishing a site. Workmanship may be expressed in vernacular methods of construction and plain finishes or highly sophisticated configurations and ornamental detailing. . . Examples of workmanship in historic buildings include tooling, carving, painting, graining, turning, or joining." This component of integrity is more applicable to buildings and structures that are still standing. The rule of thumb for whether a property retains integrity of workmanship is if the people who first built the structure would still recognize their handiwork if they could see it now.

Integrity of *feeling* is the most difficult of the integrity criteria to apply. The National Register Bulletin defines feeling as "a property's expression of the aesthetic or historic sense of a particular period of time." It is the perception that one is seeing a historic property as it was. As an intangible quality, feeling reflects the presence of all other types of integrity. A ranch that has eroded into an archaeological site will not have much integrity of feeling. Because of its subjective nature, this criterion should not be the main basis for nominating a property. Feeling depends on the personality and culture of the person looking at the site.

Association is the direct link between an important historic event or person and a historic property. Association is the authenticity that allows one to know that in this place occurred something of historical importance.

The concepts of integrity and significance are closely related. In the National Register criteria, integrity is defined as the ability of a property to convey its significance. Only after the significance of a property has been fully established and defined can you examine the seven aspects of integrity. There are four steps in assessing a property's integrity.

1. Define the essential physical features that must be present for a property to represent its significance.

2. Determine whether the essential physical features are visible enough to convey their significance.

3. Determine whether the property needs to be compared with similar properties.

4. Determine, based on the significance and essential physical features, which aspects of integrity are particularly vital to the property's being nominated and if they are present.

It has to be acknowledged that very few historic properties retain all their historic physical features. Change is a part of any property's history. To be eligible for the National Register, however, a property must retain the essential physical features that enable it to convey its historic identity. By 'essential physical features' we mean those features that define both why a property is significant and *when* it was significant. If it has been so altered that a person would have difficulty in recognizing what it was and from what time period it came, it would not be eligible. The physical existence of historic materials is not sufficient for eligibility. Imagine, for example, that you have a historic adobe building that in recent times has been surrounded by modern brick additions so that you can no longer see the historic core. Although the historic design and materials still exist, the building is not eligible because you cannot *see* them.

CONCLUSION

The criteria of the National Register are broad, and there is a continuous tension between the desire to save as much of the past as possible, and the desire to preserve only "the best." The National Register was meant to help preserve more than just landmarks, but it was not intended to save everything over 50 years old. Between these extremes, the criteria and the listing process allow a variety of knowledgeable and interested persons to contribute their views. Inevitably, disagreements arise over what is significant and what retains integrity. In many cases, people work through these disagreements and arrive at a consensus. In other cases, one person or party may have authority to impose their view on whether a property should be saved.

The discussion in this chapter cannot guide the evaluation of every New Deal associated property. It has described the criteria and noted some issues so that persons responsible for evaluating eligibility will understand something of the complexity of what they are dealing with. Consensus should be the goal in the evaluation of any property, and it is hoped that this discussion and the preceding historic context, contribute to resolving, if not avoiding, some controversies in the future.

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The New Deal in Arizona

This state study of the New Deal examines the implementation of the programs and policies of the Roosevelt Administration in Arizona. Arizona provided a unique set of characteristics—the prominence of the federal government as a land owner, the dominance of the copper industry as an employer, and the presence of a large population of reservation Indians—that made the New Deal experience in Arizona unique. Programs that were of relatively little significance in many other parts of the country were of great importance in Arizona. Such programs included the Indian New Deal, the copper code of the National Recovery Administration, and the Taylor Grazing Act. The implementation of New Deal programs depended greatly on state and local administration. Decentralization meant that local administrative agencies and politicians had wide latitude to determine the kind of work projects undertaken.

The New Deal significantly influenced state government as national administrators pressured state authorities to enact laws and create agencies to efficiently administer the national programs. The legislature frequently met in special sessions to deal with New Deal-related matters. It passed acts to implement Public Works Administration projects, state programs under the Social Security Act, and soil conservation districts. By 1937, the incentives built into New Deal programs caused Arizona to create a modern welfare bureaucracy. The New Deal altered the relationship between citizens and their government. State officials in 1932-33 declared that only the federal government could provide the level of relief needed in the worst part of the Great Depression. By providing that assistance, the New Deal created a permanent expectation among citizens that the national government would act in times of domestic emergency.

Arizona State Parks Board
Phoenix, Arizona

The following pages are an incomplete draft chapter focusing on the Farm Security Administration that was not included in the 1999 dissertation. It is attached to the pdf version of the book so that it's topics and references may be available to future researchers wishing to develop the history of that important agency.

WSC
March 23, 2024

The agricultural depression of the 1920s and 1930s evoked numerous proposals for new federal programs. These proposals always made implicit tradeoffs between the varying sectors of agriculture as divided, for example, by geography or crop specialization. Owners of larger-scale and increasingly mechanized farms, whose interests were defined by the macroeconomic levels of crop surpluses, credit, and railroad regulation, were given the AAA and subsequent programs to raise commodity prices and secure income parity. There was another divide within agriculture, that between the owners of land and the large numbers who worked the land as tenants, sharecroppers, or migrant laborers. The trend towards tenancy—up from 25 percent in 1880 to 45 percent in 1930—raised fears of further erosion of the traditional pillars of American society. The issue of sharecropping, generally associated with the cotton and tobacco economy of the South, raised politically dangerous questions about racial relations. The plight of the migrant farm worker, the crucial manpower of western agriculture, became known to the public as it was tied to the Dust Bowl exodus, journalistic exposés of exploitation and dire poverty, and as workers themselves took action on their own behalf, a movement as fraught with political perils in the West as proposals for federal assistant to black sharecroppers was in the South.

This chapter examines the federal programs and agencies created to address the needs of the poorest of the farm population and to enact agricultural reform to amend the conditions contributing to chronic rural poverty. Arizona's agriculture specialties, the alignment of commercial agriculture with federal reclamation projects, the rate of tenancy, and the conditions of migrant labor established the context within which particular federal programs operated. Cotton, citrus, and lettuce and lesser-planted produce characteristic of Arizona, grown on irrigated land and dependent on season labor, defined the economic parameters of practical agronomy. Any effort by the federal government to assist farm tenants towards ownership and to raise living conditions among migrant farm workers would be opposed by the more politically influential commercial farmers and associated businesses unless their interests were protected. Those interests, in regard to farm ownership programs was the preservation of the private property principle. Cooperative methods, especially if they included common ownership of land, immediately raised fears of socialism or government regimentation. Assistance to migrant workers threatened to raise wages or impose costs on private farmers for improved accommodations. Most farmers were wary of federal camps as possible rallying places for radicalism as well as for setting a higher standard for health, shelter, and physical accommodations for migrant workers and their families.

Federal programs specifically aimed at relieving the conditions of the poor farmer were slow in development, no specific legislation or executive order addressed the issue until 1935. The agency then created, the Resettlement Administration (RA), began its work not so much in pursuit of a mission but as Administrator Rexford G. Tugwell characterized as "everybody else's headaches."[1] Tugwell, an important researcher, writer, and publicist for system-altering reform, was perhaps as radical a thinker as Roosevelt had allowed into his Brains Trust. For critics of the emerging New Deal, Tugwell was a convenient target for charges of radicalism. The agency he would head for one and a half years intended real reform to existing economic and social—not legal or political—forces contributing to the emergence of a permanent underclass in the agricultural sector. The RA began as an amalgam of programs and projects underway, some of which had already stirred negative national publicity. The new agency would have the opportunity to contribute additional controversial projects to the increasingly heated debates over the future of the New Deal near the end of the decade. One highly publicized case was that of an experimental cooperative farm operating in the Casa Grande Valley. The RA and its successor agency, the Farm Security Administration (FSA), would inherit, initiate, and attempt to make successful a number of projects including urban homesteads, cooperative farms, and migrant labor camps. Simultaneously, it would offer aid to small farmers attempting to survive in challenging times and tenants seeking an opportunity to farm their own land. The RA and the FSA developed a number of projects in Arizona. While they directly affected only a token number from the total of poor farm tenants and migrant workers, they represent the first time that the federal government intervened to affect the causes of chronic rural poverty. Arizonans may have been baffled as the federal government promoted assistance to tenants to attain farm ownership even as farmers were then plowing under large acreages of cotton and lettuce to reduce surpluses and maintain prices sufficient to meet costs. Still, even at their most controversial, projects and programs in Arizona were carried through without substantial scandal. As with most New Deal agencies, the RA and FSA were welcome in Arizona, if only for the boost their projects gave to the economy.

URBAN HOMESTEADS

In August 1938, Charles A. Callis, an apostle in the Church of Jesus Christ of Latter Day Saints, spoke to fellow Mormons in Layton, near Safford. "Keep your boys on the farm," Callis urged, "and you will keep him out of the breadlines." It was a common sentiment during these waning days of the era of unmechanized farming. The depression had slowed, but not halted the trend towards modernization. Horse, mule, and human

[1] Sidney Baldwin, *Poverty and Politics: The Rise and Decline of the Farm Security Administration*, (Chapel Hill: The University of North Carolina Press, 1968): 93, 120.

power, the kerosene lamp, the hand-powered pump, the outdoor privy, and the farmer's almanac, hallmarks of the nineteenth century American homestead, lingered only until the urban economy revived completely during the war. Apostle Callis, clinging to ideas that would have appealed to Thomas Jefferson, advised his listeners, "Do not sell land. Buy it, and when you've bought it, make it support itself and you. Make it your first concern to raise what you need for your living, and the sustension [sic] of your livestock. Sell the surplus, but raise your living first." Perhaps Callis had not heard that the directors of the Graham County Farm Bureau had a few days previous approved formation of the Graham County Rural Electrification Association. Soon new power lines would spread throughout the Gila River Valley, and while this would improve the living standards of local farm families then living much the same way as the original Mormon settlers, the process of modernization would quickly bring to an end the era of the subsistence farm.[2]

The National Industrial Recovery Act of 1933 contained a small provision appropriating $25 million for a program of revolving loans to aid in the establishment of "subsistence homesteads" for the "redistribution of the over-balance of population in industrial centers." The program was nearly an orphan from the start, an unwelcome addition to the many responsibilities heaped upon Harold Ickes as the head of the Public Works Administration. The program was a sop to those who advocated for a movement "back to the land" as a panacea for the ill effects of the nation's rapid urbanization over the previous decades. President Roosevelt was himself such an advocate, or perhaps simply a sympathizer. The careless wording the NIRA failed to define what was meant by a subsistence homestead or establish an agency with a clear program of action. In the rush of legislation during the First Hundred Days, Congress left it to the president to work out the details of the plan. Roosevelt gave it over to Ickes, a Chicago urban reformer who looked upon such ventures as rural romaticism and misplaced reformism. Ickes in turn placed a notable farm reform theorist, M.L. Wilson, in charge of devising a plan to aid the industrial unemployed by setting them up as full or part-time farmers. Thus, was born the Division of Subsistence Homesteads (DSH), which provided some of the most controversial projects associated with the New Deal, and some of its most enduring successes.[3]

A movement back to the land might have had more widespread appeal were not the conditions of American farmers and the agricultural economy in as dire shape as the urban economy. Indeed, the 1920s had not been a prosperous decade for agriculture in general and millions of rural Americans had hopefully sought opportunity in the expanding cities before

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[2] AR, August 24, 1938, 1:8; August 12, 1938, 1:7.
[3] Robert M. Carriker, *Urban Farming in the West: A New Deal Experiment in Subsistence Homesteads*, (Tucson: The University of Arizona Press, 2010): 17-19. Many of the embarrassments were associated with projects, such as the greenbelt communities, where poor planning, muddled administration, and unanticipated legal problems resulted in significant cost overruns and other difficulties hindering project success.

the depression brought countless factories to a close. While demographic observers noted a small reversal of the traditional rural to urban movement of the population during the depth of the depression in 1932 and 1933, there was simply no room for more farmers when commodity surpluses were already dragging down prices and income. Agricultural organizations such as the American Farm Bureau Federation kept a critical eye on any federal program that might create new competition at the same time as the Agricultural Adjustment Administration was beginning to implement its program of production control. For this reason, the term "subsistence" was attached to the concept of a homestead to reassure farmers that the new program would provide a means for the urban unemployed to provide themselves with food with their own labor without expanding competition to existing commercial growers.

By the measure of how quickly the DSH moved projects into construction and spent money that would provide both relief and a stimulus to the economy, the subsistence homestead program was an unequivocal failure. By the spring of 1935, when the program's legislative authorization was nearing its end, the DSH had managed to spend only about $8 million of its $25 million appropriation. It had, however, initiated work on thirty-four subsistence homesteads projects and over two thousand homes were completed or under construction when the DSH became a part of the RA. Four of these were in the western states of California, Washington and Arizona.[4]

With limited funds and lacking a well-defined conception of what was to be accomplished, the large number of impractical proposals from around the country slowed progress under the DSH. Political considerations also played a role. Arizona, in large part, received a project because of the interest taken by Congresswoman Isabella Greenway, a personal friend of Franklin and Eleanor Roosevelt. Even before she and Roosevelt had taken their respective offices, Greenway had written of her desire "to see if families can be so established on small sustaining acres—as to become again self-supporting—in a reasonable time." More than simply applying pressure for a project in her state, Greenway was central to the project's early planning. As early as January 1933, she had persuaded a friend, Faul V. Fuller, an irrigation and land development specialist, to work out a detailed proposal as she searched for funding. Fuller in turn brought on board architect Robert T. Evans, who advocated for adobe as a practical building material in the Southwest. After winning the congressional seat vacated by Lewis Douglas in October, Greenway was in a position to leverage approval for her special project. With additional support from Governor Moeur, Senator Hayden, and other state officials, Greenway achieved approval by the DSH of an Arizona subsistence homesteads project by December.[5]

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[4] Baldwin, 75; Carriker, 37.

[5] Carriker, 49, 53-55, 63-64.

Placed under Fuller's supervision, the first task was to select a site for the project. Fuller considered a variety of criteria, including proximity to urban employment and services, soil conditions, local climate, and cost. By May 1934, the DSH had authorized half a million dollars to build three hundred homesteads at three sites. Units I and II were located, respectively, west and northeast of Phoenix, and Unit III was planned for a tract south of Tucson. There followed several months of frustration as the DSH in Washington adjusted to a change in leadership and to revisions of its program guidelines. Purchase of the two tracts in the Salt River Valley was not accomplished until November. After further consideration, the DSH rescinded its earlier approval of the Tucson project and scaled down the remainder. Only twenty-five houses would be constructed during the initial phase at Unit II and even then, construction did not begin until March 1935. Unit II was a parcel of about seventy-five acres less than three miles northeast of Phoenix. This was presumably close enough for residents of the project to take advantage of part-time or seasonal work opportunities in the city while they raised additional food and livestock on their land. This location also allowed access to local schools, businesses, and utilities. Because the Salt River Valley offered an extended growing season, Fuller calculated that less land was necessary for the subsistence agriculture aspect of the project. No more than one acre for each household would suffice rather than the two to five acres typical of projects planned in some other parts of the country.[6]

The homes on Unit II were placed on three-quarter-acre parcels, with the remaining land set aside for common use as a pasture. In the meantime, the selection of families progressed slowly, despite the suggestion from some critics that the homesteaders should have contributed their own labor to the project. The selection process proved difficult as Fuller did not believe that many who applied could make a success of the project. There were applicants, he reported, who saw the project as merely an extension of relief or as a way to enter into farming. Few seemed to understand the premise of the project as a means to combine home production with part-time employment. In part this was because the premise itself was somewhat dubious as a long-term way of life. Fuller insisted that those selected for participation in the project have the personal characteristics to make a go of it. Of the twenty-five families selected, all but eight currently earned less than one hundred dollars a month. They were, however, fairly well educated. All the adults had completed grammar school and fifteen had attended college.[7]

In May 1935, the DSH and its projects, including Unit II then under construction, were transferred to the new Resettlement Administration. The project was placed under the Division of Suburban Resettlement and received a new name, "Rural Homes in Arizona, Unit B," although it was increasingly referred to simply as the Phoenix Homesteads. Investigators

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[6] Carriker, 56-57, 59-61, 65.
[7] Carriker, 65-70.

from Tugwell's office criticized the project and noted the influence exerted by Greenway in its selection, but with construction in progress the agency had little option other than to approve its completion. The change in administration did result in a temporary halt to construction, which was not completed until September. The first eight families began moving in the following month and all the homes were occupied by January 1936. At that point, Fuller, Evans, and even Greenway, who had become disillusioned by the project she had done so much to bring about, ceased their association.[8]

Although the Phoenix Homesteads initially included a common pasture, it largely escaped criticism that attached to some other RA and FSA projects organized as cooperative ventures. The RA required residents to form the Phoenix Homestead Association, a formally organized corporation to receive title to the project in August 1936. Each family then signed a contract for purchase of their individual home at an average price of $3,566. The case of the Phoenix Homesteads, at least, would not challenge the principle of fee simple land ownership, a subject near the top of the list of criticisms when the FSA came under severely political attack in 1942-43. Soon the project began its transition from government project to residential neighborhood as residents worked on a number of local issues such as the extension of a road to the nearby school, better bus service, and community picnics. Because the FSA retained an interest in the project, because of its sales contract with the community association, it served as a convenient foil encouraging neighborhood cohesion. The strength of its sense of community would contribute to keeping the neighborhood distinctive as it was surrounded by the later growth of Phoenix. Once on the rural outskirts of town, the Phoenix Homesteads Historic District, listed in the National Register of Historic Places, would remain into the twenty-first century a semi-rural enclave within a major metropolitan area.[9]

The Resettlement Administration undertook three additional projects in Arizona. These differed from the Phoenix Homesteads in two significant ways. First, they were constructed for the benefit of genuine agricultural workers, not the part-time urban workers selected for the Phoenix Homesteads. Three of these projects would be located in the Salt River Valley, while the fourth and largest was located in the Casa Grande Valley between Florence and Coolidge. Second, these projects included a stronger element of rural rehabilitation geared towards training poor agricultural workers to become competent operators of a modern farm. Starting from a lower economic and social level, participants in these projects experienced a wider range of government intervention intended not only to train workers in modern agriculture, but to encourage a stronger sense of community spirit through organized associations, community centers, and

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[8] Carriker, 70-73. The exact cost of the initial phase was between $107,500 and $126,000, according to inconsistent sources, with Rexford Tugwell himself reporting to Congress a cost of $92,185. The government sold the property to the community association for $89,150.

[9] Carriker, 74-80.

group activities. As part of the rural rehabilitation program, RA and FSA officials worked with families to develop sound farm and home plans that could permanently uplift them out of poverty. In addition to this enhanced level of paternalism, the projects included stronger reliance on formally organized cooperatives to manage collective farms and to provide much needed services, such as medical care.[10]

The first of these cooperative projects was located a short distance north of the Phoenix Homesteads on a parcel referred to as the Baxter Tract. This project, called Camelback Farms, included thirty-five houses built on forty acres. In contrast to the Phoenix Homesteads, which had been planned around larger lots allowing for family home production, the members of Camelback Farms were to contribute labor to the 270-acre farm located between the two projects. The home constructed on the Baxter Tract were, like those at Phoenix Homesteads, constructed of adobe, but they were designed by an agency architect, Vernon DeMars, and were smaller and distinctly less charming. The RA did, however, include a community building within the tract. Initially, the two projects, although adjacent, had no connection either in intent or administration. Unfortunately, by 1941 the cooperative farm was clearly having difficulties. A Department of Agriculture examiner judged it "the worst failure" of all the projects west of the Rocky Mountains. To solve the problem, the residential area of the Baxter Tract was detached from Camelback Farms and absorbed into the Phoenix Homestead Association in August 1941. The farm itself would eventually be sold by the government and transformed after the war into a standard urban neighborhood.[11]

The second of the rural rehabilitation projects was located in Glendale, then still a small town separated from Phoenix by farms and orchards. Given approval in March 1936, the RA acquired a little over eighty acres by the end of the year. On eleven acres were constructed twenty-four homes and a community building. The remaining acreage became the community farm. As at the Baxter Tract, homes at the Glendale Tract were built of adobe from a design by agency architect Vernon De Mars. Their layout was along a distinctive 'T' angled southeast from the intersection of Northern Avenue and what is now 51st Avenue, then referred to as Lateral 17 in the Salt River Project irrigation network. As at the other rural rehabilitation projects, the decision to build a community resulted from the calculation that such would reduce infrastructure costs—road, electricity lines, water lines—compared to individual farms or urban homesteads on the Phoenix Homesteads model. Although completion of the project had been predicted optimistically by the summer of 1937, it suffered extensive delays. This was due, in part, to the change in administration as the RA became a part of the Department of Agriculture at the start of the year, and after being renamed the FSA, by the appointment of Waldron as state director. The project also had difficulty in finding clients since the initial

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[10] Carriker, 74.
[11] Carriker, 74-75, 77-78

plan had been to sell the homes. By September, Waldron told members of the Glendale Chamber of Commerce that in order to fill the homes and to dispel "unfavorable opinions regarding this particular unit," the program was being changed "to provide low-cost maintenance homesteads for farm laborers with part-time employment and limited incomes." Glendale Tract homes would be leased at a lower rate than under the earlier plan to sell. The project was not fully occupied until early 1938. As at the Baxter Tract, the Glendale Tract cooperative farm was intended only to supplement the incomes of residents who were expected to work as laborers on nearby farms during seasons of peak labor demand. Despite the hopes FSA idealists sometimes placed on social development, residents failed to adopt a communal outlook, despite their fond remembrance of birthday parties, Christmas parties, and quilting bees held in the community building. When wartime prosperity offered opportunities for more lucrative full-time work, residents did not hesitate to seize their chance. By 1948, when the federal government sold off the homes and ended its connection to the project, none of the original residents remained to take up ownership.[12]

The third resettlement project in the Salt River Valley was located on a tract in Chandler, just north of the high school. Unlike the individual family homes constructed at Phoenix Homesteads and in Glendale, the Chandler project consisted of four two-story apartment buildings accommodating thirty-two families and a community building. This $110,000 project also included the usual improvements, roads, sidewalks, culverts, irrigation system, and landscaping, along with a one-car garage for each housing unit. The project was ready for occupation early in 1938. State director James A. Waldron described it as a "frank experiment in rural life problems." Part of that experiment included cost-cutting measures such as the decision to construct multi-family housing rather than individual homes. The grouped housing also fit with the economic analysis that determined that the 300 acres of farmland could not be efficiently run as individual farmsteads. Here as at other projects, the decision to operate the farm as a cooperative was chosen as a means to make it efficient rather than in pursuit of a cooperative ideal. While the cooperative was technically under the direction of a board selected by its members, the FSA in its role as lender retained full control over operations. The project itself could only provide full-time employment for two or three men. Residents were expected to divide their labor in at least three ways. The acreage around the housing center was divided into half-acre garden plots while another 300 acres was to be worked cooperatively. Most of the members of

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[12] Robert G. Graham and Doug Kupel, Glendale Tract Historic District National Register of Historic Places Registration Form, (Phoenix: Metropolis Design Group LLC, 2005), Section 8, 4-11. More than half a century later, residents and Glendale officials recognized the unique story of the Glendale Tract and began to work for its future preservation. In 2006, the Glendale Tract Historic District was listed in the National Register of Historic Places, unfortunately coincidental with the beginning of the harshest downturn in Arizona's housing market since the Great Depression.

the project were expected to find outside work, particularly as seasonal laborers.[13]

RELIEF FOR THE RURAL POOR

Harry Hopkins and the FERA, as they often did, took the initiative in extending assistance to the rural poor in 1933. Rather than merely provide grants for assistance or work relief, the FERA attempted to shape its assistance so as to complement other programmatic goals of the New Deal, such as the restoration and reuse of submarginal land. Unlike the AAA, the FERA focused on assisting the individual farmer and their families to become viable farmers in a program referred to as rural rehabilitation. By rehabilitation, the New Dealers meant the systematic education of poor farmers in modern agricultural practice with the inducement of low interest loans and other assistance to encourage those at the bottom of the social ladder to take the first steps towards upward progress. Rural rehabilitation would eventually become an important component of the term "farm security" that contemporaries would by 1937 put into use to encompass a wide range of programs addressing the social and economic stresses contributing to rural poverty. The FERA, by the time its programs were transferred to the RA in 1935, had three programs affecting rural rehabilitation. The first was simply the provision of supervised credit for farmers on productive land but under temporary distress due to the depression. Such assistance need continue, presumably, only until the AAA had begun to restore general farm prosperity. The second program included development of planned communities designed along the lines of part-time farms or as model communities such as the three greenbelt towns built in the East. Third was a program of land reform in which up to one hundred million acres were to be acquired, withdrawn from current use, and reclaimed for a more sustainable future use. Those displaced by such projects would require assistance to reestablish them on more productive land.[14]

The Resettlement Administration came into formal existence by Executive Order 7027, issued by President Roosevelt on May 1, 1936.[15] It was placed under the charge of Columbia professor and agricultural reformist Rexford G. Tugwell, one of the more prominent of the president's Brains Trust, the group of advisors who helped to shape the initial programs of the New Deal. The order gave to the new agency control over the resettlement projects in rural and suburban areas initiated by the Division of Subsistence Homesteads and the FERA's initial efforts at rural rehabilitation. The order also gave the RA authorization for a loan program

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[13] AR, February 26, 1937, 1:11; May 30, 1937, 1:8; February 13, 1938, 2:6.
[14] Baldwin, 64-65.
[15] Subsequent executive orders expanded the purview of the RA. EO 7028 transferred the land program of the FERA, which included 34 projects similar in nature to the subsistence homesteads. Order 7041, transferred the 33 projects initiated by the DSH to the RA.

to assist “farmers, farm tenants, croppers or farm laborers” to acquire land and equipment. Less compatible with Tugwell’s purposes was additional authorization to initiate projects related to soil erosion, stream and seacoast erosion, reforestation, and flood control. The president allocated funds for the RA from Emergency Relief Appropriations Act of 1935, which had vaguely referred to “rural rehabilitation and relief in stricken agricultural areas.” It is important to note that the RA was created by executive action rather than in response to congressional mandate. A still relatively compliant Congress left the spending of much of its emergency appropriations to the discretion of the president. While this allowed the new agency wide latitude to experiment in organization, staffing, and methods, and to reshape priorities as conditions shifted, the RA and its successor, the Farm Security Administration, would eventually have to gain more explicit congressional support if they were to transition from emergency to permanent programs.[16]

Tugwell oversaw the rapid growth of a large new federal agency. Before the end of 1935, the RA had a staff of 16,386, of whom 3,514 were located in Washington. Independent of the existing departments, Tugwell enjoyed the freedom to shape programs to meet his priorities. While enjoying a wide authority based on a broad interpretation of the law, there were numerous external factors and forces that eventually led Tugwell to somewhat abandon his first preferences. The inherited subsistence homesteads and model community projects were such factors. Despite the negative publicity some of these projects generated and his own belief that they could not in any case affect the broad pattern of rural poverty, he had no choice but to see them through to completion. As a reformist agricultural economist, Tugwell’s personal priority was land reform, which involved a number of New Deal agencies and with the initial goal of acquiring and rehabilitating ten million acres of submarginal land. Such an area of land, Tugwell anticipated, if properly planned for efficient operation could sustain thousands of farmers “rehabilitated” for modern agricultural practice and integration in the broader society and economy. Due to external legal and political factors beyond Tugwell’s control, the RA would be forced to set aside its land reform ambitions in favor of the attempt to rehabilitate poor farmers and laborers to become competent modern farmers.[17]

At the end of 1936 the RA faced an important transition. Its founding administrator, Rex Tugwell, resigned and was succeeded by Will W. Alexander, a southern reformer and challenger of the racial status quo. Alexander was not, however, a powerful administrator who could impose his desire for racial equity on the agency’s state and field staff. As it was the FSA would be carefully watched and criticized for any activity that conceivably might disrupt the Jim Crow-enforced peace in the South. Alexander’s selection is representative of the FSA’s geographic priorities.

[16] Baldwin, 92-93.
[17] Baldwin, 104-07.

The South received the greatest emphasis, followed by the Great Plains, and then the Southwest and California. Simultaneous with Tugwell's departure, Roosevelt ended the RA's independence, placing it within the Department of Agriculture. From January 1, 1937, Alexander had to adjust his staff to the organization of the existing department and to find his place among its numerous divisions. This was no mere social consideration. Within the Department of Agriculture were numerous divisions jealous of their independence of operation and wary of threats to their resources. Among the pre-New Deal divisions were the Bureau of Public Roads, the Forest Service, and the Extension Service, the last of which would be an eventual colluder in the demise of the FSA. These were joined after 1933 by the AAA and the Soil Conservation Service, both like the FSA, vigorous New Deal agencies in full pursuit of their own purposes and watchful for any agency competing or interfering with their programs.

On September 1, 1937, Secretary of Agriculture Wallace renamed the RA the Farm Security Administration. The moment was propitious for the change because Congress had finally passed new legislation directly affecting the problem of tenants and sharecroppers. On July 22, 1937, Roosevelt signed the Bankhead-Jones Tenant Purchase Act, main provision of which was authorization of a loan program to assist landless farmers acquire ownership of their own farms. Although it did not constitute the leading program in the FSA, the tenant farm purchase program was a significant link between the fledgling agency and important members of congress. It was run in a conservative manner respectful of the credit principle that lay at its foundation. With insufficient resource to make a broad attack on the problem of landlessness, the tenant farm purchase program focused on identifying those among the rural poor most likely to succeed if placed on their own farms. The FSA would always advertise its high rates of loan repayment even as many within the agency argued in favor of broadening eligibility standards to help even those who were poor credit risks.[18]

Compared to the number of poor farmers and laborers assisted through he rural rehabilitation program, the community programs, and, as described below, the transient labor camps, farm purchase loans under the Bankhead-Jones Act aided only a token number of would-be farm owners. The initial 1938 allotment of $12,266 for Arizona allowed for farm purchase loans to only two farmers. Chosen by an advisory committee of Maricopa County farmers from over thirty applicants, these two lucky farmers were able to make downpayments on thirty-acre farms, one near Glendale and the other west of Peoria. The generous terms allowed forty years for repayment with payments adjustable in a poor crop year. In addition, both received loans of $1,000 for tools and livestock. Loan recipients submitted to guidance under FSA farm and home management plans and were expected to participate in

[18] Baldwin, 170, 187-90, 196-98; AR, 1/1/1937, 1:2. The emphasis on credit worthiness in the tenant farm purchase program was just one factor contributing to the failure of southern black sharecroppers to receive equitable opportunity from the FSA.

the AAA programs. The 1939 appropriation of $30,665 allowed for only five additional tenant purchase loans. The trickle of funds continued sufficient to provide loans for a few families in Yuma County, but by 1940 fewer than a dozen farmers had obtained farms under the program.[19]

In reality, the FSA's resources were insufficient for anything other than a demonstration program in assisting poor farmers, tenants, and workers to become self-sustaining modern farmers on their own land. By one estimate around 1936 the number of farm tenants was increasing by about forty thousand a year. From 1937 to the end of June 1940, the FSA approved 11,939 tenant purchase loans, representing only 6,678 borrowers. As a measure of demand, the FSA reported that during its second year it received 147,972 applications for only seven thousand available loans. This situation had not improved by 1942 when over 170,000 applied for only eight thousand available loans. Ignoring the implications of its selectivity, the FSA could report that by June 1943, repayments had been coming it at a 98.4 percent, a rate believed to be a powerful argument for the agency in its political fight to survive during the war.[20]

By far the largest portion of FSA resources was directed to its rural rehabilitation program. Under the FERA and RA, destitute farmers might be given grants averaging twenty dollars as immediate emergency relief, enough at 1930s prices to make substantive difference in their family's lives. Under the FSA's rural rehabilitation program, "clients," as opposed to "borrowers" in the tenant farm purchase program, could receive small loans for farm materials and equipment, and for immediate needs some small grants. Along with these grants and loans came supervision of the clients to assist them to become viable farmers. Inevitably, this paternalistic system would lead to cases where FSA staff simply told clients what to do, and their instructions were not always limited to farm operations, but could include advice on all aspects of home life and economy. Many people believed such government oversight over people's lives was un-American and did not hesitate to criticize the FSA, especially when its programs included empowerment of client cooperatives and collective farming. The FSA again defended itself by reference to the relatively high, some eighty percent, rate of repayment of rehabilitation loans by 1943.[21]

Despite their lesser significance to the agency, journalists preferred to write about the resettlement projects, perhaps because it was easier to describe progress by foundations laid and walls raised. Compared to the resettlement projects, where the resettlers numbered only a few hundreds, the rural rehabilitation program gave loans and small grants to a much greater number of tenants, sharecroppers, and owner-operators on the verge of being forced from their land. Publicly, the welfare function of rural

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[19] AR, June 12, 1938, 2:7, October 4, 1938, 1:2; March 12, 1939, 2:7; July 27, 1939, 1:6; December 14, 1939, 2:7. The precise number of farm purchase loans granted has not been determined for this study.
[20] Baldwin, 176, 199.
[21] Baldwin, 199-202.

rehabilitation, with its emphasis on farm and home planning, supervision, and training, was masked by an almost bank-like focus on the soundness of its portfolio. Maricopa County FSA supervisor L.S. Grosse described the program in these terms:

> Farmers who cannot borrow money from other sources and who have sound farm plans may make application for a rehabilitation loan. Farmers should show they will be capable, with the assistance of this loan, of supporting their family at a reasonable standard of living, of repaying the loan, and of carrying on after the loan has been repaid.[22]

What journalistic coverage the newspapers gave to rural rehabilitation rarely went beyond the FSA press releases on the high rate of loan repayment. In March 1937, Jonathan Garst, regional resettlement director, asserted that the farmer was gradually "working his way back to a more secure economic status," citing statistics showing that of $477,472 in rehabilitation loans in Arizona, over $75,000 had already been repaid. While claiming that these loans were "secured," Garst admitted that they were basically "character" loans. By May 1937, the RA had awarded 1,167 loans in Arizona totaling $539,876. These loans went for immediate needs such as feed, stock, machinery, and other equipment needed to bring farms up to efficient operation.[23]

While rehabilitation loans provided critical assistance that allowed many families who might otherwise have been driven from their farms to remain on the land and off the relief rolls, their situation would remain precarious where they labored under mortgage debts accumulated in better times. Through the Frazier-Lemke Farm Bankruptcy Act of 1934, Congress tried to impose a moratorium on foreclosure of many farm mortgages, but this was declared unconstitutional by the Supreme Court in May 1935. A revised Farm Mortgage Moratorium Act later that year with a provision for a three-year moratorium survived court scrutiny. The RA/FSA directly assisted hundreds of farmers threatened by foreclosure by working with lenders to adjust debts downward. Working through county farm debt adjustment committees composed of local farmers, many lenders agreed to reduce outstanding debt in order to salvage some positive value from loans that would otherwise have gone unpaid, leaving them with properties of reduced value. In 1936, these committees reviewed 333 applications, of which 198 received assistance in negotiating reductions in debt amounting to $57,184 on a total indebtedness of $179,100. One side benefit of these renegotiated loans was the payment of back taxes of over $12,000.[24]

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[22] AR, January 17, 1937, 4:1.

[23] AR, March 12, 1937, 1:12; May 1, 1937, 1:14, May 9, 1937, 4:2. In comparison to the amount of loans given out in Arizona by May 1937, the amounts in neighboring states were California, 2,555 loans for $3,173,575; Utah, 3,266 loans for $2,350,916; and Nevada, 303 loans for $304,587.

[24] AR, March 30, 1937, 1:1; March 27, 1937, 1:7. The Farm Mortgage Moratorium Act was renewed several times by Congress until allowed to expire in 1949. While the

Where the FSA presented its greatest challenge to prevailing norms was in its promotion of cooperative[25] associations. The cooperative movement predated the New Deal as a means by which independent small farmers could pool their purchasing and marketing to gain benefits of scale while escaping form the exploitative control of agricultural processors and credit institutions. Publicly defended as an expedient to assist clients to operate with some of the same advantages as large-scale farms, FSA officials also believed that cooperative effort would encourage the social and political solidarity of its clients. If fact it would lead to competition and dissension in many situations. Cooperative associations were created for a variety of purposes. Many were created as part of resettlement or model city projects. Their purposes included local purchasing and marketing, veterinary services, purchasing insurance, processing and storage services, water facilities, and, most controversially, the leasing of large tracts of land, either for subleasing to individual members as family farms or as cooperative farms. Cooperatives for purchasing and marketing crops and livestock were the most prevalent; cooperatives for special purposes could be geographically concentrated, such as grain elevator services in the Great Plains states. Land leasing cooperatives were more prevalent in the South and the West. At the peak in 1943, there were 52 such cooperatives holding 136,368 acres in eight states. The most controversial of all cooperative organizations was the cooperative farming associations. Under this arrangement, members of the cooperative associations worked for wages on a collective farm leased by the association from the government. The FSA provided supervision for the families and management for the farms, constructed housing, and encourage social cohesion through other group undertakings. While the FSA's formidable publicity staff portrayed these projects, merely four in number, as "exciting social laboratories," to critics they were "American soviets." The cooperative farming model was adopted at the FSA's project in the Casa Grande Valley between Florence and Coolidge and it would attract national attention.[26]

The RA and FSA provided loans to assist several types of cooperatives around Arizona. At Camp Verde, Charles H. Harbeson organized a tillage cooperative for twelve Verde Valley farmers which used an RA loan in early 1937 to purchase a tractor, furrow disc plow, and a disc harrow. Using an RA loan, Dr. George W. Barr, acting director of the University of Arizona extension service, assisted in the formation of two medical cooperatives in Pinal County. As described by Eli Abegg, rural resettlement supervisor for the Pinal County district, these cooperative in Eloy and Casa Grande were modeled after a successful health cooperative

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RA/FSA debt adjustment program worked with individual farmers, in 1937 several irrigation districts also applied to have their institutional debts renegotiated. Unfortunately, the disposition of those applications has not been discovered.

[25] During the 1930s, 'cooperate' and its related words were typically hyphenated, e.g., co-operate. The unhyphenated version is generally used herein except within a proper name or quotation.

[26] Baldwin, 204-07; Banfield, 20.

in California where members could receive prepaid medical services for about two dollars a month and slightly more for family members. By May 1937, the RA had loaned $28,841 to cooperative of rehabilitation clients to purchase machinery, livestock, marketing, medical services, and other services.[27]

Place info here about the Bankhead-Jones Act

The first allocation of funds under the Bankhead-Jones Act were quite small, Arizona received only $12,266 in October 1937. FSA state director James A. Waldron of Tempe formed a nine-member advisory committee in November to help administer the farm purchase program, a number far larger than the expected two farmers who could actually be helped to acquire their own farms with that amount of funding. Given the limitations, Waldron could only warn the public to keep its expectations for the program low.[28]

MIGRANT LABOR CAMPS

The plight of migrant farm workers and their families rarely drew public attention. Yet one only had to look to California to see chronic rural poverty exasperated by the depression and the influx of new workers from the Dust Bowl. Angry and desperate laborers now listened to the talk of labor organizers, including members of the Communist Party of the United States of American, and they began to head calls for strikes in the fields. Arizona farmers, however, were primarily interested in labor only so far as they needed a sufficient number available to keep wages low. Arizona farmers were accused of overstating the number of jobs available in 1937 in advertisements distributed in Texas and Oklahoma in a deliberate strategy of creating an oversupply of laborers. While Arizona farmers denied the charge, more field laborers arrived that year than could find employment. Worse, many had literally used their last dollars to get to Arizona and had no means either to return to the dust-blown homes or to move on to California. Unable to move, many workers and their families huddled in tents or shacks with neither clean water to drink or any sanitary facilities other than a shallow hole dug into the ground or the water flowing in open ditches. Because they did not meet the Arizona's three-year residency requirement for public assistance, malnutrition and sickness spread until a manor public health crisis emerged.[29]

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[27] AR, January 24, 1937, 1:5; January 26, 1937, 1:8; February 6, 1937, 2:1; February 20, 1937, 1:12; May 9, 1937, 4:2. Loans to cooperatives in other states by May, 1937 included California, $91,957; Nevada, $11,507, and Utah, $101,959.

[28] AR, October 24, 1937, 2:7; November 22, 1937, 1:3. Initial state allocations to neighboring states under the Bankhead-Jones Act were California, $90,963; Utah, $14,182; and Nevada, $1,525.

[29] AR, January 16, 1940, 1:5. A federal investigator, Orin Cassmore, working through a WPA project investigating the plight of stranded farm workers, reported that the advertising effort drew so many laborers that wages were driven down from ten to twenty cents below the level in California. Hearings in Los Angeles by the Senate Civil Liberties

The public might never have become aware of the plight of stranded families had not a "labor organizer" in March 1938 led a delegation of two hundred persons to make the governor aware of a tragedy in the making at the cotton pickers' camp at Wadell, twenty-five miles west of Phoenix. Forced to investigate, public welfare officials and journalists discovered dozens of families trapped is a festering rural slum. State Superintendent of Public Health Dr. Coit I. Hughes reported "widespread illness" and families "on the verge of starvation." Illnesses spreading through the camp included infant diarrhea, measles, whooping cough, and three cases of typhoid fever whose victims were carried to a Phoenix hospital. After also visiting the scene, Governor Stanford ordered delivery of a truckload of food from the store of federal surplus commodities. The people in the camp reported that they had sold everything they had to get there, including their cars, and had virtually nothing remaining with which to purchase food.[30]

With conditions at the Waddell camp drawing newspaper attention and public sympathy, the moment seemed propitious for some sort of labor action. On the evening of March 22, approximately two hundred cotton picker marched through downtown towards the county warehouse holding relief commodities. They were reportedly following two Committee for Industrial Organization (CIO) organizers who had rallied them that afternoon with speeches decrying the injustices of relief officials. One of these men was E.A. Kope, who said he was in charge of CIO organization in Arizona, Utah, and Nevada. Without argument and in the presence of nearly thirty police and highway patrol officers, those very relief officials at the warehouse distributed rations of cabbage, potatoes, rice, apricots and dried beans to the protesters who departed peaceably back to their camp. In response to "minor disturbances" a police guard remained posted at the warehouse. To forestall a repeat of the march the next day, Governor Stanford met with the CIO organizers and worked out an agreement. In return for a promise of "no more mob action" county welfare officials would send food to the labor camps while some means was worked out to assist the families to return to their home states. Clarence Finch, secretary of the Maricopa County Board of Social Security and Welfare, complained that redirection of aid meant "taking the food out of the mouths of Arizona residents." But with conditions at the camps beginning to attract wider

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Committee, also known as the La Follette Committee, revealed that federal and state agencies cooperated with the Arizona Cotton Growers Employment Bureau, which occupied the same Phoenix office, to draw farm labor to the state. While A.E. Taber, manager of the employment bureau, an organization run by the large Arizona cotton ginners denied the charge, evidence presented to the La Follette Committee included appeals for workers sent by Taber on letterhead showing it was cooperating with the federal agencies. Taber admitted to managing a "limited" advertising campaign for workers in 1939 in California, New Mexico, and Texas, again in cooperation with the state employment service and federal farm placement officials.

[30] AR, January 16, 1940, 1:5; March 21, 1938, 1:4.

publicity, he was overruled in order to resolve the dangerous situation before it devolved into a humanitarian tragedy.[31]

The Farm Security Administration rescued the situation. San Francisco officials of the FSA approved an emergency allocation of $50,000 to assist up to 800 stranded agricultural workers get back to their home states. Waldron would administer the fund and screen workers to validate their status in order to avoid aiding “professional hoboes.” Within a few days, FSA caseworkers were drafting family budgets for approximately four hundred families in Maricopa County and another two hundred in Pinal County to help them get back to Texas, Oklahoma, and Arkansas, where most originated. By the third week of April, pleas for aid outstripped original estimates and the FSA allocated at least another $20,000 to the task and the number of people given aid exceeded 3,500. Waldron reported that of the 74 families earlier stranded at the camp west of Phoenix, all but 24 had already left. Maricopa County health officials began conducting a month-long survey of health conditions at transient farm labor camps in the Salt River Valley, including X-rays to detect tuberculosis and vaccines for smallpox.[32]

In the meantime, Arizona farmers looked with concern about the activities of labor organizers. The workers, word was spread, had “sold” themselves to the CIO men after being lured with cigarettes and promises of WPA work. Looking across the western bank of the Colorado River, they saw the effectiveness of the Associated Farmers of California in facing down labor strikes. Working with local police and posts of the American Legion, the Associated Farmers, organized in 1934, had been instrumental in rallying official and vigilante suppression of union activities in the Imperial and Central valleys during the early 1930s. The presence of a few actual Communist Party members among those rallying farm workers to unions opened up the movement to Red Scare tactics. Violence, threatened and actual, by rural vigilantes and local and state police drove out many of labor “agitators,” communist or otherwise. Although the farm labor movement continued despite the repression, the Associated Farms of California appeared to have effectively contained the threat. By 1935, active support for farm worker organization by the Communist Party had largely ended. Leading Maricopa County farmers conferred in late February 1938 to consider their own situation. Sheriff Roy Merrill warned some 75 farmers meeting at the Phoenix Union High School auditorium that peaceful labor relations were threatened by outsiders “who will try to dominate on a basis of terrorism.” Citing the recent arrest of nearly twenty men who were “making trouble about sheep shearing camps,” the sheriff observed that only one had been an Arizonan and several were not even American citizens. Cotton grower and cattle feeder E.W. Hudson declared, “If we do not protect ourselves from these outsiders who come from

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[31] AR, March 23, 1938, 1:1; March 24, 1938, 1:3.

[32] AR, March 25, 1938, 1:1; March 26, 1938, 1:3, 1:5; March 27, 1938, 1:4; April 22, 1938, 1:14.

nowhere and go nowhere except to make trouble, our very homes will be in danger." Convinced they needed an organization of their own dedicated to maintaining the open shop for agricultural workers, the attendees elected officers for a new Associated Farmers of Maricopa County. As president they selected Kemper Marley, a rancher who was also making considerable wealth as a liquor distributor in Phoenix and Tucson. The new organization had the support of Lin B. Orme, president of the SRVWUA.[33]

The Arizona State Federation of Labor condemned these farm groups for their "antiunion" activities, but was relatively powerless compared to the Farm Bureau Federation, whose county units effectively united both farmers and federal officials in the AAA and the extension service in a common program. Seeking to address the special concerns of non-citizen farm laborers, the Federation of Mexican Laborers organized a meeting of all Mexican labor and other societies in Dallas, Texas in November to work out a plan for jointly addressing common labor problems. Delegates from Arizona attended the meeting, the first of its kind according to the Mexican consul, where they voted to affiliate with the CIO.[34]

While Arizona farmers organized to prevent farm laborers from organizing, they collectively decided upon the wages to be paid cotton pickers while fighting the pickers' efforts to collectively bargain. Seeing an abundance of labor available for the 1938 fall picking season in the Gila Valley, the Graham County Farm Bureau announced a new lower wage of 65 cents per hundred pounds, ten cents lower than the prevailing rate in other cotton counties. At the same time, Lewis Irving, director of the Arizona Employment Service sought to import some two thousand laborers from California and New Mexico relief rolls while avoiding a reoccurrence of the massive influx of laborers that had arrived in 1937 and contributed to the crisis of stranded transient workers and their families. Anticipating a much smaller demand for cotton pickers due to the AAA crop reduction program, federal, state, and local employment officials struggled to balance demand and supply. The tragedy of farm labor poverty and the drama of labor organization and farmer counter-organization obscured the more significant trend towards the relentless replacement of human labor by machines. It was estimated that by 1939 there were some 5,000 farm tractors in Arizona along with the latest in harvesting machines from wheat combines to sugarbeet seed reapers. Half the farmers in the Salt River Valley relied on contractors to plow their fields, reducing costs from $5 per acre in the 1920s to only $1.50.[35]

Farmers complained regularly that laborers refused work in the fields when public relief allowed them to remain "idle" on public dole. In response, state and county welfare officials regularly removed relief clients

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[33] Kevin Starr, Endangered Dreams: The Great Depression in California, (New York and Oxford: Oxford University Press, 1996); 71-83; AR, March 1, 1938, 1:3. In 1976, Kemper Marley would be implicated, although never formally charged in the bombing death of *Arizona Republic* reporter Don Bolles.

[34] AR, September 21, 1938, 2:6; November 3, 1938, 1:5; November 8, 1938, 2:1.

[35] AR, September 17, 1938, 1:2; September 18, 1938, 1:4; August 21, 1939, 1:3.

from assistance rolls when work in the agricultural fields was available. Not all relief clients, however, were willing to take up the backbreaking work of cotton picking at low wages even at the cost of public assistance. In June 1938, C. Edgar Goyette, executive secretary of the Pima County Board of Social Security and Welfare removed from the relief rolls fifty employable non-citizens who refused to work in the cotton fields.[36]

As aid to stranded workers continued, the FSA set in motion a program to ameliorate rural poverty by establishing model transient camps for farm laborers and their families. Following the model of transient labor camps being constructed in California, the FSA in March 1938 allotted $100,000 to build its first camp in the west Valley near the Agua Fria River. The camp consisted of concrete tent platforms sufficient for over 300 families with a community center with a laundry and a medical clinic. "Meager as these dwellings will be," said Waldron, "they will be far superior to average structures the transient cotton picker have used for homes in past years." Hot and cold running water, electricity, and sewage disposal facilities, as at other New Deal housing projects, symbolized progress for a neglected segment of the population, which some farmers thought undeserving of such luxury. For the privilege of not living in squalor, families would pay ten cents a day. Although employment officials succeeded in avoiding a repeat of the 1937 excessive oversupply of farm labor, FSA worked throughout 1938 to construct three additional transient labor camps in Maricopa and Pinal counties and added another in Yuma County near Somerton in 1940. That same year, however, FSA officials observed that transient workers tended to abandon the camps whenever jobs became available elsewhere. By July the FSA had shifted to a new model of mobile camps with fewer expensive facilities. In these mobile camps, wood tent platforms replaced concrete foundations for ease of transportation, and the diesel electrical generators served only the main facility rather than all the individual units.[37]

In 1938, the FSA in Arizona and California began experimenting with means to provide medical services to farm laborers and their families. In California, the initial program had sent these people to regular doctor's offices, but reportedly the doctors raised objections to serving that "class of people." In October 1938, FSA opened its first cooperative medical care cooperative clinic in Arizona, a plan later adopted in California. The FSA-sponsored Agricultural Workers Health and Medical Association bargained with doctors to provide services and reduced fees. The doctors, not yet of a mind to complain about socialized medicine, accepted the fees since many would likely have provided service as a charity or an unpaid bill. By 1940 there were clinics in Phoenix, Chandler, Casa Grande, Avondale, Yuma, and Safford cooperating with 150 doctors, fifty dentists, and 150 drugstores. From 1,840 cases handled in January 1939, the clinics served

[36] AR, June 18, 1938, 2:1; September 18, 1938, 1:4.
[37] AR, March 20, 1938, 2:7; April 24, 1938, 2:6; July 31, 1938, 2:6; October 19, 1938, 1:5; June 18, 1939, 4:4; July 1, 1940, 1:2.

6,156 cases in January 1940. Helen Hennigan, supervisor of the Arizona clinics, claimed that the cooperatives saved money for the counties by treating people who might otherwise have become bedridden invalids in county hospitals.[38]

CASA GRANDE VALLEY FARMS, INC.

> *Our simple impulse to better the economic situation of a few almost hopelessly poverty-stricken folk in the Southwest came to grief not because the conception was bad or because the technique was mistaken but because the people there could not rise to the challenge. It was character which failed. And that was not because the human stock was feeble; it was because the environment was hostile to the development of character.*[39]
>
> Rexford G. Tugwell

Perhaps nothing affects the reputation of an agency or program as much as a well-publicized failure. Despite successfully assisting dozens of farmers to attain ownership status, despite raising hundreds of migrant farm laborers to civilized levels of habitation, the FSA in Arizona became best known as the overseer of a controversial experimental farming project near Coolidge. To its critics, the project represented an outgrowth of the New Deal's most socialist, even communistic, impulses, and its break up the natural result of its incompatibility with long-standing American principles of private property and individual responsibility. Its apologists searched for and found numerous reasons for what Tugwell called the project's "noble failure," if failure is what it was, mostly beyond the control of the agency and its officials. By founding a farm rehabilitation project on a cooperative basis rather than on individual farm ownership, the RA, which initiated the project, and the FSA, which supervised its operation, were embarking on an ideologically charged venture. Ironically, they had done so in pursuit of a sound, bottom-line oriented goal. Unlike historic utopian, largely religious communes that had tried from time to time to reform human nature toward greater cooperation, the RA's planner had goals for participants no higher than to upgrade their standards of living, provide an adequate and steady income, and train them for work on a modern large-

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[38] AR, March 11, 1940, 1:2.

[39] Edward C. Banfield, *Government Project*, (Glencoe, Illinois: The Free Press, 1951). Quote from foreword by Rexford G. Tugwell, 11-12. Banfield's account of the experimental community farming project near Coolidge is notable as one of the few instances where a New Deal effort in Arizona has been perceived as having national importance. It became a standard citation in many later studies of resettlement and farm security policy issues, although not without reconsideration and revision of some its author's conclusions. The brief summary of the project re-presented here omits personal stories of individual experiences at the Casa Grand Farms project, which may be found in Banfield's unique narrative.

scale farm and livestock operation. The only ideological goal, evolving after the economic analysis said that only a cooperative venture could meet the agency's fiscal requirements, was to demonstrate that a modern, large-scale farm and livestock operation could be managed profitably without resort to exploitation of laborers. Stated this way, conservatively, the project should have been judged a fair success, meeting its minimal financial and relief goals despite unfavorable circumstances. It failed on the human side. Not on the physical human side, since everyone agreed that the participants were measurably better off in their material conditions. The failure was one of psychology. The participants were unhappy, disappointed, disillusioned, angry, divided, and vocal. The press picked up these sentiments and gave them national publicity. New Deal critics cited the negative publicity to charge that FSA officials were playing with dangerous radicalism, reinforcing their arguments to cut off its funds.

The resettlement project in the Casa Grande Valley did not arise from a utopian vision of communal living. Initial plans conceived it as a fairly typical western irrigated agricultural settlement beginning with some 3,200 acres to be divided into 80 tracts of 40 acres each. Individual ownership of 40-acre farms was an idealistic goal in Pinal County where the typical farm was ten times that size and three-quarters of the land farmed by tenants. Resettlement Administrator Tugwell approved this initial plan on March 11, 1936. The RA eventually acquired 5,000 acres between Coolidge and Florence then occupied by a single house and an assortment of shacks, hovels, and the unsanitary debris of temporary workers camps. In order to get the farm running as quickly as possible and to provide immediate employment, the WPA began constructing homes, utilities, and other infrastructure. However, by the time work was ready to start at the site, the planners had determined that the 40-acres individual farms were financially unviable, they could not provide a decent standard of living for their owners and repay the loan financing the project. It was the belief that clustering the buildings, structures, and livestock and running the farm on a cooperative basis would provide significant efficiencies that caused the abandonment of the individual farmsteads plan. The WPA began construction of sixty adobe homes arranged in two-acre parcels to allow individual gardening, a community building, necessary barns and sheds, and leveling the 3,380 irrigable acres. When the farm families arrived, they would find everything ready for habitation and operation. There was grumbling about these ready-made farms as violating tradition, which held that a homestead should be built up over years by the sweat and labor of its owner. For the New Dealers the depression had demonstrated the failure of that tradition. One fact was that the WPA raised construction costs by an acknowledged fifteen percent.[40]

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[40] Banfield, 24-31. In the rush to move the project forward, construction of the housing in Arizona proceeded even as planning continued to evolve in Washington. Houses were set on two-acre tracts decided upon earlier in the year when it was thought that each family

When the Farm Security Administration succeeded to the mission and projects of the Resettlement Administration in September 1937, construction at the site was largely accomplished. Planners had avoided giving it a monotonous, regimented look by setting each of its houses at various setbacks from the road and with varying angles and landscaping. The main road was a Y connected at its top to the Coolidge-Florence highway. At the fork of the Y was the $15,650 community building, an adobe structure featuring an auditorium, meeting rooms, and a fully equipped kitchen. As Waldron had promised the concerned merchants of Coolidge, the FSA did not include a store, school, church, or other facility that might keep settlers and their dollars from the town. Beyond the houses were several farm buildings. Per household costs came to $12,791, which exceeded expectation by nearly $1,200 since no appreciable savings had actually accrued from the grouped housing.[41]

According to the FSA's plan the project could provide a steady income of $60 per month. Families were expected to supplement this cash income by home gardening, needlework, and crafts. Also, other members of the family would have the opportunity to earn money during the peak labor seasons. The farm would be a diversified operation with a rotating schedule of cotton, alfalfa, and barley in the irrigated fields, cattle sheep, hogs, and poultry in the barns, coops and pastures, and vegetables in the gardens. Diversification helped to alleviate, although it did not solve, the problem of widely varying demand for seasonal labor. Despite all the ventures and opportunities for home production, the project had more potential workers on hand than it could use. One result was that older youths would have little opportunity for work on the project. They would have to find work elsewhere, probably in a city, although events would direct many into military service. Another result was that while planned for sixty households, there would never be more than 57 families residing on the property at its height and the number generally declined over time. Another FSA decision taken for financial reasons with important ramifications was to lease all of the government-built facilities and land to the cooperative, Casa Grande Valley Farms, Inc., chartered to accept to the government's loan and to operate the farm. This reduced the cost to the cooperative, but it meant that the FSA would maintain firm control over how the farm was managed and was the final arbiter of matters of dispute within the community. That control was exerted by the manager, nominally hired by the cooperative's board of directors, but in fact selected and by FSA officials, Waldron and his superiors in Washington.[42]

Selection of participating families provided the unpredictable human element to the project. From the beginning there was a fundamental conflict in the expectations between the agency and the families. Almost

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would tend its own livestock at its own facilities. When later it was determined that livestock would be cooperatively managed this infrastructure proved less than ideal.

[41] Banfield, 36-37.

[42] Banfield, 15, 38-43.

without exception, families applied to join the project in the belief that it would assist them in acquiring their own farms. Upon learning that it was to be run as a cooperative most families offered membership accepted because it meant a decent home and furnishings, electricity and indoor plumbing, and steady work and pay at a time when few farm laborers enjoyed any of these things. Members quickly divided in their reaction to the FSA's firm control over the project as exerted through the personality of the farm manager. Factionalized from the start, members used the vehicle of the elected board of the directors to express their dissatisfaction. "Pro-government" or "anti-government" boards and presidents alternated annually. But since the board had no real authority in either case disaffection and factionalism found expression primarily through declining morale, withdrawal from group activities, and in extreme cases, through voluntary withdrawn from the project or expulsion. When the national press took an interest in the project, these internal divisions lost nothing in the reporting, and criticisms using words such as "Red," "Soviet," or "Communist" found their way to print.

Only families were selected for participation and wives and older children were expected to contribute field labor during peak seasons as well as to engage in home production. There were no blacks or Hispanics, the project was strictly whites-only. All were poor and had no prospect for other than seasonal field labor. Many had farmed on their own, more often as tenants or sharecroppers, although a few had owned and lost farms. Many of the early selections, men with more years of Arizona residence, had a mix of urban and rural work experience. Most families were displaced from the Dust Bowl region of the southern Plains, and were universally referred to as "Okies" regardless of their actual state of origin. The adults had limited formal education, an average of 7.3 years of schooling for husbands and 8.6 years for wives. One significant advantage of the project was that the children would have an opportunity to attend the local school regularly. For more than a few families the improvement in their standard of living was phenomenal. It was those most grateful for they had at the project who comprised the "pro-government" faction, while those who felt deceived when the project failed to deliver all they believed had been promised tended to be its critics. For the latter the critical event occurred in the late summer of 1938. For months the FSA had been paying families $60 per month for the work of the husband, with smaller amounts earned by other family members for peak time labor. This was reduced to $52 when a rental charge for the housing was imposed. The negative reaction to this lowered wage, despite remaining higher than what any of the families were earning prior to moving to the project, was widespread and demoralizing.[43]

Suspicious at first, local opinion regarding Casa Grande Farms and its people became fairly favorable as they observed the cooperative in its early years. The farm and livestock operations were clearly well run and the

[43] Banfield, 44-50, 57-63, 75-77.

income it provided for its families was welcome by the local merchants. It rankled some members of the cooperative when locals treated then as relief recipients rather than regularly employed workers on a major agricultural operation. Many of the cooperative's men were defensive over their status, particularly those who had known better times. It was shameful enough to be classed with the "Okies," to be called "cottonpickers," or to hear references to having previously lived in "shacks;" it was especially offensive when it came from officials of the FSA itself, such as Waldron.[44]

At the end of 1939, the project's first manager Robert Faul resigned.[45] An experienced and competent farm manager, Faul had run the farm in a dictatorial manner and was openly contemptuous of its members. He had run it well, though, and even in its first year Casa Grande Farms, Inc. met all of its financial obligations, despite receiving considerably less water from the San Carlos Irrigation Project than was expected because of drought. When his highhandedness extended to the FSA's own guidelines and procedures, the agency replaced him with Ralph E. Beatty. Beatty was also competent although far different from Faul in managerial style, relying more heavily on foremen selected from among the members, and placing greater emphasis on the cooperative's livestock activities. Ironically, members would later recall Faul's tenure nostalgically, while Beatty's system of foremen only fed the growing factionalism.

Faul's resignation became national news when he was quoted by an Associated Press reporter as saying, "From my knowledge of the Soviet economic set-up, I would say about the only difference between this cooperative farm plan and that operated in Russia is that the government is paid its share of the gross income in cash instead of in kind." In defense of the project, Waldron only further antagonized the members when he said, "Most of the project's tenants came from cotton-pickers' shacks right here in the Gila Valley." However true that might have been, there were several members who were very sensitive about their status and felt they had been publicly humiliated. Faul's statement fed directly into the national debate over the future of New Deal programs. With open warfare in Europe, rising tensions with Japan, and uncertainty over the correct defensive posture for the United States, critics were having increasing success in reining in anti-depression spending. The FSA was a particular target since its effort to assist the poorest of farm laborers, tenants, and sharecroppers were being characterized by critics as radical. One commentary from a Spokane newspaper illustrates how the situation at Casa Grande Farms was portrayed for political effect when it said that although established with the best of intentions, such a project "leads directly to what is set up on an all-embracing scale in Germany, Italy, and Russia." It did not help the

[44] Banfield, 148-56.
[45] September 26, 1937, 2:4. Faul was a successful small farm operator in the Casa Grande Valley and had been instrumental in formation of the Arizona Turkey Growers Association in 1932.

member's morale when locals referred even jokingly to the project as "Little Russia" or to themselves as "Reds."[46]

As dissatisfaction and factionalization intensified, participation in community activities such as the women's club, a nursery school, Saturday night dances, and home economics demonstrations declined or ceased altogether. Some let their gardens go to the weeds, the community building was a "mess," some people let their relatives make extended stays at the settlement. The wage cut of 1938 continued to rankle and remained a major item of contention. Too many grievances, both substantive and petty, had accumulated by the time the FSA Regional Director Hewes set out in 1941 to transform Casa Grande Farms into a genuine member-run cooperative. His assistant, Myer Cohen, a "specialist on social organization" devised a plan based on member participation in a expanded program of social activities, including organized youth sports, more home economics classes, regular community meetings, and enrollment in vocational classes at Coolidge High School. While members were typically interested in one or a few of these activities, most were repelled by the idea of the FSA forcing an unnaturally high level of social cooperation. When asked for suggestions on how to restore morale at the project, restoring the wage cut remained at the top of the members' own list.[47]

In the early months of 1941, Hewes and James Shelly, successor to Waldron as regional director, instituted numerous reforms, including revising the system of electing foremen, eliminating wage differentials, and, most importantly, raised wages to $65. The FSA could approve this increase because the farm was set to receive its full allocation of irrigation water for the first time. Hoping to capitalize on the goodwill generated by the wage hike, the FSA filled the summer with social activities, including three dances, a barbecue, a carnival, a wiener roast, a trip to a Phoenix swimming pool, weekly community sings, a new playground, Sunday school classes, a book exchange, and lectures from speakers provided by the Coolidge and Florence social clubs. Still, Fred Ross, "specialist in social organization," found the membership mired in "hopelessness, defeatism, and apathy." What the members said they wanted was greater autonomy in running the cooperative, although interviews revealed that their true aspirations remained farms of their own. The future seemed especially hopeful from the FSA's perspective when one of the leading anti-government men died and another voluntarily left late in 1941. At the start of 1942 there were 53 families at the project, nearly all of whom were Dust Bowl refugees, the type most appreciative of the benefits of the community and most likely to support the FSA. Financially, there was every expectation of higher profits in 1942.[48]

Greater autonomy and wage increases for project members had an unintended consequence that shocked the FSA's Administrator, [name],

[46] AR, January 3, 1939, 1:10; Banfield, 80-82, 151-53.
[47] Banfield, 157-63.
[48] Banfield, 165-76.

when he visited his agency's most publicized project. Initially, the project had paid for non-members seasonal labor at the same rate as members, although without the housing. In 1941 and 1942, with the project yielding substantial profits, the members voted themselves higher wages, eventually $5 per day. At the same time, they limited outside laborers to 40 cents an hour. Scandalously, these laborers lived in the deplorable conditions from which the members had only recently escaped, indeed some in the same shacks that had existed when the FSA first purchased the land. In 1942, FSA began a wartime measure of recruiting and transporting farm laborers to any farms promising to pay prevailing wages and supply decent housing. With labor no longer so abundant, several large private farms agreed to the conditions, but not Casa Grande Farms Inc. until pressured into doing so, and even then, providing only a badly dilapidated house also dating from before the project.[49]

Despite bright prospects and a continuing effort by Hewes to instill democratic and cooperative virtues into the membership, the project by 1943 was clearly deteriorating. Membership fell to 39 families as war-inspired prosperity offered new employment opportunities. This was not necessarily a bad thing from an efficiency standpoint, since the farm could be run more profitably with fewer permanent laborers and greater reliance on temporary outside labor. That, however, did not fit well into the FSA's mission assisting as many of the rural poor as possible. Factionalism continued to fester in spite of continued compromise by FSA officials with opposition demands. The FSA caved into a demand for a $5 a day wage under the threat of a strike by the anti-government faction, not because a strike by a portion of the membership would cause any undue harm to the operation, but because such an event would bring a cascade of negative publicity down upon the FSA at a time when it was fighting for its institutional life. Unintentionally, the agency's policy of appeasement undercut the authority of Beatty, the farm manager. Ironically, as the community deteriorated it continued to expand its profitability.[50]

Conflict between the government and the settlers might have continued for years had Congress not enacted legislation in 1943 directing the FSA to terminate all its projects. The FSA offered to sell the farm to the cooperative, but the settlers could not agree among themselves to accept the offer. In the end, a faction favoring liquidation managed, with the help of a local attorney, to force the dissolution of the cooperative and to distribute its assets among the members. This did process did not conclude, however, until 1950, by which time the former residents of Casa Grande Farms had drifted back into the general society.[51]

Countless factors contributed to the failure of the Casa Grande Farms project to fail. One of the most important was the failure of expectations. The project did indeed succeed in raising the standard of living of [how

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[49] Banfield, 188-90.
[50] Banfield, 191-92, 196, 201-03.
[51] Banfield, 206-21.

many total?] families and in providing useful year-long employment at a higher wage than any currently earned or had any prospect of earning. Those standards, however, had not defined the project. It had also been engaged on a mission to demonstrate that a group of disparate rural workers, many refugees for the climatic and economic catastrophe of the Dust Bowl, and all with minimal educations could be rehabilitated into a self-governing cooperative capable of running a large-scale, diversified agricultural business, one of the largest in the state. Enough has been said regarding the conflicts and contradictions that underlay the Casa Grande Farms project for this brief overview. Only one other factor, not impugning the character of any of the persons involved, need be mentioned here. That was that the project had undertaken two very difficult missions at Casa Grande, either of which should have been challenge enough for a new government agency like the RA and FSA. It had attempted to create a modern, efficient farm cooperative in which its members were also its primary laborers. It had also undertaken to turn those members and their families, none of whom had any prior associations, religion, or ethnicity, beyond their common experiences with the ravages of the depressed agricultural economy, into a socially interactive community. The first goal had not required the second. That the planners of the RA had presumed that it did is revealing of the belief system that lay at the foundation of the New Deal. Tugwell, quoted earlier, had spoken of the New Dealer's "simple impulse to better the economic situation of a few almost hopelessly poverty-stricken folk." In reality, they had attempted much more.[52]

[52] Banfield, 252-54. Banfield notes that only one FSA cooperative project succeeded in avoiding the kind of chronic divisions and conflicts that arose at Casa Grande, a smaller project in North Carolina whose fifteen members was Indians. Not coincidentally, that was the only project not to be liquidated and to have continued as a cooperative after the end of the government's role.