

ABSTRACT

FARM STRIKES, 1931-1964: A STUDY OF EFFORTS BY AMERICAN FARMERS TO IMPROVE THEIR INCOMES THROUGH DIRECT ACTION IN PERIODS OF ECONOMIC DISTRESS

By James Arndt

The role of the rank and file farmer has all but been ignored in the popular histories of agricultural discontent. Most studies since World War I that concentrate on McNary-Hagenism, the Grange, the Farm-Labor party, the Farmers' Union and the American Farm Bureau reveal what the leaders of those groups wanted. Since those leaders frequently were politicians and professional organizers and wealthy conservative farmers at best they suppressed grass roots sentiment when it interfered with the goals of the national organization. Thus, this study grew out of an awareness that the general farmer organizations and movements did not always accurately reflect grass roots preferences.

Now the chief desire of the farmer is to be paid a price for his product that covers his cost-of-production. The method to achieve that goal differed with each national movement. For example, the Farmers' Union called for government-established minimum prices without regard to production. The Farm Bureau at the same time clamored for parity payments and urged controls

on production through a voluntary domestic allotment system.

In the period between the end of World War I and the crash of 1929, farmers did not share the same prosperity enjoyed by business and labor.

By 1931, the farmers, who had already suffered a decade of depression, grew tired of promises of assistance that never seemed to materialize. Consequently grass roots uprisings among farmers occurred throughout the nation. I have designated those uprisings whether strike, spontaneous rebellion, holding action, or collective bargaining to be examples of direct action by farmers intent upon improving the prices received for their production.

This paper takes each incident and analyzes the causes of that particular type of direct action, its nature, and its successes and failures. The incidents studied are: The farm holiday in the Middle West; the dairy farmer strikes in Wisconsin, Illinois, and New York; the proration scheme and Associated Farmer operations in California; the tobacco farmer protests; and the 1962 National Farmer Organization holding action.

This study is an attempt to synthesize and interpret the small body of printed material which concerns twentieth-century direct action by farmers. Since very little scholarly work has been done on direct action this study rests primarily on accounts in the popular press. The New York Times and such periodicals as the New Republic, Nation, New Outlook, Business

Week, and Literary Digest were especially useful.

The major finding of this study is that farmers normally seek to achieve their goals within the frame work of ordinary legislative and judicial proceedings. There have been times, however, when economic distress in combination with slowness on the part of business, labor, and government to recognize their plight that farmers were stirred to direct action in its various forms to save themselves from impending bankruptcy.

Another finding was that direct action won several battles in the war to get the government to recognize the farmers' plight. They include AAA for the nation's agriculture, licensing of milk dealers in Chicago, satisfactory contracts for New York dairy farmers, a proration scheme in California, and a code for tobacco. Nevertheless, victory, in the form of cost-of-production, was denied the farmer and thus proved that direct action, as such, without adequate production controls is bound to be an exercise in futility.

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Introduction

Traditionally the need for business regulation, cheap currency, and tax relief has been viewed as the chief motivation for agrarian protest which generally took the form of farmer participation in politics. Because of wide interest in agrarian protests there is a large body of literature that is concerned with the social, political, and economic forces that placed the farmer in an untenable economic relationship with his urban cousin in the post World War I period and then again in the depression era. Little can be added to the work of Solon J. Buck, John D. Hicks, Orville M. Kile, Wesley McCune or Edward Wiest on general agrarian protests and specific farmer organizations.

The purpose of this study is to fill in a major gap in the literature of agricultural discontent. That gap exists because in most studies the farmers' overt actions have been mere footnotes in the broader study of agricultural organizations, economic distress, and political protests. Thus this study differs from previous studies of agrarian protest in that it focuses attention on direct action by farmers to achieve costs of production plus a profit. By direct action I mean farm strike, holding action, or collective bargaining. In other words, rank and file rebellion against normal marketing circumstances where a farmer takes his produce to market and accepts whatever price the processor is willing to pay. There

are numerous examples of efforts by farmers to set prices on their own products but since those efforts were short-lived and left no enduring results most writers have chosen to ignore them.

Excellent examples of direct action to improve farm income occurred during the depression and New Deal years. Despite the short period of time, there is an adequate sample for study because of the breadth of the occurrences. This paper will reveal the attitudes, demands, and actions of farmers as they spontaneously conducted the Farm Strike in Iowa and dairy strikes in New York, Chicago, and Wisconsin. The operations of the Associated Farmers of California and the Burley tobacco growers will also be reviewed. A final chapter will allow the author to review the brief history of the more recent National Farmers Organization in the light of the earlier "actions" as it seeks the goal of a more equitable share of the consumer's dollar for the farmer.

Assuredly, all farmer organizations from the Grange to the American Farm Bureau have sought to increase the farmer's income through favorable legislation by state and national governments. Nevertheless, the thesis of this paper is that, while political protest was the tool of the leaders of the major agricultural organizations, the rank and file farmers preferred direct economic action in the market place to force prices to advance. Thus, direct action had its basis in rank and file farmer demands for relief from maladjustments in the economy. Normally direct action is uncongenial to farmers

and incidents of it have not always been marked by violence. More often they have been marked by demands for state and federal legislative action; attempts at cooperative buying and selling; and on occasion direct political action. Only when those efforts have failed will the farmers take up direct action in substantial numbers for short periods of time. Further, only the high tides in farmer discontent have been marked by revolts and rebellion, and direct action groups have constituted only the left wing of a more stable and consistent farmer's movement which over the years has tried to adjust to a changing price and market economy.

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Chapter I

The Middle West Farmers Take a "Holiday"

The Cedar County Cow War

By the fall of 1931 farmers throughout the nation were restive. The nationwide depression had caused farm prices to fall below the level of the entire previous decade. Significantly, in the twenties, those prices had been much lower in relation to the prices of commodities purchased by farmers than had been the case prior to World War I. The relationship of prices received by farmers to the prices of commodities purchased by farmers is expressed in terms of parity. The index number of 100 is assigned to the period August 1909-July 1914 because of the relative equality of purchasing power of farmer and urban dweller. In 1920 parity stood at 205; in 1925 it dropped to 147; by 1930 it stood at 117. In 1931 parity plummeted to 57 (See Table I).

Actual prices received by farmers reveal how incomes had declined without considering short crops because of drought. Corn that brought \$.97 per bushel in 1928 brought only \$.53 in 1931. During the same period the price of wheat per bushel had fallen from \$1.54 to \$.66. Choice steers had fallen from \$14.48 per hundred to \$8.75. Hogs dropped from \$9.86 per hundred to \$6.64 (See Table II). To put it another

way, in terms of prices received compared to prices paid the farmers, by 1931, were receiving only 88 per cent of their 1910-1914 prices but yet were paying 132 per cent of the 1910-1914 prices for commodities they needed (See Table III).

The farm depression thus was in its thirteenth year whereas the industrial depression was only three years old. Restiveness, due to the ills besetting agriculture, gave rise to direct action in the form of farm strikes.

The Iowa farmers were the first to strike and the so-called Cedar County Cow War was the first stage. It grew out of farmer reaction to a compulsory testing program for tuberculosis in cows and reached its climax in September of 1931. The program had been in operation on a voluntary basis since 1926 but was made compulsory in 1929. By the spring of 1931 the farmers had begun to question the validity of the tests as well as the integrity of those who administered them.

The farmers generally believed that they were not adequately compensated for the condemned animals. They also failed to understand that carcasses could be good for canned beef but not for milk. Thus they suffered a loss on a capital investment as well as a loss of future income based on milk production. There were other reasons for their objections. They disliked having infected animals branded with T.B. markings and the entire farm quarantined. Their loudest argument was that the injection system of testing failed to identify the worst infected and branded healthy cattle¹ as

¹New York Times, April 19, September 23, 1931.

Table I Parity of Farm Prices 1920-1932

Average Farm Prices August 1909-July 1914 = 100

(Year)	(Parity)	(Year)	(Parity)
1920	205	1927	131
1921	116	1928	139
1922	124	1929	138
1923	135	1930	117
1924	134	1931	80
1925	147	1932	57
1926	136		

Source: Statistical Abstract of the United States, LV 1933, p. 279.

Table II Average Commodity Prices at Chicago 1923-1932

	1923-1925	1927	1928	1929	1930	1931	1932
Corn (bu.)	.94	.83	.97	.94	.82	.53	.31
Wheat (bu.)	1.40	1.37	1.54	1.30	.98	.66	.53
Steers (cwt.)	10.09	12.68	14.48	13.49	11.02	8.75	7.79
Hogs (cwt.)	9.53	10.60	9.86	10.66	9.93	6.64	4.11
Milk (cwt.)	3.00	2.97	2.73	2.95	2.92	2.77	2.18

Source: Statistical Abstract of the United States, LV, 1933, p.262.Table III Index of Prices Paid to Prices Received
1910-1939

Period	Prices Received	Prices Paid
1910-1914	100	100
1915-1919	161	151
1920-1924	151	172
1925-1929	147	158
1930-1934	83	132
1935-1939	106	129

Source: Year Book of Agricultural, 1940, p. 387.

infected. To make a potentially explosive situation worse the testers tried to follow the letter of the law in administering the tests without adequately explaining the program to the farmers or meeting their objections with sound answers. Meanwhile, the farmers of Cedar, Des Moines, Keokuk and Lee counties banded together in the Farmers' Protective Association for the purpose of preventing the tests by driving off the veterinarians and their police guards.² Those who persisted were clubbed or dunked into horse troughs. As early as April 12, 1931, Sheriff Foster Jackson requested that Iowa governor Dan Turner send state troops to help him see that tuberculosis tests be conducted according to law on the E.C. Mitchell farm.³

On September 21, sixty-five deputies were sent to escort state officials to the J.W. Lenken farm near Tipton to conduct the tests. Two hundred farmers armed with pitch forks drove the deputies away. That evening, the Adjutant General, on the orders of the Governor mobilized 2,000 troops to be sent by special train to Tipton. The troops arrived the next day at Tipton and bivouacked on the Cedar County Fair Grounds. Throughout the day the farmers also mobilized. All day long groups of farmers drifted into town. Large delegations of sympathizers from Lee, Des Moines, and Keokuk Counties arrived to support the Cedar County Farmers

²New York Times, April 19, 1931.

³New York Times, April 13, 1931.

should they decide to battle the troops.⁴

Open rebellion occurred on October 12, near new London, Iowa as Iowa National Guardsmen arrived to disperse 150 farmers who had gathered at the C.L. McKinnon farm to protest the tests. Brigadier General Park A. Findley ordered a detail of 20 men to advance on the protestors with bayonets drawn. They were backed by a machine gun squad who in turn were supported by 250 more soldiers. As the Guardsmen advanced, Ronald Hart, age 20, scoffed at them and was arrested. With the arrest of Mike Hennessey and Henry Connor, the ring-leaders, the rebellion appeared to be crushed. Hart, however, had been placed in the New London jail. Five hundred men assembled and shortly marched on the jail, broke the jail lock and cell bars, and freed Hart. Soldiers arrived to disperse the farmers and onlookers but no attempt was made to recover Hart. Meanwhile, at Tipton, where Connor and Hennessey had been taken a mob converged on the jail and compelled their release.⁵

A showdown was imminent at Burlington in Des Moines County by the evening of October 22. Twenty-five hundred men, women, and children had gathered at the farm of Jacob Everman to resist the tests. Mysteriously the crowd began to disperse. That resistance there would involve other than open rebellion

⁴New York Times, September 22, 23, 1931.

⁵New York Times, October 13, 1931.

was probable because the arrival of twenty companies of Guardsmen had had a quieting effect on the townspeople and farmers throughout the county.⁶ The next action took place at the Frank Boeding farm near West Point on November 3. Two sheriffs and three veterinarians were driven off by a mob of 200 protesting farmers hurling clods and other missiles. Sheriff Moss thereupon said that he would ask Governor Turner to transfer National Guardsmen into Lee County from Des Moines County.⁷ The center of disturbance, interestingly enough, was only 15 miles from West Branch, the birth place of President Hoover who had once said that the good citizen had no choice as to what law he shall obey and what he shall not.⁸

The rebelling farmers were not typical of the vast majority of farmers. The Cedar County farmers viewed themselves as fighting arbitrary confiscation of their property at a time when the majority of the farmers in the Middle West and even two thirds of the farmers in Cedar County for that matter were convinced that the tests were reliable, that bovine tuberculosis could be transmitted to humans and finally that the tests were in the interests of the farmer. The tests were in the interest of the farmer because the packers preferred to buy from inspected and accredited areas and those areas already accredited enjoyed a premium price.

Protests against the tests occurred in other states as well.

⁶New York Times, October 23, 1931.

⁷New York Times, November 4, 1931.

⁸New York Times, April 19, 1931.

Nebraska and Colorado were among them. Here however, the chief argument was over how much the farmers should receive in compensation from the state. In those states the legislatures still had not acted but it was expected that reimbursement would not exceed \$50 for a registered animal and \$25 for a grade animal.⁹ The results of the Cow War were not unlike what could be expected. The law enforcement agencies won because of superior forces but the Farmers' Protective Association was not completely through. C.L. McKinnon, Vice President, and J.W. Lenken, President, of the association, on whose farms most of the violence took place, announced that their organization would demand the impeachment of Governor Dan Turner should he continue to ignore petitions for the repeal of the testing law. Eventually held constitutional by the Iowa Supreme Court, the United States Supreme Court declined to review the law.¹⁰ Most of the objectors to the testing program by late November passively submitted and the war was over.

The outbreak was significant because it indicated the temper of certain areas floundering in a depression with no sign of relief. The tuberculin tests were not the main issue. The agitation over them simply set off resentments that had accumulated in thirteen years of farm depression. The outbreak proved hostility of some farmers to encroaching governments,

⁹New York Times, August 23, 1931.

¹⁰New York Times, November 22, 1931.

colleges, and other centralized agencies at a time of falling prices. More important, the Cedar County Cow War had served as a proving ground for direct action. It gave the Iowa farmers hope that they could do for themselves what the government would not do. All that remained was for some one to seize upon this resentment, formulate a program, and win for the farmer his costs of production.

The Farm Strike

The "farmers holiday" was the second stage of direct action in the Middle West. Milo Reno was the leader; farm strike, holding action, or "holiday" in marketing was the program; costs of production plus a profit for the farmer was the goal.

The Farm Holiday Association was born on May 3, 1932 when three thousand farmers assembled at the Iowa State Fair Grounds to determine a name for the movement and elect a president. Milo Reno, who had been president of the Iowa Farmers' Union since 1920, was elected. It was fitting that the office should go to colorful dynamic Reno. Reno had been a farmer himself and now was a politician who understood the farmer and was qualified to speak for him. In his youth he had a reputation for being a fiddler, dancer, drinker, and wooer of ladies.¹¹ He could be expected to bring the forcefulness of his personality and fervency of his spirit to bear on the problems of the farmers. He owned his own farm but also had

¹¹Fred Albert Shannon, American Farmers' Movements (Princeton, 1957), p.86.

made a career of representing the farmer.

With labor on strike, businesses holding goods from markets to increase prices, and banks calling for a holiday in the face of a run, Reno sought to win satisfaction for the farmer by applying the tactics of big business, labor, and banks to farm problems. The Farm Holiday Association proposed, in Reno's words to, "fix a fair valuation on farm products, based on production costs, and to refuse to deliver until those prices were conceded."¹²

The origin of the holiday concept is interesting because it accounts in part for the attitude of the farmers. The Farmers' Holiday area corresponded roughly to the area of bank holidays. This included the areas surrounding Omaha, Sioux City, and Des Moines. Bank failures were severe and moratoria on bank deposits and withdrawals were an aggravating factor since many of the farmers had heavy mortgages and were delinquent in taxes.¹³

Banks had adopted the holiday device to protect themselves from frightened depositors. The mayors in each town were persuaded to close all business houses for a week or ten day period. This extra-legal device permitted bankers to get depositors to promise to leave their deposits in for a period of some months and to withdraw only specified small amounts. The Farm Holiday people urged farmers to join for

¹²Nation, CXXXV (September 7, 1932), 208.

¹³Business Week, September 7, 1932, 8.

this reason and even conservative farmers liked the prospect of the bankers squirming for a change.¹⁴ Significantly, the National Holiday Association represented the tenant and heavily indebted farmer as against the land owning farmer who had small debts that did not cause any particular worry.¹⁵

The Farm Holiday Association was the product of a dissident group in the Farmers' union. While most of the local units of the Association were organized under the militant Farmers' Union, the two groups did not merge because of divergent needs. The Farmers' Union was tied to producers' and consumers' cooperatives. The Farm Holiday Association was not in business and owned no property. Its purpose for existence was to stop evictions and foreclosures and stage strikes. As late as 1924 the parent organization came close to deploring the strike as a weapon. The farmers were not dumb peons. They were businessmen who had joined cooperatives to make money. They saw little reason to allow the cooperatives to come under criticism by connecting them with the protest movement. The farmers were capitalists—oppressed and dispossessed capitalists at best—who were still dominated by the individualist businessman's psychology.¹⁶ At the same time the members of the Association apparently saw no inconsistency in combining for purposes of striking and enforcing an embargo or in adopting the tactics of militant labor unions. Indeed, the names of the

¹⁴New Republic, LXXII (August 31, 1932), 67-68.

¹⁵New York Times, March 19, 1933.

¹⁶Nation, CXL (January 23, 1935), 105-106.

local units which included Councils of Defence, the Loyal Order of Picketers, and the Modern Seventy-Sixers hardly have the ring of conservatism.¹⁷

The representatives to the farmers' convention at the Fair Grounds voted on May 4 for a holiday, supplying the cities and called for the action to start on July 4. Reno, however, preferred to wait for Congress to act. He apparently recognized that the farm strike was a hopeless economic device.

There is no evidence that Reno (unlike Oran Lee Staley of the NFO, Chapter V) believed that the Holiday Association could force a permanent price increase. The market was too favorable to buyers for a seller's strike to succeed.¹⁸ Reno envisioned government enforced minimum prices regardless of production. Since collective bargaining to establish minimum prices did not occur to him, the strike became a device to get minimum prices whether agreed to by packer and processor or established by the federal government.

The leadership thus encouraged the threat of its use in order to get the farmer on the front page and make Washington conscious of the gravity of the farmers' problems. To the disappointment of the leadership, arguments failed, and congress adjourned without acting. The strike thereupon, was set for

¹⁷Nation, CXXXVI (March 8, 1933), 266.

¹⁸Basil Rauch, The History of the New Deal, 1933-1938, (New York, 1949), p. 70.

August 8, 1932.¹⁹

The Sioux City Milk Producers' Association started the action. It protested getting two cents a quart for milk retailing at eight cents. By August 11, farmers, turned pickets, were pulling up railroad ties and dragging planks with spikes across roads with ropes to stop trains and trucks. Milk cans were either diluted with kerosene or else dumped into the ditches. With the halting of trains and trucks the flow of livestock and milk into Sioux City was stopped. The strike spread to neighboring cities. By the tenth day of the strike, August 17, egg, poultry, and butter receipts in Sioux City showed a severe decline. Milk which normally was trucked into the city had almost stopped arriving. Livestock receipts, however, were almost back to normal because farmers shipped hogs and cattle by rail.²⁰ The strike gradually spread. Farmers of Dakota County announced on August 19 that they would join the strike and prevent produce and livestock from entering Sioux City from Nebraska. After listening to Milo Reno speak, farmers throughout Southeast South Dakota announced their intention to strike.²¹ While the Woodbury County Sheriff and one hundred deputies could not open traffic to Sioux City, Iowa farmers went to the aid of Nebraskan farmers and halted shipments to Omaha.

The strike became more violent when on August 25, the

¹⁹Nation, CXXXVI (May 17, 1933), 544. New Republic, CXXVII, November 29, 1933, 64. Gilbert V. Seldes, The Years of the Locust (Boston, 1933), p. 284.

²⁰New York Times, August 13, 1932.

²¹New York Times, August 19, 1932.

Pottawattamie County Sheriff and fifty deputies used tear gas and bullets to end the blockade of Council Bluffs. Forty-three rioters were jailed. A mob of 3,000 later in the afternoon threatened to march on the jail. Hastily the prisoners were released on bail. The action had left one rioter dead and fourteen wounded. Outbursts also occurred in the smaller centers of Cherokee and Cushing.

Unhappy with the display of violence, Reno called a truce on the evening of August 31, and officially called the strike to an end the next day before the action had barely gotten into its fourth week. Milo Reno, a professional organizer of farm movements, had started the strike with the expectation of enlisting the great body of agricultural interests in a peaceful boycott of its markets. With the turn to violence, over which he had no control, Reno had no choice but to declare a suspension. It was just as well. The public was losing sympathy with a non-violent peaceful strike that included barricaded highways, destruction of property, intimidation of single drivers by crowds of 25 to 200 men, and the dumping of milk, cream, and eggs.²² To the credit of the farmers it must be said that no one in the cities faced starvation. Hospitals and families with babies had been assured an uninterrupted flow of milk.

Other factors figured in Reno's decision. The strongly organized Des Moines Cooperative Marketing Association refused to support the milk blockade. Then also there was the coming

²²New York Times, September 4, 1932.

Governor's Conference set for September 9 in Sioux City that would propose a program to increase prices for farm products.²³

The farm strike had brought no discernible economic results and with the calling of the truce the revolt quietly subsided. The stockyards at Sioux City had received 3,500 animals on August 15 in comparison with 3,500 the year before on the same date. Since the strike lasted only three weeks and the flow of produce in general was hardly halted no one was greatly inconvenienced. The only real accomplishment was the readjustment of the whole-sale price of milk in Sioux City from one dollar per hundred weight to one dollar and seventy five cents. Most farmers knew that force to raise prices was not the answer just as early attempts at legislation had failed because there was no attempt to reduce production or enforce marketing controls.²⁴ The show of force did accomplish one very real thing. It relieved the farmers' feelings to throw rocks through windshields and take other positive steps no matter how futile in the attempt to get better prices. While all quarters anticipated that the strike would fail it showed significantly enough the state of mind of what was traditionally considered to be a conservative class. The farmers were ready after twelve years of deflation, falling prices, and depression to employ radical measures that seemed to be the last chance to save them from general bankruptcy.²⁵

Although the farm strike had gotten public notice, that was

²³New York Times, September 1, 1932.

²⁴New Outlook, CLXI, October, 1932, 18-19.

²⁵New Outlook, LXXII, August 31, 1932, 67.

not the chief goal of the strike. Rather, Reno had hoped to educate the Association's members and other farmers in the goals of the protest movement. By mid November, 1932, Reno was saying that the association had just begun to fight. In an interview he said,

The time has come for effective direct action. So far the holiday movement has been largely educational in nature. From now on we will urge our organization to use every means at its disposal to boost the price of farm products until it at least equals the cost of production. Farm organizations had been passing beautiful resolutions on the plight of the farmer and condemning Wallstreet bankers for years and years. Most Iowa farmers would read them, shake their heads sadly, agree with them and forget about them. It required more than resolutions on paper to arouse the moral conscience of Iowa. If Roosevelt makes a misstep, we will fight him just as hard as we fought Hoover. This holiday movement just took time out during the election. We are back in the fight now with both feet and we will come down harder then ever.²⁶

Were costs of production a legitimate goal? Admittedly it is much more difficult for the farmer than the businessman to figure accurately his costs of production. Traditionally the farmer thought in terms of aggregate income and aggregate expenses. If the former exceeded the latter he was content. Now that latter had exceeded the former several years in a row it became necessary to define the actual costs of production. The Iowa Farmers' Union figured that the farmer should be allowed 5 per cent on his real estate investment, 7 per cent return on his personal property and equipment, and one hundred dollars a month for his labor. In order to have achieved this return the average Iowa farm with normal production would have

²⁶New York Times, November 16, 1932.

had to have received the following prices in comparison to pre-strike prices.²⁷

Table IV

Pre-Strike Prices compared to Holiday Demand

Product	Pre Strike Price	Goal
Corn	\$.22 bushel	\$.92
Oats	.11 bushel	.49
Hogs	3.85 hundred	11.25
Eggs	.15 dozen	.35
Butterfat	.18 pound	.62

Milo Reno denied that these were radical demands. He merely asked that farmers who produced the nation's food receive in return the costs of production as twenty-five million hungry people were proof that there was no over production.

The Origin of Direct Action

The farmers purchasing power in 1933 when compared to pre-war prices was revealed in a Bureau of Agricultural Economics report issued on August 28 of that year. As of August 15, that year, prices received were 64 per cent of the average for the pre-war period of 1909-1914. Meanwhile, as the prices of his products had fallen, the cost of things he needed were up as high as 12 per cent over the pre-war level. Using 100 to represent pre-war prices, the Bureau's index showed the prices of materials farmers purchased to be 105. Prices for farm products on the same index were grain, 65; chickens and eggs,

²⁷Nation, CXXXV (September 7, 1932), 208. New Republic LXXII, August 31, 1932, 120.

53; cotton and cotton seed, 69. The report also indicated that on the average the farmer received less while the consumer paid more than the pre-war price. For example: The average price paid farmers for wholesale milk was \$1.39 per hundred on August 15 compared to \$1.79 during the pre-war period. The retail price of milk meanwhile had gone from 6.8 cents to 8.8 cents per quart.²⁸

Purchasing power then, or the lack of it, was the farmers' chief complaint. Indignantly he could point to the increasing spread between the prices he received and the prices the consumer paid. Clearly as far as he was concerned, the middleman was taking too large a share of the consumer's dollar. One way to rectify this was to strike and force the processor or packer to raise prices.

The origin of the imbalance of purchasing power lay in the second decade of this century. Ironical circumstances of war and prosperity generated the surplus commodities which since 1922 had prevented the farmer from sharing in the good things the nation had to offer. In 1916, with war raging in Europe, the Federal Farm Loan Banks encouraged the farmers to purchase tractors and fertilizer in order to produce to meet the demand for American foodstuffs. On entering the war in 1917, prices kept well ahead of production. In 1918 the government, in order to stimulate production even more, guaranteed the farmer two dollars a bushel for his wheat. The efforts of the government were rewarded. The farmers bought more land,

²⁸New York Times, August 29, 1933.

worked it more intensively and acquired more and newer equipment with the result that agricultural production grew steadily. In 1913 alone, wheat production was increased by two-fifths.

The post war period was not so kind to the farmer. In the face of the over-extended capacity of the farmer to produce foreign markets were lost. One-half of the world could not afford to buy from the United States. Domestic consumption declined. The loss of foreign and domestic markets led to stockpiles of food and fibre and the term "farm surplus" came into use. Immediately the farmer began to feel the effect of his ability to over supply the market. On May 31, 1920 the government removed price supports and prices fell.²⁹

The farmer's problem caused concern in certain circles. The Farm Bureau Federation, founded by the Department of Agriculture to serve the interests of the government, grew fearful that a farm-labor combination might take over the state governments in the Middle West and achieve a radical arrangement between industrial and agricultural workers. Out of this fear came the Farm Bloc which was a small group of conservative members of congress who feigned concern for the farmers' problems at election time.³⁰ The Farm Bloc did make one significant achievement. It passed into law the Capper-Volstead Act of 1922. This law exempted agricultural cooperatives from prosecution under the anti-trust laws and defined the

²⁹Fred Albert Shannon, American Farmer's Movements (Princeton, 1957), p. 85.

³⁰Ibid., p. 85.

conditions under which they might engage in interstate commerce. This was a milestone in that it put the farm cooperatives on equal terms with private dealers.³¹

The farmers were also beginning to stir. Though cooperatives struggled valiantly with the farm cost-price squeeze they were able to reduce only slightly the total costs of production. The cooperatives could not solve the farmers' problem because they failed to attack the problem at the source. It truly was a dilemma. The farmer was unable to control total production of any given commodity. A surplus drove prices down. Low prices encouraged the farmer to produce more in order to achieve a level income the next year. It was a vicious cycle and the farmer was in distress.

The Corn Belt Committee which met May 11 and 12 in 1925 indicated that the farmers had grown tired of farm relief conventions dominated by such non farm groups as, bankers, railroad men, lawyers, and politicians. The meeting, which was called at the suggestion of Milo Reno of the Iowa Farmers' Union, met at Des Moines, Iowa under the aegis of the National Farmers' Union. The convention adopted three planks. The first called for marketing machinery under the control of the farmer that would include grain terminals. Second, the farmer should get costs of production for his crops. Third, an export corporation should be created to buy up available surpluses.³² The

³¹John D. Hicks, Republican Ascendancy: 1921-1933 (New York, 1960), pp. 194-195.

³²Theodore Saloutos and John D. Hicks, Agricultural Discontent in the Middle West, 1900-1939, (Madison, 1951), p. 386.

farmers returned home and the farm crisis grew worse in the face of national misunderstanding or deliberate wish to ignore the farmers' plight. Other actions of the government hurt the farmer even more. By retiring three billion dollars in currency the farmers were forced to repay cheap loans with dear money. The Fordney-McCumber Tariff of 1922 and the Hawley-Smoot Tariff of 1930 while aiding industry all but destroyed agriculture's European market.

Two earlier periods in United States history saw agrarian protest reach momentous proportions but that protest differed in substance from the Holiday movement. The first was the Granger movement of the seventies and eighties when the nation's population was one-half rural. The second was the Populist movement in the nineties when the nation's population was one-third rural. Both of these movements were confined chiefly to political machinations to achieve political ends which, it was believed, would lead to economic prosperity for the farmer. It should also be noted that organizations were founded periodically whose chief purpose was to organize cooperative banks, elevators, warehouses and retail outlets in order to cut out the high costs charged by middle men. The Farmers' Union has already been mentioned. Others included the American Society of Equity and the American Pool Movement.

Agrarian protest in the thirties took another form when the rank and file farmers awoke to the real problems facing them. They had grown tired of petitioning a deaf government for assistance. The farmers in the past had made demands, controlled

legislatures, and frightened congress but it was not until 1932 that they laid siege to cities and demanded surrender on peril of starvation.³³ Indeed, Iowa was generally so peaceful that military tidings from its loamy plains had startled the nation. American farmers had a long history of resisting unpopular laws but seldom had it been necessary to call out troops to enforce them.³⁴

On September 9, 1932, a conference of Mid-Western Governors met at the call of Governor Warren Green of South Dakota. The conference had been promised to Reno when picketing activities of the Holiday Association centered attention on agriculture's plight.³⁵ It echoed the demands of the 1925 Corn Belt Committee. Two hundred and fifty rank and file farmers met in Washington and gave voice to their protest. For four years they had not made costs of production yet their taxes in the previous ten years had been raised more than two hundred and fifty per cent. The individual farmers in their simple straight forward manner told stories of waste in the midst of want. Sheep when shipped to market did not even bring the cost of freight charges. Out of the conference came an appeal for joint action by the government and financial institutions. The government should appropriate 500 million dollars in cash for immediate relief. Purchases should be made

³³Nation, CXXXVII (November 22, 1933), 589.

³⁴New York Times, September 25, 1931.

³⁵New York Times, September 10, 1932.

directly from the farmers, prices should be regulated by a joint committee of consumers and producers charged with the responsibility to reduce prices to consumers and at the same time raise prices for all farm products. The farmers, it was clear, believed that the distributors, packers, and laborers and not the consumers were taking too large a share. The farmer was willing and eager to pay a fair price for products of industry — a price which would ensure every workingman a decent living. He asked in return a price for food high enough to ensure a decent living for himself. His criticism was aimed at the middleman who preyed on both.

For their part the financial institutions could declare a debt holiday on mortgages, interests and rents. An appeal was also made for the cancellation of back farm taxes and the promise of no more evictions. The Relief Conference demands were sent to the house and senate where they were read on the respective floors. The Quaker farmer, Philip Smith of Pennsylvania, headed the delegation that presented the demands to President Hoover.³⁶ President Hoover listened politely and did nothing.

The Penny Sales

In October when Reno called a halt to the farm strike he promised that pressure to get farm relief would continue. By early 1933 the farm protest had begun to take the form of interference at tax sales and interruption of foreclosure

³⁶ New Republic, LXXIII, December 28, 1932, 183. Nation, CXL (January 23, 1935), 104.

proceedings. No definite origin is known for the so called "penny sales" but they are important for several reasons. The farm strike had been an impersonal action in which unhappy farmers struck out at the distant packer, processor, and bottler. Picket lines that halted the movement of farm products in Iowa had no effect on prices in Chicago nor were any other successes immediately evident. Penny sales on the other hand were more personal. They took place on the farms of respected neighbors. Right under the farmer's eyes his neighbor's farm and equipment would be confiscated in a sheriff's auction. Out of their desperation and desire to do something came the spontaneous interference at auctions that saved the property of numerous farmers.

The penny sales started in Iowa and shortly spread to Minnesota and Michigan and then as far east as Pennsylvania. They all followed the same pattern. Banks or mortgagee would start foreclosure proceedings and a judge would order a farm or personal property to be sold to pay the debt of back taxes. On the day of the sale large groups of farmers would appear and place low bids on equipment, cattle, or the farm itself. Since nooses were displayed in prominent positions, bids seldom were more than a few cents. Most of the sales were conducted in an atmosphere of a fiesta. The Ladies Aid would dispense fried chicken, coffee and pie as the bidding went on and after the sale the property would be returned to the neighbor. Usually the subtle threat of violence was enough to halt a sale. Where sheriff's insisted on conducting auctions, where judges insisted on acting on foreclosures, where bidders

insisted on bidding at tax sales, violence could be expected to break out and it did.

Early in January, at Le Mars, Iowa five hundred farmers stormed the court house, slapped Sheriff Rippey's face and hurled him out of the way. Herbert S. Martin had submitted a sealed bid for the John A. Johnson farm in the amount of thirty thousand dollars which was three thousand dollars less than the amount of the mortgage held by his company, a New York concern. Martin was seized by the crowd and held until he wired his company and received permission to increase the bid.³⁷

In Bucks County, Pennsylvania the "Paul Reveres" of the United Farmers' Protective Association drove through the countryside one Tuesday morning warning the members of a Sheriff's auction to be held at the John Hanzel farm that day. At ten o'clock when the sheriff arrived over three hundred farmers had already been assembled. Nooses, horse watering troughs, and brooder coops with locks were in evidence and served to intimidate potential bidders. Before the sale was over Sheriff Horace Gwinner was forced to accept bids totaling \$1.18 for the personal belongings, stock, household goods, and farm implements owned by Hanzel. Fifty chickens were bid in for three cents. Three horses sold for five cents each. Nine head of cattle brought twenty five cents. After the sale the buyers promptly gave Hanzel a 99 year lease on his former

³⁷Literary Digest, CXV, January 21, 1933, 32-33.

property for one dollar.³⁸

One thousand irate farmers, armed with axe handles, took over a farm mortgage sale near Ithaca, Michigan on February 8, 1933. The sale of Ray Maryolf's property had been ordered when he was unable to make payments on a personal property mortgage of \$870.00. The irate farmers manhandled and held prisoner the bank representative and then purchased an automobile and a cow at 10 and 25 cents respectively. Governor William A. Comstock later denied that he had ordered the State Police to stay away.³⁹

That same month another farm mortgage sale protest took place in Michigan's Manistee County. A handbill that had been circulated in the county seat urged the farmers and workers to unite to prevent their neighbor from being driven off his property. It said in part:

"Now is the time to act." For the past three and a half years we have waited for our masters, who are responsible for the situation, to find a way out. The result is starvation in the cities and tax sales and foreclosures on farms. While the rich are receiving billions through the RFC, the producers of the nation are being driven into slave like conditions such as existed previous to 1776....On Friday, February 3rd, the property of _____ of _____ is to be sold at a forced auction at the court house. It is typical of thousands of such cases throughout the State. Only the organized, united action of the working people on farms and in the cities will put an end to such insanity. The Farmers Committee has called a protest meeting to stop the above mentioned sale. Come one and all and demonstrate your protest in a manner that cannot be suppressed.

On the designated day trucks bearing farmers rolled into

³⁸Ibid., p. 32-33.

³⁹New York Times, February 9, 1933.

town from all directions. Signs on the sides of the trucks read; "Farmers of Manistee County. We demand the Right to Live in Our Own Homes," and "Farmers of Livingston County. We Demand a Moratorium on Mortgage Foreclosures and Tax Sales." Farmers from five counties, two hundred and fifty in all, gathered a block and a half from the court house, assembled, and then marched toward it. The farmers packed the corridors and the leaders were ushered into the Sheriff's office for a conference with local officials, the mortgagor, and the mortgagee. A half hour later the crowd filed out into the court yard to hear an announcement. A representative of the farmers read the following resolution.

Whereas: An attempt is being made to take away the property of one of our neighbors, through the foreclosure of a mortgage, which through no fault of his own, he is unable to pay, and

Whereas: The Farmers Committee for Action believes that a moratorium on the payment of mortgages, interest and taxes, should and must be immediately granted, and that all farmers and workers, should unite in protecting their homes and means of life, and

Whereas: The depression, which prevents us from meeting our obligations, was brought on through no fault of ours, and

Whereas: Our representatives in Washington and Lansing have failed to protect us against the loss of our means of life;

Therefore be it

Resolved: That we demand a postponement of the foreclosure of this property.

Be it further

Resolved: That we, the farmers and city workers, unite in the mutual protection of our homes and property, and that we take whatever means our creditors and officials

make necessary to protect our lives and homes.⁴⁰

The Sheriff then announced a thirty day postponement of the sale during which time the mortgagor thought he could raise \$400.00 to meet the interest payments and delinquent taxes. Local reaction was mixed. It ranged from the belief that radical agitators had been at work among the farmers to a belief that the farmer could have paid had he wanted too.⁴¹

On April 23, 1933 Judge Charles C. Bradley of Le Mars, Iowa was dragged from his bench and ordered to stop signing foreclosure orders on farms by 600 farmers. When he refused, he was slapped, put into a truck and taken into the countryside. There he was forced to get down on his knees and pray for the farmers. His face and trousers were smeared with transmission grease and dirt. A noose was put around his neck and he was hanged until he lost consciousness. The farmers thereupon drove off and left him. That same month, in another county, 1,000 farmers appeared at a sheriff's sale in the forenoon. By early afternoon the sheriff announced the plaintiff had called off the sale.⁴²

Farm discontent as represented by the penny sales and even the farm strike for that matter had its contradictions. All of Iowa was not unanimous in its discontent. The Missouri Valley was hardest hit due to several years of bad harvests. Even a corn loan program would do little to help those farmers

⁴⁰Louise V. Armstrong, We Too are People (Boston, 1941), pp. 39-43

⁴¹Ibid., p.44.

⁴²Nation, CXXXVI (March 8, 1933), 254-255.

as they had little with which to secure a loan. Another point to be made is that the April riots against foreclosures occurred primarily in a district occupied by tenant farmers. An investigation conducted by the National Guard after the strikes showed that the men who manhandled Judge Bradley were actually tenants and farm hands. Some were idle. Few were distressed mortgagors.⁴³ Le Mars was a hot bed and though it was ripe for insurrection it was not actually typical of Iowa or the Middle West. It had been one of the centers of speculation in 1919 and 1920. Men had stood on the court house steps bidding for land, and banks had loaned farmers up to \$1,000 on unsecured notes. Thus the violence was due primarily to those who were not able to face the disappointment by a slow moving Washington administration.⁴⁴

On balance it can be said that the farm strike and penny sale actions did have a radical element. It was not however wild-eyed radicalism that could lead to government ownership and control. To the contrary, it was extremist action in defense of private property. Neither the Iowa, the Michigan, nor the Pennsylvania farmers, tenant or owner, sought to set aside the capitalist system.

In protesting the sales the farmers clearly violated the law. In setting their rights against legalities, legalities yielded. To the farmers credit, conciliation was tried in advance in many cases to scale debts down and where that failed

⁴³New York Times, November 10, 1933. New York Times, May 7, 1933.

⁴⁴New York Times, May 7, 1933, New York Times, November 10, 1933.

to freely offer grain and market stock saving only machinery, chattels, and livestock in order to give the farmers a chance to start over. Nevertheless laws were impeded and the courts did not void such sales. The penny sales had met with success⁴⁵ and in later meetings phrases such as "Justice above the Law," and "the Right to save our Homes," seemed to justify the afternoon's activity.⁴⁵ Yet there was no wholesale violence. Violence where it did occur, the destructive phase, the smashing of property, was pretty much out of the hands of Milo Reno. It was a matter of temporary and local inspiration. The resistance to evictions, tax sales, and foreclosures came from the rank and file and not the leaders of the national movement.⁴⁶

The Second Farm Strike

Even as the penny sales took place, Reno was busy regrouping his forces for a new strike. On January 20, 1933, Governor Clyde Herring of Iowa issued a proclamation urging the holders of realty and personal property mortgages to refrain from foreclosing saying, "these conditions are becoming more acute and more aggravated."⁴⁷ On February 6, Reno announced that, "A national farm strike in which every state in the Union will participate will be called unless the incoming administration brings quick relief to the farmer."⁴⁸ In order

⁴⁵Nation, CXXXVI (March 8, 1933), 255.

⁴⁶New Republic, LXXIII, December 28, 1932, 183. New Republic LXXVI, November 29, 1933, 64.

⁴⁷New York Times, January 20, 1933.

⁴⁸New York Times, February 6, 1933.

to win rank and file support and spread the movement into neighboring states Reno had organized a campaign of slogans and songs to stir the sentiment of the uncommitted farmers. Slogans such as, "No Pickets or Peasants," "By Moratorium We Mean Debt Holiday," "No Eviction for any Farmer," "By Cost of Production We Mean A Decent Living for Farmers," "We Got Our Back to the Wall," and "On With the Strike" appeared on bill boards, barns and sides of farm trucks. A sample song went:

Come, fellow farmers, one and all—
We've fed the world throughout the years
And haven't made our salt.

We've paid our taxes right and left
Without the least objection.
We've paid them to the government
That gives us no protection.

Let's call a "Farmers" Holiday
A Holiday lets' hold.
We'll eat our wheat and ham and eggs
and let them eat their gold.⁴⁹

The effect of the proposed strike on the Washington administration can be seen in the events that followed.⁵⁰ Secretary Henry Wallace met with organized farm leaders on March 10 and together they drew up a plan for the relief of agriculture which called for the president to assume dictatorial powers similar to those he had requested for dealing with the banking crisis. The purpose of the proposed legislation was to give

⁴⁹Saloutos, pp. 443-444.

⁵⁰New York Times, March 12, 1933. Carl T. Schmidt, American Farmers in the World Crisis (New York, 1941), pp. 120-121. See also Raymond Moley, After Seven Years (New York, 1939), pp. 107-108. Time, XXI February 6, 1933, 17.

the president authority to bring about a parity of prices between agricultural and industrial commodities based on their pre-war relationship. Under the proposed legislation the administration would lease land in order to curtail production and at the same time fix the price of wheat, corn, cotton, hogs, cattle, sheep, rice, tobacco, and dairy products.⁵¹

The Farmers' Holiday Association convention met March 12, 1933 at Des Moines and resolved that, "Unless we receive legislative justice by May 3, 1933, we shall then prepare for a marketing strike within ten days, and a national farmers' holiday will be declared and maintained." Copies were mailed to President Roosevelt, Vice President John Garner, and to all Senators and Representatives. After the convention adjourned 3,000 farmers marched on the Iowa State Legislature and declared their refusal to pay interest, taxes, or debts "until the dollar is made to serve as an honest measure of value." Further they declared, "We do not desire to seek redress of our wrongs and grievances through force except as a last resort, but we are free men and we refuse to become the serfs and slaves of the usurer and money king."⁵²

Meanwhile, the Senate Committee on Agriculture held hearings on the proposed bill. In testimony before the committee John A. Simpson, President of the National Farmers' Union said, "the biggest and finest crop of revolutions you ever saw is sprouting all over this country right now." Edward Asbury O'Neal

⁵¹New York Times, March 12, 1933.

⁵²New York Times, March 13, 19, 1933.

III, President of the American Farm Bureau Federation said, "Unless something is done for the American farmer we'll have revolution in the countryside in less than twelve months."⁵³

Time concluded an article on agricultural conditions saying "an agrarian revolt is the last thing President-elect Roosevelt wants on his hands during his first year in the White House. He and his Democratic associates have been cudgeling their brains to devise ways and means of heading off such an uprising before it reached the blood-and-bullets stage."⁵⁴

On May 4 Reno held back on calling a strike vote all day hoping to get word that the administration would include the cost of production amendment in the pending farm relief bill. The 1,500 delegates present in the convention at Des Moines claimed to represent 1,500,000 farmers and emotion was high as the result of the martial law situation in the north west part of the state. The issue was put to the vote and the farmer delegates from 18 states voted to take a holiday beginning May 13. All farm products including eggs, vegetables, and milk would be held at home.⁵⁵ On May 9 Secretary Wallace appealed to the industrial East to support the farm bill. He asserted that the farm bill was a deliberate choice between the traditional policy of laissez-faire and that of conscious control of agriculture and was an attempt to strike and maintain a balance between the rural and urban life of the

⁵³Time, XXI, February 6, 1933, 17.

⁵⁴Ibid., p.17.

⁵⁵New York Times, May 9, 1933.

country. He went on to say that if nature were allowed to take its course the situation would eventually be rectified but only at the cost of "time, suffering and bloodshed."⁵⁶

On May 12, the day before the strike was to commence, President Roosevelt signed the agricultural relief measure. That same afternoon the offices of the National Farmers' Holiday Association announced the indefinite postponement of the May 13 strike. It was done, said Reno, because of the President's statement urging mortgagors to be lenient issued at the same time he signed the bill for farm inflation. While declaring it was the patriotic duty of the farmer to give the Federal administration an opportunity to redeem pre-election promises, Reno made it clear that they were in no way receding from their fundamental demand for costs of production.⁵⁷

Spring turned to summer and all eyes were on agricultural prices. Of course there could be no real effect until the 1933 harvest got under way. When it did Reno was not so sure that the relief measures were adequate.

On October 19, Reno declared that a new strike would be necessary in order to compel the administration to put into effect an NRA code for agriculture. Such a code was needed in order to establish minimum prices for basic commodities sold on the domestic market and to license producers, processors, and dealers to insure code compliance and to prevent unfair

⁵⁶New York Times, May 10, 1933.

⁵⁷New York Times, May 13, 1933.

practices.⁵⁸

The new strike was called for October 21 and, according to Walter Groth of the Minnesota Association, would be effective in 24 states that represented 2,000,000 farmers. The directors of the association issued a statement which said in part:

We will pay no taxes or interest until we have first cared for our families.

We will pay no interest bearing debts until we receive the cost of production.

We asked for a national moratorium to prevent foreclosures and dispossessions while the administration was sparring for time to bring us relief. But no such moratorium has been proclaimed. It is now apparent that if these homes are to be saved we shall have to do it ourselves, and that we intend to do. ⁵⁹

Governor Langer of North Dakota decided to support the strike and declared an embargo on all wheat shipments on October 22. He also ordered all sheriffs to compel elevators to cease accepting wheat for shipment. Although the railroads were ready to transport the grain despite the embargo, they had little for shipment and the wheat trade was at a standstill in North Dakota by October 25.⁶⁰

The 1933 strike stands in marked contrast to the 1932 holiday. In the first place the strikes did not occur a second time in any one place. In Sioux City, the center of the 1932 strike violence, all was quiet the day after the strike was declared. The association leaders there claimed that they had not been officially notified of the strike and would not

⁵⁸New York Times, October 20; November 2, 1933.

⁵⁹New York Times, October 20, 1933.

⁶⁰New York Times, October 22, 1933, October 26, 1933.

act until they heard from Reno.⁶¹ Economically the strike was even less successful. By October 29, grain, milk, produce, and livestock ~~were~~ moving to market in little stunted volume. The strike extended into six states but prices were no higher because of it. Livestock receipts were higher in the first week of the strike than during the preceding week. Reflecting a seasonal trend egg prices were higher anyway. Governor Langer's embargo, finally, kept wheat shipments at a standstill but grain prices still averaged lower.⁶²

The 1933 strike also failed to enlist the support of the milk producers. The year before they had been engaged in a battle with the distributors and, in fact, had given the first impetus to picketing activities. By 1933, however, they were engaged in negotiations with the distributors under the AAA code with the assistance of government conciliators. The last thing they wanted was to have the milk bucket kicked over just as they were on the brink of reaching a satisfactory settlement.⁶³

After one week the strike had had no appreciable effect on the market. The great mass of farmers continued to send their production to market in the usual quantity and acted as though they did not know anything about the strike. The strike also was met rather coolly because of the distrust of the Reno organization after the futile attempt of the previous year. Indeed the Holiday Association encountered some of its most

⁶¹New York Times, October 22, 1933.

⁶²New York Times, October 30, 1933.

⁶³New York Times, October 29, 1933.

serious opposition in its own strongholds in Iowa and Wisconsin.⁶⁴ Then also there was the matter of President Roosevelt's radio address in which he called for patience and a period of time to allow measures already enacted a chance to work. Popular reaction appeared to be a disposition to go along with the president's request in view of the fact he had promised to raise farm prices in one way or another.

Reno however was not ready to give up. His call for a code for agriculture ignored, Reno on November 4 ordered the non-buying, non-selling movement into "full gear" and called on the leaders in 21 states to urge their units to strike. Response was widespread. Farmers in Madison, Wisconsin; Birmingham, Alabama; Pipestone County, Minnesota; and Oklahoma responded with votes for strike action.⁶⁵

Despite the Association leaders attempts to prevent it violence did occur. Near Lawton, Iowa a freight train was halted and eight car loads of livestock bound for Sioux City were turned loose. One picket was killed near Dakota City, Nebraska. Nails were strewn on highways near Racine, Wisconsin. At Waupun, Wisconsin two men were arrested for sabotaging cheese at a factory by pouring kerosene into the vats. Near Meriden, Iowa an Illinois Central Rail Road bridge was burned.⁶⁶ Advised of the turn to violence at Sioux City, Reno at Des Moines said, "These acts of violence are regrettable. The people have been

⁶⁴Ibid.

⁶⁵New York Times, November 5, 1933.

⁶⁶New York Times, November 6, 1933.

admonished to carry on by peaceful picketing in the strike. It would perhaps be impossible, however, to prevent actions of this kind in the present frame of mind of the farmer. It's easy to counsel respect for law and order by those who are [not] in dire distress. It's quite another matter, however, to the farmer who sees the earnings and accumulations of a life time being taken from him and his righteous requests ignored."⁶⁷

On November 12 as the strike ended its third week little diminution of receipts was noticed at the markets. Outside of Iowa, Nebraska, and Wisconsin livestock and dairy receipts were reported to be normal. In the three states where the Farmers' Holiday Association had its greatest strength no serious shortage of foodstuffs was reported.

That the farm strikes had sped rural relief there can be little doubt. By November Senator Lynn J. Frazier of North Dakota could tell the delegates to the National Farmers' Union convention in Omaha that Congress finally realized that something had to be done to restore the purchasing power of the farmer. President Roosevelt at the same time pledged himself anew to raise prices. That same month George N. Peek, Farm Administrator, announced a corn loan program that would give farmers one half billion dollars by January. At the same time the Farm Credit Administration did not wait for the loans to become effective but started immediately to buy wheat and dairy products for relief distribution. In addition merchants in rural communities were exempted from the retail codes that

⁶⁷New York Times, November 7, 1933.

that had required prices to include cost-plus-ten per cent.⁶⁸

The corn loans spelled an end to Reno's strike. The approaching checks were like oil poured upon troubled social waters. Significantly the farmers of Le Mars, Iowa, the strongest backers of Reno, were the first to defect. Perhaps Oluf C. Patterson of Story County, Iowa was typical of most farmers at this point. He said, "The 45 per cent corn loan will be a big help.... Wallace is 100 per cent all right... The Governor's trip to Washington didn't accomplish any good. The government had its own program. Why should it be changed now? It must be carried through and given a chance."⁶⁹ A poll taken among Iowa farmers in late November showed that farm strike to improve income had fallen out of favor and that they were willing to give the New Deal a chance. Indeed, 72 percent of the farmers polled expressed approval of President Roosevelt's efforts while only 14 per cent still favored the farm strike.⁷⁰

If the holiday movement had no effect on raising prices, one thing is certain. Advancing farm prices and a decline in farm foreclosures spelled the end of the association. Enthusiasm for the "holiday" evaporated as the farmers started to get twice as much for their wheat and almost as much more for their corn, hogs, and cattle as they were paid during the heyday of the association. In five months, the New York Times reported, the association had gone from 750,000 members to a thing of the

⁶⁸Literary Digest, CXVI, November 8, 1933, 8. New York Times November 16, 1933.

⁶⁹New York Times, November 17, 18, 1933.

⁷⁰New Republic, LXXVII, November 29, 1933, 64.

past. In its place was a feeling of hope and confidence not seen among the nation's farmers for ten years.⁷¹

In conclusion it can be said that the farm strike was not a radical revolution. While the farmers denied that their actions could be termed "revolution" or "anarchy," the non-participating by-standers were not inclined to be disturbed by the farmers' actions. They saw not a Red revolution or an organized movement to defraud creditors but rather a desperate effort to preserve the existing property status from being wrecked. They deplored the method while sympathizing with the purpose.⁷² Certainly, the Soviet government proclamation to her people that the revolution of the American proletariat had begun and the end of the capitalistic government was at hand⁷³ was premature to say the least.

It can also be said that the general respect for law remained high despite the cow testing war, farm strikes, highway picketing, and interference with tax and mortgage foreclosure sales. The people of most communities knew of them only as something which happened somewhere else. The irreverence for law in those cases was viewed as no more alarming than the widespread contempt for Volsteadism. What the farmers wanted was a moratorium on debts until a time when they could pay. The interference at sales was an emergency method of dealing with an

⁷¹New York Times, July 2, 1933.

⁷²New York Times, February 12, 1933.

⁷³New Outlook, CXLI, October 1932, 18.

emergency situation rather than the forerunner of any revolution.⁷⁴

⁷⁴New York Times, February 12, 1933.

Chapter II

The Dairy Farmers Take "Action"

Even as Milo Reno was prodding the farmers of Iowa, Nebraska, South Dakota, and Minnesota into action; the dairy farmers of Wisconsin, Illinois, and New York had taken notice and simultaneously strikes occurred in those states. Strikes among the dairy farmers in those states had a special significance. Whereas, the early farm strike conducted by the Holiday Association and the penny sales occurred out in the distant Great Plains and for the most part did not affect the large centers of urban dwellers, the dairy strikes which followed threatened to carry the prairie fire of protest into the labor camp of the large cities. Indeed, it was only a matter of months before the big cities of Chicago, Milwaukee, New York, and Philadelphia began to feel the full effect of a strike among producers of milk.

Aside from the radical implications, the dairy strikes meant the halting of distribution of what was considered to be the most vital of food products. The prospect of an end to the supply of milk for any period of time struck fear into the hearts of city health officials as well as mothers of small children. There was also the fact that in swinging over to direct action as a means to achieve their ends the dairy farmers held an important position in the nation's economy. Milk, the most important agricultural product, furnished one fourth of

the total farm income.

In spite of dietary and national economic considerations dairy strikes held great promise of success when contrasted with strikes among non-perishable commodity producers. First, processors would not be able to keep a large surplus on hand for use in an extended strike. Because of its perishability, milk supplies ordinarily would be exhausted in three or four days. Second, unlike non-perishable commodities, milk could not easily be spirited into a struck city. It had to move in refrigerated rail cars and tank trucks which were easily detected and sabotaged. Third, and most important from the standpoint of striking for improved prices, when the strikes were halted there would not be a huge backlog of milk held in storage ready to glut the market and drive prices down even farther.

The Wisconsin Cooperative Milk Pool Strike

The dairy farmers in the Milwaukee milk shed were the first to strike. On February 8, 1933 the directors of the Wisconsin Cooperative Milk Pool announced that they had empowered the organization's president, Walter M. Singler, a farmer from Shiocton, to set the date for a strike. "We will not try to starve the cities. We have the milk and it is for sale. But for once it is for sale at our price," said Singler. That price, which was established by the Cooperative, was to be 40 cents per pound of butterfat or \$1.40 per 100 pounds of milk testing 3.5 per cent butterfat regardless of the use to which the milk would be put. This was in contrast to prices of 60 cents to \$1.00 per hundred it had been receiving depending

on whether the milk went to the bottler or other processing plants.¹

The strike, which was enforced by surly pickets, spread rapidly throughout Dodge County. In the vicinity of New London, the action of the pickets was direct and positive. There a group of pickets halted James Wells with a load of milk he had tried to disguise with sacks of corn. The milk was dumped as the Chief of Police fought several of the strikers. That same day, February 18, to the south of the city, Milton Puksan was dragged from his car and beaten when he tried to break through a barrier in order to clear the way for a truck. By the end of the day it was estimated that half of Dodge County's cheese factories, condenseries, creameries, and receiving stations were closed.²

Meanwhile, tension in the Milwaukee milk shed during mid-February had led the Wisconsin legislature to pass restrictive legislation and orders went out to sheriffs to aid strike breakers in crossing lines. On February 19, the same Milton Puksan, mentioned earlier, reached New London with a load of milk guarded by six car loads of special deputy sheriffs. The same day, however, nine truck loads of milk totaling 25,000 pounds were spilled near Manawa in Waupaca County. Meanwhile, Borden announced that the the condensery receipts were drastically cut from the normal 90,000 pounds of milk received

¹New York Times, February 9, 1933.

²New York Times, February 19, 1933.

daily.³ At this point, Singler sought to extend the strike into Michigan and succeeded in getting the farmers of the Upper Peninsula county of Menominee to agree to support the Wisconsin Cooperative Milk Pool in its strike by halting shipments to the Milwaukee area.⁴

By April 20, Wisconsin's Governor Albert G. Schmedeman was worried that the strike would spread into Illinois and Indiana. He sought to relieve the exasperated farmers by encouraging the condenseries to increase prices paid for surplus milk. He believed a voluntary increase, though modest, was necessary since the price for surplus milk demanded by the farmers would have caused the price of butter to go from 55 cents to 60 cents and cheese from 25 cents to 30 cents per pound. Such an increase, he believed would lead to a consumer strike from which no one would benefit.⁵

Up to this time there was little bitterness or unrestrained violence on either side and the strike was viewed by the non-combatants as a sporting event rather than an insurrection. In fact, so widespread was public sentiment in support of the farmers that Governor Schmedeman had used mildness in quelling the outbreaks.⁶

By early May events began to move more rapidly. The Holiday

³Nation, CXXXVI (May 17, 1933), 559. New York Times, February 19, 1933.

⁴New York Times, February 20, 1933.

⁵New York Times, April 23, 1933.

⁶Nation, CXXXVI (May 31, 1933), 598.

Association had met in convention and was proceeding to get ready for the general strike which was expected to be called on May 13. In addition the Farm Holiday Association continued to mobilize farm opinion behind the milk pool. With the increase of Holiday prestige in Wisconsin, Governor Schmedeman, on May 10, prepared to assume dictatorial powers in the farm crisis should the general strike materialize. In that event, his office announced that all processing stations would be closed and no milk would be sold in stores. Children under eight and the ill would receive milk transported into the cities by police authorities.⁷ On May 12, when the news reached Singler that the nationwide strike was called off in deference to Roosevelt's plea, he said, "The strike is on!," and declared that his association would go through with their plans to strike. Township captains had been selected in each community on the local level and a secret board had been created to act in the event the acknowledged leaders were enjoined by the courts from conducting the strike.⁸

On May 14, four hundred enraged farmers battled dense clouds of tear gas to dump six truck loads of milk, destined for the Chicago market, south of Mukwonago. The truck drivers and a few private guards armed with clubs were no match for the aroused farmers. Some of the farmers charged into the fray with milk can covers in their hands. While the driver-farmer battle raged other farmers tossed milk cans to the

⁷New York Times, May 11, 1933.

⁸New York Times, May 13, 1933. Nation, CXXVI (May 17, 1933), 559.

pavement and milk ran several inches deep in a ditch. The trucks had been halted by the farmers throwing logs and upturned harrows to the pavement in the path of the trucks as they headed for the United Dairy Company plant at Mukwonago. In all 30,000 pounds of milk were spilled.⁹ The same night, May 14, 300 striking producers gathered at Appleton and burned a straw effigy of Milo Reno and denounced him for having postponed the national farmers' holiday.

By May 15, the strike had spread into fourteen counties along Lake Michigan and into the Fox River Valley. The same day violence occurred at various places. Milk was dumped near Milwaukee, Benduel, and Menasha. In Waukesha County, where the Mukwonago battle had been fought, the county officials appealed for more tear gas bombs which were rushed to them by air.¹⁰ Meanwhile, it was expected that a price increase of a penny a quart by the Chicago Milk Council to be charged the consumers would give the farmers prices that would range from \$1.45 to \$1.75 per hundred pounds.¹¹ The expected increase in price was not passed on to the dairy farmers, however, and therefore they were not deterred.

On May 16, 650 National Guardsmen were called up and sent into the troubled zones. The next day Governor Schmedeman ordered fourteen new companies to be in readiness. The day's

⁹Nation, CXXXVI (May 31, 1933), 598. New York Times, May 15, 1933.

¹⁰New York Times, May 16, 1933.

¹¹New York Times, May 15, 1933.

worst outbreak occurred at Shawano when the militia tried to rout a gathering of farmers with tear gas. Dozens of National Guardsmen were battered and bruised and 200 strikers were taken prisoner. In all 1,000 deputies and 1,000 farmers participated. The entire town had turned out to watch the battle between the deputized militia and the striking farmer. That the townspeople sympathized with the farmers was no secret. What they objected to most was that the state militia men were entitled to collect \$4.00 a piece from the county treasurer because they had been sworn in as deputy sheriffs. The townspeople also objected because the town cemetery had been over run in the battle and a mess had been made of the Ladies' Cemetery Improvement Association beautification project.¹²

The dairy strike was a unique demonstration in Wisconsin history. The farmers faced with the lowest prices in 34 years openly defied the authority of the state. For the first time in Wisconsin history the militia was called out to subdue the farmers.

As violence spread throughout the state, authorities grew concerned that the dairy strike was assuming the proportions of an organized rebellion. Adjutant General, Ralph M. Immell, thereupon ordered the sheriffs of 18 counties to arrest all persons instigating violence or causing destruction of property on charges of conspiracy against organized government. The Pool, meanwhile, stood by its demands for "state recognition" of the pool, immediate discharge of all special

¹²New York Times, May 18, 1933. Nation CXXXVI (May 31, 1933), 598.

deputies, and a base price of \$1.40 F.O.B. farm, for milk.¹³

In the face of the threat of renewed hostilities Governor Schmedeman secured from Borden and National Dairy an increase of 15 cents per hundred pounds in the price of milk which raised the price to \$1.00 per hundred which was one half of the Pool's earlier demand for \$2.00 or 4 and 1/2 cents a quart.¹⁴ Having won this the Governor next called a conference with leaders of the Pool. Late on the night of May 18, after a three and a half hour conference, the Governor declared the strike to be ended with picketing to be halted as soon as the arbitration committee of the Wisconsin Cooperative Milk Pool could ratify the agreement.¹⁵

The agreement which was ratified on May 19 was met with the cheers of three thousand farmers who had gathered at Madison. The agreement called for the Pool to promise to cease picketing and the governor agreed to appoint a farmer controlled committee to study and report on the grievances of the producers. Most of the pickets who were arrested were released. Those who were still held at Milwaukee and Shawano were not expected to be prosecuted.¹⁶

The reaction in Wisconsin to the dairy strike was mixed. As has been suggested, the non-participant did not view it with any alarm while the state press viewed the strikers with coolness. The Socialist Party took the occasion to endorse in

¹³New York Times, May 18, 1933.

¹⁴Nation, CXXXVI (May 17, 1933), 559.

¹⁵New York Times, May 19, 1933.

¹⁶New York Times, May 20, 1933.

full the demands of the Farm Holiday Association and the Progressives seized on the opportunity to criticize the Democrats for failing to alleviate the farm distress. Later in the same month, Singler retired from the office he held declaring that there was a better way to deal with farm problems than by striking. What he meant was the orderly process of a committee representing the farmer, distributor, and public working together to solve a problem that affected all. In Singler's view, the one real success of the Pool's valient effort was the appointment of a commission to conduct an inquiry.¹⁷

The rank and file farmers, however, were not so easily satisfied. They continued to be dissatisfied with the slight price improvement and in the fall of 1935 farmers in Northern Illinois and Southern Wisconsin again went on strike. This time they demanded \$2.50. Unlike the earlier strike this was a completely spontaneous rank and file protest. At Huntly, Illinois, a train was stoppped and two rail cars of milk were dumped. At Kenosha, Wisconsin kerosene was put into a truck milk tank. In McHenry County, Illinois, farm women helped the men by clustering in the highway. Their husbands mobbed the drivers when they slowed their trucks.¹⁸ The effect of New Deal legislation was another factor in this strike. More will be said about this later but the conflict between the AAA and the NLRB began to take shape. If the NLRB approved the Union's driver demands for shorter hours and higher wages it

¹⁷New York Times, May 28, 1933.

¹⁸Literary Digest, CXX, October 19, 1935, 6.

would partly nullify the efforts of AAA to get higher prices for the dairy farmer. It would be correct to say that direct action in Wisconsin was not held to be the final solution but rather a way to put the dairy farmers' plight before the public.

The Pure Milk Association Strike (Chicago)

Acting in consequence of disappointed hopes raised by AAA, dairy farmers in the Chicago milk-shed launched a new strike in the fall of 1933. This initial effort at direct action met with little success. Deputy sheriffs had guarded the railroads and had accompanied milk trucks into Chicago thus ensuring Chicago fifty per cent of its normal supply. Due to difficulties in preventing breaks in the picket lines the strikers accepted a thirty day truce proposed by Governor Henry Horner.¹⁹

Earlier, a committee composed of governors of the states of North Dakota, Iowa, Wisconsin, South Dakota, and Minnesota had met with President Franklin D. Roosevelt and had called for a NMA code of agriculture. Such a code was essential, the farmers believed, in order to deal with the racketeers who had invaded Chicago's milk industry as well as restore order among the processors. President Roosevelt termed this and other demands for currency inflation, federal refinancing of farm mortgages, and the pegging of prices at seventy per cent above the present level to be ridiculous.²⁰ The President's

¹⁹Commonweal, XVIII (October 27, 1933), 610.

²⁰Newsweek, II, November 11, 1933, 3.

answer precipitated the threat of widespread strikes and the distributors on November 3 voluntarily increased the price paid to farmers from \$1.75 per hundred pounds to \$2.10. This increase was passed on to the consumer by raising the retail price of milk from 10 to 11 cents per quart.²¹ This was the crux of the dispute in the Chicago milk shed. The farmers complained that the distributors always passed any price increase to the producer on to the consumer thus decreasing the demand for milk which the distributor insisted forced him to reduce still farther the price paid to the producer.

An investigation into the spread between the price paid to the farmer and the price paid by the consumer was launched. It revealed that when retail prices were cut the farmer's price was also cut but that the distributor's margin of profit remained the same. Further, increased retail prices were seldom passed on to the producer. In 1929 the average price paid to producers was \$2.50 per hundred pounds, while in 1932 the average price was down to \$1.32, a cut of nearly fifty per cent. In the same period retail prices had dropped 37 per cent but the middle man's profits had fallen only 13 per cent.²²

Bootlegging also figured in the farmers' predicament. By purchasing milk from farmers at disaster prices the bootlegger and chiseler could undersell the established dealers. Milk racketeering soon became big business and before long the Pure

²¹ Nation, CXXXVIII (February 7, 1934), 156.

²² Nation, CXXXVIII (February 7, 1934), 156.

Milk Association was forced to hire Three-Fingered Jack White and Murray Humphrey in order to stop the killing of cattle and burning of barns and dumping of milk.²³ Such was the confusion that some persons thought that farmers were burning their own barns and distributors smashing their own bottles.

At the height of this chaotic situation the government announced that its efforts to enforce fixed retail prices were unsuccessful because the marketing agreements were not designed to cope with chisellers, racketeers, and just plain over production. In its place the administration announced it would institute a program that would emphasize producer's prices. By this point recognition was given to the principle that production controls would be necessary in order to sustain higher prices.²⁴ The flaw in the processing tax was that it was passed on to the consumer in the form of a higher price thus curtailing consumption and necessitating another production cut in the future. The Chicago milk marketing agreement then was bound to collapse. Effective enforcement was not provided and the provisions of NRA that were observed served to enforce exorbitant profits to the milk companies.

The reason for unrest among the dairy farmers is clear. By Secretary Henry Wallace's own admission, the task of providing milk for the nation's second largest city was bungled when AAA took over.²⁵ Because the government was not willing to

²³Business Week, March 1, 1933, p.7. See also Newsweek, III, January 13, 1934, 10.

²⁴Business Week, January 13, 1934, p. 10.

²⁵Christain Century, LI, January 17, 1934, 76-77.

back the agreement with its enforcement powers, Chicago did not get its milk and the farmers did not get a fair price for their product. The effect of the abrogation of the marketing agreement, on the first of January, 1934, on the dairy farmers was catastrophic. In a situation where nobody believed that the farmers were getting a decent price for their milk, the department's course of action threatened them with a cut of 70 cents a hundred pounds from a blended price of \$1.90 per hundred. That in effect was what the dealers proposed. The price at the moment had been \$2.10 per hundred for milk sold to consumers as fluid milk and \$1.45 for milk sold as cream. On this basis the farmers were paid a combined price or blended price of \$1.90.²⁶

The immediate cause of the January 1934 dairy strike was the Chicago milk war. Unable to meet the competition of the independent and cut rate dealers, the major processors proposed to cut the price paid to producers from \$2.10 to \$1.40 per hundred. Other factors contributed as well. The Illinois dairy farmers had resisted appeals to join the earlier strikes in Wisconsin and Iowa but nevertheless had watched the militant action with interest. Meanwhile, their grievance had grown because AAA had failed, they believed, to make good on its promise to stabilize the Chicago market while at the same time seemingly condoned the unfair practices of the distributors.²⁷

The surprise came when the Pure Milk Association declared

²⁶ Ibid. See also New York Times, January 6, 1934.

²⁷ New York Times, January 11, 1934.

the strike with out waiting to negotiate. The directors of the association met on Sunday January 5 and voted to strike the next day. By allowing only one day's notice the Big Three distributors, Bowman, Borden, and Wieland, who together supplied Chicago with 70 per cent of its total needs, had no opportunity to lay in a supply.²⁸

On January 6 the pickets were out in force and shortly they made effective their vow to halt the flow of milk into Chicago. Farmers armed with clubs blocked the roads and milk trucks either turned back or their loads were dumped. Disobedient drivers were mobbed and on several occasions blood was spilled. In three days Chicago was desperate as its milk supply had almost completely dried up.²⁹ By one account less than twenty per cent of the normal supply reached Chicago. Outlying towns received even less milk as the effectiveness of the pickets lines extended from a point deep in Indiana all the way to Racine and Kenosha in Wisconsin. Picket activity was greatest in the vicinity of the Wisconsin-Illinois line, McHenry, Lake, Kane, and Will counties and in Northern Indiana. Gary, Indiana, for example, received only two truck loads of milk on the sixth.³⁰

The 18,000 member Pure Milk Association that conducted the

²⁸New York Times, January 6, 1934.

²⁹Nation, CXXXVIII (February 7, 1934), 156. Newsweek, III, January 13, 1934, 10. Newsweek, III, January 20, 1934, 12.

³⁰New York Times, January 7, 1934.

strike was a well disciplined organization. In fact, the association was so well organized that it could legally have raised the prices to farmers within the AAA code had it had the support of the national enforcement powers. With the strike under way it quickly proved its effectiveness. First, in drying up Chicago's milk supply. Second, by establishing strict controls on the milk shed boundaries it prevented substandard milk from reaching Chicago while at the same time it provided the city with enough milk for its babies and hospitals.³¹

Walter Singler's Wisconsin Cooperative Milk Pool was the only farm organization in the Chicago milk shed that was opposed to the strike. As we have already seen, the Pool had conducted unsuccessful strikes in 1933 and had abandoned the strike as a weapon. Now it was willing to ship 500,000 quarts a day into Chicago.³² That, however, was not enough.

On January 7, wagon drivers were told not to report to work as the supply of milk available would not be enough to continue home deliveries. On January 8, association pickets halted two trains of the Soo Line at High's Crossing in Lake County by waving flares. The first was a passenger train and was allowed to continue. The second, included several baggage cars which were searched and a number of cases of condensed milk were seized. Meanwhile, milk was also dumped at Walworth,

³¹Christian Century, LI, January 24, 1934, 122-123. New York Times, January 8, 1934.

³²New York Times, January 7, 1934.

Lyons, and East Troy in Walworth County. On the same day two milk plants were wrecked.³³

That Washington was not too concerned about the Chicago situation can be seen by its formulation of a new dairy plan which the Department of Agriculture officials thought would allow milk producers and distributors a chance to work out their differences: if they cared to take it. On the seventh, Secretary Wallace sent a telegram to the Pure Milk Association offering to enforce a new price for milk if the association would end the strike by Monday the eighth. He stipulated in the telegram that the price would be, "suggested by us for farmers with additional understanding that an early attempt will be made to improve all dairy farmers' incomes when the administration's pending plan for production control takes effect for all dairy producers."³⁴ On January 9, the Association refused Wallace's offer of a new code under AAA and instead offered a concession of its own. The original demand for \$2.10 a hundred was lowered to a basic rate of \$1.85.³⁵ The administration countered with an offer to enforce the AAA agreement if the farmers would take \$1.70. The Pure Milk Association found this unacceptable, as the resulting price would not have met the costs of production, and descended on city hall. Mayor Edward Kelly and the City Health Commissioner listened to the leadership and agreed to help. By threatening

³³New York Times, January 8, 9, 1934.

³⁴New York Times, January 8, 1934.

³⁵New York Times, January 9, 1934.

to withhold operating licenses, the cut rate dealers were forced to agree to respect the standard milk price.³⁶

At a time when all eyes were turned to Washington to allievate the dairy producers condition, nothing more was required than for a local government to refuse to allow cut rate dealers to operate. The farmers had wanted this under AAA but were denied it. Thus, control of the milk situation in Chicago passed out of the hands of the national government into those of the local.

On January 10, Mayor Kelly proposed submitting the issues to arbitration and a truce in the strike was signed by the Association and independent and organized dealers. Under terms of the truce a three man arbitration board was to be appointed. One member by the Milk Dealers' Association, one member by the farmers, and they in turn would appoint a third member. The appointees were to determine a fair price for the farmers' milk which the Agricultural Adjustment Administration would enforce by rigid licensing of milk distributors. The arbitration committee determined on a price of \$1.85 per hundred and expected that the retail price of milk would be reduced from 11 cents and eventually to 9 cents per quart.³⁷ Secretary Wallace, thereupon, hastened to inform Mayor Kelly that \$1.70 was the maximum price that was economically justifiable and would not enforce an agreement calling for a figure higher

³⁶Christian Century, LI, January 24, 1934, 123.

³⁷New York Times, January 11, 1934.

than \$1.70.³⁸

Washington did not intend to abandon the dairy farmers completely, however, and on February 4 ordered every distributor in Chicago to pay the producers \$1.75 a hundred for Class I milk having a butterfat content of 3.5 per cent. The new price, to be enforced by rigid AAA Licensing, compared unfavorably to the \$2.20 provided for in the first AAA agreement and the \$1.85 proposed by the arbitration board which had ended the producers' strike. Thus, the AAA began a second attempt to control prices paid to producers in the Chicago area. Significantly, the second code did not include an attempt to regulate prices to consumers as did the first.³⁹

The Chicago housewife was the real winner of the January strike. Milk at the corner grocery cost 7 1/2 cents a quart compared to the minimum 11 cents under the original AAA marketing agreement. As for the dealers, the shortage of milk increased competition even further. The independent milk distributors won in the competition for home delivered milk while driving the large distributors into the "cash and carry" trade. Here the independents were forced to drop to 8 cents and in some cases offered two quarts for 15 cents.

Peace, however, still had not settled on the Chicago milk-shed. The milk price war was resumed again in April as the dealers sought to depress prices paid to farmers in order to achieve an advantage in the battle for markets. The final

³⁸Business Week, January 27, 1934, pp. 14-15.

³⁹New York Times, February 4, 1934.

blow to the illusory gains that the strike had won for the farmers occurred on June 26. On that day, Federal Judge John P. Barnes granted an injunction restraining Henry Wallace and Frank C. Baker, Milk Marketing Administrator, from enforcing the marketing agreement. In his decision, Judge Barnes said, "The License for Milk-Chicago Sales Area, as amended....seems to the court to be an attempt by the Federal Government to use milk distributors for the purpose of doing what, under the commerce clause of the constitution, the Federal Government has no power to do, and what, under the Tenth amendment... is reserved for action by the states or the people."⁴⁰ On June 27, 45 dealers announced that they would abandon the AAA regulations, and thereupon the milk price war was renewed in earnest. The situation as it developed, needless to say, benefitted neither the producer nor the dealer.

In the fall of 1935, the dairy farmers in the Chicago milk shed made one final effort at direct action. The milk marketing situation was as unstable as before. The Pure Milk Association, which had become jittery over slumping markets, had voluntarily accepted reductions in the price until the average for all milk fell to \$1.47 per hundred or 3.07 cents a quart against claimed production costs of 6 cents. In October the Pure Milk Association split into two factions. The dissident group, the Union Producers Association urged a new strike to bolster prices. The Pure Milk Association was afraid

⁴⁰ New York Times, June 27, 1934.

that higher prices would hurt sales even more. Nevertheless, on October 1, 2,500 independent farmers along with 5,000 Pure Milk Association deserters went on strike.⁴¹

The dealers fought back by lowering prices and were met on every road by farmers. Strikers in overalls blew up rail road tracks and stopped trucks enroute to Chicago. One striker was killed. Ironically, the new strike was broken by the very organization that had conducted the 1934 strike. The Pure Milk Association sent "flying squadrons" to break the picket lines of the Union Producer's Association and the cooperating Farmers Educational and Cooperative Union of American.⁴² The latter organization commonly known as the Farmers' Union which had given birth to the Holiday Association ordinarily did not engage in direct action but rather preferred to run cooperatives in the interest of its members. Despite efforts by the Union Producer's Association, shipments rose to 65 per cent of normal reaching Chicago and by late October, the blockade having become a sieve, the Union Producers Association decided to accept a truce during which they agreed to deliver milk at pre-strike prices.

Neither strike had won the farmer any long range benefits. He knew only too well the injustice done to him by the AAA in expecting him to accept low prices with no real controls on the distributor. It was his belief that if controls on bootleggers,

⁴¹Newsweek, VI, October 26, 1935, 10.

⁴²Ibid.

racketeers, and dealers were enforced that the demand for milk would have remained stable enough to ensure him his cost of production. The Federal government by showing weakness put the burden on the dairy farmer. Direct action was the result.

The Western, New York Milk Producers' Association Strike

In September of 1932, the New York dairy farmers were well aware of the farm holiday in the Middle West. During that same month, James W. Whitley, A Columbia County farmer, who was president of the New York state Farmers' Cooperative Union, proposed a similiar embargo on all products entering New York cities saying that the New York State farmers had suffered even more than the Mid Western farmers.⁴³ Interestingly enough, the dairy farmers of New York were not the first to strike even though they understood the role played by the distributor or milk dealer in depressed dairy prices better than the Middle West farmers. Indeed, one gets the impression that the holiday group believed in an uncertain, intangible way that the system of distribution tipped the scales against them. The New York farmers, however, were absolutely sure that the middle man was taking too large a share of the consumer's dollar. It therefore, became for the New York producer a battle, not for attention, but rather, a battle to reduce the middle man's profit.

The second point should be made perfectly clear. The efforts

⁴³New York Times, September 1, 1932.

of Reno and Singler were aimed in the direction of getting national attention. True, they wanted costs of production. But, they believed that costs of production would come as the result of an NRA code for agriculture. The way to a code, they believed was direct action to make their plight known. The New York farmers, on the other hand, went all out for economic gains. This accounts in part for the relative better discipline among New York farmers and the concessions by the dealers that resulted. Indeed, whereas the Middle West strikes ended because of lack of producer support; the New York strikes ended because the dealers had partly met producer demands.

The New York farmers did have one thing in common with the farmers of the Middle West. They also believed, by mid-February 1933, that disaster would hit them before relief measures could become effective. Justly or not, they feared that soon milk would be selling for 50 cents per hundred. Salvation, they declared, lay in their own hands.

On February 12, the farmers of Oneida and Lewis counties watched with interest the actions of 6,000 striking Wisconsin dairy farmers and shortly proposed a strike of their own. The farmers of these two counties believed that with holding on their part would have two important results. First, the movement would spread to producers throughout the New York milk shed. Second, the dealers would be forced to raise prices if the holding action lasted at least ten days.⁴⁴

The strike, which was declared on March 28, was under the

⁴⁴New York Times, February 12, 1933.

leadership of the newly formed Western New York Milk Producers' Association. President Albert Woodhead had the strike in full swing by March 29. Price improvement was the immediate goal. The goal was a return of 4 1/2 cents a quart in contrast to the 1 1/2 cents they were getting. Since milk in Rochester was being retailed at 10 cents a quart, they thought their demand was justified.⁴⁵ The producers also wanted guaranteed minimum prices for the rest of 1933 according to a scale that took into consideration seasonal supplies. The scale ranged from \$2.00 per hundred in April; to \$1.50 in June; to \$1.75 for August; and back to \$2.00 in October. At the outset of the strike the producers received a blended price of \$1.00 per hundred.⁴⁶

The strike erupted in the Rochester area on March 29 when the producers refused to renew their contracts with the Dairymen's League because that organization was the sole supplier to the Metropolitan Milk Dealers' Association which appeared to the farmers to be an outright milk trust. Despite the fact that thousands of gallons of milk were dumped and the new producers' association claimed it controlled over half of the Rochester milk supply there was no noticeable shortage of milk. What had happened was the Rochester dealers had received sufficient supplies of milk, amounting to 100,000 quarts, by rail from Vernon and other outside points. Those farmers who

⁴⁵New York Times, March 30, 1933.

⁴⁶New York Times, April 10, 1933.

remained loyal to the League also tried to make their regular deliveries. Finally, trucks bearing milk purchased by retail dealers from independent producers were allowed through the picket lines. Only trucks bearing the Dairymen's League Label were turned back or dumped.⁴⁷

The next day, the farmers were out in force and state troopers weilding riot clubs convoyed trucks of the Dairymen's League into Rochester. Pitched battles occurred at various places as farmers ignored the state trooper's orders not to try to dump milk. One arrest was made as farmers found themselves face to face with drawn guns. Lester Bennett, as a result, was assessed a \$10.00 fine for blocking a highway. That evening it was decided at a conference of police officials to call for 50 reinforcements and make wholesale arrests the next day if the violence continued. Albert Woodhead on the same evening warned the members of the association to halt all violence.⁴⁸

The initial strike action by Woodheads farmers had a significant result. In fact, the New York Times on April 1 reported that the New York Senate passed the so called Pitcher Bill as a direct result of violence in the milk strike. The Pitcher Bill, which took its name from its sponsor, Senator Percy A. Pitcher, created a milk control board that was given the power to fix maximum prices for consumers and minimum prices for producers. Under the bill, dealers would be licensed and fair practices would be enforced. Despite his disapproval,

⁴⁷New York Times, April 10, 1933.

⁴⁸New York Times, March 31, 1933.

Governor Herman Lehman sent a message to the assembly urging immediate action. The assembly leaders decided to call the bill up early when Assemblyman Wadsworth, whose constituency was Livingston County, pleaded for action on the bill saying, "Blood has been shed out their near Rochester. Even if all of us do not approve of this bill, I think it would go along way toward terminating this situation."⁴⁹ The Senate and Assembly, thereupon, broke tradition and held a joint conference on the bill too speed its passage.

When Woodhead was informed of the Governor's message on March 31, a Friday, he proclaimed a truce that would last until the following Monday. Then, the strike would be resumed within 48 hours if the Pitcher Bill did not contain satisfactory provisions. If it contained provisions to satisfy their demands, however the strike would be permanently ended.

In the debates over the passage of the bill the advocates pointed to the seriousness of the situation. For example, on March 31, 100 riot ready state troopers were required to escort ten truck loads of milk into Rochester from Syracuse and Penn Yard.⁵⁰ Even the Dairymen's League approved the bill while demanding an amendment to remove the provision giving the Milk Control Board power to fix a minimum price to the producer. It believed, sincerely or not, that the bill would spell the end to cooperative farming in New York State.⁵¹

Passage of the bill, however, was not immediate. On April 7

⁴⁹New York Times, April 1, 1933.

⁵⁰New York Times, April 1, 1933.

⁵¹New York Times, April 5, 1933.

Albert Woodhead declared that, "the legislature is trying to tire us out," and announced that the truce would end the next day and the members would start the holding action anew. Messages were sent to the independent producer's associations of Water Town, Batavia, Syracuse and Newport urging them to join the strike. The new strike plan called for dealers paying directly to producers 3 1/2 cents a quart to have unlimited supplies. A total blockade would be made effective against the Dairymen's League, however.⁵²

Early on the morning of April 9 the senate sent the milk control bill to Governor Lehman. Albert Woodhead was roused from his bed, informed, and immediately called a halt to the strike. The next day, Governor Lehman signed the Pitcher Bill.⁵³

Perhaps, this is the time to clarify the grievances of the New York dairy farmers in general and more specifically, their grievance against the Dairymen's League. Actually, the discontent of the New York farmers went back to events in the twenties. The Dairymen's League had struck successfully in 1919 because it solely represented the producers and purchased only their fluid milk for resale to the dealers. Surplus milk in the form of cream was sent to the farmers' own cooperative cheese factories for processing. Starting in 1919 the large milk companies, chief of whom were Borden and Sheffield, bought up the pasturization plants and cheese factories and by 1933 were the only market left to purchase surplus milk. The farmers had

⁵²New York Times, April 8, 1933.

⁵³New York Times, April 11, 1933.

no choice but to sell to the League which to all intents and purposes had become a subsidiary of the milk trust. The milk trust which had actually become a monopoly, therefore, was in a position to establish prices paid to farmers. The price paid the farmers was a pooled price which as an average between the higher price for bottled or fluid milk and the lower price for the surplus milk.⁵⁴ The manner in which the pooled price was determined did not satisfy the farmers. They simply took their milk to the company and accepted its word for the butterfat test and the proportion of the milk used for fluid milk while the surplus was used for the by-products.⁵⁵

It goes with out saying that the farmers were unhappy with the prices they were receiving and by early 1933, Cornell University could tell the farmers what they already knew: Those prices did not meet the cost of production. At that time the New York dairy farmers were getting between 1 and 2 cents a quart for milk that cost them over 2 cents to produce. How did they know that they were not meeting costs? They totaled the sums of all expenses for cattle feed and divided by the number of pounds of milk sold. They found the cost per cow by dividing the cost for feed by the number of cows. The latter figure was then divided by the number of pounds per cow and the result gave them their costs of production. While accuracy is almost impossible, the true costs of production were probably

⁵⁴Commonweal, XVIII (October 27, 1933), 611. Nation CXLI (October 30, 1935), 502.

⁵⁵New Republic, LXXVI, September 13, 1933, 123.

between 3.5 and 4.5 cents per quart.⁵⁶ After figuring their costs, many farmers found themselves working for nothing. Others found that they could not get on relief because they owned farms. Meanwhile the milk haulers got more in wages than they did.

Even as the producers faced bankruptcy, the profits of the milk companies continued to increase. In 1933, in New York, it was demonstrated that the dealers were getting two and a quarter times as much for distributing as the farmers got for producing the milk. Yet, their bookkeeping methods appeared to show that they were almost charitable organizations, working without profit.⁵⁷ An audit conducted by the Agricultural Adjustment Administration about the same time showed the dealers to be making a real profit of more than 15 per cent.⁵⁸ The next year, 1934, estimated dividends for Borden and National Dairy Products were fifteen million dollars. The average annual salary of 22 principal executives of the two companies was \$48,055. To pay the salaries of those 22 executives, it required the gross income of 1,650 farms with a total of 16,500 cows.⁵⁹ The same year that dairy farms were being sold for taxes because prices to producers were so low; prices to the consumers were so high that children had to go without milk.⁶⁰

The farmers were not the only ones who were taken advantage

⁵⁶ Nation, CXLI (October 30, 1935), 502. Commonweal, XVIII, (October 27, 1933), 611. New York Times, August 24, 1933.

⁵⁷ New Republic, LXXVI, September 13, 1933, 123.

⁵⁸ New Republic, LXXVIII, March 28, 1934, 171.

⁵⁹ Forum, XCI, May 1934, 285-286.

⁶⁰ New Republic, LXXVIII, March 28, 1934, 171.

of because of poor bargaining positions. The driver-salesmen for the companies found that since 1929 their wages had been halved and were dismayed that the companies resisted the establishment of a milk code on the milk industry. In some areas they worked a 70 hour week for wages of \$10.50 to \$21.00.⁶¹ The consumers were also hard hit. At one point a threat of a consumer strike coincided with a protest by the farmers. Simply raising the price of milk was not the answer. According to one study in New York, some families were paying as much as 18 per cent of their income for milk and not getting enough. An increase in the price of milk would mean decreased consumption, boosted infant mortality rates, and bankrupt farmers.⁶²

A word should be said about the marketing agreements under AAA. While there was justice in the farmer getting one price for his "quota" and a smaller price for the "surplus", there were no restrictions on the distributors. As has been suggested, the farmers believed that the distributors sold for the fluid milk price, milk that they had purchased at the surplus price. Since price cuts to the consumer were always passed on to the farmer while any price increases to the farmer were passed on to the consumer, the distributor's spread of profit never diminished and usually averaged 25 per cent.⁶³ Further, representation in the sessions that settled on the marketing agreements was held chiefly by the Dairymen's League because it was the sole farmers'

⁶¹New Republic, LXXXI, January 9, 1935, 243.

⁶²Nation, CXXXVIII (June 27, 1934), 719.

⁶³Nation, CXXXVIII (January 10, 1934), 33.

cooperative officially recognized under state law. Since this farm organization was actually dominated by the very companies it theoretically was to bargain with, the distributors, in effect, drew up the agreements themselves.⁶⁴

These were the circumstances then that had led to the initial strike action of the New York dairy farmers. They had gotten their state milk control board but were not ready to completely forget about direct action. Indeed, the Central New York State farmers, in Herkimer County, led by Stanley and Philip Piseck, called for minimum prices to be established immediately or they would call a new strike. Since they claimed the support of 35,000 of New York's one million farmers they were in a position to threaten a new strike.⁶⁵

The milk Control Board, however, refused to be rushed into fixing prices to producers. It preferred, it said, to stabilize the market by establishing consumer prices at 10 to 13 cents in order to assure the farmer a market for his milk.⁶⁶ This it did despite the feeling in some quarters that by lowering the price of milk and regulating the profits of the middleman demand would be stimulated to such an extent that restrictions on production might not be needed.⁶⁷

On April 26, 1,000 angry farmers met at Albany and demanded

⁶⁴Nation, CXXXVIII (January 10, 1934), 33.

⁶⁵Time, XXVIII, September 14, 1936, 73.

⁶⁶New York Times, April 18, 1933.

⁶⁷New Republic, LXXVIII, March 23, 1934, 171.

immediate action by the board to set a minimum price of 3 1/2 cents a quart to the producers by May 10. Should the board fail to act by that time, the leaders announced that they would call another statewide strike. Charles H. Baldwin, chairman of the Milk Control Board, said that it would not be "intimidated" when threatened with a renewed strike. C. R. MacVey, chairman of the Dairymen's Protective Association of St. Lawrence County, countered, "We intend to get what we want....If I can not go back to the farmers...and assure them they are going to get a fair price for their milk; I will not be responsible for their actions."⁶⁸

The Milk Control Board met on May 13 and finally fixed the minimum price to be paid the producer and thus definitely ended the threat of strike. The new order, which went into effect on May 15, called for dairy farmers within a 200 mile radius of New York City to be paid \$1.33 for 100 pounds of Class I milk. The producers had hoped for \$1.75 or 3 1/2 cents a quart. The new rules gave them 4 cents a quart. The new rules also forbade the dealers to deduct the freight to New York from the price paid to producers in up-state areas. Significantly, the new rules also prohibited the dealers from selling milk purchased at the pool rate on the fluid market. Thus, all milk bound for the fluid market would have to bring the fluid price from the dealers.⁶⁹

The interlude of peace on the dairy front in New York lasted until late July, 1933. During that month the Milk Control Board

⁶⁸ New York Times, May 10, 1933.

⁶⁹ New York Times, May 14, 1933.

granted a two cent price increase to the consumer which did not get passed on to the farmer. Hence, the farmer was disappointed with a state agency that had been created at his insistence. Convinced that the Board was showing favoritism to the dealers by adopting a price classification plan proposed by the Dairymen's League, Albert Woodhead threatened a new strike. As president of the newly formed Empire Milk Producer's Association, he warned the Milk Control Board that 40,000 dairy farmers would strike on August 1 if they were not guaranteed 45 per cent of the retail price for their product.⁷⁰

On July 31, representatives of 50,000 independent producers met in Utica and announced a "milk holiday" to begin the next day. Woodhead declared that the strike would consist solely of holding milk from the market. Governor Lehman, meanwhile, promised state police protection to anyone conducting legitimate business.⁷¹

On August 1 the strike was begun in four counties. Milk deliveries were effectively curbed for several hours in Oneida, Herkimer, Chenango and Lewis counties. Oneida County was the core of the strike and the largest disturbance occurred near Boonville in that county. Four hundred farmers armed with axes and clubs had halted two dairymen's League trucks being convoyed by sixteen cars of State Police. Encountering an insubordinate spirit, the troops, armed with sub-machine guns and steel helmets, went into action with tear gas and night

⁷⁰New York Times, July 25, 1933.

⁷¹Commonweal, XVIII (October 27, 1933), 610.

sticks. The farmers who were unused to picketing and unarmed were put to flight with numerous cuts, contusions and broken heads. The rest of the state remained quiet and the intake of dairy plants was curtailed only in the four affected counties.⁷²

Four days later the farmer-pickets were better prepared. They had piles of rocks ready to throw as troopers escorted a milk truck near Oriskany. The angry farmers wielding axe-helves, pick handles and stones set upon the troopers and five were hospitalized with stone bruises. The conflict was later referred to as the "Battle of Oriskany" after the fight between the revolutionaries and Tories and Indians on the same site.⁷³ The same day at Norwich in Chenango County milk baths were given to farmers who refused to strike.⁷⁴

As the strike spread to Madison, Onondaga and Delaware counties on August 2, key dairy plants in central New York reported their daily supply to be $3/4$ to $1/2$ under normal as a result of the picketing. Amsterdam, in Montgomery County, was the first city to report a milk shortage affecting consumers.⁷⁵ By August 3 the strike started to get some interesting results. Ten thousand more farmers joined the holiday even as the Milk Control Board met and threatened to extend the New York milk shed into other states should the strike continue. Based on previous experience, the board said this would be a permanent

⁷²New York Times, August 2, 1933.

⁷³New Republic, LXXVI, September 13, 1933.

⁷⁴Commonweal, XVIII (October 27, 1933), 611.

⁷⁵New York Times, August 3, 1933.

loss and further, warned the farmers that the consumers would turn to evaporated and condensed milk.⁷⁶ The farmers replied by extending the strike to 6,000 milk producers of the Rutland Cooperative and 2,000 other producers in Niagara and Erie counties.⁷⁷ They also threatened to carry the strike into adjoining states if the milk shed were extended.

At this point a group of producers' representatives met with the governor and the chief spokesman, who was H.H. Rathburn, a director of the Dairymen's League, expressed the belief that the violence was due to the work of outsiders. That same day, August 6, the Agriculture Advisory Committee also charged that the communists were behind the disturbances. Felix Piseck denied this saying, "This strike is backed by producers of all nationalities...The Milk Control Board is endeavoring to make communists of us, but we are peaceful, law abiding citizens and intend to remain so."⁷⁸ On the same day, Governor Lehman was reported to be ready to transmit orders to the Adjutant General, Franklin W. Ward, to mobilize the national guard. The governor did, however, order the sheriffs of the twelve affected counties to deputize as many men as necessary to quell the disorders saying, "I have received reports of violence and intimidation in those counties which are preventing law abiding

⁷⁶New York Times, August 4, 1933.

⁷⁷Ibid.

⁷⁸New York Times, August 6, 1933.

citizens from conducting the business of marketing and distributing milk,".⁷⁹

Governor Lehman refused to consider the demands of the farmers until the strike was halted and at his insistence Albert Woodhead did so on August 13. While the strike in western New York was called off completely, the Piseck brothers in central New York insisted that their members intended to grant only a one week truce in order to give the Governor, the legislature, and the Milk Control Board a chance to act on their demands. On August 14, 500 farmers marched on Albany and when Governor Lehman refused to talk to them they decided also to call an end to the strike.⁸⁰

As for the effects of the strike: There was no milk famine in New York nor was there likely to be. The governor had made it a policy to aid truck drivers in running the picket lines. The Health Commissioner had formulated plans that would have extended the milk shed into such states as Minnesota and Iowa if that were necessary.⁸¹

The public was more sympathetic to the Dairymen's League and Milk Control Board because they sought to deal with the surpluses. The violence on the part of the farmer was viewed as premature.⁸²

Did the August strike affect price? In September the State

⁷⁹New York Times, August 7, 1933.

⁸⁰New York Times, August 15, 1933.

⁸¹New York Times, August 8, 1933.

⁸²New York Times, August 13, 1933.

Milk Board published its estimate for the returns to farmers for August. It gave the figure of \$1.80 for a hundred pounds which was \$.76 more than the average price the preceding year. On the average the farmers netted 3.8 cents for milk produced in August.⁸³

The next four years saw relative calm return to the New York milk shed. The calm was due in part to a revolutionary court decision. In November of 1934 the State Supreme Court upheld, in the *Nebbia vs. New York* litigation, the fixing of prices paid the farmer for milk and the prices to be paid by the consumer. In so doing it abandoned its interpretation of the due process clause to mean "laissez-faire" and returned to an earlier interpretation of due procedure. In effect it held that milk was a paramount industry and not essentially private. This decision cleared the way for the New York Milk Board to regulate prices which it did until March of 1937 when the United States Supreme Court ruled that the board had no authority to control interstate milk.⁸⁴ The point was that the surrounding states were a part of the New York milk-shed. Hence, the milk control board in effect was attempting to regulate interstate commerce. The milk dealers took advantage of this decision and shortly the price paid to producers began to drop.

As the price dropped the dairy farmers began to regroup again for another strike. Thus, the Dairy Farmers' Union came

⁸³New York Times, September 3, 1933.

⁸⁴New Republic, LXXXI, November 21, 1934, 35.

into being. It was led by the Polish Picecek brothers and Albert Woodhead and aimed to give the dairy farmers control of the New York market through collective bargaining with the dealers. At the outset, it quickly enrolled 5,000 producers in upstate New York. It had an initiation fee of 10 cents per milk cow with dues of 2 cents per cow per month. At its height its membership was estimated to be 100,000, but its strength was due to the claim of the officers that it dominated the richest dairy section which produced over half of the state's milk.⁸⁵ The Dairy Farmers' Union was a significant organization because of its application of the industrial-labor technique to the farm. It sought to bargain collectively, not market collectively.⁸⁶

In July, 1937, the farmers won a raise of 3/4 cent a quart. The distributors shifted the increase to the consumer by increasing the Grade B price a penny to 12 cents. The New York City consumer at the same time paid 15 cents a quart for grade A.⁸⁷ The consumers demanded an investigation which showed the farmer got 6 cents a quart for drinking quality milk. The report by John J. Bennett Jr., the attorney general, also revealed that since Borden and Sheffield sold 75 per cent of all milk retailed in the New York market the prices arrived at by the bargaining agencies tended to be dictated by those distributors.⁸⁸ Further, the distributors showed earnings of better than 25 per cent on their plant investment for Grade A and B milk while they had profits

⁸⁵New Republic, XCII, September 8, 1937, 120-127

⁸⁶Nation, CXLVI (January 1, 1938), 744-745.

⁸⁷Commonweal, XXV, October 30, 1936, 19.

⁸⁸Businessweek, March 19, 1938, p. 24.

of 103 per cent on the various by-products of milk.⁸⁹ That same month the average price to the farmer for one hundred pounds was \$1.76.⁹⁰

On July 25, 1937, Susan Jenkins, vice-chairman of the New York City Milk Consumers Protective Association, sent a letter to the Dairy Farmers' Union offering to "do all in our power to build up consumer sympathy in case of a strike."⁹¹

The milk strike was begun on August 1 when union members refused to deliver milk to twelve Sheffield plants in the north part of the state because the company planned to lease the plants as condenseries which would mean lower prices. The effects were immediate. At Canton only 15 of 550 producers delivered their milk. At Malone only 40 of 213.⁹² Support was widespread and included consumer and trade unions. On August 3 the Union claimed it was successful in diverting almost total sales away from the Sheffield plants and announced that it intended to continue the strike until prices were raised, and the Sheffield Producers Cooperative Association was abolished because it was a company union.⁹³

The power of disciplined direct action can be seen from the events that followed. On August 19, delegates of 75 farmers marketing cooperatives voted to shut off the entire flow of milk

⁸⁹Newsweek, XI, January 10, 1938, 37.

⁹⁰Nation, (September 19, 1936), 321.

⁹¹New York Times, July 26, 1937.

⁹²New York Times, August 2, 1937.

⁹³New York Times, August 9, 1937.

to New York City on September 1 unless their demand for 40 cents a hundred increase was met. The August price had been \$2.00. "Now its \$2.40 or fight," said one delegate.⁹⁴ Next day, the dealers offered a 35 cent increase and plans for the strike were temporarily deferred. On August 21 the offer was accepted. It meant \$750,000 added income for 50,000 upstate farmers for September. Homer S. Rolfe, president of the Metropolitan Milk Producers Cooperative Bargaining Agency Incorporated, said, "Our strike threat caused the dealers to agree. It is recognition for us."⁹⁵

On the twenty fifth the producers at Pulaski and Lacona struck Sheffield plants when they were offered only \$2.12 per hundred for milk of 3.5 per cent butterfat.⁹⁶ 110 farmers at Boonville joined the strike on September 6 by diverting their milk to other plants.

The strike dragged on into the fall with sporadic picketing and holding activity that extended from St. Lawrence, Franklin and Clinton counties into the counties of Ostego, Lewis, Oneida, and Madison. In order to reinforce their demands, the farmers demanded that the Dairy Farmer's Union be recognized as the sole bargaining agent in order to eliminate company controlled unions. On October 28 the Sheffield Condensed Milk Company announced a new schedule of prices to be paid producers in St. Lawrence, Franklin, and Clinton counties where the boycott

⁹⁴Ibid.

⁹⁵New York Times, August 22, 1937.

⁹⁶New Republic, XCII, September 8, 1937, 127.

had been in effect since August 1. The price offered was \$2.35 per hundred for fluid milk and \$2.00 for milk sold as fluid cream.⁹⁷ Nine thousand farmers in 17 counties demanded \$2.50 and when refused declared a new strike.

The strike affected 2,500 dairies and because of diversion of available supplies into the fluid milk market, cream fell into short supply on the thirtieth. That same day 11 milk plants with an output of 200,000 quarts signed agreements with the Dairy Farmers' Union. The agreements included recognition as sole bargaining agent, the union price of \$2.50, and the agreement to purchase from the union members only.⁹⁸

Having met success the union intensified its efforts. By October 31, Archie Wright, the president, claimed that the members were holding a total of one million pounds of milk off the New York market. While fresh cream continued in short supply due to diversion of surplus milk to fluid sales, frozen cream largely made up for the shortage. Supplies in the stores fell off slightly but home deliveries continued.⁹⁹ On November 6, Borden and Sheffield decided to capitulate and signed an agreement with the Metropolitan Cooperative Milk Producers Bargaining Agency to pay \$2.63 for fluid milk and \$2.25 for fluid cream and the New York strike was brought to a permanent

⁹⁷New York Times, October 29, 1937.

⁹⁸New York Times, October 31, 1937.

⁹⁹New York Times, November 1, 1937.

end.¹⁰⁰

The New York dairy farmers' actions represent a logical outgrowth of farmer discontent in the early thirties. The farm holiday and penny sales in Iowa got national attention. The dairy strikes in Wisconsin and Illinois focused that attention on the enormous gap between producers' prices and consumers' prices. When government help to rectify the inequities in the marketing system was slow to materialize; the New York dairy farmers set about to correct that imbalance by reducing the middle man's share through direct action that placed emphasis on collective bargaining. Significantly, the dairy farmers of that state were the most successful.

¹⁰⁰New York Times, November 6, 1937.

Chapter III

The California Farmers "Associate" for Action

In the history of direct action the California speciality crop farmers present a true dichotomy. On one hand the creation of a prorating scheme to control marketing in order to increase prices represents the best of the tradition of level-headed businessmen solving a problem largely through a disciplined but democratic organization. Because of this the California farmers can be credited with bringing collective bargaining to agriculture. On the other hand, the Associated Farmers' Organization represents the worst in impassioned individuals combining together to take mob action against others. The actions of this group were based on the belief that they were fighting less fortunate individuals in order to survive themselves. As such the actions of this group were reactionary at a time when radicalism seemed to dominate the East and Middle West farmers.

The Revival of a Proration Scheme

The citrus fruit, cotton, and other speciality crop farmers sought to establish a legally sanctioned method to raise prices in the early thirties. This goal grew out of the peculiar nature of agriculture in California. California's speciality crops which in addition to citrus fruit and cotton included grapes and lettuce were extremely sensitive to demand

and the market price during the period 1929-1939 frequently dropped to levels that did not meet a farmers total operating costs. Now the California Farmers were subject to the same fixed charges for taxes, interest, insurance, and operating expenses as any other farmer in the United States. There was, however, one major difference. They had to pay migratory laborers to pick the crops. Wages paid those workers were kept low because that was the only expense within the control of the farmers. This part of direct action in California will be discussed in more detail in the section dealing with the Associated Farmers Organization.

In order to meet costs of production the farmers had to have better prices. Thus, while attempting to control wage costs by resisting unionization of the pickers, the farmers sought to raise prices of their products by devising an agricultural marketing proration scheme. They hoped to raise price levels by controlling surpluses and establishing orderly marketing procedures. In their attempt at controlled marketing they were more successful than the farmers in any other region. The grain, dairy, and beef farmers met with little success in putting controls on the marketing of their products chiefly because many of them believed that their own production was but a small part of the total production and had no significant effect upon the market price. As we have seen, the fact that individual farmers did not give whole hearted support to withholding meant that direct action could boost prices, only slightly if at all and then only for a short time of a few day's duration. Undoubtedly, the California farmer's businessmanlike

judgement led him to see the folly of such lack of discipline. Hence his efforts were more highly organized, sought the sanction of law, and because of self-discipline succeeded in an unprecedented manner.

The background of proration in California can be traced briefly. The depression had a serious effect on the citrus fruit industry. Mass unemployment had produced a slash in demand for California specialty crops and prices were at a drastically low level. Voluntary plans for cooperative marketing began to break down. As prices continued to decline thousands of producers began to market their crops independently. The result was a more demoralized market than before. Voluntary proration plans among growers of lemons, oranges, grapes, lettuce, apples, and nuts collapsed completely by 1932.¹ Prorating, therefore, was not new to California farmers. They had throughout the twenties regulated the size and timing of marketing in order to keep the price level up.² The point to be made is that these early plans were voluntary and did not have the force of law.

Early in 1933, with the backing of the California Farm Bureau, an act for compulsory prorating was passed by the state legislature. Under the Agricultural Prorate Act local prorate committees assigned to each producer the proportion of

¹Clark A. Chambers, California Farm Organizations: A Historical Study of the Grange, The Farm Bureau and The Associated Farmers, 1929-1941. (Berkeley, 1952), p. 134.

²Chambers, pp. 133-134. John D. Hicks, The American Nation: A History of the United States From 1865 to the Present (New York, 1941), p. 546.

his total production that he would be allowed to market in the event program committees determined total production would exceed anticipated consumption plus normal carry over. All growers within the commodity zone were legally bound to comply if the program had the approval of two-thirds of the growers who produced two-thirds of the production of a specific commodity. Administrative costs were to be paid for by a fee on certificates issued to the growers.³

The first pro rata agreement became effective on August 15, 1933 and affected peaches. Under its terms growers were to receive a minimum of \$20 a ton. This, farm official said, was an average of 200 per cent more than the prices paid for the previous year's crop.⁴ On November 7, the Secretary gave approval for a marketing agreement covering oranges and grapefruit.⁵ Once again the agreement called for prorating and was designed to increase returns to producers by regulating the supply of the two fruits sent to market.

Prorating was launched too late to seriously effect the 1933 harvest. By 1934, however, it was in full swing. Did it work? Citrus growers in California received 23 million dollars more for their 1934 crop than for the 1933 crop. Total output for the year was estimated at \$90,791,538.⁶ Again, in 1936 the California-Arizona fruit industry reported an increase of \$14,250,000 in cash returns over the 1934 and 1935

³Chambers, p. 137.

⁴New York Times, August 10, 1933.

⁵New York Times, November 8, 1933.

⁶New York Times, December 2, 1934.

seasons.⁷

On the basis of this prorating appeared to be successful. Opinions of the growers themselves differed. The large operators and the Farm Bureau maintained it raised the general income and prices. The small farmers and the State Grange maintained that proration brought lower prices and decreased general income. They also claimed that the big growers dominated the local program committees and juggled marketing permits to their own benefit.⁸ Here again, the farmer who had only small quantities to market could see no benefit in holding a portion of his production off the market.

Despite the objections of the small farmer to it, the history of prorating throughout the thirties is rather notable. By 1936, the California Fruit Exchange with a membership of 13,400 of 1,800 citrus growers, had become the largest farm cooperative in the nation. It marketed 75 per cent of the citrus fruit in California.⁹ Its policy of cooperation and regimentation enabled its members to survive as prosperous, conservative, middle class gentleman farmers. It was democratically run with each producer controlling his own production and right to withdraw on two week's notice. Each was paid for the precise grade of fruit delivered. Unable to control production it did an admirable job of controlling costs of storage, handling, and commissions and even during the worse

⁷New York Times, November 19, 1936.

⁸Chambers, pp. 139-140, 141.

⁹Fortune, XIV (July, 1936), 47-48.

years of the Depression kept prices at a level that ensured its members a profit.¹⁰

The success of the association rested upon the recognition that when a cooperative controlled a sufficiently large proportion of any given product it could dictate the price at which it would sell. The Exchange, in effect, created a closely integrated bureaucracy that saw to the picking, trucking, packing, shipping and orderly distribution of the product on a nationwide basis. Most important it avoided putting large quantities of fruit on the market in any one area and thus held prices up.

The harvest of 1937 started out to be the best since the depression. Carryovers of dried and canned fruit were small. Quality was satisfactory and supplies were not more than the market could absorb. Cannerys started to pay good prices and it looked like prices would be up 12 to 15 per cent over the 1936 level. Suddenly, offers slumped off and a few packers began to quote prices lower than the 1936 prices.¹¹ The prices quoted threatened disaster to the growers and depression to the state.

The farmers were ready to rebel. They charged the packers with conspiracy to lower prices. The packers explained that a country wide abundance forced California prices down. The growers met in San Francisco in late August, 1937. Funds were

¹⁰ Ibid., p. 48

¹¹ Business Week, August 28, 1937, 45.

collected for a publicity campaign. California senators and representatives were urged to get the Federal Trade Commission to investigate packers, canners and food speculators on the grounds of unfair trade practices. Newspaper ads, radio programs, and mass meetings were used to inform farmers to get them to refuse to sell their fruit.¹² Since any cut in the farmer's buying power was a serious threat to business in California, the campaign to prevent speculators from depressing prices to "starvation levels" got the attention of all businessmen.

The farmers had a legitimate complaint against the packers. The California Canners' Industry Board had been created earlier in the summer of 1937 by 35 independent packers to establish price controls on peaches. It failed to stabilize prices in the peach industry because it functioned too well. In 1937 the growers got \$40 a ton. In 1938 they got \$12. What had happened? The control price set at \$1.55¹³ per dozen for the 1937 crop had curtailed sales and led to a large carry over. Wholesalers anticipating a price drop delayed their purchases. Retailers used up their stocks and bought sparingly. Meanwhile consumers shifted to competing canned fruits especially pineapple. By autumn, 1938, it was expected that some packers would increase their pack more than normal because of the cheap supply. The growers decided to create a new organization to counter the canners' group.

The new group was called California Fruit Factors. It was

¹²Ibid., p. 45.

¹³Business Week, August 27, 1938., 28.

organized in San Francisco in Mid-February of 1939 by bringing representatives of cooperative grower organizations, canners, and bankers together. Its purpose was to bring order to the chaotic canned peach industry that had brought heavy losses to everyone from orchard owner to distributor.¹⁴ The new organization dealt only with growers' groups, individual canners, lending agencies and wholesalers of canned fruit. It proposed to get an agreement among all elements on a standard schedule of costs for fruit, picking, hauling, freight, and packing. Fruit Factors purchased the cans, sugar, boxes, and did the selling. It intended to fix the price at which the fruit would be sold and divide the difference realized between the fixed costs and the sales price proportionately between grower, canners, and suppliers according to their share on the fixed cost schedule.¹⁵

Later in the spring of the same year the small farmers and the State Grange succeeded in getting a revision of the prorate program through the state legislature on the grounds that Proration served the large farmer and big business interests while ruining the small farmer. The new law abolished the Prorate Commission and placed administration of prorate programs in the hands of the state Department of Agriculture. By fall of 1939, prorating ceased to function.¹⁶ Wartime conditions had increased purchasing power and raised farm

¹⁴Business Week, February 25, 1939, 34.

¹⁵Ibid., p. 34.

¹⁶Chambers, p. 145.

prices. The question now was how to increase production rather than how to restrict production and marketing.

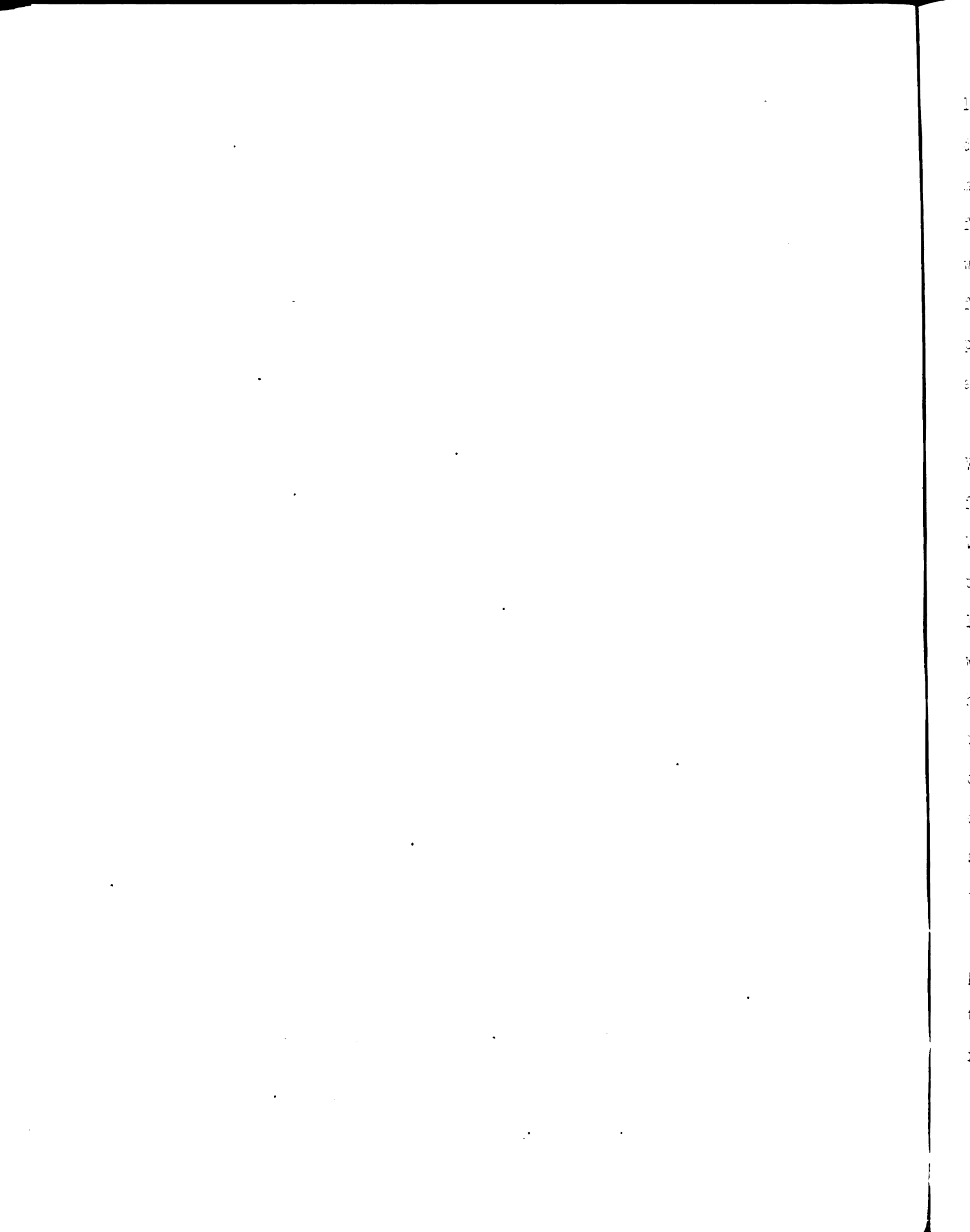
The Suppression of Labor by the Associated Farmers

There is yet that other side of direct action among farmers in California during the early thirties. It has been suggested that the California farmers were like any others in that they had certain fixed costs of production. They did however, have control over one cost item which if kept low meant they could stay in business. That item was the wages paid to migratory laborers who picked the crops. Thus the farmers, when threatened with the loss of their land due to debts and tax delinquency, were determined to hold down the one cost within their control.¹⁷ The technique brought into use by the farmers to curtail the organization of agricultural unions which meant higher costs for better wages and working conditions for workers was violence clothed in the aura of anti-communism.

The year, 1933, was marked with increased communist agitation among the migratory workers. By the end of that year 50,000 field workers had been involved in 30 major strikes. Leadership for the strikers was provided by the Agricultural Workers' Industrial Union which was under control of avowed radicals.¹⁸ The field workers were ripe for strike action against their farmer-employers. That year, also, problems of

¹⁷ New Republic, LXXVIII, March 21, 1934, 143.

¹⁸ Chambers, pp. 37, 42.



low wages, long hours, poor housing, and other working conditions were made worse by the influx of more than a million migrants from Oklahoma and Arkansas. Collective bargaining for the pickers had little success because even if the strikes were successful, the workers after the short harvest season for one crop would move on to harvest other crops in different parts of the state. The radicals seized upon their discontent and strike action ensued.

In August, while 700 lettuce pickers struck in Salinas Valley, 500 pear pickers in Santa Clara County also struck for higher wages. Two hundred cotton pickers in San Joaquin Valley immediately declared a sympathy strike. On October 3, the grape pickers near Lodi went on strike. On October 10, 1,000 lettuce workers at Salinas and Watsonville struck for wage increases.¹⁹ By October 18, 1933 San Joaquin Valley had taken on the atmosphere of a civil war. On one side were the migratory workers, 95 per cent of whom were Mexican, and on the other the ranchers and their supporters who were bent on breaking up the solidarity of the pickers.²⁰ This intense strike activity gave the chief impetus to the formation of the Associated Farmers of California.

The Associated Farmers organization was formed for the purpose of dealing with the field workers' demands. Through this agency the demands of the workers were resisted and the formation of a workers' union repressed. The cause for reaction

¹⁹New York Times, August 16, 1933.

²⁰New York Times, October 22, 1933.

among the growers lay in the fact that they had several bad years. With a good harvest in sight for 1933 and an advance in prices they had hoped to recoup recent losses. Their hopes were dashed when they were faced with demands for increases in wages to pickers. Communist propagandists took advantage of the situation. Enraged over the activities of the Communists and believing that strikers were intimidating non-strikers,²¹ the farmers armed themselves to meet the situation.

In the suppression of the workers, the fruit, vegetable, and cotton farmers had the tacit approval and cooperation of city, county and state officials.²² In the Lodi strike, for example, 40 grape picker strike agitators were run out of the community by growers and citizens who had gathered ostensibly for the purpose of helping the officers to keep order.²³ In Tulare County, on October 10, 1933, four men were killed and two were left dying after a pitched battle between farmers and cotton picker strikers. Every available deputy sheriff and state patrol man were sent to the scene until finally, Governor James R. Rolph made it clear that he would send the state militia into the county if the county officials proved unable to quell the disturbance.²⁴ Likewise the farmers had the support of municipal and superior courts. Most of the press also threw its support to the side of the farmers. Meanwhile, farther south, in the Imperial Valley an investigation into

²¹Ibid.

²²Christain Century, LI (February 28, 1934), 282.

²³New York Times, August 16, 1933.

²⁴New York Times, October 11, 1933.

the violence of the winter of 1933 and 1934 was conducted. It showed that tear gas, clubs, and illegal arrests were used by police to break the union.²⁵ In the affected areas extra-constitutional vigilantes operated through the Imperial Valley Anti-Communist Association. The unit used "shock troops" provided by the American Legion whose leadership took pride in removing un-American influences from the valley.²⁶

The relationship of the farmer to laborer in California should be clarified. In earlier chapters we saw where farmer and laborer were for the most part on the same side in their attacks on the middle man. This was not the case in California. The specialty crops raised in that state required hired help. This was unlike the family-type grain or dairy farmer who needed little help outside of the farmer's own family. Thus the farmer in California had a different status. He was a semi-rural grower whose farm was a business. He belonged to several producers exchanges and protective associations. He employed a bookkeeper and looked like a banker. He had learned to dabble in publicity. It would be inconsistent to say he was an ally of labor.²⁷ He could, instead, be expected to exert the usual efforts by management to cope with unions and their strikes.

Support for the Associated Farmers came from a variety of sources. Assistance in organization and dual membership was

²⁵New Republic, LXXVIII (March 21, 1934), 148.

²⁶American Mercury, XXXIII (October, 1934), 244.

²⁷Ibid., p. 245.

granted by the California State Farm Bureau. Organizational aid was also given by various Chambers of Commerce. Its membership reached a peak of approximately 50,000 and got its operating funds from assessments on members' crops. Besides the use of violence in the fields to suppress the workers its tactics included boycotts of unsympathic businessmen.²⁸ The prosperous conservative farmer together with the large farm employer formed the backbone of the organization. They were unwilling to allow control of the one cost factor left in their control to pass into the hands of a union. They were further unwilling to allow a strike to be called. Unlike other businesses that could increase prices if necessary, or ride out a strike, the farmers stood to lose the entire year's crop if picking were halted for even a short while. Politically the supporters were conservative and reactionary Republicans and conservative Democrats. The Associated Farmers received heavy contributions from such businesses as Southern California Edison, Co.; Dried Fruit Association of California; Southern Pacific Railroad; and Pacific Gas and Electric Company.²⁹ To the criticism that it was a mere front for big business which feared property losses due to radicalism and was not really representative of the dirt farmer; the reply was made that the president, Holmes Bishop, made his living on a 20 acre citrus grove near Orange, California.

The first and fiercest clash between cotton farmer and cotton

²⁸Newsweek, XII, November 14, 1938, 44.

²⁹Chambers, pp. 45, 199-200, 201-202.

picker occurred at Pixley in late October, 1933. There the ranchers organized a caravan of 30 automobiles, drove into Pixley and surrounded a mass meeting of strikers. First a single shot and then a volley rang out from the caravan and three strikers fell dead with many others wounded. The man who fired the first shot claimed that he had heard a speaker refer disparagingly to the American Flag. The bloodshed did not break the strike.³⁰ While workers talked or arming themselves, the county sheriff issued permits to 600 ranchers to carry concealed weapons. Fortunately, on October 25, the strike was ordered ended by state and federal authorities after eighty per cent of the growers agreed to a suggested wage of 75 cents per 100 pounds to supersede the old rate of 60 cents. Cotton picking thereupon was resumed under armed protection of the state authorities.³¹

Sporadic strikes occurred throughout the spring and early summer of 1934. In certain agricultural areas it was persistently reported that ranchers and citizens would take care of the Reds in their own way where legal technicalities interfered.

On July 14, 1934, Clarence Morrill, Chief of the State Division of Criminal Identification, said that he had information that the Communists planned to start a general strike in the Stockton area. He went on to say that such a strike would "only be a step further" for the communists to attempt a state wide individual and agricultural strike.³² His statement

³⁰ New York Times, October 22, 1933.

³¹ New York Times, October 26, 1933.

³² New York Times, July 15, 1934.

had special significance in view of the general strike called in San Francisco at the same time.³³ There was no doubt but that the communists had instigated that strike. On July 20 state wide raids were conducted to remove radical agitation from California agriculture. The headquarters of the communist party and its workers' school at Sacramento were raided. Raids were also conducted at Carmel, San Jose, and Berkeley.³⁴ Thus, the strikes among agricultural workers were suppressed by a smoothly run vigilante device that operated at times outside of the law and at other times in cooperation with the law. The reign of terror which had begun in late 1933 had by mid-1934 crushed effective resistance.

³³New York Times, July 29, 1934

³⁴New York Times, July 21, 1934.

Chapter IV

The Tobacco Farmers Declare Their "Holiday"

The tobacco growers of Kentucky, Tennessee, Virginia, North Carolina and South Carolina had an important advantage. The way to government aid had been shown by the dairy, fruit, grain, hog, and corn farmer. All that remained for the tobacco growers was to apply pressure. The extension of marketing agreements under AAA to their production would follow. Here again direct action was seized upon to force the government to act on their demands. The growers first succeeded in getting a tobacco marketing holiday declared by the governors of the above states. The governors were willing to do this because they were certain the federal government would act to put tobacco under AAA controls. They believed also that the holiday would provide sufficient time to allow the federal authorities to act. There can be little doubt but that the governors had no desire to see a revival of the Night Rider operations of the twenties. Hence, their prompt consent to declare the holiday when presented with the growers' demands formulated in protest meetings. However, for reasons that will be seen, the tobacco growers were no more successful than any other group of farmers in getting a larger share of the consumer's dollar.

The tobacco farmer was not in a pleasant mood by August 1933. The previous four years had seen violent fluctuations

in production and prices. The average price for flue cured tobacco had declined from an average of \$25.60 per hundred pounds in 1926 to an average of \$8.50 in 1931. Gross returns had fallen from 286 million dollars in 1929 to 105 million dollars for the 1931 crop.¹ The year 1932 was better. A late spring frost, blue mold, and the beetle had led to a short crop. Prices averaged double that of the 1931 price and were a reflection of reduced production by almost half of the previous year's harvest. Gross returns amounted to \$107 million for the 1932 crop.² The 1933 crop was estimated at 600 million pounds which was lower than the 726,398,000 average for the 1926-30 period. The farmers expected increased prices but were surprised when the market opened on August 1 to find prices about the same as in 1932 or an average of 10.41 cents a pound.³

On August 3, 1933 farmers of Lanier and Coffee counties, Georgia held a protest meeting. The mass meeting announced that, "the farmers are being paid ruinous prices for tobacco and the market is lower than last year, considering the quality of tobacco; and bankruptcy, starvation and ruin face the tobacco farmers of South Georgia, unless tobacco prices are put on parity for the period between 1919 and 1929 as established by the Agricultural Department of the United States of America." The meeting next resolved "that it is the sense of this meeting

¹Business Week, January 20, 1934, 10. New York Times, August 13, 1933.

²Business Week, October 26, 1932, 15. New York Times, August 8, 13, 1933.

³New York Times, August 3, 13, 1933.

that a committee be directed to take up immediately with proper authorities of all markets in Georgia the matter of closing all tobacco warehouses throughout the entire tobacco section of Georgia until relief is granted."⁴

The Department of Agriculture shortly thereafter announced that it would not subject manufacturers to a marketing agreement calling for higher prices to producers. It would however help the growers to establish a voluntary program for control of production on the 1934 crop. The likelihood of this happening was questionable because one faction of growers was satisfied with the then current price of 13 cents a pound. Other farmers insisted they needed to realize 20 cents a pound in order to meet costs of production.⁵ Meanwhile, prices continued to fall. Tobacco sales in Georgia for the week ending August 28, totaled 10,723.002 pounds at an average price of 7.47 cents a pound,⁶ which was lower than the previous week's price.

On August 31, Governor J.C.B. Ehringhaus met the demands of the Eastern North Carolina tobacco growers and declared a voluntary marketing holiday for an indefinite period. The action came after 2,000 farmers held a mass price protest meeting at Raleigh earlier in the day in which speakers urged "force" to raise prices and sprinkled their discourse with

⁴New York Times, August 4, 1933.

⁵New York Times, August 14, 1933.

⁶New York Times, August 29, 1933.

mention of "Revelation."⁷ They demanded 20 cents a pound for their tobacco. Governor Ethinghaus sent telegrams to the Governor of South Carolina asking him to proclaim a holiday in that state. Another telegram to Secretary Henry Wallace said, "tobacco farmers of North Carolina vehemently protest present destructive prices and beg assistance of your department in securing a fair return."⁸ The North Carolina farmers also sent resolutions to President Roosevelt calling for emergency measures to provide better 1933 prices, an acreage control program for 1934, and creation of a tobacco division in the Agricultural Department. Reports at the end of the day from markets at Wilson, Tarboro and Rocky Mount indicated that prices had increased about an average of a penny over the previous day's sales.⁹

The next day, September 1, Governor Ibra C. Blackwood of South Carolina declared a holiday in his state,¹⁰ thus supporting the grower's claims that 11 or 12 cents a pound was too low to cover costs and that 20 cents was a more realistic figure. That same day, in Washington, the Farm Adjustment Administration replied to the growers demand for relief by announcing a program including benefit payments in return for promises to reduce the crop the next year. Money to pay the farmer would be gotten from a processing tax being levied on all flue cured tobacco processed for domestic

⁷New York Times, September 1, 1933.

⁸Ibid.

⁹Ibid.

¹⁰New York Times, September 2, 1933.

consumption. It was expected that the levy would be 4 cents which was the difference between the current price and the parity price for the period 1919-1929.¹¹

On September 9 the governors of Virginia and Georgia announced that the tobacco markets in those states would stay closed indefinitely to give the federal administration a chance to enroll all farmers in the crop reduction program.¹² To some it seemed assured that when the markets reopened that tobacco would command materially higher prices.

The marketing agreement for flue cured tobacco was signed October 12, but was to be retroactive to September 25. Secretary Wallace in the marketing agreement was given authority to set prices paid for flue cured tobacco by manufacturers. Manufacturers were to be licensed and would have to furnish periodic reports. Failure to pay the established price made them liable to a suspension of their license. Thus prices would be increased to the tobacco farmer and hopefully stabilized at higher levels. In effect, the government guaranteed the grower's an average minimum price in exchange for the grower's promise to reduce future production. The agreement called for the tobacco companies to pay an average of 17 cents a pound from September 25 to March 31 for flue cured tobacco destined for domestic consumption.¹³ On November 20 the Agricultural Adjustment Administration announced that tobacco

¹¹Ibid.

¹²New York Times, September 10, 1933.

¹³Business Week, October 21, 1933, 9. New York Times October 13, 1933.

growers then participating in the reduction program would receive 30 million dollars more than they would have if there were no program. Total income was expected to be 75 million dollars greater than in 1932 and 60 million dollars greater than in 1931.¹⁴

The holiday was not over yet. The debt ridden farmers meanwhile, had found it difficult to ride out the holiday. Those who needed money trucked their tobacco into Eastern South Carolina, where the markets had remained open, causing congestion there. The farmers became impatient. The benefit payments were slow in coming. On December 16, 1933 Governor Ruby Laffoon issued a proclamation closing all of Kentucky's tobacco warehouses after more than 100 growers had signed a petition calling for that action. The purpose of the new holiday was to give the federal government time to put into effect acreage reduction and adjust prices. Prices the same day for burley tobacco were \$12.46 per hundred.¹⁵ On December 18, Governor Hill D. McAlister of Tennessee declared a holiday.¹⁶ On the same day Governor John G. Pollard of Virginia also declared a holiday at the behest of more than 2,000 growers.¹⁷ The holiday spread across Kentucky's border to the markets in Indiana and Ohio. On December 19, Governor Ehringhaus extended the holiday in North Carolina to include

¹⁴New York Times, November 21, 1933.

¹⁵New York Times, December 11, 1933.

¹⁶New York Times, December 18, 1933.

¹⁷New York Times, December 19, 1933.

burley tobacco by closing the only Burley marketing point at Ashville.¹⁸

The purpose of the widespread holiday was to halt marketing until enough growers accepted the government's plan to curtail production and stabilize prices for the next year. The benefit payments to farmers were the direct result of the efforts of growers to get higher prices by first demanding a plan for tobacco under AAA and then by demanding a holiday on marketing until the plan could be put into effect. The holiday itself had no noticeable effect on prices. At Weston, Missouri where the market was one of the few markets open prices averaged 12.8 cents a pound on December 19.¹⁹

The government, in effect, had become tobacco's silent partner when the codes were finally established. By fixing minimum wholesale and retail prices the industry was protected from unfair competition and assured manufacturers reasonable profits. The effect on the consumer was to stabilize price and quality of the cigarettes and cigars he used.²⁰

What was the result as far as the tobacco growers were concerned? Initially the farmers were disappointed. Although the program applied to the 1933 crop that had just been harvested its full effect would not be felt until the 1934 crop, which was subject to acreage reduction, could be harvested.

Meanwhile the farmers prepared their tobacco and were

¹⁸New York Times, December 20, 1933.

¹⁹New York Times, December 19, 1933.

²⁰Business Week, June 30, 1934, pp.11-12.

surprised when the markets reopened to find that prices were lower than ever. In fact many loads barely paid the costs of shipping. The farmers complained that the official graders scanned the leaf and graded it in a manner that was unfair because tobacco of good quality was pushed into lower grades which were not subject to the parity price of 13.5 cents a pound.²¹ At the same time that the farmers were forced to accept the lower prices, the manufacturers early in January of 1934 claimed higher production costs resulting from the industry's NRA code made increases in prices necessary. In line with this wholesale prices were established at \$6.10 per thousand which represented an advance of 60 cents per thousand. A general increase in retail prices followed. Retailers announced increases of prices to 13 cents a package or two for 25 cents from the former 12 cents a package or two for 23 cents.²²

On December 3, 1934 Kentucky's first Federal controlled burley tobacco crop went on the auction block and brought the highest prices since 1929. Prices throughout the first day of sales averaged \$18 to \$20.95 a hundred, as opposed to the opening day average in 1933 of \$13.80.²³ The year 1934 was an exceptionally good year for the tobacco farmer. In North Carolina, for example, prices averaged 27 cents. Prices in the other states ranged from \$18 to \$19.73 a hundred.²⁴

With the opening of the markets in September, 1935 at an

²¹New Republic, LXXVII, (March 7, 1934, p. 104.

²²New York Times, January 10, 1934.

²³New York Times, December 4, 1934.

²⁴New York Times, September 22, 1935.

average of 18 cents growers began to grow restive and talk about another holiday.²⁵ The lower prices were looked upon with alarm in view of the higher production and living costs. If it was clear that the holiday of 1933 had been preferable to the Night Riders of the twenties to get governmental assistance, it must also have been clear that tobacco growers, just as any other producer, must be subject to distress prices when ever supply exceeds demand. In the latter respect tobacco differed slightly from corn and wheat production. Wheat and corn were subject to intensive applications of fertilizer and equipment which boosted production even though acreage was limited. In utilizing allotments, tobacco farmers actually did limit production but not enough so as to keep a stable price level.

²⁵New York Times, December 8, 1935.

Chapter V

"Minute Men" in the Middle West--1964

Farm protests and direct action declined with the coming of World War II and little was heard from the rank and file farmer throughout the prosperous post war years. By the mid fifties, however, the farmers had begun to believe that they were not sharing in the new prosperity that labor and industry enjoyed. Reports from the Middle West indicated that again the farmers were beginning to think in terms of direct action.

The fact that tidings of agrarian discontent in 1964 should come from the Middle West was significant. We have already seen how discontent in the early thirties first led to direct action in the Middle West which thereupon spread throughout the nation. Would the same thing happen 30 years later? The Middle West is, of course, the stronghold of agrarian power. First, because it is America's bread basket. Nearly 70 per cent of America's food is produced in that region. Second, unlike Middle West industry which differs in no essential respect from eastern industry, Middle West agriculture speaks of its own authority and generally commands the support of agricultural forces throughout the nation.¹

¹John D. Hicks, "Our own Middle West, 1900-1940," in Democracy in the Middle West; 1840-1940, ed. Jeannette P. Nichols and James G. Randall (New York, 1941), p. 113.

Why Discontent in the Middle West?

In 1955, Glen Staley, a hog farmer in north west Missouri, and his neighbors formed the National Farmers Organization to protest low hog prices. Despite the organization's narrow purpose and rather local character the idea of protesting low prices caught on and support began to blossom. By 1958 a new and broader issue was needed. Staley hit upon collective bargaining between farmer and processor. Holding actions would be used to force the processors to guarantee future prices. Three test holding actions were tried between 1958 and 1962. In each case the purpose was to determine how widespread support would be from non-members as well as dues paying members of the National Farmers Organization. By the fall of 1962 Staley thought the time was ripe for a full fledged all-out holding action.

The National Farmer Organization complaint, fundamentally, was that the farmer's purchasing power had not kept pace with that of the factory worker. He worked long hours utilizing expensive equipment at great risk of natural disaster and earned an average wage computed at \$1.21 per hour. The average factory at the same time earned \$2.39 per hour.² The farmer, even though he was producing more, was getting proportionately less per unit of production. Hog, corn, and beef prices had fallen drastically. (See Table V).

²"A Message to Our Farm Friends," Pamphlet issued by National Farmers Organization, (Corning, Iowa), undated.

During the same period of time the factory workers enjoyed purchasing power that steadily increased. While it was true that food costs had increased, factory workers found that the length of working time required to purchase food items had actually dropped (See Table VI).

Table V Average Prices Received by Farmers 1949-1955

Year	Beef (cwt.)	Hogs (cwt.)	Corn (bu.)
1949	\$ 19.80	\$ 18.10	n.a.
1950	23.30	18.00	\$ 1.53
1951	28.70	20.00	1.66
1952	24.30	17.80	1.53
1953	16.30	21.40	1.49
1954	16.00	21.60	1.43
1955	15.60	15.00	1.35

Source: Statistical Abstract of the United States, LXXVIII, 1957, pp. 656, 679.

Table VI Purchasing Power of Factory Workers 1932-1952

Year	Average Hourly Wage	Bacon (Cents)	(Minutes)	Eggs (Cents)	(Minutes)
1932	\$.44	\$.24	(33)	\$.30	(41)
1942	.85	.39	(28)	.48	(34)
1952	1.65	.65	(24)	.67	(24)
		Milk (Cents)	(Minutes)	Butter (Cents)	(Minutes)
1932	\$.44	.11	(15)	.28	(38)
1942	.85	.15	(11)	.47	(33)
1952	1.65	.24	(9)	.85	(31)

Source: Nation's Business, LII, May 1964, 106-107.

On August 28, 1962 the 20,000 discontented farmers, that were delegates to the National Farmers Organization convention jammed the municipal Veteran's Auditorium in Des Moines, Iowa to give their approval to President Staley's plan for a holding action to begin on August 31.³ While preferring "holding action" to the word "strike" and abhorring violence. Staley said the group was ready to battle for prices that would keep farm income up to the levels achieved by other segments of the economy.⁴ Thus, the first regional or nationwide organization since Milo Reno's Farmers' Holiday Association to advocate the holding of certain products in order to force prices up had ratified a strike date.⁵

The goals of the latest protest movement grew out of the poor bargaining position of the farmer. He was the only producer left who still took his produce to market and asked, "What'll you give me?" The farm price problem could be solved, according to Staley, through collective bargaining contracts with processors.

We hold that permitting the processor to set the price on the sale of commodities raised by the American farmer is a complete reverse of the tradition of the American system of government which normally permits the manufacturer of products to set the prices of the products that he produces. We hold these conditions to be utterly at variance with the spirit of justice and the needs of the American farmer. We believe the right of the farmer to organize for his mutual protection is compatible with the rights of other segments of our society to organize for their mutual protection.⁶

³New York Times, August 29, 1962, Julius Duschka, "Farmers on Strike," Reporter, XXVIII November 22, 1962, 33.

⁴New York Times, August 29, 1962.

⁵Duschka, p. 33.

⁶From the Preamble to "National Farmers' Organization By-Laws," adopted at 1962 convention.

In a letter to the author Gordon Shafer, Chief Negotiator, said,

The NFO has been organized to price farm commodities at a cost of production plus a reasonable profit price.... We think the primary problem is the banding together of enough of the total production so we will be in a position to act as other businessmen do and place a price on commodities. We have come to believe that it is impossible to ever receive cost of production by waiting for the government. The principle reason for that is that 92% of our population no longer lives on farms. It seems foolish to expect 92% to grant the other 8% more than is absolutely necessary to assure adequate supplies of food.⁷

In line with this the National Farmers Organization sought to get enough members and enough geographic coverage to organize the orderly marketing of specific farm products. Processors who refused to sign contracts for a definite amount of a commodity at a definite price were faced with the prospect of a holding action on that commodity until agreement on price was reached. The National Farmers Organization claimed that it could control marketing if only thirty per cent of the producers agreed to hold their production until their price was met. Officials of the organization believed that processors were not adverse to bargaining but saw no need as long as supply exceeded demand.⁸ Drying up the supply would force the processors to act. Thus, the immediate goal of the September 1962 action was to force processors of livestock products to bargain for prices and arrange for long term contracts to fulfill future needs. An even more important goal was to show a majority of farmers that collective action

⁷April 27, 1964

⁸Newsweek, LIX May 28, 1962, 28. Duscha, p. 33.

could work.⁹

As far as specific price demands were concerned the National Farmers Organization wanted a 57 per cent increase in corn prices. Sixteen per cent increase for cattle. Thirty four per cent for sheep and eleven per cent for soybeans. The table that follows indicates the pre-strike price and the organization's demand.¹⁰

Table VII National Farmer Organization Price Goals, 1962

	Middle West Price (August 1962)	NFO Demand
Cattle	\$ 23.00	\$ 32.45
Hogs	19.00	22.75
Lambs	22.50	29.45
Corn	1.10	1.49
Soybeans	2.30	2.56

The September 1962 Holding Action

The livestock markets on August 31, the eve of the strike saw a rush of cattle to market. Cattle receipts at the twelve main midwest markets totaled 18,200 which was double the number shipped the week before and the largest for a Friday in fourteen years. The reasons were; current good prices,

⁹Time, LXXX, September 7, 1962, 19. U.S. News and World Report, LIII, September 24, 1962, 57.

¹⁰Newsweek, LX, September 10, 1962, 76. Newsweek, LIX May 29, 1962, 28. U.S. News and World Report, LIII, September 17, 1962, 45.

the holiday weekend, and finally the prospect of the strike.¹¹
 Due to the Labor Day holiday the markets were not open on Monday September 3.

Tuesday, September 4, was the first day that the markets were open. Since the hog market is primarily an interior one the strike was felt there first. The United States Department of Agriculture reported 35,000 head of hogs in Iowa reached market as compared to 54,000 the week before and 90,000 on the same day the previous year. As for price, butcher hogs were up \$.50 a hundred.¹²

Cattle receipts on September 5 were 42,400 head at the twelve major marketing centers. This was in comparison to 50,024 the week before and 51,132 the year before. As for price, slaughter steers were up \$.25 to \$.75 per hundred.¹³

By September 6 there were other signs of side effects. Swift & Co. went on a shorter work week. In Madison, Wisconsin the Oscar Mayer & Co. laid off 70 employees in the slaughtering department. In Iowa the Rath Packing Company had to close down operations for want of cattle. On September 10 Wilson & Co. and Armour & Co. announced that several hundred packing house workers would be laid off due to the lighter supplies.¹⁴

The first week of the strike ended on the eighth with

¹¹New York Times, September 24, 1962.

¹²New York Times, September 5, 1962. U.S. News and World Report, LIII, September 17, 1962, 45.

¹³New York Times, September 6, 1962.

¹⁴New York Times, September 7,8, 1962.

livestock prices at the highest level in several years¹⁵
(See Tables V and VIII).

Table VIII Cattle Receipts at the Twelve Major Terminal
Markets and Average Prices of Choice Slaughtered
Steers at Chicago.

Week Ending	No. Received	Avg. Price	Like Period 1961	
			No. Rec'd	Avg. Price
Sept. 1, '62	236,608	\$ 28.91	246,667	\$24.18
Sept. 8, 62	176,048	28.19	208,133	24.13
Sept. 15, 62	235,464	29.91	231,658	24.12
Sept. 22, 62	220,472	29.86	249,652	24.45
Sept. 29, 62	212,972	29.75	248,846	24.60
Oct. 6, 62	229,325	29.08	257,364	24.45

Source: Figures taken from Department of Agriculture and
quoted in George Brandsberg, The Two Sides in NFO's
Battle (Ames, Iowa), 134.

It appeared that Staley had picked a good time for the action. Supplies were not large and prices had been good. Very early two processors, exhibiting a concern for a steady supply, agreed to National Farmers Organization demands and signed contracts. Names were kept secret to avoid intimidation. Prospects for the action to succeed looked good because it appeared the members did indeed control 25 to 30 percent of total production which by most accounts was sufficient to support the hold out.¹⁶

The farmers' price was not the only price affected. On

¹⁵New York Times, September 9, 1962.

¹⁶New York Times, September 7, 1962. Newsweek, LX,
September 10, 1962, 76.

September 9 the major processors and chain stores announced increases in retail prices made necessary by the strike action. Staley thereupon called on the Justice Department to investigate and determine if "collusion and price fixing" were involved.¹⁷ The increase in retail price was explained when on September 10 the United States Department of Agriculture issued figures showing prices of hogs to be up an average of \$1.05 per hundred from the two weeks previous or an increase from \$18.50 to \$19.55. Average cattle prices were also up \$1.50 or an increase from \$28.25 to \$29.75.¹⁸

In its second week the action began to falter. The movement of hogs to market was on the increase and prices for cattle as well as for hogs were steady. In order to give an added push, Staley announced on September 11 that the action would be extended to corn and soybeans. To help the farmers who lacked storage facilities, arrangements were made with the Triplett Grain Company of Kansas City to provide storage space for 1,000,000 bushels.¹⁹

By September 14 the effect of the strike on prices became difficult to analyze. Hog and steer prices started to fall. A readjustment seemed to be taking place. Supplies remained high even though the volume of cattle and hogs going to market slumped 24 to 35 per cent. Unemployment in the packing houses, which probably never exceeded 700, fell as Wilson & Co.

¹⁷New York Times, September 10, 1962.

¹⁸New York Times, September 11, 1962.

¹⁹New York Times, September 12, 1962.

recalled its workers. Meat production in the Middle West had dropped eight per cent below the same period in 1961 with a resultant increase in wholesale prices. Retailers had a choice of raising prices to housewives or absorbing the higher costs themselves. The butchers chose to capitalize on the headlines in the newspapers and consequently the price of meat rose in cities. Choice cuts of beef, for example, were up twenty cents over the August price.²⁰ The strike had shown that a relatively small number of farmers by holding their production could actually force prices up for a time. This was however a critical period. The strike was only in its second week. Significant results could be expected only after the third week according to Staley. On September 19 the action was extended to grain and dairy products.²¹

Heavy cattle and hog sales swept the Middle West on September 24. Spokesmen for the packers said the "strike" could not last much longer. At Corning, Iowa farm spokesmen said they had no intention of calling off the action. Rather, plans were underway to extend the holding action to milk on that very day. Nevertheless, the same day, the twelve major markets received 103,100 cattle, the largest number since April 30. Sales were up 23,700 head or 27 per cent over the receipts of the previous week and most cattle sold \$.50 lower. Hog receipts were 32,500, the largest since July 5. The total

²⁰Business week, September 15, 1962, 36. New York Times September 15, 1962, U.S. News and World Report, LIII, September 24, 1962, 58.

²¹New York Times, September 20, 1962.

was 22,000 or 30 per cent more than the previous week. At the time the decline in hog prices was the sharpest in ten weeks. The average for all classes was off \$.40 or down to \$18.35 per hundred.²² Meanwhile, some interesting figures were released by the United States Department of Agriculture.

Farm product prices had advanced 2.5 per cent during the month ended September 17. Higher prices were reported generally for eggs, milk, hogs, and cattle.²³ The table that follows indicates the relative prices.

Table IX Price Comparison Before and After 1962 Strike.

Commodity	Mid-August	Mid-September	Parity
Wheat	\$ 1.99	\$ 1.99	\$ 2.44
Corn	1.02	1.04	1.61
Hogs	17.40	18.20	21.80
Cattle (Beef)	21.60	22.00	23.70
Milk	4.03	4.23	5.23

The holding action had affected other factors as well. Figures as of September 21 revealed that for the first of the three weeks of the strike sales of livestock were down, slaughtering declined 8 per cent and wholesale prices were up 4 to 10 per cent. In the second week livestock sales recovered, slaughtering was down only 4 per cent of normal and wholesale meat prices were down slightly. In the third week livestock sales

²²New York Times, September 25, 1962.

²³New York Times, September 29, 1962.

were near normal but wholesale prices remained above normal.²⁴

By the end of September the National Farmers Organization was in a tight spot. Non members continued to sell despite the earlier support. Members' fattened cattle meanwhile approached overweight and discounts would have to be taken if they held out much longer. Debts also normally fell due in mid October and creditors were beginning to press for payment. Thus the members needed an opportunity to sell their livestock in order to pay bills.

On October 2, the National Farmers Organization called a "recess" in the action. It did so, said Oren Staley, to give the strikers an opportunity to consolidate gains already made and enable them to exert far more pressure at a later date.²⁵ The effect of the recess was immediate. Hog prices slumped \$1.75 as farmers flooded the yards. The price drop at Chicago was the sharpest one day drop in six years. Farmers sent 99,000 hogs to the twelve major markets or 42,000 more than the previous week.²⁶ By mid October wholesale meat prices that had gone up 6.5 per cent from August to September were back down to their August level. Retail meat prices that had risen 3.5 per cent from August to September had by mid October slipped only half way back to their August level in eight major cities.²⁷ While the farmers did not achieve a permanent price

²⁴U.S. News and World Report, LIII, October 1, 1962, 8.

²⁵New York Times, October 3, 1962.

²⁶New York Times, October 5, 1962.

²⁷New York Times, October 27, 1962.

increase it appeared that the consumers had.

Thus, another farm protest in which direct action played a part came to an end. Surprisingly, in view of the violence of the earlier movements, the National Farmers Organization conducted a holding action throughout sixteen states that saw only sporadic violence to intimidate the reluctant. No where did it approach the scale of the Holiday movement or that of the Associated Farmers.

The first direct action beyond withholding at the farm occurred at Palmyra, Missouri on September 4. There the weekly livestock sale was halted after members of the National Farmers Organization caused a disturbance. While there was no physical violence, the farmers caused so much commotion and confusion with their hollering and hand clapping that the sale was called off. On hearing of the action Governor John Dalton ordered the local law enforcement agencies to see to it that no further violence occurred. At Lewiston, Missouri on the same day 500 National Farmers Organization members from Iowa and Illinois prevented the Lewis County auction from starting.²⁸

Other events occurred as well. On the fifth at Savannah, Missouri two farmers reported that their trucks were fired upon at a National Farmers Organization checkpoint.²⁹ On September 23, 500 farmers picketed and demonstrated at the Oscar Mayer packing plant in Davenport, Iowa. Incidents of fence cutting

²⁸New York Times, September 5, 1962.

²⁹New York Times, September 6, 1962.

and barn burnings occurred but not in sufficient number to merit further discussion. At Colchester, Illinois, approximately 300 farm women took over an auction barn sale for 25 minutes. Six of the ladies took over the auctioneers microphone and each delivered a short speech on the NFO holding action. The sale was resumed after the ladies had led the assembly in singing "God Bless America."³⁰

It has been suggested that the farm situation in 1962 was similar to that of 30 years ago in several respects and serves to explain why there was a resurgence of interest by the farmers in direct action. An oversupply of such products as hogs, cattle, and corn had led to a low price level. Farmers began to tighten their belts by running older tractors and automobiles. Household appliances were made to go longer. Bankers worried while prospering because farmers collectively had the greatest debt ever with the least relative ability to repay. It was not hard to understand why. They were getting less income per dollar grossed than at the bottom of the depression. The farmers' share of every dollar spent on food had hit an 18 year low in June, 1962 when he received only 33 cents.³¹

The cost-price squeeze had also taken its toll. While farm prices dropped from a relatively high level in 1947-1949 farm costs increased by as much as 50 per cent.³² Corn that

³⁰From an account in Omaha World-Herald, September 15, 1962, reported in George Brandsberg, op.cit., p. 120

³¹U.S. News and World Report, L. March 13, 1961, 82. The State Journal, (Lansing), August 13, 1963.

³²Newsweek LIX, May 28, 1962, 26-29.

brought \$1.54 in 1949 brought \$1.11 per bushel in 1962. Hogs that brought 21.9 cents a pound in 1949 brought 16.3 cents in 1962. Milk that brought 9.5 cents a quart in 1949 brought 8.8 cents in 1962. Meanwhile, costs had skyrocketed. Nails which sold for 11 cents a pound in 1949 cost 17.7 cents in 1962. A thirty-five horsepower tractor that cost \$2,100 in 1949 cost \$3,890 in 1962. Farm wagons increased from \$143 in 1949 to \$193 in 1962. Self propelled combines that sold for \$4,310 in 1949 cost \$6,890 in 1962.³³

At first the farmers' attitude was mixed. In spite of the mounting debt and farm costs most of the farmers continued in their resistance to collective action. Some believed that the surpluses were a blessing if they only could be utilized. Others said the government should get out of agriculture and let the free economic forces operate. Others yet said government controls were essential.³⁴ Indeed, the grassroots attitude by late 1961 was that of hope that the new administration would reverse the decline in farm income. Secretary Orville Freeman's acreage reduction program of soil payments plus price supports was a step in this direction and had popular approval because it hit at the heart of the farm problem: over-production.³⁵

The farmers also agreed upon one additional point. They did not get a fair return on their investment when compared to

³³Figures as given by National Farmers Organization taken from United States Department of Agriculture statistics.

³⁴Newsweek, LIX, May 28, 1962, 28-29.

³⁵U.S. News and World Report, L. March 13, 1961, 81.

industry. Further, it began to appear that even though his prices had fallen drastically the consumer still paid the same prices. Thus chain stores, grain and livestock exchanges and other middlemen were criticized for taking a disproportionate share of the consumer's dollar. The latter point is a difficult one to nail down. It is possible for a farmer to take a loss on a steer that he has fed for two years while at the same time chain stores can demonstrate a net loss in the retailing of that same animal. Perhaps it would not be too far afield to suggest that the farmer subsidizes the consumer and not the other way around.

If industry had wanted to it could have picked no better time to set off a farm rebellion. In the summer of 1962, the Committee for Economic Development, representative of progressive businessmen, recommended a plan to the administration that would have involved the national government in giving aid to help move two million farmers off the farm in the succeeding five years.³⁶ The plan enraged the farmer and his dependent friends. The small town businessman owed his living to the farmer and he knew it. The bankers in the small towns shuddered at the thought. Oren Staley turned the report into a rallying cry and got the farmers to pile Sears and Roebuck mail order catalogs in front of Sears' stores in the Middle West. Boycotts of International Harvester and other businesses were threatened.³⁷

³⁶U.S. News and World Report, LIII, September 24, 1962, 57.
New York Times, August 31, 1962.

³⁷Duscha, p. 33. Newsweek, LX September 10, 1962, 76.

On top of disbelief that businessmen could view the farm problem with such naivete, Staley's farmers began to question the role of the government in agriculture. Why was it that the farmer was in such a spot, that the Department of Agriculture, the second largest business of the government, with a budget of 7 billion dollars a year, with 100,000 employees in 13 separate agencies could do nothing? The department had spread like crab grass and according to one official, with its administrative complexity, the Department of Agriculture was "the damndest entrenched bureaucracy in Washington."³⁸

By 1962 the farmer had gone full circle in his attitude towards government assistance. The narrow wheat referendum on August 30, 1962 nearly ended the program of acreage controls and price supports in effect since 1938.³⁹ Even Farm Bureau members by this point could accept the National Farmers Organization argument that with collective bargaining⁴⁰ for agriculture farm subsidy programs which cost three billion dollars a year could be reduced thus reducing the cost to the taxpayer despite slightly increased food prices while at the same time farmers would get a substantial price increase. Oren Staley and his farmers began to think that it was time for the farmers to do

³⁸ Newsweek, LIX, May 28, 1962, 26.

³⁹ U.S. News and World Report, LIII, September 24, 1962, 57.

⁴⁰ Michigan apple growers in the fall of 1963, with the approval of the Farm Bureau secured "member marketing agreements" with the Michigan Agricultural Cooperative Marketing Association and accomplished in essence what the NFO seeks to do.

for themselves what the government had been unable to do. That is, force an optimum price level by holding action and then negotiate annual contracts with the packers and other processors guaranteeing satisfactory future prices to farmers.

Support for the National Farmers Organization came mostly from the small and medium size farmers of slightly inferior soil. They were the hard working farmers who wanted to stay on the family farm but were hard pressed to keep up with the rapidly changing technology of agriculture. Ironically, they also were the farmers who benefitted least from the price supports and other government farm programs.⁴¹

President Staley is a typical member. He is 41 years of age and farms 400 acres near Rea in northwest Missouri. He raises hogs, pure bred cattle and corn for feed. Like so many of the members he paid a high price for his land after World War II and now is faced with steep fixed costs despite declining income. Oren Staley resembles Milo Reno in his fiery, righteous speeches that take on a religious fervor. An occasional Sunday school teacher in the Baptist Church, he is at his best speaking off-the-cuff to overflow crowds. He runs the organization from an old store front in Corning, Iowa and supervises 300 paid organizers.⁴²

Total membership in the organization is secret but has been estimated at various times to number as many as 300,000. More

⁴¹Duscha, p. 34.

⁴²New York Times, September 7, 1962. Duscha p. 33.

probably it is closer to 150,000.⁴³ Its strength, though uncertain, is centered in Iowa. Missouri, Wisconsin, Illinois, and Minnesota are also major strongholds. Support also comes from Nebraska, Kansas, Indiana, Ohio, Kentucky, South Dakota, Idaho, and Michigan. The organization has widespread support strength, unity, and appeal lacking in the Farm Bureau, the Farmers' Union, and the Grange whose entrenched leadership has effectively suppressed grass roots revolts.⁴⁴ One thing is clear. What was considered to be a "fringe element" a few years ago now draws 500 to 600 people to meetings that feature sausage suppers, speeches by farmers, bankers, and others concerned about the farmer's predicament.

The organization has a "minute man"⁴⁵ for every thirty farmers in each township and is proud of the fact that word of its activities can be passed from headquarters in Corning to rank and file farmers as far away as Michigan in a matter of hours completely by word of mouth.

Second Prairie Fire of Protest?

Oren Staley won re-election in a bitterly fought convention battle in Des Moines in December 1962 on a platform of "all out action." His major opponent, Robert Jasper, an Iowa proprietor of a 1,300 acre farm urged moderation.⁴⁶

⁴³Newsweek, LX, September 10, 1962, 34. U.S. News and World Report, LIII, September 17, 1962, 44-45. Newsweek, LIX, May 28, 1962, 28. Duscha, p.34. Brandsberg, op.cit. p.222, appears to set the membership closer to 125,000 as of 1962.

⁴⁴Duscha, p.34

⁴⁵U.S. News and World Report, LIII, September 17, 1962, 45.

⁴⁶New York Times, December 14, 1962.

"All out action," however has been slow to materialize. It seems certain that the movement is no prairie fire of protest similar to that of 30 years ago. Few farmers are faced with bankruptcy and foreclosure. Crops have not been left to rot in the fields. Most farmers have all the luxuries and modern conveniences that urban dwellers enjoy. Readjustments in the rural work force are under way. The movement also differs from earlier agrarian protest in that it is strictly an economic one that proposes to solve farm price problems through collective bargaining contracts with processors.⁴⁷

The most recent activity along the line of direct action occurred when Staley called for a 23 state holding action on August 19, 1964. Sporadic violence has occurred. Nevertheless, events of the past two years give little evidence that the National Farmers Organization is the militant aggressive force it once promised to be. Holding actions have been called on various commodities but they have not met with any appreciable success. In spite of holding actions in 1963 on corn, soybeans, and sorghum the Department of Agriculture reported October 31 in that year that for the month ending October 15, prices were actually lower for cattle and corn but prices for milk and wheat were up slightly. The general level of parity of farm prices stood at 77 per cent of parity as opposed to 80 per cent in 1962.⁴⁸ In December, 1963,

⁴⁷NFO Reporter (Corning, Iowa), February, 1963.

⁴⁸New York Times, November 1, 1963.

the United States Department of Agriculture reported that prices for feed grains and hay had been up 4 per cent over the previous month but price drops for cattle and hogs were responsible for an overall 2 per cent drop in the general price level.⁴⁹

As we have seen, the National Farmers Organization did achieve slight price improvements in 1962 but possibly other successes were more important in the long run. In the first place it stunned the well established farm lobbies; the American Farm Bureau, the National Farmers' Union, and the National Grange that had previously belittled the upstart National Farmers Organization and boasted its own membership thus gaining leverage for bargaining with processors which is the organizations chief goal. Secondly, it proved rather emphatically what the marketing experts predicted. Due to the diverse and scattered production non-members could take advantage of the supporting farmers. Thus if direct action and eventual collective bargaining is to succeed the number of producers must be restricted or the government must enforce controls as is done in labor-management disputes or somehow those who with hold must be given financial support to enable them to hold until successful. The alternative is the use of force to keep the independents in line.

⁴⁹New York Times, December 31, 1963.

Conclusion

This study, by its very nature, in determining the successes and failures of specific farmer actions contains certain implicit conclusions. Nevertheless, a summary of broad generalizations would seem to be entirely in order at this point.

The traditional romantic concept of agrarian life as being conducive to civic virtue is partially dispelled by accounts of violence, rebellion, harassment and defiance of court processes. Certainly, the reign of terror conducted by the Associated Farmers represents extreme disregard for democratic processes. Despite all of that there still remains the fact that the farmers were not attacking the institution of private property. They merely sought to retain their own property. If the agrarian element has an enduring grace it must be that of patience. In all instances the farmers were slow to take up direct action but very quick to abandon it. Witness how quickly direct action subsided when the farmers achieved partial gains. The Holiday Association, the Wisconsin Cooperative Milk Pool and the New York dairy farmers are notable examples.

Specific successes can be listed without comment. The farm strike and mortgage sale protests won a code for agriculture. The Illinois dairy farmers forced Chicago to regulate the milk dealers in that city. Wisconsin and New York dairy farmers won satisfactory price increases. California farmers succeeded in setting up a practical business structure with the sanction of

law. The tobacco farmers won a code for their production. Of all the movements the latest, NFO, was least successful. It won only illusory price gains for prices averaged lower after the holding action than before.

The evidence indicates that direct action's greatest success was the speedy enactment of the New Deal. The early prairie fire of protest was an unknown quantity and it could not be ignored. The first major legislation, AAA, sponsored by the administration effectively doused that prairie fire. Significantly, AAA helped primarily the corn and hog farmer. Dairy, fruit, cotton, and tobacco farmers had to wage their own direct actions in order to get "codes" for their products.

The legitimacy of the claim to costs-of-production is best left to another study. This study, however, demonstrated that where farmers were willing to discipline themselves to curtail production as in the case of the California speciality crop farmers, under proration, and to a certain extent the tobacco farmers, under the AAA code, costs-of-production became an achievable goal. In the Middle West where the tradition of individual action remained strong government codes were not the answer. Indeed, the Holiday Association demand for costs-of-production without regard to production presaged ominous events for the future. NFO owes its existence to the fact that production of agricultural products has not been brought into line with demand.

This study also demonstrated that circumstances literally forced the farmers to take action in their own behalf. Militancy

in the early thirties was inevitable. The farmers would not willingly be reduced to farm laborers. They were not ignorant and inarticulate. They saw business being helped by way of RFC and bank holidays among other things. They too wanted state and ultimately federal assistance in coping with the economic depression. Grass roots support gave the administration courage to pass it. Despite its going beyond the embargo envisioned by Milo Reno, direct action to date has drawn more attention to the farmers' plight than all the years of peaceful negotiations when the government and public only responded by saying in effect, "Good boys, go home and feed the hogs."

Finally this study underscored the spirit generally held that far from being radical the farmers had merely discovered that they also could use the power of government to advance their own economic interests. In so doing they stood to the left-of-center in demanding far more government action to help the farmer than the two major parties appeared ready to give. That the industrial East should view such government assistance and support for projects that would promote farm prosperity as wild-eyed radicalism is no surprise. Perhaps the fact that the principle of government restraint on industry owed its rise primarily to the insistence of the agricultural Middle West contributed to the industrial East's opposition.¹

¹John D. Hicks, "Our Own Middle West, 1900-1940," in Democracy in the Middle West; 1840-1940, ed, Jeannette P. Nichols and James G. Randall (New York, 1941), pp. 105-107.

A Brief Annotated Bibliography

Periodicals

Research on direct action by farmers presented special problems. Satisfactory book length studies simply do not exist and general studies that mention the events covered by this study are inadequate because of a paucity of evidence. For the most part this paper is based upon accounts in the popular press and more specifically, the periodicals.

While the objectivity of the New Republic and Nation can be questioned I found them to be especially useful because both periodicals sent their own reporters into the strike areas. While their accounts frequently were not unfriendly to agriculture, the fact that the reporters witnessed the acts they described contributed to an authoritativeness that could not be discounted. The New York Times likewise was indispensable. In addition to serving as a guide to the chronology of events it was especially valuable as an accuracy check on dates recorded in the periodicals. Occasionally there was some discrepancy on dates. In most cases I accepted those in the New York Times because of the daily publication of events. Often the periodical accounts appeared some weeks after the event and exact dates were occasionally in doubt as references would be made to such imprecise times as "the past week."

In the use of the periodicals a significant geographical factor became obvious. The Middle West farm papers and journals including the Michigan Farmer and Wallace's Farmer were of

little value because they ignored discussion of the rank and file farmer movements. Since most of those farmers favored cost-of-production legislation with no production controls the journals avoided comment apparently in fear of losing subscribers. They continued, rather, to deal with everyday questions of general farming interest. For example: Wallace's Farmer; Iowa's Leading Farm Newspaper in the issues of September 15 and October 6 and 20 during the height of the 1962 holding action published two editorials expressing doubt as to the advisability of the strike. It published 4 letters on NFO during that time but no feature articles.

The eastern press, while opposed to farm relief, gave lengthy accounts of the strikes, mortgage sale protests, and sporadic violence. While the eastern point of view was not of any particular value in understanding discontent in the agricultural regions the factual content was invaluable. Generally speaking Nation, New Republic, and New Outlook were especially useful for accounts of the sociological and economic aspects of farm discontent. For matter of fact accounts and general information the following served well: Fortune, Forum, Nation's Business, and Time.

Business Week was especially useful for statistical information on the tobacco and dairy actions. Julius Duschka reported first hand accounts of the NFO holding action in the Reporter, U.S. News and World Report and was useful for the political implications of farmer discontent. Other periodicals that carried articles on direct action and contributed to

understanding it as a part of social history were; Christian Century, Commonweal, Harper's Magazine, Literary Digest, and American Mercury.

The NFO Reporter is the official organ of the National Farmers Organization. For statement of purpose and organizational set-up consult the "National Farmers Organization By-Laws" and membership agreements. The NFO has put out numerous undated pamphlets and verifax copies of articles and reports friendly to NFO. Gordon Schafer, Chief Negotiator for NFO, was kind enough to answer a list of questions sent to Oren Staley concerning the NFO. For the attitude of conservative farmers towards NFO see Nation's Agriculture, the organ of the American Farm Bureau Federation. Newspapers that included the Detroit News and the State Journal (Lansing) were read for recent activities of NFO. For perceptive discussions of the comparative advantages of general farm organizations and commodity farm organizations see Farm Policy Forum.

JOURNALS

For farmer reaction to AAA see Gilbert C. Fite, "Farmer Opinion and the Agricultural Adjustment Act, 1933," Vol. XLVIII, NVHR (March, 1962). George L. Hawry, "The California Progressive and His Rationale: A Study in Middle Class Politics," Vol. XXVI, NVHR (September, 1949) is a useful approach to pressures of monopolistic corporations and organized socialism on California's farmers.

Books

There are only two book length studies available at this time that are concerned specifically with direct action by farmers. Both are inadequate journalistic accounts that failed to utilize the original sources to full advantage. Despite his having worked under Milo Reno, Dale Kramer's The Wild Jackasses: The American Farmer in Revolt, (New York: Hastings House, 1956) is not the solid account that one might expect. Likewise, George Brandeberg, The Two Sides in NFO's Battle, (Ames, Iowa: Iowa State University Press:1964) spends more time analyzing the farmers problem than he does in farmer action. His account of Oren Staley's leadership of the NFO is the most useful section.

Many writers have touched upon farm strikes in the more general histories of the thirties. Basil Rauchs History of the New Deal, 1933-1938, (New York: Creative Age Press, 1944) and Arthur M. Schlesinger Jr.'s The Crisis of the Old Order, 1919-1933 (Boston: Houghton Mifflin, 1957) are among the best for putting the Farmers' Holiday Association into proper historical perspective.

The best study of agricultural discontent and the changing position of the farmer in the thirties is Theodore Saloutos and John D. Hicks, Agricultural Discontent in the Middle West, 1900-1939, (Madison: University of Wisconsin Press,: 1951). Their interpretation of the Holiday movement is especially valuable. For an excellent discussion of the urban view towards the Middle West see John D. Hicks, "Our Middle West, 1900-1940," in Democracy in the Middle West; 1840-1940, ed. Jeannette P. Nichols

and James G. Thompson (New York: D. Appleton-Century, 1941).

For successes of the Farm Bill see John D. Hicks, Republican Ascendancy; 1921-1933 (New York: Harper and Brothers, 1950).

Louise V. Armstrong, We Too are People (Boston: Little, Brown and Company, 1941) is excellent for a first hand account of a mortgage sale in Michigan and the farm protest march that resulted. See Gilbert V. Selges, The Years of the Dust (Boston: Little, Brown and Company, 1933) for a suggestive account of the impact of the depression on the farmer. A small book that is available in paperback. (D. Van Nostrand) and indispensable to understanding what the major farmer organizations stood for is Fred Albert Shannon, American Farmers' Movements (Princeton, 1957).

To appreciate the effect of farm strikes on the New Deal administration consult Raymond Moley, After Seven Years (New York): (Harper and Brothers, 1939) and Carl T. Schmidt, American Farmers in the World Crisis (New York: Oxford University Press, 1941). Both authors believe that the farm strike and mortgage protest sales encouraged speedy enactment of AAA. One of the best short but accurate accounts of the Farmers Holiday Association can be found in Christiana M. Campbell's The Farm Bureau and the New Deal; A Study of the Making of National Farm Policy, 1933-1940, (Urbana: University of Illinois Press, 1962). The standard account of the Associated Farmers and proration in California is Clarke A. Chambers, California Farm Organizations; A Historical Study of the Grange, The Farm Bureau, and the Associated Farmers, 1929-1941 (Berkeley:

University of California Press, 1952).

Public documents that are informative include the fact filled Farmers in a Changing World which is the Year Book of Agriculture, 1940 (Washington: U.S. Department of Agriculture, 1940). For information on parity and commodity prices consult the Statistical Abstract of the United States, Vol. LV, LXXVIII (Washington: U.S. Department of Commerce, 1933-1937). The most recent scholarly work to study farm bargaining power in relation to total farm policy is Don Pearlberg, American Farm Policy: A Case Study of Centralized Decision-Making (New York: John Wiley and Sons, 1964). The chief fault of the work is that it contains neither footnotes or bibliography.

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