

THE BLUE EAGLE AND THE SOONER: OKLAHOMA
AND THE NATIONAL RECOVERY
ADMINISTRATION

By

JAMES WESLEY WARE

Bachelor of Arts

Missouri Southern State College

Joplin, Missouri

1973

Submitted to the Faculty of the Graduate College
of the Oklahoma State University
in partial fulfillment of the requirements
for the Degree of
MASTER OF ARTS
May, 1975

SEP 12 1975

THE BLUE EAGLE AND THE SOONER: OKLAHOMA
AND THE NATIONAL RECOVERY
ADMINISTRATION

Thesis Approved:

Joseph A. Haut, Jr.

Thesis Adviser

Odie B. Fair

Michael M. Smith

N. N. Durham

Dean of the Graduate College

916472

PREFACE

Franklin D. Roosevelt and the New Deal have been the subjects of hundreds of works. Historians such as Arthur M. Schlesinger, Jr., James MacGregor Burns, and William Leuchtenberg, have argued that the man and his program were liberal, while Paul Conkin, Barton J. Bernstein, and Howard Zinn have countered with the assertion that they were conservative. However, there has been no major effort to study these two primary themes as they related to the New Deal's administrative agencies, especially that of the National Recovery Administration. In addition, scholars have written little regarding the organization and influence of these agencies at the state level. If conservatism is defined as supporting and promoting the causes of special interest elites such as big business over those of the public or larger, broader based organizations, then the New Deal and the NRA must be classified as conservative. The recovery agency achieved short-term conservative ends, and the alliance between business and government has had long range conservative effects on American economics and politics.

This thesis is a study of the National Recovery Administration at both the national level and within the state of Oklahoma. It is a study of the men who created the NRA, how it functioned, and who benefited. The primary purpose of this study is to determine the influence business groups, such as the Chamber of Commerce and the American Petroleum Institute, had on the development and operation of the NRA. To complete the story of the Blue Eagle it has been necessary to

describe the creation of the recovery program and the codes of fair competition, the development of the NRA's local, state and national organizational structure, and the effects and reaction that various interest groups had on these bodies.

For this work I have investigated Congressional debates and hearings concerning the establishment and extension of the NRA, studied the NRA records available in the Oklahoma State University library, and Oklahoma City's Chamber of Commerce, and examined state and national newspapers for reaction to the Blue Eagle and its effects on the economic and political structure. In addition, I have considered biographies and autobiographies of the participants, and general histories of the New Deal and Oklahoma.

The author wishes to thank Dr. Joseph A. Stout, Jr., who directed this study and read the manuscript carefully. I also wish to express my gratitude to Dr. Odie B. Faulk and Dr. Michael M. Smith for their critical comments on the final draft of the thesis. Further thanks are rendered to Dr. Charles Dollar for his extensive help and encouragement in this student's first year in graduate school. I am also indebted to Thomas Watts, Clayton Anderson, and Paul B. Strasbaugh of the Oklahoma City Chamber of Commerce for their assistance and permission in using the NRA record located there.

I must end with a special word of love and thanks to my wife, Linda, who through diapers, frustration, and anguish, typed the manuscript and provided the love and encouragement that made this thesis possible and worthwhile.

TABLE OF CONTENTS

Chapter	Page
I. INTRODUCTION: THE BIRTH OF THE EAGLE	1
II. THE EAGLE'S FLIGHT	19
III. THE EAGLE'S BROOD	38
IV. THE EAGLE'S NEST	57
V. CONCLUSION: THE EAGLE'S LEGACY	81
A SELECTED ANNOTATIVE BIBLIOGRAPHY	89

CHAPTER I

INTRODUCTION: THE BIRTH OF THE EAGLE

Tuesday, October 30, 1929, dawned over Oklahoma cool and cloudy with rain in the forecast. Whatever storms struck the Sooner state that day, none matched the tornado that swept through Wall Street, casting aside the so-called New Era and bringing a national depression more devastating than any the country had known previously. Before that fateful day became history, more than six million shares of stock had been sold, and economic chaos had begun. Despite the optimism of newspaper reports, this was only a prelude to the greatest world depression of modern history.¹ The New York Times industrials bottomed in 1929 at 224 with such stocks as Standard Oil of New Jersey registering fifty, U. S. Steel, 262, and General Motors, seventy-three. By July, 1932, the nadir of the depression, the industrials had crashed to fifty-eight followed by Standard Oil below twenty, U. S. Steel at twenty-two and General Motors, eight.² But the plummeting stock market directly affected only the few who owned shares; it was the resulting gloom that descended over business and the widespread unemployment which shattered the lives of millions of Americans.

By 1929 American manufacturing had reached the highest profit and productivity levels in the history of any industrial nation. Industry had expended more than \$14 billion in salaries and wages and had produced goods valued at nearly \$68 billion during that year. But the next three years plunged these figures to disastrous lows. By 1933 wages and salaries had dipped to \$9.5 billion, and the value of industrial

products had slipped to \$30.5 billion.³ The decline in industrial output adversely affected even agricultural Oklahoma.

In the Sooner state, over 31,000 Oklahomans were working in over 1600 industrial establishments. Although not a large percentage of the population, these laborers and businesses carried a weight far greater than their numbers because of the products they manufactured. The state lost over eleven million dollars in salaries and wages in a ten year period beginning in 1929 as well as over \$100 million in manufactured goods.⁴ This seriously affected all Oklahomans; everyone had to pay, either directly or indirectly, for industrial decline.

The affects of this explosive economic downturn can be seen even more clearly in the figures on unemployment. In 1929 about 1.8 million Americans were unemployed, comprising some 4.7% of the work force, and affecting 600,000 families. By 1933 those figures had plunged to all-time lows: 12.8 million workers had lost their jobs, or 32.7% of the work force, which affected nearly six million families.⁵ Of the unemployed, some 354,000 were from the Sooner state.⁶

But these dull, dry facts and figures only give the depression a surrealistic coating blurring the real tragedy of scarred human lives. In most areas of the country the depression passed like a slow, creeping shadow across the land. First came the cutback, work for only two or three days at a time; then the layoff descended and walking the streets searching for a job became a nightmare of rejection. Finally, breadlines arrived bringing the embarrassing necessity of accepting a handout to survive. Living became just existing. Hardships plagued most people, for when shoes wore out the only recourse was to line the bottom with cardboard or cotton to make them last as long as possible.

When the harsh winters arrived people wrapped their feet in gunny sacks and stuffed their shirts with newspapers to keep out the merciless wind and cold. And the scars that appeared never completely healed: One victim of the depression recalled, "I now have twenty times more shirts than I need, because all during that time, shirts were something I never had."⁷ The depression despair brought fear and irrationality. At no other time in American history have extremists had such appeal as in the 1930's. Radicals of the right and the left, from Father Coughlin, Huey P. Long, and the American Bund to William Foster, Norman Thomas, and the Communist party, drew millions of followers from the destitute and the hopeless. Even Communist Russia looked good to unemployed Americans. In 1931 when the Soviet Union called for 6000 skilled workers who were dissatisfied with conditions in the United States, more than 100,000 Americans applied for the jobs.⁸

Oklahomans faced a dual disaster in the depression. On the one hand industry was failing and jobs were scarce in the towns and cities, and on the other the parched winds of one of the worst droughts in the area's history literally blew away thousands of farms. This was the terror of the Dust Bowl so clearly described in John Steinbeck's The Grapes of Wrath. Thousands fled the state for the paradise of California and the ones who remained struggled to scratch an existence out of the clinging red clay or retreated to the cities to take refuge. Oscar Ameringer of Oklahoma City, testifying before a Congressional Committee in February 1932, described the conditions he had witnessed in his home state. He told of numerous bales of cotton rotting in the fields because the pickers could not survive on the 35¢ paid per 100

pounds. Ameringer continued that this disaster was pervasive throughout the state, with 70% of Oklahoma's farmers unable to pay the interest on their mortgages.⁹ Even the oil industry suffered serious economic setbacks. By 1929 the opening of new fields prompted overproduction in Seminole, Oklahoma City, and East Texas, and reduced the price of crude oil to one cent per barrel. Therefore, only two years after the oil boom's beginning the major companies began to cutback on the number of drilling sites and the amount of land leased for wells.¹⁰ Neither did the state escape radical, violent solutions to the crisis. Following the actions of the unemployed in neighboring Arkansas, where 500 persons rioted over the shortage of food, Oklahomans, too decided to protest. On January 20, 1931 some 200 men and women raided a grocery store in Oklahoma City. The press described the raid as a "hunger riot." Moreover, prominent state politicians such as Governor-elect William H. Murray and Democratic Senator Elmer Thomas predicted more food riots, and even violent revolution if something were not done to help Oklahoma's farmers, businessmen, and unemployed laborers.¹¹

Still, no one in government or industry knew what to do to reduce depression suffering. The state's relief responsibilities fell with no central coordination until 1931 on each county. The county agencies, and finally, even the state-wide emergency relief board, could not manage the overwhelming demands for help. The \$300,000 appropriated for relief the first year could not quench the thirst of the dusty Sooner unemployed.¹² And the later efforts of Gov. William "Alfalfa Bill" Murray, though they went further, were still insufficient. Murray prevented police from arresting the unemployed, secured a more progressive tax law, and established relief stations. (Unfortunately,

the Governor had to be relatively cautious in his legislative programs lest he face the fate of two of his recent predecessors--impeachment at the hands of a factionalized Democratic state legislature.)¹³ But even these meager efforts at relief for the jobless could not help the ailing industries that had laid them off, nor the drought-stricken farms that had driven them to the city. It became apparent early, at the local level, that federal aid was essential for recovery. Only the national government had, or could acquire, the funds necessary for massive industrial, agricultural, and unemployment relief. Only a centralized, national campaign could bring American economic beliefs into the modern world. By 1932, depression had crushed the old concepts of laissez-faire capitalism and rugged individualism and had prepared the way for state-welfare capitalism and a more cooperative society. But the period 1929-1932 told an agonizingly different story.

No single figure of his time seemed more capable nor more appropriate for the White House than Herbert Clark Hoover. The former engineer and self-made millionaire seemingly brought to the Presidency all that was best in American individualism. He had served as director of the food relief program for Belgium and was Food Administrator during World War I. During the 1920's his brilliant organizational ability took the Department of Commerce by storm. Yet his sincere belief in "rugged individualism" while bringing him to the Presidency, also laid the ground work for his eventual downfall in 1932. Herbert Hoover acted more extensively and used his office more powerfully to end the economic woes of the nation than had any of his predecessors. Yet he could not generate confidence among the people, nor would his

principles let him follow through on initial programs that a more flexible Franklin D. Roosevelt made into the New Deal.¹⁴

Hoover's anti-depression program attacked the crisis from two angles. On the one hand the President and other spokesmen for the Administration continually made positive statements about prosperity being right around the corner. But when Americans rounded the corner and only saw worse conditions ahead, the intended psychological uplift became a growing tailspin of fear, despair, and anger. On the other hand the President employed the power of his office to promote a variety of relief measures. He created the Reconstruction Finance Corporation to save banks and businesses through emergency loans; he attacked foreclosures by developing Federal Home Loan banks; he tried using the fiscal power of the government to aid business by lowering the rediscount rate and the income tax. Yet he counterbalanced these positive measures with equally negative ones. He refused to weaken the moral fiber of the unemployed by providing them with food purchased with federal money. His dedication to a balanced budget led him to cut Federal salaries, fire 6000 postal employees, and persistently fight appropriations for federal relief. Moreover, by raising interest rates to help preserve the gold standard, Hoover made it increasingly difficult for banks to get money, and therefore many closed their doors forever.¹⁵ Thus to millions of Americans the Great Depression became Hoover's depression. The police who came to evict them from their farms, the foreman who delivered the news of a layoff, the local relief authorities who did not have enough funds to help them support their hungry families, all became direct agents of Herbert Hoover. Even the shanty-towns, where the jobless slept in leaky huts made of

tin or cardboard, amid garbage, waste and disease, carried the President's name, "Hooverilles." By November 1932, Hoover had completely lost the confidence and support of more than twenty-two million Americans, who, through the ballot box, turned to a new man, a new administration, and hopefully a New Deal.

Winning the election of 1932 demonstrated to a weary public Franklin D. Roosevelt's tremendous political skill. In one way the campaign startled the electorate with brilliant flashes of innovation. Roosevelt broke tradition from the very beginning by flying to Chicago to accept the nomination. And in the anti-climatic moments between victory and nomination he ended the campaign with equal flair by appointing Frances Perkins, Secretary of Labor, the first woman cabinet member. Yet the careful observer had difficulty filtering a solid program out of the waters of political oratory. Roosevelt juggled advisors and ideas like a master circus performer. Therefore, even though each major speech was dedicated to a major topic, (Topeka-agriculture, Seattle-attack on high tariffs, San Francisco-regulatory rates of federal government) the structure of the New Deal was skeletal at best, even to the trained political observer. The President aptly described the character of the New Deal in a speech at Oglethorpe University in Atlanta, Georgia, on May 22, 1932. There he declared: "The country needs and, unless I mistake its temper, the country demands bold, persistent experimentation. It is common sense to take a method and try it: if it fails, admit it frankly and try another. But above all, try something."¹⁶

Try something, try anything, this was the spirit of the New Deal as it manifested itself from 1932 to 1940, and especially as it

appeared in its first one hundred days. From March 9 to June 15, 1933, Roosevelt peppered the nation with a shotgun blast of legislation designed to cure the nation's economic ills. The Emergency Banking Act of March 9 extended federal aid to private bankers, making it possible for them to reopen after the Bank Holiday. The creation of the Civilian Conservation Corps on March 31 provided jobs for unemployed young men and insured the preservation of certain of the nation's vital resources. Using the Federal Emergency Relief Act of May 12 Harry Hopkins managed a national relief system which was budgeted one-half dollars for its first year's work. The Agricultural Adjustment Administration, established on May 12, established a national farm policy, including allotments to restrict acreage, a tax on processors of agricultural commodities, and a provision to pay farmers who agreed to limit production. This bill also contained an amendment which Oklahoma's Senator Elmer Thomas proposed giving the President power to inflate the dollar by remonetizing silver or altering the gold content of the dollar. Vitally important to citizens of the Sooner state was the Emergency Farm Mortgage Act of May 12, which provided federally insured loans for refinancing farm mortgages and the Home Owners Loan Act of June 13, which supplied the same credit for home mortgages. On May 18 the Congress established the Tennessee Valley Authority, an innovative attempt at federally funded and managed power and flood control. The Glass-Steagall Banking Act of June 16 divorced commercial and investment banking and guaranteed bank deposits.¹⁷ This potpourri of measures was the New Deal in 1933. Some parts conservative and traditional, other liberal and innovative, the legislation of the Hundred Days attacked the depression from all

sides. This flurry of action, if it did nothing else, created an image of an administration on the move, sharply contrasting with the apparent stagnation of the Hoover programs. Yet the image of recovery and its reality were entirely different, and making the two coincide was one of the most difficult tasks that Roosevelt faced.

No more significant item in Roosevelt's shopping list of anti-depression measures demonstrated this conflict between image and reality than did the National Recovery Administration. The NRA, Title I of the National Industrial Recovery Act, was designed to be the principal weapon in Roosevelt's battle against the depression, but two factors seriously hampered its effectiveness. The first of these was the importance of its image-making nature whereby support for the President's programs became the only patriotic position to hold, excluding all other alternatives; and the second was the conservative-business orientation of the key people involved at both the national and local level which prevented fulfillment of key provisions of the act such as Section 7A on union organization and collective bargaining, minimum price levels, and those covering wages and hours. Instead of a way to end the depression, the NRA became a means by which business consolidation and monopoly could be effected at the expense of the worker, the consumer, and the small independent businessman. This was accomplished with the creation of a business-government alliance which lasted through depression in the Thirties, war in the Forties, and prosperity in the Fifties and Sixties.

The process of creating a bill to promote industrial recovery was a complex one, beginning well before Senator Robert Wagner introduced it in Congress in May 1933. The development of the NRA clearly

illustrated the diverse conglomeration of ideas and individuals at work that persisted throughout the years Roosevelt occupied the White House. Initially there existed three proposals for the bill. The first emerged from the office of Frances Perkins, Secretary of Labor, and called for a tripartite board representing labor, management, and the government which would have the power to impose minimum wage provisions and grant limited exemptions from the requirement of a 30-hour week. The Secretary of Labor might also have the power to impose machine-hour limitations on industries. These suggestions encountered the strong opposition of business, forcing the administration to conceive a second plan. Coming from the pens of Raymond Moley and Hugh Johnson, this scheme suggested suspension of the anti-trust laws, empowering the President to authorize agreements dealing with competition and labor practices, and federal licensing to insure compliances. At the same time Senator Wagner and Secretary of Commerce John Dickinson were writing a third draft. This proposal called for a combination of public works, industrial loans, and industrial self-government through trade-associations. On May 10 the three groups met at the White House and reached a compromise which retained something for everyone involved.¹⁸ Unfortunately, for later workers in the NRA, this process created a monumental administrative headache which frequently pleased none and angered all.

The wrangle over the NRA did not end with the meeting of May 10, but extended and increased as it went into Congress. Introduced as bill number H.R. 5755 on May 11, 1933, the act took a remarkably brief one month to pass through both committee hearings (Senate Committee on Finance and House Committee on Ways and Means) and floor debate.

However brief, the month generated extremely intense arguments, both for and against the legislation.

During the Committee hearings before House Ways and Means and Senate Finance almost everyone favored the bill being proposed to promote industrial recovery, if for widely varying reasons. Businessmen such as Harry L. Harriman, President of the Chamber of Commerce, R. P. Lamont of the American Iron and Steel Institute, and James Emery of the National Association of Manufacturers recognized the need for federal control, at least to the extent of ending "cutthroat competition," although they informally opposed the provisions favoring labor. Union representatives such as John L. Lewis of the United Mine Workers and William Green, President of the American Federation of Labor desired the bill for just those articles which recognized labor's right to collective bargaining. Oil men, in particular, appeared to support the NIRA as a means of aiding their seriously ill patient. Representative Dennis W. Marland of Oklahoma favored the bill because it would control production and thereby protect the petroleum industry. Jack Ballock of the Independent Petroleum Association wanted federal guidance through the codes, hoping that this would end the increasing tendency toward monopoly. Opposition in the hearings came mostly from those who thought the bill was not strong enough. An example was Benjamin Marsh from the People's Lobby of Washington, D. C. Marsh wanted the government to control wages, interest, profits, rent, and retail prices.¹⁹ Though few came to the hearings, more opponents to the NIRA appeared as the bill moved onto the floor of Congress.

The opposition to the NIRA, mostly Republicans, raised haunting specters of a subtle overthrow of the American Constitution and system

of government. Representative Harry Ransley, Republican from Pennsylvania, warned that this bill "Russianized" the American economy and ended American freedom. A fellow Republican, Pennsylvania Rep. James Beck, agreed with his colleague, declaring that the NIRA established an unconstitutional despotism to reign over the United States. Rep. Carl Mapes, Republican from Michigan, raised the possible horror of an American Adolf Hitler, as he compared H.R. 5755 to the bill that made Der Feuhrer dictator of Germany. Besides, he also believed that the bill was too expensive to justify the anticipated results. Other Congressmen raised less theatric and more practical objections to the bill. Rep. Joseph Martin, Republican from Massachusetts, attacked the vagueness of the bill, fearing possible Presidential or administrative misinterpretation. And Rep. Fred Britten, Republican from Illinois, questioned the raise in taxes on salaries up to \$10,000 without a corresponding increase for those over that amount. There were even some Democrats against H.R. 5755. Rep. Malcolm Tarver of Georgia objected to the bill's threat to states rights, which forewarned of later Southern response to certain aspects of the New Deal.²⁰

However, most Democrats and even some Republicans supported the NIRA during the debates. Proponents of the act stressed the dire situation at hand which demanded drastic, innovative measures. Rep. Edward Pou, Democrat from North Carolina, admitted, during his introductory remarks, that this act established a benign dictatorship over industry. Pou's Democratic colleague from the same state, Rep. Robert Doughton agreed with this argument, calling the bill mandatory in that time of great emergency. Rep. Clyde Kelly, Republican from Pennsylvania, described H.R. 5755 as the best means available, within the

limitations of the Constitution and American tradition, for handling the crisis of depression. Another Republican, Rep. Harold Knutsen of Minnesota, saw the act as the salvation of the small businessman, while Democrat Rep. Samuel Hill of Washington believed that it created fair competition thereby supporting the purpose of the antitrust laws. Democrats also made more general, partisan appeals in behalf of H.R. 5755 such as that of Rep. John O'Connor of New York, which called for a united Democratic front behind their leader, Franklin D. Roosevelt.²¹ Generally, for Congressmen supporting the NIRA, debate was an exercise in trading amendments and changes which were personal or state preferences. No state had any more interest in this than did oil-producing Oklahoma.

The solid Democratic delegation from the Sooner state generally supported the NIRA with their only restrictions related to control of the petroleum industry. Most of Oklahoma's Congressmen agreed with James V. McClintic, Seventh District Representative from Snyder, when he declared that the bill was essential to provide jobs for a desperate people. But McClintic also stated his opposition to a proposed increase in the gasoline tax, typifying the delegation's concern with that product.²² Sooner Senators also demonstrated this concern through two amendments to H.R. 5755. Senator Thomas Gore of Oklahoma City proposed an addition to the bill which would have eliminated the increase in the gasoline tax.²³ Senator Elmer Thomas of Medicine Park suggested an amendment which would have granted the President the power to regulate the production of crude oil.²⁴ Both of these efforts failed, which was probably the primary reason that the delgation split on the final vote.

On May 26, two weeks and a day after its introduction, H.R. 5755 came to a vote in the House of Representatives. There it passed overwhelmingly with 325 votes in favor, seventy-six in opposition, and twenty-eight members not voting. On June 6, the Democratic Senate concurred with fifty-eight votes in favor, twenty-four in opposition, and fourteen not voting. The Sooner delegation split six-three-two; Senator Thomas and Representatives McClintic, Jed Johnson, William Hasting, Tom McKeown, and Fletcher Swank cast ballots for the NIRA; Senator Thomas Gore and Representatives Will Rogers and Wilburn Cartwright voted against the bill. Two Congressmen were absent from the balloting, Wesley Disney and E. W. Marland.²⁵ On June 10 and 13, respectively, the House and Senate agreed to a conference report on the bill, and on June 16, the National Industrial Recovery Act went to the White House for President Roosevelt's signature.²⁶

The final provisions of the bill, with very few limitations, granted the President extensive power over industry, labor, and the economy. The NIRA contained three titles, the last two concerned with public works and appropriations, and the first detailing industrial self-regulation and codes of fair competition. Title II authorized the President to create an Administration of Public Works which was to establish a program of federally-sponsored employment. With a budget of \$3,300,000 this Administration created jobs through the construction of highways and public buildings, conservation of natural resources, slum-clearance, and any other type of employment the President deemed necessary. The funds for this part of the act were to come from the new tax on capital stock and excess profits. The federal government levied one-tenth of one per cent on the

declared value of a company's stock and excess profits over twelve and a half per cent were taxed at a rate of five per cent per annum.

Despite the radical nature of such extensive public works to the American tradition, by far the most controversial and widely publicized provisions of the act were in Title I. Here Congress granted the President the power to create any agencies necessary to promote industrial recovery. Roosevelt also received authority to approve codes of fair competition drawn up by industrial groups or trade associations which he considered equitable, truly representative and not intended to create or promote a monopoly. Few conditions had been imposed on the codes except those covering labor standards. Section 7A required that every coded industry grant their employees the right of collective bargaining, freedom from yellow-dog contracts, and fair conditions of employment, including maximum hours and minimum wages. Other important provisions of Title I included Section 5 exempting the codes from prosecution under the antitrust laws, Section 8 providing that the bill would not modify or alter the Agricultural Adjustment Act, and Section 3E which allowed the President to restrict imports which adversely affected any coded industry. Especially important to Oklahoma was Section 9 concerning regulation of oil. Under this provision the President could regulate pipeline companies and halt the interstate transportation of oil produced above the limit prescribed by state laws.²⁷

This, then, was the act which created the National Recovery Administration. H.R. 5755 provided Roosevelt with a catch-all piece of enabling legislation which he could mold to his own image of recovery.

However flexible, it also represented the ideas of a wide variety of pressure groups including labor, big business, and small merchants. This constituted the NRA's biggest problem and major failure. Despite a brilliantly organized propaganda campaign to enlist support for the Blue Eagle, the groups to be satisfied were too diverse for the established machinery to organize a reconciliation of interests; besides, with its business domination, there was a serious question as to whether the NRA really desired such a reconciliation. Oklahoma's promotion campaign for the NRA and the reaction to it illustrate these problems clearly--Oklahoma reflected, nearly perfectly, the success and the failure of the National Recovery Administration.

FOOTNOTES

- ¹The Daily Oklahoman, October 30, 1929.
- ²John Kenneth Galbraith, The Great Crash (Boston: Houghton Mifflin Co., 1954), p. 146. These index numbers are based on 1925 equaling 100 for comparative purposes.
- ³Sixteenth Census of the United States: Manufactures, 1939 (Washington: U.S. Government Printing Office, 1942), p. 20.
- ⁴Sixteenth Census of the United States: Manufactures, 1939 (Washington: U.S. Government Printing Office, 1942), p. 830.
- ⁵Don Humphrey, Family Unemployment. Works' Progress Administration (Washington: U.S. Government Printing Office, 1940), pp. 73-74.
- ⁶Reid Holland, The Civilian Conservation Camps in Oklahoma, 1933-1942. Unpublished Master's thesis, Oklahoma State University, 1969, p. 4.
- ⁷Larry Von Deusen, a union organizer, quoted in Studs Terkel's, Hard Times (New York: Avon, 1970), p. 133.
- ⁸"Amtorg Gets 100,000 Bids for Russia's 6000 Skilled Jobs," Business Week (October 7, 1931), p. 32-33.
- ⁹U.S. House of Representatives, "Hearing Before the Subcommittee of the Committee of Labor," Congressional Record, 72nd Congress, First Session. H.R. 206, H.R. 8088, pp. 98-99.
- ¹⁰Bobby Quinten, The Social Impact of the Great Depression on Metropolitan Tulsa, 1927-1932. Unpublished Master's thesis, Oklahoma State University, 1960, p. 5; The Daily Oklahoman, January 4, 1931, p. 14.
- ¹¹The Daily Oklahoman, January 4, 1931, January 1, 1931, January 7, 1931; The New York Times, January 21, 1931.
- ¹²Oklahoma State Department of Labor, Biennial Report, 1930-1952, pp. 24-25; Oklahoma State Senate, Senate Bill No. 28, Session Laws of Oklahoma, 1931, pp. 353-355.
- ¹³Keith Bryant, Jr., Alfalfa Bill Murray (Norman: University of Oklahoma Press, 1968), pp. 190-214; Edwin C. McReynolds Oklahoma, A History of the Sooner State (Norman: University of Oklahoma Press, 1954), pp. 334-359.

¹⁴ Interpretations of Herbert Hoover vary widely. The standard unfavorable view can be found in Arthur Schlesinger, Jr., The Crisis of the Old Order (Boston: Houghton Mifflin Co., 1956). On the other side the best pro-Hoover analysis is Harris B. Warren, Herbert Hoover and The Great Depression (New York: Oxford University Press, 1959).

¹⁵ Caroline Bird, The Invisible Scar (New York: David McKay Co., Inc., 1966), pp. 70-94.

¹⁶ James MacGregor Burns, Roosevelt: The Lion and The Fox (New York: Harcourt, Brace & World, Inc., 1956), pp. 139-161; Franklin D. Roosevelt, The Public Papers and Addresses of Franklin D. Roosevelt, Vol. I (New York: Random House, 1938), p. 646.

¹⁷ William E. Leuchtenberg, Franklin D. Roosevelt and the New Deal, 1932-1940 (New York: Harper & Row, 1963), pp. 41-63.

¹⁸ Ellis Hawley, The New Deal and The Problem of Monopoly: A Study in Economic Ambivalence (Princeton, N.J.: Princeton University Press, 1966), pp. 21-26.

¹⁹ Hearings Before the Committee on Finance, United States Senate, 73d Congress, First Session, May 22-June 1, 1933 (Washington: Government Printing Office, 1933), pp. 36, 162, 273-294, 315-330, 395, 404; Hearings Before the Committee on Ways and Means, House of Representatives, 73d Congress, First Session, May 18-20, 1933 (Washington: Government Printing Office, 1933), pp. 117-132, 133-154.

²⁰ U. S. Congress, House, general debate on H.R. 5755, 73d Congress, First Session, May 25, 1933, Congressional Record LXXVII, 4 88-4228.

²¹ Ibid.

²² Ibid. p. 4332.

²³ Ibid. p. 5141.

²⁴ Ibid. p. 5294.

²⁵ Ibid. pp. 4373, 5424.

²⁶ Ibid. pp. 5701, 5861.

²⁷ National Industrial Recovery Act, Statutes at Large XLVIII, Part I, 195-211 (1943).

CHAPTER II

THE EAGLE'S FLIGHT

Bold, persistent experimentation had been Roosevelt's battle cry in the campaign of 1932. Something new and different had to be tried to cure the ills of a depression-weary nation; something that called for and used the expanding powers of the Federal Government and especially those of the executive branch; something that would inspire and meet the needs of sick business, the hungry unemployed, and a disgruntled and grumbling middle class. From all appearances the National Industrial Recovery Act met these needs very effectively. As an enabling act, it empowered the chief executive virtually to dictate the nation's economy with few congressional controls or guidelines. By establishing public works programs to alleviate the vast unemployment eating at the heart of the economy the limited controls provided for cooperation with business. Moreover, the bill detailed only a skeletal structure for carrying out its provisions. After June 16, the responsibility for the development of an organization to fulfill the purpose of the NIRA rested solely in the hands of President Roosevelt. The NRA became something old and something new, drawing on traditional, tried formulas and applying them through essentially conservative leadership. Yet it created an all-encompassing bureaucracy and the greatest attempt at peace-time economic planning in American history.

President Roosevelt and his advisors did not create a new type of administrative agency in the NRA; rather they drew on their more

recent experience with planned economics, the War Industries Board of World War I. The WIB already had established a foundation upon which the NRA could be constructed. The board had utilized joint government-business committees designed to solve war-time problems and coordinate economic activities. Cooperation and coordination were two of the purposes of the code authorities under the NRA. In both cases the U. S. Chamber of Commerce and industrial trade associations led in rallying businessmen to the cause. The War Industries Board had promoted its controlled economy through a gigantic public relations campaign. Included was permission to display signs and insignia for those who cooperated with conservation efforts. The NRA blitzed the nation with an even more extensive propaganda effort, and the Blue Eagle sticker became the sign of patriotism and support for the New Deal. Even many of the personnel in the NRA, especially in the Publicity Division, had propoganda experience dating from World War I. Charles Horner had been an organizer of the Liberty Loan drives, and in 1933, became Director of Publicity for the NRA. Lewis Adler promoted Liberty Loans and thereby gained experience as a propogandist; under the New Deal he became head of the NRA Speaker's Bureau.¹

The appointment of General Hugh Johnson as administrator of the recovery agency was the most significant direct link to the WIB and the experience of World War I. The blustering ex-calvary man from Alva, Oklahoma, had helped organize the draft during World War I, and also had served as liason between the Army and the WIB. During the 1920's he had served as general counsel to the Moline Plow Company maintaining his contacts with business. In 1927 he left that project and went to New York to work for Bernard Baruch. There Raymond Moley

searched and found the man to help write an industrial recovery bill acceptable to the business community.² While the NRA was on Capitol Hill, Johnson rarely, if ever, rested. Constantly in motion, he coaxed the bill through Republican gunfire in Congress, launched conferences with businessmen on code making, and prepared and staffed the organization that became the National Recovery Administration.³

At first Johnson was authoritarian, handpicking the men and women who administrated the program. Assisting Johnson was the NRA's chief counsel Donald Richberg. Richberg, a progressive labor lawyer who had served as attorney for the Railroad Brotherhoods, now ferreted out legal loop-holes written into the proposed codes of fair competition. He also served as an important advisor to the President, providing the latter with significant information about the inside operation of the industrial recovery agency.⁴ Johnson appointed an old associate from the Moline Plow Company, Col. Robert W. Lea, to the position of Assistant Administrator for Industry. Lea had administrative experience from his work in the Purchase, Storage, and Traffic Division of the General Staff during World War I. Lea's bureaucratic opposite, Assistant Administrator for Labor was Edmond F. McGrady, a former A. F. of L. lobbyist, chairman of the labor division of the Liberty Loan Drives, and later, Assistant Secretary of Labor. Alvin Brown served as the NRA's executive officer. He had experience as former chief clerk to the Provost Marshal General and as an executive of Moline Plow. Acting as an overseer of these men and a behind-the-scenes power in the administration was Miss Frances Robinson, the General's secretary and assistant. Other key personnel included William H. Davis, a former legal advisor to the War Department, serving in the

vitaly important post of National Compliance Director, Mary Rumsey, daughter of E. H. Harriman, and the old-line reformer Frederic Howe who headed the Consumer's Advisory Division.⁵ These men and women directed an organization responsible for writing or passing judgment on codes, seeing that business carried out federal regulations, and protecting the consumer, the worker, and the businessman from the effects of unfair competition.

By June 16, 1933, when the NRA became law, General Johnson had created a national framework for the recovery administration. He and his appointed staff now became involved in a three-fold task designed to minister to an ailing industrial complex. As one of these tasks, the administrators had to organize the national framework with state and local recovery boards and organizations. A second task included an intensive, highly patriotic propaganda campaign designed to bring public support for the Blue Eagle and those who displayed that emblem and to direct public antagonism against those who opposed the NRA. But the major and ongoing problem the New Dealers faced was the creation of the codes on which their entire apparatus depended.

The codemaking process began even while Congress debated the bill establishing the NRA. Anticipating passage of the legislation, businesses began preparing preliminary codes which the new Administration would judge. By July 31, 1933, 209 industries had submitted their requests. However, despite the National Association of Manufacturers pamphlet, "A Model Code for Self-Governing Industries under the National Industrial Recovery Act," the forms submitted displayed little uniformity. Seeing unending chaos unless some order was imposed from the federal level, Johnson ordered the creation of a Code Standardiza-

tion Group to write an official NRA "Model Code." Issued on November 6, 1933, the "Model Code" established a uniform outline on which industry could base its submitted codes. This model included articles concerning maximum hours, minimum wages, child labor, the required provisions on labor from Section 7A, rules governing the code authority and trade practices, as well as various other minimum code provisions. Unfortunately this recommendation came late in 1933 after many codes had already been drafted, including those for nine of the ten principal industries. As a result most of the industrial power of the nation was governed under codes which had been created haphazardly and were plagued by inconsistencies.⁶

The actual codemaking process was a complex one made even more difficult by the flood of code requests and their unexpected variety. Each industry devised a proposed code which it submitted to the NRA for approval. These preliminary drafts then went through a multi-staged examination during which the Code Analysis Division carefully scrutinized the documents. This body did a statistical study of the applicant's information to determine if their group truly was representative of the industry. Next, the request went to the Control Division where it was assigned to a Deputy Administrator. The choice of an administrator was a vitally important step as this man presided over the code hearings; NRA policy frequently varied from one Deputy Administrator to the next. The real bargaining between government, business, and labor began with the preliminary conferences. During these meetings the NRA officials put the code requests in an acceptable form for the public hearings. The Deputy Administrator advised on sections to be included or omitted, and clearly illegal or unacceptable

provisions. The next-to-the-last stage, the public hearing, brought the NRA into the limelight where it could demonstrate its strength and wisdom. However, these meetings did not elicit a convincing presentation of evidence nor a close scrutiny of the codes' provisions. Instead the various interest groups drew their lines of battle for the more blatant post-hearing bargaining. In this final step, the NRA attempted to balance the demands of these groups into an acceptable final code. In some cases this balancing proved impossible and the code was turned over to some administrator who wrote the last draft. Once the administration approved the code by either of these last procedures, it went to the President for his signature, making it a binding, federal law.⁷

Johnson saw the first task in those early summer months, as getting the ten big industries (textiles, coal, petroleum, steel, automobiles, lumber, garments, wholesale trade, retail trade, and construction) under the Blue Eagle. The administration accomplished this in 3 months, but not without an intensive struggle in several important cases. Steel opposed the labor provisions of their code; Henry Ford balked at losing his independence to the government, holding up the code for automobiles; its regional divisions and a bloody antagonism between management and labor split coal. In each of these instances, the administration used a combination of concession and coercion to bring the industries into line: presidential pressure on steel and coal, concessions on price policy with steel, and organizing the auto industry without Ford.⁸ No business illustrated the initial code-making procedure more clearly than oil. The petroleum industry had

been plagued by many difficulties and its stability was vital to Oklahoma and its economy.

Oil men and the oil-producing states had cried long and hard for federal regulation of the petroleum industry. Unrestrained, the production of oil had increased at a tremendous rate in the ten year period from 1920 to 1930. Domestic production of crude oil had risen from about 450 million barrels in 1920 to nearly 900 million barrels by the end of the decade. The arrival of the depression with its corresponding decline in demand, added to overproduction, driving prices in 1930 from \$1.30 a barrel to only two cents a barrel in 1931. An unequaled abandonment of wells accompanied the decline in prices. There were 21,603 closings in 1931 alone. The various oil companies and petroleum-producing states attempted, largely unsuccessfully, to control production and other aspects of the industry. On September 13, 1931, the governors of Oklahoma, Kansas, and Texas signed an informal agreement establishing quotas for the production of oil in each state. However, these measures fell short of accomplishing their goals, largely because individuals, companies, and states complied minimally. (California, one of the largest oil producers, steadfastly refused to regulate her production. This made it extremely difficult for the other states to enforce their own laws.) Also, there was an absence of an overall, centralized enforcement authority. Recognizing the need for some type of control most oil men looked to Washington and the NRA for a cure for their industry's illness. Belatedly the Roosevelt administration recognized the state of distress and the importance of the petroleum industry. Oil had been the only industry singled out for special federal legislation by the NIRA (Section 9).

This was not without significance for the nation, the industry, and the code hearings of 1933.⁹

Men representing major and minor oil companies, as well as the states where oil dominated the economy, met in Washington on July 24, 1933, for the first hearing on the code of fair practices and competition for the petroleum industry. Immediately determined interest groups drew battle lines which made open industrial civil war inevitable. On the one side stood the highly organized and extremely powerful American Petroleum Institute. With major oil company management, this organization carried tremendous lobbying strength within the government, wrote the initial code proposal, and effectively controlled the public hearings. Across the battlefield, twenty-two independent petroleum companies maintained a determined, but frustrating opposition to the code proposals of the A.P.I. Outmanned and outgunned by big oil and blocked by the Administration, these men could do little but voice their opposition to the code and lay the ground work for the key criticisms written into the Darrow Report of 1935.¹⁰ The labor unions involved in petroleum production sometimes sided with the latter group, but were not a reliable ally. Their natural interest being working conditions, the union representatives tried to obtain for their workers the best bargain in terms of hours and wages. The reality of the industrial power structure forced the unions to bargain primarily with the A.P.I. and to limit their support of the independent oil men. Besides these industrial groups, each of the major petroleum-producing states sent a representative to the hearings. Cautious, naturally political, these men maintained public neutrality on the inter-industrial disputes. However, they were in-

sistent on some type of federal control which would save the oil industry while maintaining some degree of their state's rights. Also playing a much less significant role, though a voice nonetheless, was the consumer's representative who tried to give the American people some lobbying strength in this process. All these groups met under the direction of Hugh Johnson, Donald Richberg, and Deputy Administrator Kenneth M. Simpson to present and discuss a reasonable and workable code for the industry.

On Monday morning, July 24, after Johnson and Richberg had made some opening remarks, the American Petroleum Institute presented its proposed code. Axtel Byles, President of the A.P.I., and Oklahoman Wirt Franklin, President of the Independent Petroleum Association of America outlined the position of the A.P.I. and laid the foundation for all future discussion during the course of the hearings. The A.P.I. Code called for a balance of supply and demand by federal law. This was to be accomplished initially through the allocation of production in ratio to demand and production capacity. In addition, the federal government was to reduce excess oil storage and limit the importation of cheaper, foreign petroleum. A third step involved an increase in the price of oil as well as a decrease in taxes on the petroleum companies. And after prices reached an agreeable level, the NRA was to stabilize them, with the federal government fixing a minimum. (Actually the A.P.I. was divided on this one issue, but Franklin's group, which dominated the hearings favored price fixing.) The hour and wage provisions of the proposed code included a maximum work week of forty hours (averaged over a six month period) with minimum wages varying from forty to forty-two cents per hour depending on the sec-

tion of the country. Other provisions included federal support of the lease and licensing system for retailers and prohibition of inducements such as trading stamps. However agreeable this code was to some oil men, to others it was an anathema to be opposed at all costs.¹¹

A group of 22 independent oil producers led the opposition to the A.P.I.'s code. The independents included such individuals and companies as Earl Oliver of Ponca City, H. V. Crawford, Vice-President of Hartal Products Corporation, Vernon C. Scott of Sperry and Hutchinson Co. and Newton Baker, President of the Pennsylvania Grade Crude Oil Association. These men and their organizations claimed that the entire code was unfair because the A.P.I. did not represent a majority of the Nation's oil companies. Instead they claimed that the code furthered big oil's monopoly of the industry and would drive the smaller companies out of business. More specifically the independents called for an end to the lease and licensing system which they claimed fostered monopoly. As an example, according to independent figures, Quaker State had lost 20,000 outlets and about 11 million gallons since January 1, 1930 due to this system. The independents also did not want price-fixing, claiming that big oil companies sold below cost to drive smaller companies out of the market resulting in low prices. Calling for the continued use of trading stamps, they believed that such stamps were important as a means of advertizing. The independents also opposed the use of any chemical to improve gas unless it was available to all companies. This latter item referred to the use of the new tetra-ethyl fluid to improve octane developed by a subsidiary of Standard Oil of New Jersey. Independents also protested the proposed emergency oil committee which was to oversee the industry. They claimed that major oil companies

would dominate this group; and, moreover, that the body would fail to represent marketing and retailing. Finally, the independents tried to win labor allies by a proposed maximum thirty hour week and minimum wage of fifty cents per hour.¹²

Union representatives, such as Harvey C. Fremming of the Oil Workers International Union, and P. B. Roberts of the International Association of Oil Field, Gas Well and Refinery Workers of America, agreed with the independents on a thirty hour work week. However, they believed that forty to forty-two cents per hour rate would actually cause a decrease in wages in areas such as refining. Even fifty cents per hour was not enough. Instead, the affiliates of the American Federation of Labor wanted a minimum wage of \$4.75 per six hour day (about seventy-nine cents per hour), which was to be uniform nationwide. Also, to protect the wage and hour provisions of the code, the unions asked for a joint labor-business committee to enforce the code and a requirement that the oil companies post bond guaranteeing wages.¹³

Advocates favoring the protection of the consumer, and the representatives of the primary oil-producing states also addressed the public hearings concerning their problems. Thomas P. Henry, President of the American Automobile Association and consumer representative, made several proposals. He wanted a reduction in the number of retail outlets, no exorbitant increase in the prices of gas and oil, and no denial of the right to extend credit. The political representatives of the petroleum states were much less specific in their advice than any of the other interest groups. A good example was Paul Walker, representing Oklahoma's Governor and Corporation Commission

(that body within the state which watched over the petroleum industry). Walker remained carefully non-committal about supporting either the A.P.I.'s or the independents' proposals. However, he did plead for close cooperation between state authorities and the administration at both the advisory and enforcement levels.¹⁴

As a representative of the administration of Franklin Roosevelt, General Johnson fit his blustering, overbearing historical image.¹⁵ Never brilliant at winning friends and influencing people, the head of the NRA frequently interrupted speakers for what seemed to be no valid reason. Most often Johnson intervened to insist that speakers tone down their remarks. He persistently maintained that rhetoric and oratory had no place in a hearing which had been designed to reveal facts, allowing the administration to act intelligently.¹⁶ The idea of a hearing without political maneuvering and speechmaking was a good one, if the rules applied evenly to all sides. Unfortunately, in the case of the meetings on the petroleum industry, the Administration demonstrated a decided slant in favor of big oil and in opposition to the independents and the unions. Most frequently, Johnson or Simpson interrupted an independent speaker to criticize either his method or his position.¹⁷ For example, at one point early in the second day's hearing, the General harshly criticized the independents' repeated call for Federal intervention to stabilize the ailing industry. Johnson believed this was antithetical to the idea of industrial self-government which supposedly lay at the heart of the NRA. Instead of supporting and cooperating with this idea, the independents insisted on a more extensive administration role, especially in the area of controlling the already powerful and expansive big oil companies.¹⁸

According to the Brookings Institution's study of the National Recovery Administration's codemaking process, the public hearings were only political platforms from which the Administration displayed the success of industrial self-government.¹⁹ The successful lobbying was done out of the public's sight; the Administration was more conservative and pro-business than its reformist rhetoric led the people to believe. The public hearing's minimal importance became very evident in the case of petroleum. Here the two sides, big oil and the independents, could not reach a suitable compromise. Finally, General Johnson wrote his own code and imposed it upon the industry in his usual arbitrary manner.²⁰ The transcripts of the hearings clearly demonstrated the direction in which the Administration was leaning and the shape that the final code would take. If the Administration stifled the position of the independents where the latter could use the pressure of publicity and public opinion, then what would the NRA's position be without that pressure? The answer is painfully clear. The power of big oil dominated the behind-the-scenes lobbying even more effectively than it had the public hearings. And although Johnson had imposed the code from the top, its provisions showed that big oil had won its battle for "self-government." Evidence of this victory can be found in several sources. One example was the general reception of the imposed code among the big oil companies. Despite the code's rather rude presentation, the major oil companies showed little resentment toward the Administration. In fact, the day that the final code was presented to President Roosevelt, the principal executives of Standard Oil of Indiana, Standard Oil of New Jersey, Sun Oil Company, and Skelly Oil Company had a very friendly interview

with Secretary of the Interior Harold Ickes concerning the code and regulation of the industry.²¹ However, nothing more clearly illustrated that the government favored the big oil companies than did the provisions of the final code for the industry.

On August 19, 1933, Hugh Johnson communicated to President Roosevelt the provisions of the code of fair competition for the petroleum industry. Throughout that document, from the general provisions to the more specific covering production, wages and hours, refining, marketing, and administration, ran the vein of influence leading back to a heart of big oil. The general provisions included in Article I defined the industry as covering the production, transport, refining, and marketing of crude oil, natural gas and their derivatives. More important, however, was Section Five of this general article; this ruled that any agreements between competitors designed to accomplish the objectives of this code or to eliminate the duplication of manufacturing, transport, and marketing facilities were permitted. An open invitation to monopoly, Section Five directly aided the cause of the major oil companies and seriously impaired that of the independents.²²

The sections on wages and hours in Article II showed some compromise between the A.P.I. and labor, and completely ignored that of the independents. Marketing employees and clerical workers in production were to have forty hour weeks, and service station attendants could work forty-eight hours weekly. Other employees in production were on duty for not more than seventy-two hours in any fourteen consecutive days nor more than sixteen in any two days. Wages varied from one section of the country to another, according to the A.P.I.'s position;

and the scale was slightly higher than the A.P.I. wanted and much lower than the unions requested. Wages per hour for production employees ranged from forty-five cents, principally in the Southern states, to fifty-two cents, on the East and West coasts. Those for marketing were slightly less, forty cents to forty-seven cents. (Oklahoma ranked at forty-eight cents per hour for production and forty cents per hour for marketing.) Sections banning employment of children under 16 years of age, and rules permitting collective bargaining also were included in this Article.²³

Article III, dealing with production, followed the general outline the A.P.I. presented with the exception of price-fixing. The government limited imports of crude oil and ordered that the withdrawal of crude petroleum from storage not exceed 100,000 barrels per day for the remainder of 1933. Production was to be equitably allocated or pro-rated among the states according to estimated demand; the latter followed big oil's initial suggestion. Although there was no general price-fixing for crude oil, Section 6A of this article granted the President the power to fix the price of gasoline for an experimental period of ninety days. The last section probably did the most damage to the independents, for it prohibited wildcatting, previously a gold mine for these groups.²⁴

The article on marketing hit the independents hard in two areas. Retail stations were not allowed any type of incentives such as rebates, concessions, script books, games (lotteries, prizes, etc.), and especially trading stamps. This removed possible advertising gimmicks with which the independents could challenge big oil's lower prices. Second, no company could break a contract to sell petroleum

products. Here independents suffered by not being able to sell their goods (such as Quaker State or Penn State Motor Oil) to retail agencies owned or licensed by the major companies. Neutral sections of this article included a required posting of prices for oil products, an industry-wide, uniform basis of credit, and a ban against false advertising.²⁵

The final article of the petroleum code dealt with the administration of industrial self-government for petroleum. A Planning and Coordinating Committee of fifteen members, three men from the NRA and twelve from the oil companies, policed the industry. Eight technical subcommittees covering the areas of statistics, production, refining, marketing, accounting, labor, adjustment, and transportation aided this group.²⁶ The final evidence supporting the thesis that big oil controlled the development of the codes, as well as their administration, can be found in this committee's composition. Of the three administrators from the NRA, one, J. A. Moffett, former Vice-President of Standard Oil of New Jersey, definitely favored big oil. The other two, Donald Richberg and M. L. Benedum may have been less biased. In contrast, the major oil companies completely controlled the fifteen industrial members. Nine men on the committee represented the position of big oil, with only two favoring the independents and one who might vote either way.²⁷

Unquestionably, on the national level a majority of conservative businessmen or their sympathizers staffed the National Recovery Administration. The codemaking process in the case study form of the petroleum industry illustrated this fact perfectly. Clearly big oil companies claimed a nearly complete victory over their independent

opposition; and moreover, big oil formed an alliance with the federal government which has endured to the present. Will Rogers had predicted this outcome at the beginning of the code hearings for oil: "Frank Phillips, of oil fame, was out the other day, said he was going to Washington, the oil men were going to draw up a code of ethics. Everybody present laughed. If he had said the gangsters of America were drawing up a code of ethics it wouldn't have sounded near as impossible."²⁸

If the business influence and control of the NRA was so pervasive nationally, it doubtless extended to state agencies. Thus it is only natural that in Oklahoma one could expect similar influence.

FOOTNOTES

¹Gerald Nash, "Experiments in Industrial Mobilization: WIB and NRA," Mid-America, XLV, 3 (July, 1963), pp. 157-174.

²Hugh Johnson, The Blue Eagle From Egg to Earth (Garden City, New York: Doubleday, Doran, and Co., Inc., 1935), pp. 73-193.

³Ibid., pp. 206-211.

⁴Donald Richberg, My Hero (New York: G. P. Putnam's Sons, 1954), pp. 112-134; 162-177.

⁵New York Times, September 22, June 20, September 2, and June 28, 1933; September 16, 1934.

⁶Harry Mulkey, NRA Work Materials No. 39 (The So-Called Model Code, Its Development and Modification), pp. 10-32; 40-66; 89-93.

⁷Leverett S. Lyon, et al., The National Recovery Administration (Washington, D. C.: The Brookings Institution, 1935), pp. 95-117; NRA Work Materials, No. 19 (History of the Review Division), p. 2.

⁸Arthur M. Schlesinger, Jr., The Coming of the New Deal (Boston, Massachusetts: Houghton, Mifflin Co., 1958), pp. 116-118.

⁹Myron W. Watkins, Oil: Stabilization or Conservation? (New York: Harper and Brothers, 1937), pp. 43-54.

¹⁰The Darrow Report was the result of a commission created by the President and headed by the fighting radical lawyer Clarence Darrow, to analyze the effects of the NRA. It will be discussed in greater detail in later chapters.

¹¹NRA Hearings on Code of Fair Practices and Competition Presented by the Petroleum Industry, Vol. I, July 24, 1933, pp. 3004-3038.

¹²NRA Hearings, Vol. I, pp. 3079-3082, 3153; Vol. II, July 25, 1933, pp. 2026-2054, 2140-2141, 2170-2180.

¹³NRA Hearings, Vol. I. pp. 3067, 3104-3111.

¹⁴NRA Hearings, Vol. I, pp. 3122-3132; Vol. III, pp. 3043-3044.

¹⁵Schlesinger, pp. 103-104.

- ¹⁶For an example of this see: NRA Hearings, Vol. I, pp. 3141-3142.
- ¹⁷Ibid.
- ¹⁸NRA Hearings, Vol. II, p. 2024.
- ¹⁹Lyon, pp. 95-117.
- ²⁰Johnson, p. 246; Schlesinger, p. 116.
- ²¹Harold Ickes, The Secret Diary of Harold Ickes, I. (New York: Simon and Schuster, 1953), pp. 149-150.
- ²²NRA, Codes of Fair Competition, Nos. 1-57, Vol. I (Washington: General Printing Office, 1933), pp. 149-150.
- ²³Ibid., pp. 150-152.
- ²⁴Ibid., pp. 152-154.
- ²⁵Ibid., pp. 155-163.
- ²⁶Ibid., pp. 163-164.
- ²⁷New York Times, August 31, 1933, p. 25. (Supporters of major oil companies included Axtel Byles, President of the A.P.I., Wirt Franklin, President of the Independent Petroleum Association of America, W. T. Holliday, Standard Oil of Ohio, E. R. Resser, Barnsdall Oil Corporation of Tulsa, R. R. Kingsbury, President of Standard Oil of California, B. L. Majewski, Independent Petroleum Marketers Association, Henry Dawes, President of the Pure Oil Company, Amos Beaty, Phillips Petroleum Company of Bartlesville, C. E. Arnett, President of the Socony-Vacuum Corporation [Standard Oil of New York]. Independents appointed were C. F. Foesner, Texas Oil and Gas Conservation Association and R. T. Zook, President of the Pennsylvania Grade Crude Oil Association. The question mark was Howard Bennett, Western Petroleum Refiners Association of Tulsa.)
- ²⁸Tulsa Daily World, July 12, 1933.

CHAPTER III

THE EAGLE'S BROOD

Even while the code hearings progressed in Washington, the National Recovery Administration spread its feathered shadow across the land, gathering states and cities under its protective wing. This process included a propaganda drive to stir support for the Blue Eagle, a push for each state to pass a "little NRA" designed to cover intrastate companies, and the development of state and local agencies for recovery. In theory, at least, each state NRA organization had jurisdiction over its own recovery committee, the enforcement of the codes for its industries, and its campaign to push the Blue Eagle. Frequently, as was the case in Oklahoma, one agency, one group of individuals executed all of these functions, establishing publicity, persuading businesses to join, and later, enforcing the codes. In most states the NRA chose those individuals from either the state and local Chambers of Commerce or trade associations closely affiliated with those bodies. This choice was important in that the administration made no radical attempt to alter the local power structure, other than showing partial favor to Democrats over Republicans. Established, conservative, usually business-oriented groups operated the state and local NRAs just as they controlled the national administration and its codemaking machinery.

The establishment of Oklahoma's NRA, the passage of a state recovery law, and the campaign to promote the Blue Eagle ran into special, political barriers from its inception during the Summer of 1933.

These problems focused upon a running conflict between the national administration and the state government of Governor William H. Murray. "Alfalfa Bill" had organized a favorite-son campaign for the Democratic presidential nomination in 1932. Under the slogan, "Bread, Butter, Bacon, and Beans," Murray carried out a totally unsuccessful bid for the nation's highest office. His attacks on Roosevelt grew increasingly bitter as the campaign wore on, and his hatred for the new Democratic President increased with each passing month until it "dominated his thinking on nearly every issue."¹ This ill-feeling manifested itself in concentrated opposition to the New Deal from Oklahoma's state house. Naturally, the NRA, as the principal New Deal weapon against depression, drew a variety of antagonistic criticism from Governor Murray. The governor's attitude was reflected in the operation of Oklahoma's recovery administration. An example of Murray's attitude occurred in August of 1933; Ancel Earp, head of Oklahoma City's drive to promote the Blue Eagle, requested that the state's Chief Executive head a parade advertising reemployment and the NRA. Displaying his feelings toward the New Deal's agency with obvious malintent, Murray refused to attend, conveniently excusing himself with a more pressing engagement.² The governor attacked the New Deal and the NRA more directly by not calling a meeting of the state recovery board. This body was supposed to give guidance to the local recovery agencies, direct the state-wide Blue Eagle drive, disseminate information from the national administration, and provide general assistance. After a request from local officials, the federal administration pressured Murray into calling the board.³ However, because of this political roadblocking, many of the duties and

responsibilities of the state board fell onto the shoulders of the NRA group in Oklahoma City.

Not all state politicians and officials supported Governor Murray's animosity toward the New Deal. Campaigning on the slogan "Bring the New Deal to Oklahoma," Congressman Ernest W. Marland defeated Tom Anglin, speaker of the state's House of Representatives and Murray's chosen successor, in the gubernatorial primary of 1934. Later elected governor, Marland proved more sympathetic and cooperative toward the New Deal and the NRA.⁴ J. Berry King, Attorney-General under Murray, was also more friendly toward the Democratic program. When confronted with the possibility that the NRA might conflict with an Oklahoma law of 1931 governing trusts, King used the wide interpretive powers of his office to rule in favor of the Blue Eagle. This removed a possible technical hassle which could have caused considerable problems for those men in Oklahoma City, and elsewhere across the state, who were trying to create a state organization, popularize their efforts, and persuade businessmen to join the President's fight against depression and unemployment.⁵

The National Recovery Administration hoped to convince each state to pass "little NRAs" covering industries involved in intrastate commerce. (The NIRA only governed companies with interstate trade.) However, in most states the passage of such laws proved very difficult. For various reasons, including politics, legislative calendars, and hostility to the federal bureaucracy, this type of legislation passed in only four states (Washington, Indiana, New Mexico, and Wyoming), though it reached the floor of some twenty other state legislatures.⁶ Most states either pigeonholed the bill when it came before them or

managed to avoid the subject altogether. Probably as a result of Governor Murray's political influence in or control of the legislature, Oklahoma never discussed a "little NRA" in 1933-34.⁷ By the time the more sympathetic Marland had come to power in 1934, the NRA's interdepartmental problems and dubious constitutional status made the passage of such a bill almost impossible.

Despite intense opposition from the Governor's office and legislative roadblocks to a state recovery law, Oklahoma still managed to create a State Recovery Board and a very important local organization in Oklahoma City. The State Recovery Board with the assistance of the State Recovery Council directed the NRA at Oklahoma's level. Frank Buttram, President of Buttram Petroleum Company, Chairman of the Board of Regents of the University of Oklahoma, and former Democratic candidate for governor headed the board. The State board acted as a transmission agent, receiving reports of the county chairmen, synthesizing them, and relaying that information to Washington. However, in cases where the federal administration deemed it necessary, the board acted on the NRA's behalf, enforcing federal laws. Acting as an advisor on local conditions, but with no technical power, the State Recovery Council included representatives from six districts of the state and members of state-wide businesses and trade associations. Besides advising the State Board, the Council also assisted county and local groups with any technical problems involving the Blue Eagle or the NRA's rules and regulations.⁸

Oklahoma City's NRA Committee was possibly even more significant than the State Board, because of political and economic circumstances. Organized to complete the Blue Eagle drive for the state capital, the

Committee later expanded its influence over the entire state apparatus. Oklahoma City maintained control through the city's Chamber of Commerce which dominated the Committee and financed all state, county, and local NRA groups. Oklahoma City's organization had dual command at the top with Ancel Earp and Mrs. J. J. Volz acting as co-directors. These two individuals represented the conservative, business-oriented, upper class people who ran the NRA at the state and local levels. Ancel Earp operated his own insurance company, had formerly served as secretary to Governor Robert Williams, had held office as the state's Adjutant-General, had been in charge of Oklahoma's draft boards in World War I, and had been President of the Better Business Bureau. Mrs. Volz had acted as head of the largest women's club in the state. Two major groups served immediately under the co-directors in the state administration. The seventeen-member Executive Council aided with top-level decision-making and the Advisory Council, comprised of leaders in trade, business, and professional groups, kept the leadership informed of the attitudes of its members toward the NRA's rulings and actions.⁹

The Committee had a two-fold purpose: the group administered the local recovery agency, which required several sub-groups, and enforced the NRA's rules. The leaders of the Committee interpreted the latter function very conservatively. Only when the local trade association or professional group was unable to enforce a code would the Committee intervene to see that a business obeyed the federal law. The creation of an administrative organization was more energetic and successful, with the bureaucracy taking on a life of its own. The central organization established six sub-committees, decentralizing control, deci-

sion-making, and responsibility. These included groups covering the areas of adjustment, interpretation, exceptions, compliance, publicity, and education. The first of these sub-organizations, on adjustment, which Tom H. Sterling headed, served as a liason group between business and the main committee. Containing seven members, adjustment provided help and advice on the NRA's rule and codes. This group helped all industries and businesses meet the requirements of the President's program with as little friction as possible.

The interpretations sub-committee, chaired by L. Dudley Callahan, acted as an advisory body both to the local NRA groups and the city's businesses. These seven men had been trained in the federal laws and codes and dealt with any problems or complaints stemming from federal rulings and interpretations. This body had one of the most difficult jobs in the recovery program because it acted as the bearer of bad news. Rulings out of the nation's capital constantly fluctuated, seeming to change with the season, and intepretations had the responsibility of delivering the news and explaining these variations.

The sub-committee on exceptions was the only secret organization within the local NRA. The recovery group designed exceptions to rule on what businesses would be exempt from the NRA's regulations. Theoretically, this committee granted exemptions only in the rare cases where compliance created extreme hardships for a business. However, either the committee kept no records of their rulings or they destroyed them at some later date; thus it is very difficult to determine how often the committee granted exemptions. (Technically the compliance group had the power to make this decision. But the secret organization

ruled instead and passed their decision on to compliance where it was rubber-stamped.)¹⁰

The seven-man compliance board determined violations of the NIRA and the codes, as well as nominally passing exceptions to those rules. By a majority vote, the committee decided who had broken the law, passing their ruling to the district recovery board in Dallas, and then to Washington. This group also attempted mediation over union contracts and labor disputes or passed these problems on to the National Labor Board. Two weaknesses relating to compliance proved very significant in the final failure of the NRA. Labor had only two representatives on the board, creating a definite advantage in favor of management. Decisions tended to support the latter, explaining to some extent why the NRA did little to help the American union movement except to legitimize its existence and give it a psychological uplift. Moreover, the fact that the local board had little or no power to enforce its decisions seriously impaired the effectiveness of the NRA. Time, distance, and the bureaucratic hierarchy benefited violators and frustrated those who sought a just hearing under the Blue Eagle.¹¹

The last two sub-committees, publicity and education, created the all-important, patriotic image of the NRA, its supporters and its enemies. The publicity group, which H. P. Hoheisel of the Oklahoma City Advertising Club headed, had been subdivided into five parts, each blanketing a different aspect of publicizing the NRA and its campaign. These included the Newspaper Bureau, the Radio Bureau, the Poster Bureau, the Amusement Bureau, and a group handling trade journals, civic clubs, bulletins, and other miscellaneous areas. The education commit-

tee, comprised of the Appointment Bureau, the Information Bureau, and the Speaker's Bureau was even more important. The last of these was an important factor in the Blue Eagle's propaganda drive. Theodore M. Green of the Massachusetts Mutual Life Insurance Company headed the Speaker's Bureau as it launched a barrage of supporting fire from 169 of the communities top business, professional, and religious leaders.¹² These men stressed the patriotic nature of the recovery venture and emphasized the fact that the government was not trying to take over business; instead, the NRA wanted to help make those few who gave business a bad name compete fairly. The local committee ordered the speakers to discuss subjects that fit the "spirit of the movement" and to deal in "technicalities as little as possible." A religious appeal added strongly to the support for the NRA. The city's pastors preached sermons countering charges that the Blue Eagle was the "Mark of the Beast" from the Biblical book of Revelation, and many pledged their support to the government in its war on depression.¹³

The various groups responsible for guiding the American people under the wing of the big bird from Washington functioned with few direct interferences from the federal level. Yet the officials of the National Recovery Administration saw the need for creating some type of uniformity over the bureaucratic sprawl. The Administration designed a series of pamphlets and bulletings providing guidelines for the recovery operation at the state and local levels. These included manuals on the various codes, and bulletins explaining the basic code of fair competition, interpretations of the new laws, and the President's Reemployment Agreement. Many of the committees also had instruction manuals on their operations, providing a definition of their

function, and an explanation of their powers.¹⁴ How effective these were in providing guidance from the top remains questionable. Most states wanted as little help as possible from the federal government.¹⁵ In Oklahoma there was no indication in the available records that the local leadership relied very heavily on these pamphlets, with the possible exception of those dealing with propaganda. Local leaders tried to fit the local recovery program to local needs and to the local power structure, without too much unbalancing influence from Washington.

The efforts of the propaganda section clearly illustrated the extent of the federal agency's concern over state and local programs. A study of the pamphlets governing publicity indicated a strong emphasis on an intensely war-like patriotism. Phrases such as "battle cry," "firing line," "national declaration of war on depression" called the nation to battle. The pamphlets tied the Administration and the NRA closely to the greatness of America: "regard the Blue Eagle as reverently and as faithfully as...the American flag" and remember it has always been "a symbol of American courage, American standards, and American spirit." One NRA speaker described President Roosevelt as "one of the greatest champions of the masses of men that has ever walked this earth," and compared him to all the great heroes of American political history (all Democrats, naturally): "Once it was Thomas Jefferson. Once it was Andrew Jackson. Once it was Abraham Lincoln, who, regardless of party label, was a Democrat. Once it was Grover Cleveland. Once it was Woodrow Wilson--and now it is Franklin Roosevelt." And the enemy was the "chiseling fringe," the "seditious gossips," "the saboteurs," the "resisters to progress," "the slackers," all out to destroy the New Deal and all hope of recovery. Everyone

must fall into line and no one criticize: "'Bend to the oars brothers! Pull for the shore. Don't rock the boat!"¹⁶ Besides specific references for the use of local speakers, the federal agency also provided a manual for small-group study and discussion of the NRA. This included an interpretation of the recovery program and an explanation of how it worked, along with an outline for adult study groups and suggestions for community forums on the Blue Eagle. Oklahoma City's committee held weekly meetings such as the latter at the Chamber of Commerce, with both city and out-state leaders invited to attend.¹⁷

The NRA advertised its patriotic pitch extensively through the newspapers. The agency managed the news in several ways, both directly, by buying ads itself, and more indirectly, through a subtle manipulation of the press. First, the local committees bought full page ads supporting the Blue Eagle or ran daily lists of those who had pledged their cooperation with the NRA. Second, the flood of news from Washington kept the recovery program in the limelight. Each day NRA-related stories dominated the news, grabbing the biggest headlines and the most print. Business did their part too by including the Blue Eagle insignia on their advertisements. They proclaimed their support for the NRA in print, which not only helped sell products, but also helped sell Roosevelt's program.¹⁸

The problem with this almost religious approach to solving the problems of economic recovery lay in its psychological effect on the individual. The very fact that patriotism equalled complete support for the President and his program stifled creativity and constructive criticism: "Everybody in this crisis should trust this government... Wars can only be won by unlimited faith in leaders...Upon you devolve

the duty of giving your moral support at all times...to the government which is seeking to bring about the harmony of the laws of God and the laws of man...In this way you can cooperate with them in bringing about the Kingdom of God on Earth."¹⁹ This type of propaganda is always the problem with bureaucracies and governments based on a partisan political system; but it becomes even more intense when the government labeled the opposition as unAmerican "leaders of greed and standpatism" and called supporters workers for the Kingdom of God.

Besides the working staff, the New Kingdom of the Blue Eagle required an extensive volunteer organization to bring everyone under the watchful eye of the NRA. In Oklahoma City, and elsewhere across the nation, the Volunteer National Recovery Sales Army filled this hole in the administrative foundation. This group was divided into two sub-divisions, the Blue Eagle Army and the Loyalty Army. The first, led by Colonel Lyall Barnhart, explained to businessmen all the provisions of the NRA, persuaded them to join by signing the President's Reemployment Agreement, and gathered information on the effects of the program on the local economy. The Blue Eagle Army numbered four divisions with 1155 volunteers working to recruit business. The second group secured pledges supporting the President's Consumer Agreements, committing individual citizens to patronize only those stores bearing the insignia of the Blue Eagle. The NRA had split the Loyalty Army into two divisions, one for men and one for women, comprising a total of nine regiments and 494 workers. The special status awarded to women throughout the NRA's campaign and organization stressed their importance as buyers and consumers. But that status remained within the traditional guidelines of woman as wife and mother. The NRA did

place great emphasis on women in their campaign with five regiments under the Women's Division. This group aroused local housewives to the importance of the Blue Eagle. The Women's Division contacted all women's organizations in the city, frequently kept news about the recovery program on the woman's page of the newspaper, geared ads to women and their concerns, contacted women's church groups, and obtained radio time for women speaking in favor of the Blue Eagle. The recovery organization also singled out Blacks for special attention by creating a specific regiment, the fifth, especially for "colored" people.²⁰

In all of the local organizations the Chamber of Commerce played a vital role, providing manpower and leadership. Oklahoma City's Recovery Committee drew almost all of its officers from the ranks of the Chamber. The business organization provided men and money as well as physical facilities for meetings, study groups, and rallies. The Chamber tied its own organization closely to that of the NRA in other ways as well. For example, it gave local businessmen the full support and cooperation of the Chamber's industrial committee to work out any NRA related problems. At least in Oklahoma City, the Chamber of Commerce and the state and local recovery groups were more closely associated than indicated by some historians' recent research.²¹

Despite the massive administrative organization (over 2000 workers in Oklahoma City along), the directions from Washington, and the jockeying for political power, the NRA still had to convince business and the public that support of the government's program meant economic recovery. This began with the Blue Eagle Drive of August, 1933, designed to raise wages, create employment, increase purchasing power, and restore business by persuading business and consumers to sign the President's

Reemployment and Consumer Agreements. The NRA hit the air waves with a month-long series of promotional radio broadcasts including such speakers as Alfred E. Smith, Robert M. LaFollette, John D. Rockefeller, Jr., William Green, Admiral Richard E. Byrd, and Fannie Hurst. At the local level, an intensive speaking campaign commenced, blanketing every public meeting in each community. The committee also held rallies and parades to sell the Blue Eagle to every city, town, and hamlet. The Volunteer National Recovery Sales Army also conducted a house-to-house, business-to-business canvass. The actual campaign began on August 27 with a nationwide radio broadcast including General Hugh Johnson, Madame Ernestine Schumann-Heink, and Will Rogers as the principal speakers, and starring such entertainers as Bing Crosby, Eddie Cantor, Burns & Allen, Kate Smith, and Al Jolson.²² Off to a beginning that paralleled the opening of a Hollywood epic production, the organization next had to do the real work of obtaining signatures and pledges to the Blue Eagle.

The first and apparently, most important task (as indicated by the fact that over twice as many workers were allotted to this job as to obtaining consumer pledges) of the drive was to obtain signatures from business and professional men on the President's Reemployment Agreement. The PRA, approved under Title I, Section 4A of the NIRA, served the two-fold purpose of attacking unemployment and generating interest in, and support for, the National Recovery Administration. The agreement, to cover from August 1 until either December 31 or the date of an approved code, brought industry and business under the provisions of the recovery act. It ended the employment of children under 16 years of age; it limited work hours for "accounting, clerical,

banking, office, service or sales employees" to 40 hours in any one week and kept office or business hours at a minimum of 52 hours per week; it restricted industrial laborers to a maximum of 35 hours per week; it set minimum wages at from 12 dollars per week to 15 dollars per week, depending on the size of the community or not less than 40 cents per hour; it required that companies not reduce wages in excess of minimum and not raise prices "more than made necessary by actual increases in production, replacement, or invoice costs of merchandise, or by taxes or other costs..." resulting from compliance with the Agricultural Adjustment Act; it demanded support and patronization of other establishments displaying the Blue Eagle and cooperation in the creation of a code for that particular industry. The PRA also made provision for appeals concerning any articles of the PRA due to any hardship caused by any section of the Agreement.²³

The second task of the Sales Army was much less complex in the terms of the agreement, if much more extensive in the territory to be covered. This was obtaining the signatures of the city's residents to the Consumer's Agreement, pledging support of only those companies who had signed the PRA and displayed the Blue Eagle. The Loyalty Army accomplished this goal by dividing the city into zones with a regiment assigned to each. The volunteers then sold the NRA door-to-door like recovery-encyclopedia vendors.

In addition to the workings of the Volunteer National Recovery Sales Army, radio programs, and local speakers, the NRA promoted its Blue Eagle Drive through several other means. The recovery committee held a five mile long parade of the unemployed and built a twenty foot by 200 foot billboard containing the names of those who had signed the

Blue Eagle pledges. Probably the biggest promotional event was a mass rally held in Oklahoma City on September 6. Washington included the entire Southwestern District in the meeting which listed as its main guests Representative Henry Rainey, Speaker of the House, and resident of Okmulgee Mrs. S. L. Johnson, mother of the NRA's national director.

Oklahoma's initial response to the Blue Eagle Drive overwhelmingly favored the new program. By August 31, over two-thirds of the city's businesses had signed the PRA, and consumer pledges totaled 101,693. The latter included 36,870 white males, 62,778 white females, and a total of 2,045 Blacks. By as early as August 6, 1800 new workers had been added to the city's businesses, amounting to a payroll increase of 15,000 dollars per week. For example, the city's grocery stores added 500 employees by going on a 40 hour work week and six hour work day; M'Ewen-Halliburton Dry Goods Store increased its payroll by 30 workers; and Rorabaugh-Brown Dry Goods Company added 20 employees. In fact, there are indications that Oklahoma City led the nation in the drive for pledges. Praising the efforts of the city, and its director, Ancel Earp, a memo from Washington to all state committees cited the Sooner state's NRA progress as the best example of the national campaign. Oklahoma's efforts in the Blue Eagle Drive even merited a visit from Harry Hopkins, head of the Civil Works Administration and principal advisor to President Roosevelt; Hopkins met with campaign workers and the city's Chamber of Commerce on August 23.²⁵

Oklahoma's oil interests formed the principal industry in the state, and this group actively participated. Oklahoma was the first among the oil-producing states to accept the petroleum code provisions and come under the Blue Eagle. Many of the big oil companies (including

Continental Oil, Magnolia Petroleum, Gypsy Oil, Marathon Oil, Mid-Kansas Oil & Gas, Phillips Petroleum) were among the earliest to sign the PRA, reemploying 2,200 workers and increasing the state's buying power by 5,500 dollars per day.²⁶

Citizens of the Sooner state expressed their support in many other ways besides simply signing their pledges. State newspapers stated their views in the form of editorials and editorial cartoons calling for full cooperation with the President and the recovery program. The University of Oklahoma announced that it planned an addition of forty new courses to be held during the evenings and on Saturdays. These were to help workers use the excess leisure time made available by shorter working hours. Men who were reemployed under the Blue Eagle from Guymon, Oklahoma started the nation's first NRA baseball team. According to the team's captain, G. L. Saunders, baseball helped keep "thoughts of hard times and blue days away from the human mind." The team carried a banner displaying the Blue Eagle to all ballgames, parading with it down the town's main street.²⁷

In addition to the more traditional business, professional and citizen's groups who promised to work for the Blue Eagle, Oklahoma's more radical elements also offered their suggestions and support. The Progressive Youth of Oklahoma, an organization of young Socialists, Communists, and Liberals backed the NRA, but promised to keep it honest by lobbying for strict enforcement of the codes. Leftist help also came from Oklahoma's United Front which included the Veterans of Industry, Farmers and Workers of America, the International Labor Defense, and the Socialist and Communist parties. This group offered several names for labor representatives on the compliance board, none of whom

were accepted. The stand of Oklahoma's Left ran counter to that of its national brothers. For example, the National Executive Committee of the Socialist Party, in a statement issued July 4, 1933, denounced the NRA as only dealing with the symptoms of a far more pervasive disease. The Socialists also feared that this arrangement easily could have been turned into an American type of Fascism.²⁸

Every aspect of the National Recovery Administration at the state level, as illustrated by Oklahoma, leaned very heavily toward the conservative side of the socio-economic and political scale. The state and local organization remained in the hands of upper and upper-middle class, business-oriented groups such as the trade associations and the Chamber of Commerce. The membership and the methods of the varied sub-committees reflected this conservatism. For example, the Compliance Committee had only two union members, making it very difficult for workers to battle successfully against management interest. The secrecy of the exceptions group also made it easier to hand down potentially unpopular rulings. Moreover, the propaganda section's patriotic appeal effectively silenced early dissent by labeling it un-American. Even the NRA's recognition of Blacks and women did so only within the framework of their "place" in society. And this conservative, traditional approach created tremendous popular support for the Blue Eagle. At first, groups from all sides of the political spectrum (even the Left in Oklahoma) offered their help to the President in getting his program started. Yet, very quickly the honeymoon was over and the NRA came under increasingly heavy fire for its actions and its failure to act.

FOOTNOTES

¹Bryant, p. 236.

²Ancel Earp to William Murray, August 8, 1933; William Murray to Ancel Earp, August 24, 1933. All letters, memorandum and documents concerning the state NRA, unless otherwise indicated, were found in an Oklahoma City Chamber of Commerce scrapbook entitled N.R.A. Campaign in Oklahoma City, 1933-34; there are no page numbers for this book.

³Ancel Earp to Boaz Long, August 19, 1933.

⁴Edward E. Dale & Morris L. Wardell, History of Oklahoma (Englewood Cliffs, N.J.: Prentice-Hall, 1948), p. 357-359.

⁵J. Berry King to J. F. Owen, July 25, 1933.

⁶James T. Patterson, The New Deal and the States: Federalism in Transition (Princeton, N.J.: Princeton University Press, 1969), p. 113.

⁷Bryant, pp. 237-251; a close examination of the Session Laws of Oklahoma, the Journal of the House, and the Senate Journal for the fourteenth and fifteenth Oklahoma legislatures showed no indication that a bill of this nature was even introduced or discussed.

⁸NRA Campaign in Oklahoma City, 1933-34.

⁹Ibid.

¹⁰Ibid.

¹¹J. A. Hull to Stanley Draper, October 2, 1933; for the best analysis, to date, on labor-management disputes under the Blue Eagle see Sidney Fine's, The Automobile Under the Blue Eagle.

¹²NRA Campaign in Oklahoma City, 1933-34.

¹³Ibid.; minutes of a general meeting of the National Recovery Council, August 3, 1933; The Oklahoma News, September 1, 1933.

¹⁴For examples of these pamphlets, manuals, and bulletins see NRA Bulletins Number 2 and Number 3, "Manual for the Code of Fair Competition for the Wholesale and Distributing Trade," "Retail Code and Retail Drug Code." "Regulations on Procedure for Local NRA Compliance Boards," "The Consumer's Advisory Board," or "Manual for the Adjust-

ment of Complaints." (All of these were printed by the Government Printing Office in Washington in 1933 or 1934.)

¹⁵Patterson, p. 118.

¹⁶"Pointed Paragraphs for Speakers," (Washington: Government Printing Office, 1933), pp. 6-7, 15; "Helpful Hints for Speakers," (Washington: Government Printing Office, 1933), pp. 33-34; 40-41; also see "Handbook for Speakers," (Washington: Government Printing Office, 1933); Charles Horner and Frank Wilson to the Oklahoma City NRA Committee, August 17, 1933.

¹⁷"What is the NRA?" (Washington: Government Printing Office, 1934).

¹⁸The Edmond Sun, August 10, 1933; The Stillwater Gazette, August 11, 1933; The New York Times, August 14, 1933; August 27, 1933; September 13, 1933; The Daily Oklahoman, August 2, 1933.

¹⁹"Handbook for Speakers," pp. 29-30.

²⁰NRA Campaign in Oklahoma City, 1933-34; Oklahoma, August 31, 1933, p. 4.

²¹The Daily Oklahoman, August 3, 1933; for example see William Wilson's "How the Chamber of Commerce Viewed the NRA: A Re-examination," Mid-America, XLIV (April, 1962), pp. 95-108.

²²"Pointed Paragraphs for Speakers," pp. 2-4.

²³H. Conrad Hoover, NRA Work Materials #82 ("The President's Reemployment Agreement"), pp. 12-14.

²⁴NRA Campaign in Oklahoma City, 1933-34; Stanley Draper to Ancel Earp, September 1, 1933.

²⁵NRA Campaign in Oklahoma City, 1933-34; The Daily Oklahoman, August 6, 1933; The Oklahoma News, July 31, 1933.

²⁶The Daily Oklahoman, September 5, 1933; The Tulsa World, August 3, 1933; The Oklahoma City Times, September 2, 1933.

²⁷The Oklahoma News, September 3, 1933; C. L. Saunders to Franklin D. Roosevelt, August 19, 1933; The Daily Oklahoman, August 3, 1933; August 28, 1933; The Edmond Sun, August 3, 1933; September 7, 1933.

²⁸The Oklahoma News, July 31, 1933; J. T. Bays, C. W. Holloway, and G. E. Taylor to Ancel Earp, August 3, 1933; David Shannon, The Socialist Party of America (New York: The MacMillan Company, 1955), pp. 227-249.

CHAPTER IV

THE EAGLE'S NEST

During the period from August 1933 to May 1935, the Blue Eagle flew through increasingly stormy weather. Struck by the lightening of its potential opponents and buffeted by the winds of its own bureaucratic malaise, the old bird which had started with such a patriotic and powerful climb, barely fluttered by the time the United States Supreme Court gunned it down in 1935. Although it failed in its original goal of stimulating the economy and ending unemployment, the NRA left a significant impact on all aspects of the political and economic scene. The recovery agency definitely affected the nation, causing tangible fluctuations of wages and prices and, even more, the organization influenced the psychology of almost all sections of society. Examining the public statements of opponents and proponents among business, labor, civic and political leaders clearly illustrated this influence. Certain long-range reactions and results developed across the nation along distinct lines, with Oklahoma paralleling this trend in some ways but traveling at right angles in others. By examining these elements, the historian can determine both the response of many segments of the population to the Blue Eagle and the ultimate economic success or failure of the experiment.

In trying to analyze the effect of the NRA on the American economic system, the researcher must be careful not to approach his subject from a monocausal point of view. It is unreasonable to assume that the federal program alone caused all the fluctuations in the economy from

1933 to 1935; the system was much too complex for this. However, the National Recovery Administration had been designed specifically to help business recover from its crippled state, to establish a minimum wage and thereby increase wages and purchasing power, and to create a state on which labor unions could function on a legally sanctioned basis, increasing their power in dealing with management. And, initially at least, the Blue Eagle met with widespread acceptance from business, labor, and consumers. Therefore, it seems safe to assume that the NRA played a significant role in changes that occurred in corporate profits and production levels, prices, employment, wages, and labor's economic position.

The research for this thesis has shown that conservative, business interests controlled the recovery program at the federal, state, and local levels. If this were true, then logically business must have received major benefits from the program, at the expense of other sections of the economy. An examination of figures from 1933 to 1935 has indicated this to be the case. Corporate profits for 290 of America's top industries in 1932 totaled only \$100,000; by 1934 this level had increased to over \$430 million. For example, automobile manufacturers who had suffered a deficit of nearly nineteen million dollars saw their profits rise to more than eighty-six million dollars; steel industries that had a deficit of over \$103 million cut their deficit to \$7.5 million, and chemicals and drugs, from nearly forty-two million dollars in profits to over seventy-eight million dollars. Significantly for Oklahoma, the oil industry had increased its profits from more than twenty million dollars in 1932 to nearly forty-two million dollars two years later.¹ While this did not approach the

mountainous highs in 1929, it represented an increase of over 4000 per cent in two years. Industrial production also demonstrated a climb during the early months of the New Deal. With production indexed at 100 for 1899, industry dipped from 308 in 1929 to 163 in 1932, but by 1934, this figure had increased to 205.² Another more negative indicator, business insolvency, also painted a favorable picture of industry. From a high of 900 failures in January 1932, the insolvency trend reached a low of 170 in September 1934.³ All three of these indicated that business had done much better under the Blue Eagle than it had done from 1929 to 1932.

While industrial recovery, the first objective of the NIRA, succeeded, the second, alleviation of unemployment, failed miserably. In March 1933, the low point in the depression valley, more than thirteen million American workers sought some means of employment. With 1929 equalling 100, this indexed at an unhealthy fifty-six. By November 1934, after more than a year of reemployment under the Blue Eagle, the United States still had over eleven million in the ranks of the unemployed, an index score of seventy-three. Although unemployment had declined seventeen points, for such an extensive venture as the NRA still to remain twenty-seven points off the level of 1929 expressed the remarkable degree of its failure. If Oklahoma fared better than other states it was due to the condition of employment in the petroleum industry. From March 1933 to November 1934, unemployment in oil declined thirty-six points, more than twice the national average.⁴ But even in the Sooner state, the patient still was listed on the critical list. Wages had made some increase under the auspices of the NRA, but hardly enough to have a significant effect on the sick

economy. Per capita weekly income reached a low of \$16.32 in April, 1933. Watched by the Blue Eagle, this climbed to a high of \$19.96 in April, 1934, an increase of \$3.64 or twenty-two per cent. Unfortunately for the workingman, during the same time period, the cost of living index had risen eight points or twelve per cent, cutting that wage increase in half. Wages in the petroleum industry actually declined twenty-eight cents during this period. But even in April, 1934, its weekly average of \$27.13 was well above the national level.⁵ Even with these minor increases in wages, the national incomes, adjusted for cost of living, declined from nearly six billion dollars in early 1934 to almost five and half billion dollars later in that year. Though this measured slightly more than the low of early 1933, it still remained well below the nearly seven billion dollars of 1929.⁶ A marked increase in purchasing power was essential to national recovery in the Great Depression. Without it industry had no incentive to increase production, add more employees to the payroll and, put more money into the economic cycle in the form of payrolls. Company profits may have demonstrated a sharp rise under the Blue Eagle but wages did not, and without that the National Recovery Administration and the New Deal largely failed in their primary objective. The economic downturn would be dealt its death blow only with the coming of the war years in 1939, and the corresponding high level of industrial output, employment, and wages.

In addition to the creation of a minimum wage, another expressed purpose of the recovery program, was establishing maximum hours in the coded industries. The creators of the NRA had designed this provision to end the tremendously long working hours in some businesses, and also

to force employers to hire more workers to fill in the lost man-hours. The hours worked per week averaged forty-nine in April, 1929 and had declined to thirty-six by the same month in 1934.⁷ At least this indicated that those who had jobs might have had an easier time in the factory. But this had little impact on the total economy. The previous pages have shown that there had been little increase in wages or decrease in unemployment. If this were true, then the ultimate effect of the shorter hours could not have been good. Less hours and fewer workers led to a smaller national payroll. Thus, the American worker's ability to purchase consumer goods had been weakened considerably by the Blue Eagle, hindering recovery rather than helping it.

Besides wages and hours, the National Recovery Administration weakened prices, yet another area of the economic structure. The only saving grace to a normal depression is the fact that prices remain depressed along with lower wages and higher unemployment. The NRA definitely had a detrimental effect on the purchasing power of American workers and consumers, as well as adversely affecting prices. Prices for all manufactured commodities, based on a 1926 level of 100, bottomed at fifty-nine in early 1933. However, under the direction of the federal recovery program, costs rose to seventy-eight, an increase in nineteen points. From 1929 to 1933 wholesale prices had jumped eighteen per cent, retail food, clothing, and housefurnishing prices had climbed twelve per cent. These increases must have delighted industrialists whose profits were on the upswing. But workers and consumers suffered through the high prices. Real per-capita earnings for manufacturing employers had leveled off five per cent higher by 1934, but that hardly compared to the rate at which prices

had climbed during the same period. Increasing prices as result of the Blue Eagle also were reported in Oklahoma. These included an increase in the cost of meals five to twenty cents and in the price of a haircut to fifty cents.⁸ Increasing costs further hurt the nation by decreasing the consumer's ability to buy the products, which form the basis of a modern economy. The NRA influenced rising prices through its indirect general effects on the economic structure, but it also had a more direct impact. In many industries the Administration instituted minimum price levels to shore-up seriously dislocated businesses. Though of limited success, where it did work, this procedure kept prices at levels which only could have been maintained by artificial means, allowing industry to resist consumer pressure aimed at lowering those prices.⁹

From today's perspective the Blue Eagle obviously failed in almost every area but one. Millions remained unemployed, wages increased at only a minimal level while it cut hours and prices jumped. But American business built a solid framework of expanding profits on the base of the rest of the economy's weaknesses. Yet the views of the people who lived in the Thirties toward the NRA varied from the clear, cold, mountain stream of reality, to the mixed and muddled man-made lake of practical politics, to the red-mud Oklahoma creek of blind misconceptions. These all ran through the gamut of responses from business, consumers, politicians, editorials, and labor. And while these unofficial reactions to the NRA appeared across the nation an official body, the National Recovery Review Board, met in Washington to analyze the effects of the Blue Eagle.

After extensive criticisms and political pressure, especially from

Senator Gerald Nye of North Dakota, President Roosevelt established the National Recovery Review Board in March, 1935. The old radical lawyer, Clarence Darrow, chaired this body which met to study the effects of the NRA on business relationships, especially its tendency toward fostering monopoly. During the ensuing four months the Review Board sat in judgment on thousands of complaints and over thirty codes, and finally turned out a three-part report on the Blue Eagle. If the Administration expected a white-wash from the committee, the Darrow Report, as it was called, must have come as a sharp slap in the face. The document vehemently attacked the NRA for fostering "those practices and systems under which one per cent of the nation's population has been enabled to possess itself of sixty per cent of the nation's wealth," or in other terms, monopoly. The Board declared that in the majority of the industries, big business had written the codes and administered them, contrary to the interests of the nation and the public, solely to attain more power and profits. The Board also believed that there was a conspiracy to continue these monopolistic practices despite the government's knowledge of their existence. In fact, the government had only helped big business consolidation by denying government contracts to any industries not adhering to their codes, hurting small enterprises.¹⁰ The Review Board examined and made recommendations on numerous codes, including that of the petroleum industry. Monopoly also had grown in oil, especially in the area of marketing where most of the small independents conducted business. According to the Report, big oil used the profits it made in one branch of the industry (usually pipe lining) to pay for its attack on the independents in marketing. To promote the reality of fair competition,

the committee called for the separation of those big oil companies which controlled more than one branch of the industry into separate businesses for each branch.¹¹

The Administration received the Darrow report with all the friendliness of a timber rattlesnake. The agency's staff attacked the Board's conclusions as inaccurate and superficial, and its members as socialists and anarchists. Generally, liberal historians (such as Arthur Schlesinger, Jr.) have criticized Darrow and his fellow committee members for their inconsistencies and their ideologies. There are obvious irregularities in the Darrow Report, but they seem to come from men whose sympathies lay in the direction of a socialist economic system, trying to make their suggestions fit within a capitalist framework. What the members of the Roosevelt executive branch and their apologists chose to ignore was the basic truth of the Report's argument. The NRA only succeeded in rebuilding business profits; moreover, industrial control of the making of the codes, their enforcement, and the membership of the federal, state, and local agencies made the growth of big business inevitable.

Besides the Darrow Report, other Leftist critiques of the NRA appeared during its short lifetime. A group of diverse individuals whom R. Alan Lawson has called the "independent liberals" (they rejected both Marxism and the New Deal) attacked the NRA program for its surrender to business influence and its tendency toward a fascist type of economics.¹² Further to the left, the Communists and Socialists also leveled their fire at the Blue Eagle. Earl Browder, head of the American Communist Party, criticized the NRA for its legalization of company unionism and compulsory arbitration as well as its threat to

the worker's purchasing power. The Socialists, led by Norman Thomas, also aimed a cutting critical sword at Roosevelt's program. At its best, the NRA was a return to Hooverian conservatism; at its worst, the agency created a big business-government alliance which fixed prices, made more profits for industry, and tried to cripple the working man and his attempts to organize.¹³

Business, the primary object of much of the Left's objections, also reacted strongly to the recovery program. Most businessmen, both inside and outside of Oklahoma, favored an extension of the NIRA when that subject came before Congress in May, 1935. Such individuals and organizations as Charles Fahy, Chairman of the Petroleum Administrative Board, Samuel Lamport of the Wholesale Dry Goods Institute, C. S. Reynolds of the American Trucking Association, and Arthur Brown of the Independent Petroleum Association supported extending the NRA for two more years because of its beneficial effects on profits and industrial organization.¹⁴ Other industrialists, including H. L. Findlay of the National Conference of Bituminous Coal Producers, Ward Cheyney of the Industrial and Business Committee for NRA Extension, and A. M. Greenwood of the Committee of 10,000, also wanted a continuance of the NRA only with stronger provisions to protect their special interests.¹⁵

The Chamber of Commerce, a key reflector of conservative, business attitudes, and instrumental in the operation of the NRA, called for an extension of the program. But, at the same time, that body registered its disapproval of certain provisions and asked that definite changes be made in the new law. The Chamber wanted industry to make its own codes, with enforcement handled at the local level; it

asked that the NRA cut its publicity campaign to a bare minimum; and most significantly, this body demanded a major revision in Section 7A which would have eliminated the closed shop and emasculated union organization. Almost a year earlier key members of the Oklahoma City Chamber had recorded their reluctance at fully supporting the Blue Eagle due to what they called "unconsidered" enforcement of compliance coming from unclear federal regulations.¹⁶

Dissatisfaction with the Chamber in Oklahoma City led to hesitancy within its protege, the National Recovery Committee. At a meeting in May, 1934, that latter body expressed its growing unhappiness with the Blue Eagle program. Three key members, Victor W. Harlow of Harlow Publishing Company, C. F. Myers of Myers Motor Company, and L. A. Macklanburg of Macklanburg-Duncan Company, called for the committee to conduct a survey on continued support for the Blue Eagle among the city's businessmen. The questioning of eighteen major business associations in the city led to some surprising revelations. Eight of the groups responded that they were completely satisfied with the NRA and its enforcement procedures. These answers varied from generally favorable by Mike Monroney of the Oklahoma City Retailers Association, to excellent results from Oles Clouse of the Oklahoma City Shoe Retailers Association. Another three respondents generally agreed with C. F. Anderson of the Oklahoma Association of Ice Industries who approved of the NRA but wanted improved enforcement procedures. The last five groups felt that the recovery program had been ruinous or injurious to their industries, usually because of the wages and hours provisions.¹⁷

The National Recovery Administration was not without its strong

business opponents at the national level as well. Leading business publications called for an end to the NRA's "bureaucratic tyranny" and a return to an economy regulated by its own natural forces. At the House hearings on extension of the program such individuals and organizations as John E. Edgerton of the Southern States Industrial Council, Q. Forrest Walker of R. H. Macy and Company, and the National Retail Hardware Association opposed the Blue Eagle, either on philosophical grounds or due to the damage it had done their particular group.¹⁸ Generally, however, business realized that the NRA had done them a great service despite the new federal controls on the economy. Even with the despised labor provisions, the recovery program had legalized monopoly by circumventing the antitrust laws and had reaffirmed the primary role of capitalism in American economic life. But other interest groups with which the NRA dealt, showed stronger, if varying, degrees of dissatisfaction with the program.

The largest, unorganized body which had gained recognition under the NIRA was the consumer. Realizing the need for representation from the buying public, the Administration had included a Consumer's Advisory Board in the administrative hierarchy of the NRA. Headed by Mary Rumsey, a leading Democrat and friend of many members of the New Deal family, and staffed by such individuals as veteran liberal Fred-eric Howe and economist Gardner C. Means, the C.A.B. tried to represent the public interest in a business-dominated organization. Continually frustrated by its conservative opponents, the Consumer's group finally called for a revision of the recovery program, including a simplification of the codes with more protection for the consumer and more public power within the code authorities. Without these changes the C.A.B.

felt that business would continue to run rampant over the interests of the majority of Americans. Other consumer groups also registered complaints about the Blue Eagle. These organizations wanted better enforcement of the sections concerning wages, hours, child labor, and collective bargaining and an end to those codes which fostered monopoly and favored the rich over the poor.¹⁹ Oklahoma's public reaction ran the gamut from liberal to conservative, with more people probably tending toward the latter. Oklahomans either believed that they were better off because of the NRA, or wanted less federal intervention at the state and local level, or called the New Deal a trial of broken promises and the Blue Eagle, that "despised blue fowl."²⁰

The Blue Eagle campaign and the NRA recognized the singularly important role of women to the nation's economy. Eleanor Roosevelt wrote a book in 1933 in which she concluded that the success of the New Deal and the NRA depended on the active support of women. Yet the fact that she published it under the name Mrs. Franklin D. Roosevelt indicated the traditional, second class status allocated to women by the NRA. Militant feminist groups, such as the Women's Party, deplored the fact that the NRA allowed employers to establish dual wage scales for men and women doing the same work. Less radical organizations, such as the National Women's Trade Union League, suggested that the recovery program had helped equalize women's wages with those of men, but that much more needed to be done.²¹ Although President Roosevelt had appointed the first woman to a Cabinet post, (Frances Perkins as Secretary of Labor), the first woman director of the Mint, and the first woman minister to a foreign nation, indica-

ting a type of New Deal for women, the liberation of the fairer sex did not come with the National Recovery Administration.

Blacks also caught the eye of the Blue Eagle and merited special, if segregated, treatment during this publicity campaign. Blacks had suffered even more than the rest of the public as a result of the depression; unemployment among Black workers was thirty to sixty per cent higher than among white counterparts. Besides normal American racial attitudes, Blacks largely worked in particularly depressed industries such as construction and bituminous coal and frequently were unskilled, always the first to be laid off in times of economic illness. Blacks needed a recovery program badly, but the NRA failed to provide them with jobs or minimize racial discrimination. A minor victory had been won when the Administration prohibited racial and geographical wage differentials, despite the requests of Southern businessmen. But, as usual, the Blue Eagle's actions sang a different tune than did their words. Where wages were kept on an equal basis, white employers hired Blacks last and fired them first. Businessmen accomplished displacement of Black workers on an informal, individual basis. But some communities, such as Tulsa, formalized this through laws prohibiting Black employment in certain trades or in certain sections of the community. Besides this type of discrimination, many businesses blatantly evaded equal wages, and the NRA rarely enforced the law. (Of 155,000 cases recorded at the state level, about 1500 reached the national office, and only 564 were taken into court.) Blacks became so dissatisfied with the Blue Eagle, that they called it the "Negro Removal Act." The disgruntlement of Blacks became visible in Oklahoma City very early. A committee of three Negroes appeared

before the city's NRA committee in August, 1933 and complained of racial discrimination. According to this group, the Blue Eagle campaign resulted in Black workers being fired and replaced with whites. The Black delegates leveled specific charges at Sears, Roebuck, and Company, and accused the Chamber of Commerce of encouraging the practice of racism. Stanley Draper of the Chamber denied that discrimination against Blacks permeated Oklahoma's economic system as it did the rest of the nation's.²² The Great Depression brought even greater hardship to Blacks than to white Americans, and the NRA did even less to help that group than it had for others more accepted and more powerful.

Lastly the NRA directly influenced both organized and unorganized labor. Unionism, or the attempt to give the workingman a viable and powerful voice with which he could carry complaints to his employers, had been a part of the American economic system since the Knights of Labor in the 1870's. Organized labor had struggled for over a half century against industry, and its partners, federal, state and local governments, just to obtain the legal right to exist. A long, uphill fight, the major battles seemed to be won by the end of World War I. By 1919-1920 over four million workers belonged to the largest American labor union, the American Federation of Labor, and during those two years labor struck over seven thousand times. Yet in the next ten years unionism went into a tailspin, bringing it to a low point unmatched except in the earliest years of its existence. Membership in the A. F. of L. fell to a low of 2.8 million in 1926 and strikes bottomed at 629 in 1928.²³ A number of factors precipitated this decline which only slowed after the NRA became law and did not halt

until the Congress passed the Wagner Act in 1935. A key problem plagued the organization of the A. F. of L.: the weakness and conservatism of its leadership stifled any efforts at organizing outside the traditional trade or craft union structure. Unionism regained its lost status only after John Lewis's Congress of Industrial Organization swept into the unorganized, mass production fields. The prosperous economic scene also made organizing difficult; and business expansion grew largely in unorganized industries. The actions of business also militated against union success. Employers worked against organized labor by granting greater benefits to non-union workers, undercutting the basic purpose for organization. Where unions had gained a foothold, business moved against its workers in full force. Using such anti-union devices as the yellow dog contract, court injunctions, blacklisting, spies, company police and company unions, employers methodically, vehemently, and successfully attacked unions, their rank and file, and their organizers.²⁴

At this point in the turbulent years of American labor, Franklin Roosevelt, the New Deal, and the NRA thundered onto the political scene. The National Recovery Administration carried the promise of Section 7A and a new hope for unionism; but those seeds of promise and hope fell on unfertile ground and grew only with great difficulty. Section 7A granted labor the right to organize without interference from their employers. Yet the Blue Eagle failed to clarify the means of determining representation and the duty of employers to deal with these representative bodies. Business blatantly ignored the provisions of the law, and the government aided their cause by doing little to enforce the NIRA in the federal courts. Clearly, the federal recovery

program was not labor's "Magna Carta," as William Green, President of the A. F. of L., had described it two years earlier.²⁵

But, the Blue Eagle did provide unions with a psychological boost which added members to its ranks and militancy to its attitude. Commanded by a small army of Communists, Socialists, Trotskyites, and other leftists, union organizers invaded the large, mass production industries. In 1934 these leftist-led unions walked off their jobs in three major strikes. The walkouts by auto workers in Toledo, Ohio, by longshoremen on the West Coast, and by truckers in Minneapolis established the framework for all later major victories. But unions could not have achieved those victories without a more substantive law than the NIRA. This came with the Wagner Act of 1935. After the New York Senator's bill became law work stoppages involving organized labor climbed from 400 in 1933 to 100 in 1934 to 2500 in 1937, and union membership sky-rocketed to nearly six million workers.²⁶ In May, 1935 organized workers struck the Wilson Packing plant in Oklahoma City illustrating labor's renewed militant spirit and the failure of the NRA to protect working men's rights. The strike formed a microcosm of nearly all the major labor struggles since the 1880's and clearly demonstrated that labor's New Deal came with the Wagner Act, not the NRA.²⁷

The Amalgamated Meat Cutters and Butcher Workmen's Union, an affiliate of the A. F. of L., and the Wilson Company Meat Packing plant had a prolonged antagonistic history both in Oklahoma City and across the nation. The Amalgamated, the city's second largest union, had attacked Wilson all across the organizational front in an attempt to obtain national and local recognition as sole bargaining agent for

the company's workers.²⁸ In June 1934, the Oklahoma City local went on an eight day walkout and obtained Wilson's commitment to recognize the union as a bargaining representative. However, after a year of frustrating dealings with the company, the Amalgamated sent an open letter of complaint to Wilson, threatening a strike if these grievances were not settled. According to the letter, the workers had six conditions which the company must improve: (1) Wilson had refused to recognize seniority rights; (2) it had failed to grant the right of collective bargaining; (3) it had insulted and ignored the union's grievance committee; (4) company foremen had sought to destroy the union; (5) Wilson had spread false rumors about an impending strike; and (6) the company had discussed fomenting a strike in order to crush the union. The local plant manager, W. W. Martin, immediately denied these charges and blamed the trouble on union agitation.²⁹ The stage was now set for an eight month battle finally ending in a union victory but without the help of the NRA.

Like all strikes, the one at Wilson and Company passed through a series of steps from a verbal to active to inactive before both sides came to an agreement. In the first step the union and the packers used rhetoric to justify their position and attack that of their opponents. The Amalgamated claimed that it did not want to strike but its grievances were just and the Company must meet them. Gomer Smith, counsel for the union, charged that the packer's trust had conspired to crush the Amalgamated on a nationwide scale and already had ignored several of the NRA's rulings on labor relations. Edmund Foss Wilson, President of Wilson and Company, disclaimed any violation of the 1934 agreement; and W. W. Martin stated that the doors of his office always

were open to his workers and that he would act on any responsible complaint.³⁰ Both sides had drawn the lines, both had stated the rightousness of their cause, and that made early settlement most difficult.

Union organizers feared the results of a strike during such hard times; so many hungered for any type of job. The Amalgamated hoped that a walkout could be averted through the offices of the National Recovery Administration. At the union's request, Blue Eagle representative Dr. Edwin A. Elliott arrived in the city on May 24 to mediate the conflict. Although the Supreme Court had killed the NRA by the end of the month, Dr. Elliott had been completely unsuccessful in getting the two sides together. Wilson and Company refused to recognize his right to arbitrate the dispute. The organizers also appealed to the Chamber of Commerce's labor relations committee but that group refused to interfere at any time before or during the strike. Early in June, J. C. Howard, from the Department of Labor, had no more success at negotiations; this left the Amalgamated with no choice but to walkout or suffer a disastrous defeat.³¹ The NRA's roll at the early stage was small but very significant. The agency had failed on other occasions to enforce its labor decisions against Wilson which made the company's reaction inevitable. The recovery law had established organized labor's rights to collective bargaining but the NRA's business leadership did little to see that industry obeyed those laws. The Blue Eagle's failure at arbitration directly influenced the strike in Oklahoma City. It also created an atmosphere which preserved Wilson's ability to battle organized labor to a standstill.

On June 4, after a vote of 381-13, 375 members of the Amalgamated

Meat Cutters walked out of the Wilson plant, beginning one of Oklahoma City's longest strikes. The union's strategy included a picket line, physical and verbal discouragement of strike breaking, anti-company propaganda, and a boycott of Wilson products. The latter was the most successful as the Amalgamated persuaded its own members and those of the Retail Clerk's, Oil Worker's, and Electrical Workers' unions to back the boycott. Later the city's Trades and Labor Council accepted the ban on Wilson meats, aligning 14,000 laborers with the strikers. Organizers eventually appealed directly to the consumers not to buy the products and then expanded the boycott statewide. Although Wilson denied the fact, even the Chamber admitted that the boycott proved extremely effective in the city. The union showed remarkable restraint in its use of anti-company violence. Very few battles occurred between strike breakers and pickets; on one occasion the Amalgamated even went so far as to sing hymns to workers as they left the plant.³²

Wilson and Company blasted the strikers with all the traditional weapons that had been employed against organized labor for years. The packers verbally assaulted the union and its cause, denouncing the walkout as the work of out-of-state, communist agitators; they also accused the unions of excessive violence against non-union workers. Wilson hired strike breakers, mostly Blacks to run the plant; they then claimed that the plant was operating at full production, denying that the strike adversely affected them. However, at the same time they took out large ads in the local newspapers proclaiming the justice of their cause and urging striking employees to return to work. Simultaneously, the company issued an ultimatum warning the strikers that their jobs would be filled if they did not immediately return to work.³³

Wilson had some very strong allies in the agencies of the community, the government, and especially the Chamber of Commerce. The Chamber investigated the Amalgamated, employing at least one spy, and reported to the company concerning possible communist influences. That body, which had been so influential in the local NRA, also actively worked against the union's boycott of Wilson products.³⁴ Two of the city's three newspapers carried anti-union editorials at various times and in some instances printed biased stories.³⁵ The city police kept a very close watch on union activities and hired numerous new deputies to handle potential violence. The Amalgamated later accused the police of trying to break the strike by arresting key labor leaders. Though the union's report was obviously biased, it fit a long history of anti-labor activity on the part of various police agencies across the nation. And, of those arrested for violence during the strike, twenty-one belonged to the union, while only five served as strike breakers. The Governor's office even got involved in the dispute; E. W. Marland warned the strikers against further violence, kept the National Guard in a state of readiness, and stated his willingness to use them if things got out of hand.³⁶

Despite having to fight a war on two fronts, against the company and against the government, the Amalgamated Meat Cutters held their picket lines for over eight months. Appealing first to the NRA and then to the Department of Labor, the strikers and the federal agencies failed to force Wilson to bargain with the union. Finally, after Congress passed the Wagner Act in July 1935, union organizers took their case before the National Labor Relations Board. There the strikers won recognition of the Amalgamated as the collective bargaining agent

for Wilson plants throughout the United States, and the Oklahoma City strike quietly ended.³⁷ Why did Wilson accept arbitration by and the decision of the Wagner Board when it had not accepted those of the NRA? The Blue Eagle repeatedly had demonstrated that its flights favored business over organized labor. The packers sensed no pressure from the recovery agency and knew that precedent supported Wilson's position. But the company knew that the federal government would back the NLRB; besides, the company preferred recognition of an affiliate of the conservative A. F. of L. to one of the many, more radical groups organizing under the new C. I. O.

Organized labor, consumers, small businessmen, and the public felt the extensive effects of the National Recovery Administration. Unfortunately for these depressed groups and individuals, that influence did as much harm as good. Only big business gained significant advantages from the Blue Eagle through its increased profits and especially through its new alliance with the federal government.

FOOTNOTES

¹"Report on the Operation of the National Industrial Recovery Act," prepared by Research and Planning Division, NRA (February, 1935), p. 42. Hereafter cited as "Report."

²Ibid., p. 43.

³"Charts on the Operation of the National Industrial Recovery Act," prepared by Research and Planning Division, NRA (February, 1935), p. 135. Hereafter cited as "Charts."

⁴"Report," pp. 31, 56-58; W. J. Maguire, NRA Work Materials #12 (Employment, Payrolls, Hours, and Wages in 115 Selected Code Industries, 1933-1936), p. 168.

⁵"Hours, Wages, and Employment Under the Codes," prepared by Research and Planning Division, NRA (January, 1935), p. 88. Hereafter cited as "Hours."

⁶"Charts," p. 141.

⁷"Hours," p. 43a.

⁸"Charts," pp. 34, 74; The Oklahoma News, August 3, 1933.

⁹Saul Nelson, NRA Work Materials #56 (Minimum Price Regulation Under Codes of Fair Competition), pp. 184-191.

¹⁰National Recovery Review Board, "Third Report to the President of the United States," (Darrow Report), pp. 29-35.

¹¹National Recovery Review Board, "Second Report to the President of the United States," (Darrow Report), pp. 58-62.

¹²R. Alan Lawson, The Failure of Independent Liberalism, 1930-1941 (New York: G. P. Putnam's Sons, 1971), pp. 61-75. Lawson's "independent" liberals include such men as Lewis Lorwin, George Soule, and Stuart Chase.

¹³Loren Bartiz, ed. The American Left (New York: Basic Books, Inc., 1971), pp. 246-255; Norman Thomas, After The New Deal, What? (New York: The MacMillan Co., 1936), pp. 16-56.

¹⁴Hearings on Extension of the NRA Before the Committee on Ways and Means of House of Representatives, May 20-24, 1935 (Washington: Government Printing Office, 1935), pp. 321-326, 697-699, 704-705, 717.

- ¹⁵ Ibid., pp. 562, 597-612, 775.
- ¹⁶ Nation's Business, XXIII (February, 1935), p. 60; Stanley Draper to Frank Buttram, March 31, 1934.
- ¹⁷ Minutes of Recovery Committee meeting, May 23, 1934; results of survey in NRA Campaign in Oklahoma City, 1933-1935.
- ¹⁸ Forbes, XXXV (May 1, 1935), p. 9; Commerce and Finance, XXIV (June 5, 1935), p. 470; Forbes, XXXV (May 15, 1935), p. 26; Hearings on Extension, pp. 380-395, 539-547, 462-509.
- ¹⁹ Persia Campbell, Consumer Representation in the New Deal (New York: Columbia University Press, 1940), pp. 27-87, 279-289; Hearings on Extension, pp. 623, 764-766.
- ²⁰ The Ada Evening News, May 28, 1935; The Enid Events, May 23, 1935; The Bartlesville Enterprise, May 3, 1935 and May 23, 1935.
- ²¹ Mrs. Franklin D. Roosevelt, It's Up to the Women (New York: Frederick A. Stokes Co., 1933), pp. 248-263; William L. O'Neill, Everyone Was Brave (Chicago: Quadrangle Books, 1969), p. 293; Hearings on Extension, pp. 699-704.
- ²² Raymond Wolters, Negroes and the Great Depression (Westport, Conn.: Greenwood Publishing Corporation, 1970), pp. 83-219; John P. Davis, "A Black Inventory of the New Deal," The Crisis, XLII (May, 1935), pp. 141-154; Minutes of NRA Executive Committee meeting, August 30, 1933.
- ²³ "Report," p. 63.
- ²⁴ Irving Bernstein, The New Deal Collective Bargaining Policy (Berkeley: University of California Press, 1950), pp. 1-17.
- ²⁵ Joseph Rayback, A History of American Labor (New York: The Mac-Millan Co., 1959), pp. 320-332; Irving Bernstein, A History of the American Worker, 1933-1941 (Boston: Houghton Mifflin Co., 1970), pp. 172-185; Sidney Lens, The Labor Wars (New York: Doubleday and Co., Inc., 1974), pp. 286-289.
- ²⁶ Lens, pp. 283-338; Bernard Karsh and Phillips L. Garman, "The Impact of the Political Left," in Milton Derber and Edwin Young, eds. Labor and the New Deal (Madison: The University of Wisconsin Press, 1957), pp. 77-121; R.W. Fleming, "The Significance of the Wagner Act," in Derber and Young, pp. 121-157.
- ²⁷ Labor's history since the 1880's has been drawn from general readings in Bernstein, Rayback, and especially Lens.
- ²⁸ For a history of the Amalgamated's struggle see David Brody, The Butcher Workmen (Cambridge, Mass.: Harvard University Press, 1964).

²⁹Gomer Smith to W. W. Martin, May 15, 1935; The Daily Oklahoman, May 16, 1935.

³⁰The Daily Oklahoman, May 17, 1935 and May 22, 1935.

³¹Ibid., May 24, 1935.

³²Ibid., June 4, 1935; June 5, 1935; June 7, 1935; Maury Hopkins to Governing Board, Industrial Division of the Chamber of Commerce, July 18, 1935; The Oklahoma News, June 27, 1935.

³³The Daily Oklahoman, June 4, 1935; June 5, 1935; June 6, 1935.

³⁴Minutes of Labor Relations Committee meeting, May 3, 1935; Maury Hopkins to Stanley Draper, n.d.

³⁵The Oklahoma City Times, June 6, 1935; June 24, 1935.

³⁶Ibid., June 6, 1935; June 11, 1935.

³⁷The Oklahoma News, June 30, 1935; February 5, 1936.

CHAPTER V

CONCLUSION: THE EAGLE'S LEGACY

At high noon on Monday, May 27, 1935, the nine justices of the United States Supreme Court met to decide the fate of the NRA, and possibly the entire New Deal. On April 1 the Second Circuit Court of New York had ruled in favor of the Blue Eagle in the case of United States v. A.L.A. Schechter Poultry Corporation. The NRA stood before the court of the last resort to hear if its actions of the last two years were constitutional. Tension clung to the room like a heavy ocean fog as the nine justices filed in to take their places at the bench. After quickly killing the Frazier-Lemke farm mortgage act, Chief Justice Charles Evans Hughes began to read the Schechter decision. By a unanimous vote the Court declared the National Industrial Recovery Act unconstitutional. The Chief Justice based the ruling on two points: first, the legislature had delegated some of its power to the executive branch illegally; and second, the law interpreted the interstate commerce clause much broader than its constitutional limits permitted.¹ Yet, in many ways, because of its pro-business organization and its conservative leadership, the recovery program never really lived. The nine "old men" had not destroyed the NRA; rather, it had destroyed itself by failure to promote economic rehabilitation, establish industrial ethics, protect the consumer, and give organized labor its place in the sun, all responsibilities of the Blue Eagle's leaders.

The principal program of the New Deal had not solved the problems of its own bureaucracy nor the difficulties of a seriously ill economic

system. Business profits climbed but so did prices; wages constantly remained below the cost of living. The NRA hardly touched the morass of unemployment; millions were still out of work and many were turning to more radical solutions, ones that apparently had succeeded in Fascist Italy and Communist Russia. Yet the NRA's failure had been almost inevitable from its beginning because the Administration had refused to make any fundamental changes in the economic structure.

Beginning in 1933 the NRA's organization and leadership had been too conservative. Unfortunately, the national agency had selected its leaders almost completely from among businessmen and industrialists. General Hugh Johnson and his co-workers had enough foresight to see the benefits business-government cooperation could create; they were also aware that this method would preserve capitalism in the United States. At the state and local level the Blue Eagle searched for its leaders among trade associations and Chambers of Commerce. Oklahoma City clearly illustrated this. Ancel Earp, insurance man, Mrs. J. J. Volz, woman's club president, Victor N. Harlow, publisher, all of these individuals came from the city's powerful business elite. The city's Chamber gave its full support to the NRA effort, recognizing that the right people controlled the recovery committees. The Chamber's leaders quickly realized the possibilities of a national organization such as the NRA. Initially the new relationship, as well as increased appropriations, established a medium for more effective lobbying by local leaders at the federal level. Men who served in the Chamber and the NRA continuously pushed for public works money; these appropriations included enough money to pay for flood control at Fort Reno on the North Canadian River.² Besides more money, the city's leaders hoped

that the NRA might be used to further the interests of Oklahoma City. First, using the Blue Eagle campaign, the Chamber focused the attention of the eight southwestern states on Oklahoma City as a great interior wholesale and retail market and distributor.³ Thus it promoted the city as a regional headquarters for NRA-affiliated trade associations, and as a vital urban center of the future.⁴

The recovery agency employed methods which showed a conservative influence. Codemaking became an exercise in big business regulation of big business. Industrial leaders formed institutes or joined associations, wrote their own codes of fair competition, and then easily obtained their adoption. And when the NRA created governing boards for a particular industry, business leaders carried a majority vote. Thus, the NRA resulted in an increase in business consolidation and power at the expense of the small entrepreneur, the consuming public, and organized labor. The increasing importance of a conservative, big business-government alliance proved most successful in Oklahoma's vital petroleum industry. Beginning with legalized monopoly under the NRA, Big Oil has consolidated on a continual basis, until many feel that competition barely exists today and has virtually no bearing on prices, and that so-called federal regulation has become a means of masking unfair trade practices and exorbitant prices.

The Great Depression created the atmosphere for a significant change in American economic attitudes. But Roosevelt's recovery program only altered the surface and left the framework and foundation unchanged. The time was also ripe for rearranging the social and political realities of certain groups of individuals. The Administration recognized the power of women as consumers and made special

appeals to them during the Blue Eagle campaign. Yet, despite Roosevelt's appointments of women to key political posts and the position of Eleanor Roosevelt as possibly the greatest American woman of the Twentieth Century, the recovery agency and other New Deal programs still viewed women as second class citizens. Just one example of this was the fact that the recovery codes established wage differentials for women. The feminist movement declined rapidly after 1930, the appearances of New Deal reform taking away the wind of the argument for equal rights.⁵

The Blue Eagle brought hope to another group which had suffered at the hands of a biased economic system. When the NRA refused to allow differences in wages on a geographic basis, Blacks rejoiced at the possibility of equal pay, especially in the South. But appearances proved false here as well. Blacks remained the last hired with the worst pay and the first fired. The complaint against Sears and the Chamber of Commerce registered by Oklahoma City's relatively small Black community (only about 170,000 state-wide) clearly illustrated this fact.⁶ The "Negro Removal Act" was not the first, nor would it be the last time that rhetoric raised the hopes of the Black community only to have those hopes dashed by reality.

Organized labor also felt more hopeful after the birth of the Eagle. Section 7A legalized something which had been won in the past only with blood. Guaranteed collective bargaining seemed to open the gates of a union paradise where all working men received high pay and worked decent hours under safe conditions. But organized labor's fight had not ended. Management reluctantly accepted 7A and then twisted its meaning to suit their own ends. Business had no intention

of granting any power to the unions, nor of allowing them to act as bargaining agents for industrial employees. Company unions, blacklists, and strike breakers remained active tools of anti-union businessmen, such as Wilson and Company of Oklahoma City. The failure of Section 7A left organized labor only one alternative, the strike, which the Amalgamated Meat Cutters and Butcher Workmen finally voted for in 1935. Section 7A's benefits to the union movement were very questionable, though it did legalize collective bargaining. Possibly the success and power of such NRA supporters as the Chamber of Commerce has been significant in keeping the road rough for organized labor in Oklahoma since the 1930's.

If the NRA shorted union members, Blacks, and women, then the consuming public also must have suffered. As the national income had increased so had prices, only at a faster rate. World War II eventually alleviated the economic suffering of most Americans. Changing the post-New Deal power structure proved more difficult. The alliance between business and government established a power bloc which an unorganized consuming public could never defeat. The Consumer's Advisory Board tried to protect the people's interests but felt increasingly frustrated. Industry's sympathizers successfully blocked the C.A.B. at every corner; the latter finally called for a complete revision of the recovery program. A revision in the powerful business-government bloc never came. This alliance grew stronger through the world conflict of the 1940's and the tensions of the Cold War that followed. The power-bloc became closely related to the defense industry, and this military-industrial complex rapidly dominated many of the principal sectors of the economy. In fact, the alliance had become so strong

by 1960 that even conservative, Republican President Dwight Eisenhower warned the nation against it.

If there was dissatisfaction among various groups within the Administration and outside the administrative structure, why did they not voice their protests? The answer is complex, but the particular style of the Blue Eagle's appeal provides one vital reason. Patriotism has always been singularly important to a nation's survival, but the NRA's organizers linked the idea to the survival of a political institution rather than the nation's highest ideals. The agency labeled what the President said, what General Johnson said, the recovery program, the New Deal, everything the government did as the only patriotic method of governing. Dissenters held no monopoly on truth then or now, but without them a democracy could not function nor could the human errors naturally committed by the government be exposed and corrected. By describing those conservatives, liberals and radicals who opposed the NRA as un-American, the Administration effectively undercut their opposition and ended all possibility that constructive criticism might have changed the recovery agency into an effective regulatory body.

The Blue Eagle also gained acceptance and most of the public rejected other solutions because of the basic conservatism of the American people. Americans, and especially Oklahomans, have been particularly conscious of their individualistic economic tradition and extremely afraid of governmental intervention. Most forms of economic planning have looked too much like some variety of socialism, an American nightmare that is still denounced regularly in The Daily Oklahoman. (This red scare is the reason so many companies, such as

Wilson, directed their anti-union propaganda campaigns at the threat of outside, communist agitation; they read the public's attitude perfectly.) Yet, despite this ingrained opposition to fundamental economic change, Franklin D. Roosevelt could have made those alterations, and created a new political future for millions of Americans. Instead, Roosevelt was too aware of his popularity, and therefore proposed such programs as the NRA, a program in the worst tradition of American reforms. These types of reforms helped business consolidate at the expense of the public's fundamental interest, a powerful voice in the workings of the economic and political system.

If all this is true, why then have so many many historians, nationally and regionally, praised the New Deal as a liberal group of laws and agencies benefiting the individual? Roosevelt's rhetoric and even some of his programs promised reforms that would help the public; but that should not overshadow the fact that the principal early New Deal agency, the National Recovery Administration, promoted conservative business interests. Historians have failed to understand the basic fact that has been pointed out by some of the more radical elements in the political and intellectual community: liberal reform in the United States has been led by conservative men and had conservative results. This definitely was proven by the case of the Blue Eagle's flight across the nation and its nesting in Oklahoma.

FOOTNOTES

¹ Arthur M. Schlesinger, Jr., The Politics of Upheaval (Boston: Houghton Mifflin, Co., 1960), pp. 277-280.

² The NRA Campaign in Oklahoma City, 1933-1935.

³ Agenda of NRA Board Meeting, August 19, 1933.

⁴ Russell Hogin and David Shackelford to Frank Buttram, September 14, 1933.

⁵ O'Neill, p. 214.

⁶ Fifteenth Census of the United States, Manufactures: 1929, Vol. III (Washington: Government Printing Office, 1933), p. 425.

A SELECTED ANNOTATIVE BIBLIOGRAPHY

Primary Sources

Congressional Record. 73rd Cong., 1st Session, LXXVII, 1933.

Hearings before the Committee on Finance, United States Senate 73rd Cong., 1st Sess. Washington: Government Printing Office, 1933.

Hearings before the Committee on Ways and Means, House of Representatives 73rd Cong., 1st Sess. Washington: Government Printing Office, 1933.

Hearings on Extension of the NRA before the Committee on Ways and Means of House of Representatives, 74th Cong., 1st Sess. Washington: Government Printing Office, 1935.

Newspapers (state and national) including The New York Times, The Daily Oklahoman, The Oklahoma City Times, The Oklahoma News, The Stillwater Gazette, The Enid Events, The Bartlesville Enterprise, and The Ada Evening News.

NRA Campaign in Oklahoma City, 1933-1935. A scrapbook of memos, letters, minutes of meetings, newspaper clippings and other material compiled by and available in Oklahoma City's Chamber of Commerce. This was a valuable source on the state and local organization and the city's Blue Eagle Drive.

NRA Records. This includes hundreds of booklets on the code hearings, statistics on the American economic scene, histories of various divisions, pamphlets issued by the Administration, press digests, and state files. There is a wealth of information here for future study.

Roosevelt, Franklin D. The Public Papers and Addresses of Franklin D. Roosevelt, Vol. I. New York: Random House, 1938.

Sixteenth Census of the United States: Manufactures, 1939. Washington: Government Printing Office, 1942.

Statutes at Large, XLVIII, Part I, 1943.

Secondary Sources

- Auerbach, Jerold S. "New Deal, Old Deal, or Raw Deal: Some Thoughts on New Left Historiography," Journal of Southern History. Vol. XXXV (February, 1969), pp. 18-30. Since this thesis is based, in many ways, on a New Left critique of the New Deal and the NRA, it is good to examine a criticism of that school which can be found in this article. According to Auerbach, the New Left has been illogical and ahistorical in their analyses, too often attacking the past on the grounds of the present.
- Bernstein, Barton J. "The New Deal: the Conservative Achievements of Liberal Reform," from Towards a New Past edited by Bernstein. New York: Pantheon, 1968, pp. 263-288. Bernstein argues that, while the New Deal did offer change, it did not reform much of society's ills. Likewise the NRA not only failed as a recovery measure but also hurt small business and aided American industrial concentration.
- Bernstein, Irving. The Turbulent Years: A History of the American Worker, 1933-1941. Boston: Houghton Mifflin, 1970. An excellent general history of unions for the period involved. This book states that Section 7A of the NIRA raised more questions than answers, provided little protection for the worker, but gave some impetus to a revitalized union movement.
- Bird, Caroline. The Invisible Scar. New York: David McKay Co., Inc., 1966. This is a well-written, general account of the Great Depression and the New Deal.
- Bryant, Keith. Alfalfa Bill Murray. Norman: University of Oklahoma Press, 1968. Bryant has written a sympathetic, yet not uncritical biography of one of the state's most colorful governors. It is extremely valuable for understanding the politics of the period and the man's relationship to the New Deal.
- Burns, James MacGregor. Roosevelt: the Lion and the Fox. New York: Harcourt, Brace, and World, 1956. Burn's book is the best short political biography of Roosevelt. The New Deal was an attempt at creating a broker state with all interests balanced by the Administration. This idea was best represented in the NRA, but that agency failed due to the President's loss of control, inadequate machinery, and a faulty definition of what interest groups were to be represented.
- Conkin, Paul K. The New Deal. New York: Thomas Y. Crowell, 1967. This highly critical study states that the New Deal was a very conservative enterprise and an ally of big business. Conkin concludes that the NRA was dominated by business and only legalized a tendency toward concentration which had been slightly dampened by the antitrust laws.

- Dale, Edward E. and Wardell, Morris L. History of Oklahoma. Englewood Cliffs, N.J.: Prentice-Hall, 1948. A fairly good basic text on Oklahoma's history with the sections used in this study stressing politics.
- Fine, Sidney. The Automobile Under the Blue Eagle: Labor, Management, and the Automobile Manufacturing Code. Ann Arbor: The University of Michigan Press, 1963. This is the best account of how the NRA affected labor and management. Fine feels that while the Blue Eagle did alter the relationship in favor of labor, this was done without the help of the Administration or the President.
- Galbraith, John K. The Great Crash. Boston: Houghton Mifflin, 1954. Galbraith offers a liberal-Democratic economist's view of the crash finding much fault with Republican businessmen and the Republican President.
- Hawley, Ellis. The New Deal and the Problem of Monopoly: A Study in Economic Ambivalence. Princeton: Princeton University Press, 1966. The only detailed history of the NRA can be found in this work. Hawley shows the serious conflicts within the Administration on how to deal with monopoly and concludes that the NRA allowed the growth and extension of business concentration.
- Ickes, Harold. Secret Diary of Harold L. Ickes: The First Thousand Days, 1933-1936. New York: Simon and Schuster, 1953. This book provides an insider's account of the Administration and is very important for an understanding of the problem of the oil industry which Ickes administered.
- Johnson, Hugh. The Blue Eagle from Egg to Earth. Garden City: New York: Doubleday, Doran, and Co., 1935. This is the head of the NRA's autobiography and apologia for the recovery organization. He says that the economic system should be a balance of power and that the NRA served well as the fulcrum of such a system. According to Johnson its failure came when compliance was not vigorously enough enforced.
- Johnson, James P. "Drafting the NRA Code of Fair Competition for the Bituminous Coal Industry," Journal of American History, LIII (December, 1966), pp. 521-541. The author concludes that the NRA gave in to the operators on key provisions, failing to provide one strong, national supervisory system. The final board of regulation was a creation and tool of the coal industry. However, there were some gains for labor but only through the strength of the United Mine Workers, rather than through the efforts of the NRA.
- Kirkendall, Richard S. "The New Deal as Watershed: the Recent Literature," Journal of American History, LIV (March, 1968), pp. 157-174. This article is a good source for the literature of the New Deal from 1962 to 1966.

- Lawson, R. Alan. The Failure of Independent Liberalism, 1930-1941. New York: G. P. Putnam's Sons, 1971. Lawson's work analyzes the roles and critiques of those on the political left who rejected not only Marxism but also New Deal reformism.
- Lens, Sidney. The Labor Wars: From the Molly Maguires to the Sitdowns. New York: Doubleday and Co., Inc., 1974. Lens has written a very good history of labor conflicts from the 1880's to the 1930's. He stresses the failure of the NRA at promoting the cause of organized labor. The union movement, led by very radical elements, made its own success with very little help from the liberal government in Washington.
- Leuchtenberg, William E. Franklin D. Roosevelt and the New Deal, 1932-1940. New York: Harper and Row, 1963. Leuchtenberg has written a very good short synthesis which tends to be favorable to both Roosevelt and the reforms he tried to carry out.
- Lyon, Leverett, et. al. The National Recovery Administration. Washington: The Brookings Institution, 1935. In an early, conservative critique of the NRA, the authors conclude that the program placed too many restrictions on business and led to an increase in prices which further depressed the economy.
- McReynolds, Edwin C. Oklahoma: A History of the Sooner State. Norman: University of Oklahoma Press, 1954. This is another fairly adequate, if dated, political history of Oklahoma.
- Moley, Raymond. After Seven Years. New York: Harper and Brothers, 1939. This is one of the best progressive-conservative critiques of the early New Deal from one of Roosevelt's key advisors. He concludes that the latter's policies accomplished some good but failed to cure the ills of the depression and that they tended to divide the nation not unite it.
- Nash, Gerald. "Experiments in Industrial Mobilization: WIB and NRA," Mid-America, XLV (July, 1963), pp. 157-174. Nash demonstrates the NRA's relationship with traditional economic controls. This he achieves by paralleling the tactics, organization, and personnel of the War Industries Board with that of the NRA.
- Nash, Gerald. United States Oil Policy, 1890-1964: Business and Government in Twentieth Century America. Pittsburgh: University of Pittsburgh Press, 1968. The author sees a growing consensus throughout this period of the need for business-government cooperation as illustrated by the oil industry. He concludes that the NRA's oil policy was a moderate success because it curbed production from 1933-1935 and because it emphasized voluntary cooperation.
- Patterson, James F. The New Deal and the States: Federalism in Transition. Princeton: Princeton University Press, 1969. Patterson's book is an excellent, brief account of the impact of the New Deal on the relationship between the federal government and the states.

The author argues that the states cooperated only very reluctantly with the federal recovery agency.

- Richberg, Doanld. My Hero: The Indiscrete Memoirs of an Eventful but Unheroic Life. G. P. Putnam's Sons, 1954. This book is the autobiography of the general counsel for the NRA. In it he maintains that his service for the recovery agency was consistant with his progressive ideology.
- Schlesinger, Arthur M., Jr. The Crisis of the Old Order. Boston: Houghton Mifflin, 1956. The Coming of the New Deal. Boston: Houghton Mifflin, 1959. The Politics of Upheaval. Boston: Houghton Mifflin, 1960. These three volumes of "The Age of Roosevelt" trilogy are classic liberal interpretations of the President, his program, and the people and the policies that he replaced. Schlesinger finds something praiseworthy about each of Roosevelt's programs or the ideas behind them. He blames the NRA's failure on the bungling Johnson and the betrayal of business.
- Seligman, Lester G. and Cornwell, Elmer E., Jr. New Deal Mosaic: Roosevelt Confers with His National Emergency Council, 1933-1936. Eugene, Oregon: University of Oregon Books, 1965. Seligman and Cornwell have compiled the transcripts of the meetings of one of Roosevelt's major advisory bodies during the early years of his administration. This is a fascinating method of discovering the opinions of key New Deal personnel on a variety of issues and programs including the NRA.
- Shannon, David. The Socialist Party in America: A History. New York: MacMillan and Co., 1955. This book is probably the best objective study of the largest and most significant Leftist political party in American history.
- Terkel, Studs. Hard Times: An Oral History of the Great Depression. New York: Pantheon Books, 1970. Terkel's work is unquestionably a classic. The interviews with people of all types and backgrounds gives the historian the flavor of the 1930's better than any other source available. If the reader was not alive then, reading this is one of the best ways to discover what it was like.
- Thomas, Norman. After the New Deal, What? New York: The MacMillan Co., 1936. This book is the best source for an old Left critique of Roosevelt's programs. Written by the most important Socialist of the period, it attacks the New Deal for failing to reorganize production, redistribute income, end near starvation, and halt exploitation of the people by big business.
- Tugwell, Rexford G. The Democratic Roosevelt. New York: Doubleday and Co., 1957. Tugwell's book is a thoughtful appraisal from probably the most liberal member of the Brain's Trust. The work praises Roosevelt, overall, but does criticize him for abandoning a collectivist economic policy. He did feel that the NRA failed as a stimulus for business and as a cure for unemployment.

Warren, Harris G. Herbert Hoover and the Great Depression. New York: Oxford University Press, 1959. Warren has written a much more pro-Hoover account of the President's actions with regard to the depression than most other historians. To the author, Hoover used his office to a much greater degree than any of his predecessors and many of his programs were forerunners of the New Deal.

Wolters, Raymond. Negroes and the Great Depression. Westport, Conn.: Greenwood Publishing Corporation, 1970. Probably the best analysis of the subject, Wolter's book states that Blacks received less than their fair share from the New Deal's economic programs and that the NRA, especially, was guilty of discrimination against that group.

Wilson, William H. "How the Chamber of Commerce Viewed the NRA: A Re-examination," Mid-America, XLIV (April, 1962), pp. 95-108. The author concludes that the Chamber never was satisfied with the NRA and that their dissatisfaction grew as time passed due to conflicts with labor and what they considered to be incompetent meddling by the federal government.

Zinn, Howard. "Introduction," from New Deal Thought. Howard Zinn, ed. New York: Bobbs-Merrill, 1966, pp. xv-xxci. This is a good, concise New Left analysis of the New Deal. Zinn feels that Roosevelt's programs failed at solving the basic problems of how to bring the nation's productive capacity to the individual and how to give the common people a strong line of communication with and input into the federal government.

VITA

James Wesley Ware

Candidate for the Degree of

Master of Arts

Thesis: THE BLUE EAGLE AND THE SOONER: OKLAHOMA AND THE NATIONAL
RECOVERY ADMINISTRATION

Major Field: History

Biographical:

Personal Data: Born in Selma, California, March 12, 1951, the
son of Mr. and Mrs. Clifford F. Ware.

Education: Graduated from Tulare Union High School, Tulare, Cal-
ifornia, in June, 1969; attended College of Sequoias, 1969-
1970. Transferred to Missouri Southern State College at
Joplin in 1970. Received the Degree of Bachelor of Arts with
majors in History and Political Science in 1973. Enrolled
in Master's program at Oklahoma State University in 1973 and
completed the requirements for the Master of Arts degree in
May, 1975.

Professional Experience: Graduate Teaching Assistant in History
at Oklahoma State University, 1973-1975.

Professional Organizations: Member of American Historical Associ-
ation, the Organization of American Historians, and the Nu
Chapter of Phi Alpha Theta.