THE SELF-HELP COOPERATIVE MOVEMENT IN LOS ANGELES, 1931-1940

by

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A DISSERTATION

Presented to the Department of Political Science
and the Graduate School of the University of Oregon
in partial fulfillment of the requirements
for the degree of
Doctor of Philosophy

March 2014
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Title: The Self-Help Cooperative Movement in Los Angeles, 1931-1940

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Degree awarded March 2014
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This case study examines the Self-Help Cooperative Movement (SHCM). Largely ignored by social scientists for the past eighty years, the movement took place during the Great Depression and, while national in scope, it was concentrated in Los Angeles. This movement combined traditional protest tactics with pre-figurative politics; its goal was to provide full employment for all Americans through the proliferation of worker and consumer cooperatives. Despite a very promising start in 1931, the movement collapsed and disintegrated by 1940. This dissertation examines the reasons for the SHCM’s early successes and later its failures.

The SHCM’s early successes were made possible through their alliances with Japanese farmers (who lived on the outskirts of Los Angeles) and people of color in general, Los Angeles businesses and conservative business leaders, and with sympathetic politicians and state agencies. These alliances were, in turn, made possible by the inherent ambiguity of the SHCM’s politics, which incorporated both conservative practices (e.g., self-help) and socialist practices (e.g., workplace democracy). This unique mixture, what the Los Angeles Times called “voluntary communism”, generated widespread support among hundreds of thousands of unemployed workers and among conservative, socialist, and liberal political actors.
In 1933, the SHCM underwent a profound transformation when Upton Sinclair and the End Poverty in California movement assumed leadership of the cooperatives and the California Democratic Party, promising to place state support behind the cooperative movement and in the process both end unemployment and undermine capitalism. The gubernatorial campaign of 1934 became a referendum on the cooperatives. Over the course of the prolonged bitterly fought campaign the cooperatives became associated with communism, and their liberal and conservative allies responded by discontinuing their support. With the loss of this political and financial assistance the SHCM slowly faded away. While the movement failed to achieve its specific goals, its impact on California politics, along with other Utopian Socialist movements in Los Angeles during this period, was immense. By the 1940s both political parties in California were supporting liberal and socialist initiatives (e.g., universal health-care and mass university education).
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ACKNOWLEDGMENTS

My committee members were incredibly supportive of this dissertation. They provided theoretical guidance, practical advice, and support within the department. The “Identities Reading Group” and the critical feedback from Joseph Lowndes, Daniel Hosang, Priscilla Yamin, Joshua Plencer, and Elizabeth Beard was invaluable in helping me think through and move past my early drafts. The detailed feedback provided by Ocean Howell, who went above and beyond the usual role of the outside committee member, was equally invaluable. I am particularly thankful of the theoretical guidance and patience of Gerald Berk and Joseph Lowndes. Sean Parson provided detailed feedback that helped me address a number of critiques. The numerous conversations with other graduate students in the Political Science and Sociology departments during my nine years as a graduate student honed my political positions and helped me think through my own work. Finally, I thank Andrea Gifford for her support, patience, and love during this last hectic year.
This study is dedicated to those struggling to make Democracy and Socialism a living reality all over the world.
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CHAPTER I

POLITICAL AMBIGUITY AND THE SELF-HELP COOPERATIVE MOVEMENT

The Self-Help Cooperative Movement was one of the largest unemployment movements in the United States in the 1930s. It was also one of the strangest. The movement can be credibly labeled conservative and socialist; it, at times, had strong backing from businesses, during other times strong opposition; it was an ethnically and racially inclusive movement in a nativist political environment; it failed to achieve its goals but dramatically altered the California political landscape. This case study raises a number of questions for students of American politics. Why was the movement open to multiple interpretations? How could it be, at once, both conservative and socialist? How was a movement with few resources able to mobilize the support of both conservative business leaders and radical activists? How were the cooperatives able to achieve major political change in California, despite failing to achieve their political objectives? Addressing itself to these questions, this project can both deepen and complicate our understandings of the New Deal, the Great Depression, cooperatives, and political change.

The thesis of this project is two fold. The first is that the Self-Help Cooperative Movement was a lost opportunity for addressing mass unemployment in the United States in ways that satisfied both conservatives and socialists. That was its main appeal. Studies of the Great Depression have overlooked this movement, despite being one of the largest and most popular unemployment movements in the United States in the 1930s, precisely because it does not easily fit into any discernable ideology or tradition—especially that of New Deal liberalism. Indeed, studies of the Great Depression
frequently lapse into studies of the New Deal. The two have become one and the same in both academic studies and in popular discussions.

This project examines the years preceding and leading up to the New Deal especially and argues that, even before the election of Roosevelt and the implementation of the New Deal work programs, new institutional arrangements were emerging to effectively address mass unemployment through novel political alliances between unemployed workers, private businesses, farmers, and state actors, all of whom felt intense pressure to do something about mass unemployment. These alliances, and the novel institutional arrangements they collectively built, did not easily fit into either Hoover’s volunteerist response to the Great Depression or the New Deal work programs, but contained elements of both. This cooperative approach to addressing mass unemployed was immensely popular with conservatives and socialists from 1931 to 1933. For a number of reasons, beginning in the summer of 1933 the popularity of the cooperatives began to wane and eventually the movement lost political support.

Second, theoretically, this case study helps us understand the unstable, contingent, and ambiguous nature of political change. This study understands political authority as fundamentally elusive, detached from any group or actor. In other words, this is not a story in which wealthy elites, state actors, or any other group or institution dominated the political process, had the final word. Instead, all of the groups examined here were constantly scrambling to keep up with new developments and adequately respond to them. In doing so, they often found themselves in new and unexpected political territory, agreeing to alliances and policies they initially opposed.
This project also contributes to cooperative studies, which have largely ignored this case, despite being the largest movement of urban cooperatives in American history. Studies of cooperatives all too often focus on the internal dynamics of cooperatives—the extent to which their internal operations are democratic. Instead, this project draws our attention to the political potentials of cooperative movements. It examines their ability to effect political change; to extend access to the democratic workplace beyond their membership. In the case of the Self-Help Cooperative Movement, they were most effective when fulfilling basic needs—i.e., food, housing, and other essentials—left unaddressed by either the state or private businesses, and when they were able to do so in ways that were discursively complementary with, rather than antagonistic to, the state and private businesses. The Self-Help Cooperative Movement was able to achieve this by developing both an organization and an identity that positioned itself, however precariously, between political dualities: between the public and private sphere, state and civil society, and between conservatism and socialism.

**The Self-Help Cooperative Movement**

Before the introduction of the Civilian Conservation Corps, Civil Works Administration, Public Works Administration, Works Progress Administration, and other New Deal work programs, the unemployed had to rely on inadequate municipal welfare and private charity; and many did not even qualify for that assistance. Thus, in Los Angeles, as elsewhere, unemployed workers were desperate and willing to try anything. It was in this environment that the Self-Help Cooperative Movement (SHCM) emerged. Millions of Americans were involved in the movement throughout the 1930s, but the majority of its members were concentrated in the county of Los Angeles. The movement
consisted of unemployed workers who formed labor exchanges and later worker cooperatives with the help of businesses, farmers, and local, state, and federal agencies. The guiding principle of the SHCM was “production for use, not for profit” and all goods and services acquired and produced by the cooperatives were distributed according to need instead of hours worked. The SHCM defined the Los Angeles unemployment movement during the Great Depression, from 1931 to 1933 especially.

The earliest known incarnation of the movement began with Unemployed Citizens League of Seattle in the summer of 1931. Eventually, the movement spread across the country. There is no official statistic on the exact number of people involved in the cooperatives, only various estimates. By the end of 1932 there were 330 Self-Help Cooperative organizations in 37 states, with 75,000 activists and a general membership of 300,000. The movement peaked in 1933 with more than 400 groups and a general membership of 752,000. Between 1931 and 1938 there were a half-million “families” in 600 organizations involved in the movement.

The primary activities of these organizations were barter, labor exchange, and later direct production. “Participants were organized on a community basis and included persons with a variety of skills…Memberships of 100 and even 3,000 persons developed in a few weeks time.” Many of the early organizations initially developed autonomously, without knowledge of each other; others self-consciously patterned themselves after groups in other states. There was no central organization or leader.

2 Ibid., 8, volume 1.
3 Ibid., 5, volume 1.
Umbrella organizations eventually formed to coordinate the groups—the most important being the Unemployed Cooperative Relief Association (UCRA)—but their power over the local organizations was limited. Despite lacking strong leadership, these groups gained significant political influence early on, as local and state politicians began actively courting the votes of these groups, especially in Los Angeles, Denver, and Seattle.⁴

The cooperatives initially pressed for state intervention in the economy to address unemployment—either through direct cash payments or work programs—but the failure of Hoover and local political leaders to adequately intervene in the economy led to a dramatic rise in membership and a proliferation of cooperatives, which were initially seen as a temporary measure.⁵ The unemployed workers that made up the membership of the cooperatives, like many Americans, believed that the depression would not last long. Eventually, with the rise of the New Deal welfare state and the work programs, the state did intervene and in so doing transformed the movement.

The early activities, primarily consisting of barter and labor-exchange, ended with the implementation of the New Deal programs. The cooperatives depended on the surpluses produced by farms and businesses. However, with “production control programs” like the Agricultural Adjustment Act, National Recovery Administration, and Federal Surplus Relief Corporation, farmers and businesses no longer had vast surpluses with which to provide to the cooperatives in exchange for labor.⁶ Moreover, with the implementation of the New Deal work programs, the majority of the unemployed left the cooperatives for the steady pay of the work programs. As Table 1 shows, the number of

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⁴ Ibid., 30-31, volume 1.
⁵ Ibid., 30, volume 1.
⁶ Ibid., 20, volume 1.
activists in the cooperatives dropped from about 72,000 in June of 1933, when the New Deal programs were implemented to about 29,000 in December of 1933, and continued dropping thereafter. As Table 2 shows, the California cooperatives followed the same pattern.

Table 1. Active Membership of Self-Help Cooperatives in the United States, 1932-1938

<table>
<thead>
<tr>
<th>Date</th>
<th>Active Membership</th>
</tr>
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<tbody>
<tr>
<td>1931</td>
<td>December</td>
</tr>
<tr>
<td>12,200</td>
<td></td>
</tr>
<tr>
<td>1932</td>
<td>June</td>
</tr>
<tr>
<td>32,550</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td></td>
</tr>
<tr>
<td>75,846</td>
<td></td>
</tr>
<tr>
<td>1933</td>
<td>June</td>
</tr>
<tr>
<td>71,860</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td></td>
</tr>
<tr>
<td>29,043</td>
<td></td>
</tr>
<tr>
<td>1934</td>
<td>June</td>
</tr>
<tr>
<td>18,283</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td></td>
</tr>
<tr>
<td>16,121</td>
<td></td>
</tr>
<tr>
<td>1935</td>
<td>June</td>
</tr>
<tr>
<td>16,811</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td></td>
</tr>
<tr>
<td>12,403</td>
<td></td>
</tr>
<tr>
<td>1936</td>
<td>June</td>
</tr>
<tr>
<td>8,471</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td></td>
</tr>
<tr>
<td>6,992</td>
<td></td>
</tr>
<tr>
<td>1937</td>
<td>June</td>
</tr>
<tr>
<td>5,722</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td></td>
</tr>
<tr>
<td>2,965</td>
<td></td>
</tr>
<tr>
<td>1938</td>
<td>June</td>
</tr>
<tr>
<td>5,858</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td></td>
</tr>
<tr>
<td>5,790</td>
<td></td>
</tr>
</tbody>
</table>

7 Ibid., 25, volume 1. “Active members” is used to signify the number reported to have retained active status by working during the month, withdrawing compensation or attending meetings; but in general it indicates the number which actually worked. "Active member" is not synonymous with "registered member." There usually was only one member to a family”.

8 Ibid., 74, volume 1.
Table 2. Active Membership of Self-Help Cooperatives in California, 1932-1938

<table>
<thead>
<tr>
<th></th>
<th>Date</th>
<th>Active Membership</th>
</tr>
</thead>
<tbody>
<tr>
<td>1932</td>
<td>June</td>
<td>6,900</td>
</tr>
<tr>
<td></td>
<td>December</td>
<td>30,355</td>
</tr>
<tr>
<td>1933</td>
<td>June</td>
<td>30,025</td>
</tr>
<tr>
<td></td>
<td>December</td>
<td>14,940</td>
</tr>
<tr>
<td>1934</td>
<td>June</td>
<td>11,625</td>
</tr>
<tr>
<td></td>
<td>December</td>
<td>9,740</td>
</tr>
<tr>
<td>1935</td>
<td>June</td>
<td>8,746</td>
</tr>
<tr>
<td></td>
<td>December</td>
<td>5,715</td>
</tr>
<tr>
<td>1936</td>
<td>June</td>
<td>3,620</td>
</tr>
<tr>
<td></td>
<td>December</td>
<td>2,980</td>
</tr>
<tr>
<td>1937</td>
<td>June</td>
<td>2,115</td>
</tr>
<tr>
<td></td>
<td>December</td>
<td>1,385</td>
</tr>
<tr>
<td>1938</td>
<td>June</td>
<td>2,240</td>
</tr>
<tr>
<td></td>
<td>December</td>
<td>2,290</td>
</tr>
</tbody>
</table>

The cooperative movement was concentrated in California and in Los Angeles especially. Forty-seven percent of all cooperative members were in California and of that seventy-seven percent were located in Los Angeles. For that reason, this study, like most studies of the SHCM, focus on Los Angeles and California. As with the national movement, the Los Angeles cooperative movement underwent several phases. The first was the initial barter and labor exchange phase, in which the unemployed engaged in a number of ad hoc activities and alliances to meet their basic needs. However, with the implementation of the New Deal work programs, a new phase was entered, the production phase. While the New Deal programs syphoned off the majority of the membership in the summer of 1933, thousands of unemployed workers remained with the cooperatives. Moreover, the New Dealers were eager to support cooperative production,

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as they were supporting many other experiments in the 1930s, spending over a hundred million alone on intentional communities during this period.  

The New Deal work programs ended the first phase of the movement, but not the second phase, which could have lasted beyond the Great Depression and had a major impact on both the California and national economy, like agricultural, financial, consumer, and utility cooperatives. However, in 1933, the SHCM underwent another major transformation when Upton Sinclair and the End Poverty in California (EPIC) movement assumed leadership of the cooperatives and the California Democratic Party, promising to place state support behind the cooperative movement and in the process both end unemployment and destroy capitalism. The gubernatorial campaign of 1934 became a referendum on the cooperatives and over the course of the prolonged, bitterly fought campaign, which became a mass media and national phenomenon, the cooperatives became associated with communism and the Roosevelt administration and the business community responded by discontinuing their support. While a great deal of support remained for the cooperatives, especially in Los Angeles, political and financial support from their former allies dried up and the cooperative movement slowly faded away. The movement finally came to an end in the summer of 1940 when the state of California pulled the last of its support (on which the cooperatives had become dependent).

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While the movement failed to realize its specific objective, of creating a cooperative economy parallel to the capitalist economy, it left a lasting impact on California politics. However, not in the way the cooperatives or its initial supporters, especially in the business community, envisioned. Instead of creating an institution that existed in-between and transcended political dualities—of conservatism and socialism, public and private, state and civil society—unemployed workers, business leaders, and farmers were absorbed into the New Deal welfare state. The membership of the cooperatives, even after the movement ended, had become radicalized by their involvement in the early years of the movement and by their involvement in the EPIC campaign. They formed a radical wing not only of the Democratic Party but of the Republican Party as well.

Republicans, who had previously opposed the New Deal in California, began supporting it as early as 1934, preferring it to EPIC, which they believed was a communist conspiracy. They viewed the New Deal as the lesser evil. A sign of this rapid radicalization of Republicans in California was the governorship of Early Warren, one of the longest serving governors of California (1943 - 1953), the only governor elected for three consecutive terms, and also the only governor to win both the Democratic and Republican primaries in his 1946 re-election campaign. The Republicans, who vociferously opposed the New Deal in California in the early 1930s, by the early 1940s elected a governor who went so far as to propose universal health care for California, several years before Democratic President Harry Truman proposed it for the entire country.
Each group involved began with a specific set of interests. Businesses sought to avoid state intervention in the economy by the New Dealers. The unemployed wanted a cooperative sector that would guarantee employment for anyone out of work. Over the course of the 1930s they experimented with a number of institutional arrangements and formed unconventional political alliances to realize these interests. By the end of the 1930s, neither businesses nor the unemployed received what they initially wanted: businesses were unsuccessful in stopping increased state intervention and the unemployed did not get full employment.

However, what they did get were new interests. The interests of both groups, what they wanted, were transformed during this period. For businesses, fearing EPIC, state intervention in the economy by the New Deal became preferable to communism. Indeed, many began to see state intervention, not as something that must be tolerated, but as desirable—as Earl Warren’s proposal of universal health-care suggests. The unemployed, on the other hand, remained open to a number of arrangements throughout the 1930s: barter and labor exchange, worker-run production cooperatives, state supervised production cooperatives, and finally the New Deal work programs and then the defense plant jobs.

**Political Science and Cooperative Studies**

Contemporary studies of cooperatives in the United States focus on the internal operations of the organizations, rarely investigating the political conditions necessary for a flourishing cooperative sector or, in turn, the impact of cooperatives on the political environment surrounding them. Even studies of cooperatives outside the U.S., Mondragon, for example, are more interested in assessing the extent to which the
structure of the cooperative is democratic, than in its role in expanding workplace
democracy in Spain. The focus of this study, by contrast, examines the conditions that
make cooperatives possible and their impact on the political environment in which they
operate.

This focus on the internal operations of cooperatives was not always the case. Earlier studies of the cooperative movement, including Richard T. Ely’s *The Labor
Movement in America* (1886), which viewed the cooperative movement as integral to the
labor movement, Herbert Baxter Adams’ the *History of Cooperatives in the United States*
(1888), W.E.B. Dubois’ *Economic Co-operation Among Negro Americans* (1907), and
John R. Common’s series *History of Labor in the United States* (1918-1935) all examine
the relationship between cooperatives and politics. This tradition of examining both the
cooperatives themselves and their relationship to their political environment was
discontinued in studies documenting the flourishing of urban worker and consumer
cooperatives from the 1960s to the present.

Supporters of cooperatives (and of communes and collectives) in the 1960s and
1970s saw these organizations as concrete expressions of the New Left and the counter-
culture. The literature documenting these organizations is small compared to other fields
of study, e.g., labor unions, but still significant and growing. John Case and Rosemary
Taylor’s *Co-ops, Communes, and Collectives* (1979), Robert Jackall and Henry Levin’s
collection *Worker Cooperatives in America* (1984), Joyce Rothschild and J. Alan Whitt’s
Enterprises*, and Robert P. Sutton’s two volume *Communal Utopias and the American
Experience* (2004) spend some time discussing the relationship between cooperatives and
politics, but the primary focus of the majority of this scholarship is on the sociological content and inner-workings of these organizations, and not on the politics surrounding, or produced, by the cooperatives. Moreover, the SHCM, one of the largest cooperative movements in American history, has been virtually ignored in these studies. John Curl’s *History of Work Cooperatives in America* (1980) and *For All The People* (2012) and Ellen Furlough and Carl Strikwerda’s edited volume *Consumers Against Capitalism?* are notable exceptions to this trend.11

A contribution of this work to cooperative studies is to reestablish the link between cooperatives and the larger political environment. It is to move the study of cooperatives from an over reliance on the descriptive methodology of sociology and history towards the more theoretically focused methodology of political science. Like labor unions and other mutual aid organizations, cooperatives only arise when there is a pressing need that existing institutions do not meet. They also arise during periods of political turmoil: the Farmers’ Alliance and Populist Movement were responses to the early depressions and the rise of corporate capitalism, the SHCM and EPIC were responses to the Great Depression and the breakdown of corporate capitalism, and the cooperative, collective, and communal movements of the 1960s and 1970s were responses to the crises of legitimacy experienced by mainstream institutions in the aftermath of the New Left movements and political developments of that era (e.g., the Vietnam War).

11 See John Curl’s Bibliographic Essay, 469-482, in the appendix *For All the People*, for an extended discussion on the absence of politics from cooperative studies. Sutton, in his discussion of New Deal sponsored intentional communities virtually ignores the politics of that era and instead directs our attention to the internal workings of the communities, their economic viability, and general statistical data on these communities. See chapter 5 of Sutton, *Communal Utopias and the American Experience*. 12
Studies of the Self-Help Cooperative Movement

The vast majority of research and publications on the SHCM took place in the 1930s. These studies, as well as many contemporary accounts, suffer from three main limitations. First, existing studies over-simplify the nature and influence of conservatism on the movement. William Campbell, a contemporary researcher and student of the movement, argued in his 1934 article “A Social Revolution Meets Bread and Circuses” that the cooperatives possessed the makings of a revolution, but this potential remained untapped as a result of adept elite manipulation. The Los Angeles unemployed dropped their radical demands, were moderated, after being pacified by generous donations of food and concerts sponsored by business leaders. Wealthy elites used the “old Roman device” of “Bread and Circuses” to keep the unemployed distracted and prevented them from taking radical actions against the wealthy. Laura Renata Martin’s 2013 article “California’s Unemployed Feed Themselves”: Conservative Intervention in the Los Angeles Cooperative Movement, 1931-1934”, offers a similar account of the movement. Relying on notes from one of the SHCM conventions, Martin argues that conservative elites were able to steer the movement away from socialism and towards a conservative politics based on “anti-communism, self-sufficiency, and nativism”. Martin acknowledges the political openness and possibilities of both the cooperatives and the early pre-New Deal 1930s, and the multiple traditions contained within the movement, but she still concludes that conservatives destroyed the radical potential of the movement to protect their own interests. Piven and Cloward make a similar argument about the

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national unemployment movement in *Poor People’s Movements*. The radical politics of the unemployment movements of the early 1930s were undermined by the New Deal work programs. The work programs provided partial, even token relief, but failed to eliminate unemployment. As with the Los Angeles cooperatives, elite intervention redirected national movements from “disruption to organization” and thus pacification.

Second, previous studies of the Self-Help Cooperative Movement underestimate its impact on California politics. This gap in the literature stems from the failure of scholars of the End Poverty In California movement, or EPIC, to connect EPIC with the SHCM. The EPIC movement, led by Upton Sinclair, was a political movement from 1933 to 1935 that sought to create state-financed and state-supervised worker cooperatives. EPIC briefly took over the cooperative movement and the Democratic Party and sought to take over the state of California as well, by winning a majority of state offices, including the governorship, in the 1934 gubernatorial elections. The movement failed to achieve its stated objectives, but was nonetheless pivotal in creating a political environment in California that was more receptive to liberal policies and socialist initiatives.

Failure to link the SHCM to EPIC not only misunderstands the political impact of the SHCM, but also misses the reasons both movements failed to have an even wider political impact. The politics of the SHCM, in which the conservative tradition of self-help, which emphasizes self-reliance and individuality, was linked to the cooperative tradition, with its roots in the utopian schemes of socialist forerunners like Robert Owen.

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and Charles Fourier, and labor unions like the Knights of Labor, later gave way to the dogmatic ideology of EPIC. EPIC’s proposal to create worker cooperatives financed and supervised by the state and its stated intention to use this new cooperative economy to destroy capitalism, alienated the early conservative business supporters of the cooperative movement as well as the Democratic Party. Los Angeles and California businesses, which initially supported the movement, led the effort to undermine and end the movement once the cooperatives became associated with EPIC.

Third, previous studies underestimate the significance of interracial alliances to the formation and development of the SHCM. Early studies of the movement in the 1930s provide little analysis but some useful information on the role of race in the cooperatives, especially George Knox Roth’s “The Compton Unemployed Co-operative Relief Association: a sociological study, 1932-1933”, but none of them explore the critical role of race in building the movement, why this movement was so racially inclusive, and later the role of race in undermining the movement. Laura Renata Martin discusses the role of nativist appeals from conservative political operatives as one of many tactics used by conservative elites in muting the radicalism of the movement. However, she underestimates the role of race in building up the movement, in making it possible in the first place—i.e., the relationships between the largely White cooperative members, Japanese farmers, and Mexican farm workers—and overestimates the impact of nativist appeals in undermining the movement. There is some evidence of rising nativism in the cooperatives, but it never took hold of the movement. The cooperatives remained racially inclusive throughout its existence and there is scant evidence that nativism or racial tension played a major role in undermining the movement. It was not
conservative intervention, but New Deal intervention that ultimately ended the SHCM.

New Deal Studies

This study critiques three prevailing accounts of the Great Depression and the New Deal: accounts that view the New Deal as breaking with the previous conservative Republican order and inaugurating a discrete liberal Democratic order; state-centric accounts of the New Deal; and arguments that focus on clear-cut class interests. I examine these accounts of the Great Depression and the New Deal, before turning to my own theoretical orientation. All of these studies help us understand the Great Depression and the New Deal, but they also discount the influence of instability, contingency, and ambiguity on political developments during the 1930s, to their detriment. I redirect our attention away from political determinacy, from clearly defined identities, interests, institutions, and outcomes, towards a politics of ambiguity where all of these factors interact in ways that cannot be easily predicted.

Political Orders

Studies of the New Deal that ground their analyses in structural breaks with previous political orders help us understand what was distinctive and innovative about the New Deal, but at the expense of linkages between the New Deal and previous orders and the internal dynamics within the New Deal order itself. Theories of electoral realignment, political orders, and punctuated equilibrium provide long-run, structural accounts of political change, leaving little room for agency. Fraser and Gerstle note, in their introduction to the edited volume *The Rise and Fall of the New Deal Order, 1930-1980*, “This approach diminishes the importance of particular political actors…Fundamental changes in political life—those which produce a change in party
systems—are seen as issuing from crises in the nation’s economy, social structure, and political culture.”¹⁴ New alignments are produced through exogenous shocks to the political system, e.g., the Great Depression, and thus create the conditions necessary for the rise of a new party system. In the case of the Great Depression, it created the conditions necessary for the Democratic Party to become the dominant national party, marginalizing the Republicans for the first time since the Civil War.

In Building A Democratic Political Order, David Plotke provides a more expansive account of political order. Moving beyond party identification, he also stresses the importance of non-party agents. He writes, “Political orders are built by political blocs that include party forces, movements and interest groups, and state-based organizations and political currents.”¹⁵ Plotke’s conception of the New Deal Democratic order is an improvement over theories of realignment that focus solely on party identification, but he nonetheless maintains that there was a clear break between the New Deal and the policies of Hoover and the prior Republican era. He writes, “…I stress the distinctive character of the reformist progressive liberalism of the Democratic order. I underline its break both with Republican themes and policies from the 1920s and with prior Democratic conceptions.”¹⁶ Plotke also separates the New Deal Democratic order from radical movements during this same period, including: “Popular Front Communism, radical populism, and social democracy.”¹⁷

¹⁶ Ibid., 5.
¹⁷ Ibid., 5.
The SHCM does not easily fall into either the previous conservative Republican political order, in which the role of the federal government in addressing unemployment was secondary to municipal agencies and private charities, or the emerging New Deal Democratic order, in which the federal government played the leading role in addressing unemployment, even as it still relied on state and local government for administrative and political support. The cooperatives contained elements of both orders. They wanted and received support from the local, state, and federal government, for work programs, but wanted those programs, i.e., the cooperatives, to be controlled by the workers themselves. Moreover, they understood this arrangement as complementary, rather than conflictual, with private businesses; they argued that the cooperatives would address unemployment in a far more efficient manner than direct cash payments and with less state intervention and bureaucracy. They did not view conservative volunteerism, i.e., “self-help”, as a constraint on their action, but merely as a background condition, an inherited tradition, that they had to deal with in order to accomplish their goals (i.e., end unemployment). Thus, from this point of view, the emerging liberal Democratic order cannot be easily separated from the prior conservative Republican order, nor was it necessarily the only viable response to mass unemployment.

State-Centric Accounts of the New Deal

State-centric accounts of the Great Depression and the New Deal conflate politics and the state. These accounts link the development and outcomes of events in the 1930s to state institutions, especially the Presidency and regulatory agencies. Such accounts do not completely dismiss social movements and other non-state political actors, but view them as secondary to the reach and capacities of the state.
For Theda Skocpol and Kenneth Finegold, it’s precisely the reach and capacities of the state, or the lack thereof, that determines the success of a political project. In “State Capacity and Economic Intervention in the Early New Deal” they contrast the relative ease and success of the New Deal recovery for farmers with the early failures of recovery for businesses. The difference, they argue, was in state capacity, i.e., in the resources and relationships of each agency; this allowed the Agricultural Adjustment Administration (AAA) to implement the Agricultural Adjustment Act and the National Recovery Administration to implement the National Industrial Recovery Act.

The former succeeded because the AAA was placed inside an existing department, the United States Department of Agriculture. The USDA, created during the Civil War, accumulated over the course of seventy years the resources, relationships, administrative culture, and political leadership to both respond to and shape the demands of farmers during the Great Depression. The National Recovery Administration, on the other hand, did not possess the same level of resources that the AAA enjoyed from its embeddedness within the USDA; it did not have the trust and long-established relationships with business leaders, the bureaucratic autonomy, political leadership, or the authority necessary to organize business leaders unaccustomed to coordination and regulation on a national scale. In short, arguments for state autonomy and bureaucratic capacity point to path dependent, long-term institutional developments in explaining political outcomes.

Piven and Cloward’s Poor People’s Movements also points to the critical role of institutions. However, instead of institutional capacity in state bureaucracies, they focus on the relationship between institutional breakdown and mass movements. They argue
that social movements are made possible when governing institutions breakdown. In the case of unemployment movements in the early 1930s, they note the effectiveness of pre-New Deal actions, of “…sporadic street demonstrations…rent riots, and…the disruption of relief centers.”¹⁸ These “direct action victories yielded money or food or a halt to eviction.”¹⁹ They yielded concrete results.

The movements declined as a result of miscalculations on the part of its leaders and the use of token reforms (the work programs), cooptation of leadership, and the subversion of protest through the reassertion of institutional control in local relief offices. The movement leaders had a small window of opportunity to exploit “…the possibilities of the time by pushing turbulence to its outer limits”, but instead they “set about to build organization and to press for legislation, and in so doing, they virtually echoed the credo of officialdom itself.”²⁰

Like theories of electoral realignment and political orders, Piven and Cloward’s theory, grounded in punctuated equilibrium, argues that political change is highly dependent on exogenous shocks to the political system. For Piven and Cloward, the shocks must be strong enough to cause an institutional breakdown. They thus distinguish between brief moments of institutional breakdown and mass uprisings, when political change is possible, and the far more common periods of routine elite-driven politics characterized by stable institutions and a controlled populace.

¹⁹ Ibid., 73.
²⁰ Ibid., 91.
The role of the state in the SHCM was not determinative, but one among several factors. The lack of practically any administrative expertise in either the Federal or State governments on worker cooperatives did not prevent the rapid build-up of Federal and State Divisions of Self-Help Cooperatives, which worked closely with the cooperatives and helped guide the movement politically. This rapid build-up of state capacity did not result from long-run trends in the American state, but from institutional cooperation. State administrators charged with regulating the cooperatives were able to draw on and coordinate the resources of businesses, farmers, universities, voluntary associations, and New Deal agencies to accomplish their goals. Their collective support and willingness to experiment with the cooperatives as solutions to mass unemployment made this coordination possible.

As Piven and Cloward note, the SHCM was coopted by the New Deal, just like other unemployment movements across the country. Moreover, as they also point out, this was made possible, in part, from the incompetence of the unemployment leaders. However, the movement did not end with this cooptation. The New Dealers did not coopt the movement to end it, but were very much interested in expanding the movement, at least initially. They shifted from support to opposition only after the cooperative movement became associated with communism during the 1934 California Gubernatorial campaign. It was not state cooptation, but political cooptation, by Upton Sinclair and the EPIC movement, that undermined and eventually destroyed the cooperative movement.

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21 For example, much of the research conducted by the California Division of Self-Help Cooperatives was carried out by professors and graduate students. Upon request from the Division, their respective universities and departments allowed them to take a leave of absence, sometimes for extended periods, to carry out their research and publish articles, books, and government reports on the movement.
It was not the reassertion of institutional control by the state, but a shift in the politics and public perceptions of the cooperative movement that played the decisive role in ending it.

Settled Class Interests

This study also critiques class-driven accounts of the New Deal and the Great Depression. One of the most parsimonious theories is Thomas Ferguson’s investment theory of politics. Taking Macur Olson’s *The Logic of Collective Action* as his point of departure, Ferguson agrees with pluralism and resource mobilization theorists that all political groups are able to mobilize some resources and gain some influence and representation in the political parties and the state. However, he argues that if these theories are carried to their logical conclusions, it is almost always the case that the wealthy possess more resources and thus more political power than other groups. Instead of representing voters and citizens, political parties and the state represent competing blocs of wealthy investors.

The sole exception to Ferguson’s “Golden Rule” of American politics was the New Deal when, for the first and so far only time in American history, average people organized and pooled their resources to become an major investment bloc. During this period “voter-investors” effectively competed with wealthy investors for three reasons: 1) they committed a significant amount of their time and income to political participation (including to political parties), 2) secondary organizations (e.g., unions) effectively aggregated and channeled their resources, and 3) the costs of campaigning and advertising were relatively low in the 1930s. However, even in the case of the New

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Deal, labor had to ally with part of the investor class. On the ‘System of 36’, Ferguson writes:

Because these firms were mostly capital-intensive, the rise in the power of organized labor that the Wagner Act permitted and the very limited intervention in market-determined patterns of (lifetime) wage setting that Social Security represented posed less of a threat to them. And their dominant position in the world economy made them the leading beneficiaries and most ardent champions of the other part of the New Deal’s reform package…[the] reciprocal trade program, which broke decisively with the System of 96’s protectionism. 23

Thus, for Ferguson political change cannot be traced back to exogenous shocks, path dependency, state capacity, political culture, or the “median voter.” Instead, political change is driven by class interests and class mobilization—even if this sometimes produces cross-class alliances as it did in the 1930s between labor unions and capital-intensive businesses.

Unconventional alliances—across race, class, and institutions—is critical to understanding the development of the SHCM, especially the cross-class alliance between the cooperatives and businesses. However, this alliance was made possible by two factors that Ferguson does not adequately take into consideration. First, class interests alone did not generate the alliance. Certainly this was a factor in business support for the cooperatives. Businesses viewed the cooperatives as the conservative response to the Great Depression, as a means to limit state intervention into the economy. However, in offering their support for the cooperatives, businesses also reconciled themselves to

23 Ibid., 84.
aspects of the cooperatives they had no interest in, such as the cooperatives’ insistence on
distributing their goods on the basis of need rather than hours worked, or their adherence
to the slogan, “production for use, not for profit”. What began as a strategic alliance to
advance their material interests, led businesses to support ideas and practices they had
opposed before the Great Depression.

Second, businesses played a key role in financing and promoting the cooperatives.
In other words, businesses used their own resources to mobilize the movement. This
action is inexplicable if we assume clearly defined and recognizable class interests.
Instead, this study argues that businesses and the unemployed were in the process of
trying to figure out where exactly their class interests lay and what actions best promoted
those interests; if we begin with the assumption that they had no guide posts pointing
them in the right direction, then we can begin to make sense of these actions.

Like labor unions, political parties, and farmers, businesses and the unemployed
spent the 1930s trying to figure out what institutional arrangements, alliances, and ideas
best promoted their interests. They spent the 1930s experimenting and in so doing their
interests—for businesses, limited state intervention into the economy, for the
unemployed, guaranteed full employment—were transformed. By the end of the 1930s,
both businesses and the unemployed found themselves embracing institutional
arrangements, i.e., the New Deal, which they had initially opposed. For businesses, they
came to view the New Deal as the lesser evil, preferable to an increasingly radicalized
cooperative movement under EPIC leadership; and the unemployed embraced the New
Deal after the failure of successive groups of cooperative leaders.
Political Ambiguity and the Self-Help Cooperative Movement

There has been a great deal of work in the last three decades addressing political ambiguity. These works move us away from assumptions of clear-cut class antagonisms and consciousness; from theories of punctuated equilibrium, critical junctures, electoral realignments, path dependency, and regime change; and from state-centric accounts of politics, i.e., theories that point to the autonomous power and interests of state actors, especially of the presidency and federal bureaucracies. In searching out the historical origins of political authority, they also move away from theories that emphasize rational actors and institutional stability. In short, they move us away from structuralist arguments of political order towards post-structuralist accounts of political change.24

These works argue that political authority, even during periods of seemingly stable and routine politics, is more unstable, contested, contingent, and ambiguous than prevailing theories of politics have allowed for. These studies contend that endogenous political change and political agency are not the exception but the norm. This shift from an analytics that emphasizes political stability to one that emphasizes political change has been brought to bear on the emergence and development of the working class and labor unions25, the rise and development of corporate capitalism and the regulatory state26, the


historical development of marriage\textsuperscript{27}, the rise of ethnicity and its relationship to race\textsuperscript{28}, the persistence of whiteness and racial inequality\textsuperscript{29}, the historical development of immigration politics\textsuperscript{30}, political entrepreneurship\textsuperscript{31}, and the rise of the New Right in the 20\textsuperscript{th} century.\textsuperscript{32} As with this study, a common theme in this scholarship is the argument that American political traditions and institutions interact in ways that have been missed by scholars looking for “multiple traditions” instead of “the American tradition”, and looking for institutional conflict rather than cooperation.\textsuperscript{33}

One of the major points of debate within this field of study, American Political Development (APD), is just how far we should go in unstructuring politics. How much analytical space should we make for instability, contingency, agency, and ambiguity,

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\item \textit{Making of Regulated Competition, 1900-1932} (Cambridge; New York: Cambridge University Press, 2009).
\item Adam Sheingate “Political Entrepreneurship, Institutional Change, and American Political Development,” \textit{Studies in American Political Development} 17, no. 2 (2003), 185-203.
\item Joseph Lowndes, \textit{From the New Deal to The New Right: Race and the Southern Origins of Modern Conservatism} (New Haven, Conn: Yale University Press, 2008).
\end{itemize}
\end{footnotesize}
before we lose theoretical coherence? This study suggests that we have not gone far enough in this direction, in unstructuring politics. The politics of the SHCM, EPIC, and California during the 1930s complicates the dominant narrative of the Great Depression, which still argues that the rise of the New Deal and the Democratic Party was a foregone conclusion. They argue that conservatism and the Republican Party were thoroughly discredited in the early years of the Great Depression; their defeat and marginalization by liberal New Dealers was the inevitable consequence. With this narrative as the baseline, all that is left for scholars is to work out the particulars—e.g., the New Deal’s relationship to race.

Instead, this study argues that not only was conservatism still viable in the 1930s, but, in the case of the SHCM, it made itself viable by allying itself with socialist movements and ideas, just as liberalism made itself viable again in the 1930s by allying itself with populist, progressive, and socialist movements and ideas (and with the conservative Southern wing of the Democratic Party, the Jim Crow South). The SCHM could credibly be called both socialist and conservative, just as many New Deal programs could credibly be called both liberal and socialist. If conservatism was eclipsed by the liberal New Dealers in the 1930s, it’s not because conservatism was automatically and irrevocably discredited by the Great Depression, but because, unlike liberals, conservatives did not go far enough or fast enough in reinventing conservatism, as they did in the post-WWII era.34

34 As Lowndes argues in *From the New Deal to New Right*, conservatives only regained power in the post-war era by opening themselves up to new alliances and by generously appropriating from other political traditions in ways that, in the process, transformed modern conservatism.
This study contributes to this emerging field by advancing a theory of politics that places ambiguity front and center. A theory of political ambiguity assumes that: 1) interests, including economic interests, are neither fully formed nor rationale, 2) no group, organization, institution, or structure dominates the political process, 3) political coalitions cannot be predicted or reduced to pre-political interests (e.g., class interests), and 4) political traditions are open to both broad interpretations and novel syntheses. I discuss each of these points and their relationship to the SHCM.

First, the alliances discussed in this study, between the unemployed, business leaders, farmers, people of color and whites, and state actors was made possible because none of these groups possessed fully formed interests. I am not arguing that they did not perceive their interests correctly, but that interests are never fully settled. There was no objective set of interests, for any of these groups, waiting to be discovered. What each of these groups wanted changed over the course of the 1930s; these changes were brought about through contingent political events that could not have been predicted or controlled by any actor or group of actors.

Second, none of these groups were ever in control of the political developments surrounding them. The SHCM never became a tool of business leaders, state actors, or radical activists. All of the groups discussed here found themselves struggling to control and respond to the events surrounding them and all of them failed. In doing so, they found themselves far afield, reluctantly embracing new interests and new alliances. By the end of the 1930s, business leaders found themselves embracing the New Deal welfare state, as the lesser evil, fearing the growing power of the cooperative movement. Likewise, the co-optation of the cooperative movement by the Democratic Party of
California radicalized both the Democratic Party and the Republican Party of California in ways that (certain groups in) both parties did not want.

Third, cooperation, broadly conceived, was pivotal to building the SHCM. The early movement leaders were able to build powerful coalitions with businesses, farmers, people of color, and state actors precisely because they did not pit themselves against these groups ideologically. Instead of ideology, they turned to tradition. The early cooperative leaders were able to gain the support of business leaders, for example, by emphasizing their adherence to the conservative tradition of self-help, which signified volunteerist and civil society solutions to the Great Depression, rather than state intervention. The history of the conservative self-help tradition is broad enough to encompass rugged individualism and the image of the frontier pioneer—often invoked in defenses of the SHCM—but also of religious (e.g., Mormonism) and secular (e.g., Anarchist) communalism. The ambiguity inherent in this tradition proved critical to attracting both conservative and socialist supporters.

Later in the movement, when new cooperative leaders, EPIC, argued that the cooperative movement was fundamentally opposed to capitalism, both business leaders and state actors dropped their support. However, this was not a total loss for the cooperatives. While political support for a cooperative economy was lost, the EPIC movement nonetheless succeeded in generating political support for other radical initiatives. After the cooperative movement ended, the experiences of former members of the movement led them to demand more radical policies from state actors and conciliation from business leaders. By the late 1930s/early1940s both the Democratic
and Republican Parties were promoting liberal, even socialist, initiatives such as universal health-care and free mass university education.

Fourth, even seemingly inhospitable political environments are open to unexpected reinterpretations and repurposing. The conservative political environment of Los Angeles in the early 1930s appeared to be an insurmountable roadblock to radical politics, especially before the arrival of the New Deal; but the utopian socialist politics of the SHCM, the Utopian Society of America, Ham and Eggs, and the Townsend Movement, not only transformed California politics, but had a lasting impact on national politics as well. The need to solve pressing common problems meant that political actors were open to moving beyond inherited interpretations of political traditions. This applied to conservatism no less than liberalism in the 1930s. In 1930s Los Angeles, business leaders, farmers, state actors, and the unemployed articulated a political vision that incorporated and synthesized the cooperative tradition, with its roots in socialism and the labor movement, and the conservative tradition of self-help, with its roots in individualism and anti-statism, to address the common problem of mass unemployment. This study argues that this interpretation of conservatism—in which worker-run cooperatives play a leading role in addressing mass unemployment—was a viable alternative to the public works programs in addressing unemployment.

This is not to say that all things are possible at all times. However, this is to say that we have thus far underestimated what is politically possible. Interests, traditions, institutions, and structures do not speak for themselves and do not automatically update themselves; they must be actively updated to address new political developments. It is diverse groups of political actors that must do this interpreting. Moreover, they do not
necessarily do so for strategic reasons, as Kenneth Shepsle suggests.\(^{35}\) Politics is inherently ambiguous, regardless of the actor’s intentions. This ambiguousness not only makes political agency and political change possible, even during seemingly stable and routine periods, but necessary.

**Sources**

This study relies on a variety of sources: the archives of universities and public libraries, dissertations and masters’ theses from the 1930s, and newsreels also from the 1930s. The archives of public libraries provided access to newspaper articles and editorials from the 1930s: the *Los Angeles Times* (now available on-line through proquest), *The Los Angeles Record/Los Angeles Post Record* (located in the Los Angeles Public Library), the *Los Angeles Daily Illustrated News* (also in the Los Angeles Public Library), and the *Pasadena Post/Pasadena Evening Post* (the Pasadena Public Library).

The papers of Margaret Workmann (Loyola Marymount University) and Rueben Borough (UCLA), and George Knox Roth’s master’s thesis, “The Compton Unemployed Co-operative Relief Association: a sociological study, 1932-1933” (USC), proved useful. Knox produced the only study of the cooperative movement from that era that gave the relationship between the cooperatives and Japanese farmers serious attention; his study contains a number of statistics and interviews with both the farmers and the cooperatives not found anywhere else.

The archives of the Bancroft Library, located at the University of California, Berkeley, proved indispensable. Because of them I was able to access the records of the Unemployed Cooperative Relief Council of California, the most important umbrella

organization of the Self-Help Cooperatives, which contained convention notes, official correspondence, and movement newspapers. The papers of Paul Schuster Taylor also contained convention notes and a number of in-depth interviews conducted by Taylor with the rank-and-file and the leaders of the movement. The 1971 audio interview of Frank G. Taylor, the last director of the California Division of Self-Help Cooperatives, provides useful information on how the movement ended. Finally, the extensive field notes to Clark Kerr’s 1939 dissertation Productive Enterprises of the Unemployed: 1931-1938 and the dissertation itself proved invaluable.

In addition to these other sources, I heavily rely on Kerr’s dissertation, to fill in the gaps. This is unavoidable. Much of the information in his dissertation, which practically every account of the Self-Help Cooperative Movement since then has relied on as their primary source, cannot be found anywhere else—it has been lost. As Kerr himself noted in the introduction to his four-volume dissertation in 1939, “This study is intended in part to achieve the documentation of a social movement. Many of the basic records are already scattered and difficult to obtain, while others have been lost or destroyed.” Kerr, who spent the entire 1930s meticulously documenting the movement as a masters and doctoral student, and also as a participant and leader of the movement, remains the most important source for studies of the Self-Help Cooperative Movement. More than anything else, his dissertation provides a broad history of the movement.

Where possible, I have double-checked his evidence, with his own archived field notes

36 Indeed, many of Kerr’s contemporaries heavily relied on his Master’s Thesis and field notes for their own works. See William J. Campbell, “Depression Cooperatives: A Study in Social Reorganization” (Master’s Thesis., University of Oregon, 1932).

and from other sources still available. However, his dissertation still contains much information on the movement not available anywhere else.

In my discussions of the EPIC movement, I analyze fake “newsreels” from the 1930s, which served as the first political “attack ads”. Luckily, these can be found on youtube.com. Also, in my studies of the EPIC movement, I analyze the campaign writings of its primary leader, novelist and activist Upton Sinclair, which can be found at a number of university libraries and some of these writings can be found on-line. Finally, the evidence on the relationship between the cooperatives and the regulatory agency the California Division of Self-Help Cooperatives was primarily derived from the surviving records of this agency located in the California State Archives in Sacramento.

**Chapter Outline**

*Chapter II: Historical Contingency, Race, and the Origins of the Self-Help Cooperative Movement, 1931-1933*

The next chapter examines the relationship between the SHCM and people of color in Los Angeles in the 1930s. The movement in Los Angeles began when a crippled war veteran walked out to Japanese farms to offer his labor in exchange for food. This labor-exchange arrangement spread rapidly and soon became the basis of the cooperative movement. These early experiences, between the largely White cooperative movement and Japanese farmers and their families, and Mexican farm workers, led the cooperative movement to the conclusion that racial inclusion was critical to building a mass movement. To this end, racial discrimination within the cooperatives was banned and people of color were actively recruited into the movement. Despite efforts by conservative political operatives to turn the cooperatives into a nativist movement and
Chapter III: Political Ambiguity and Conservative Support for the Cooperatives, 1931-1933

This chapter discusses the relationship between the cooperatives and Los Angeles businesses. It examines the reasons for and nature of business support for the cooperative movement. As with their alliance with people of color, the reason for business support of the cooperatives is partly based on contingent factors. Even more so than other regions of the United States, by the 1930s Los Angeles businesses had succeeded in marginalizing unions. Unlike other areas of the country, in the early years of the Great Depression Los Angeles did not possess experienced union leadership to advocate on behalf of workers, to channel mass discontent into concrete demands like better pay and union recognition.

The early years of the Los Angeles labor movement was led by Utopian Socialists, who, instead of making such concrete demands, offered a number of experimental plans to end the Great Depression. These plans gained widespread appeal in Los Angeles and in some cases across the country—e.g., The Townsend Movement—precisely because they were politically ambiguous. It was not obvious how they would effect the interests of any particular group or class. This ambiguity was critical to securing business support, and political support in the Democratic Party, in the early years of the movement; only when new leadership, i.e., EPIC, took over both the
cooperative movement and the California Democratic Party did businesses and the New Dealers turn against the cooperatives.

Chapter IV: Factional Infighting, the Epic Shift, and the Collapse of Political Support: Critical Turning Points in the Cooperative Movement, 1933-1934

This chapter examines three critical turning points in the cooperative movement. First, the initial group of cooperative leaders turned on each other. After their early success in building a racially inclusive mass movement with deep support from business leaders, state actors, and farmers, the early leaders split over differing visions of the future direction of the cooperatives. They eventually maneuvered each other out of power and in doing so left the movement itself factionalized and demoralized. These power struggles culminated in the summer of 1933, when the cooperative movement split into two different factions: those that wanted to focus on “political protest”, on pressing the New Dealers for more aid to the unemployed, and those that wanted to focus on “cultural revolution”, on building an apolitical cooperative sector with as little state support as possible.

Second, also in the summer of 1933, the New Deal programs were implemented. This had the immediate effect of ending the mass phase of the cooperative movement, as the vast majority of its members left the cooperatives for the stable income provided by the public works programs. However, neither the factionalism of the early leaders nor the arrival of the New Deal work programs necessarily meant the end of the movement, as the New Dealers were initially excited and eager to finance and expand the cooperatives.

The third development, which also took place in the summer of 1933, Upton Sinclair and EPIC’s assumption of leadership of the cooperative movement, did end the
movement. Sinclair and EPIC filled the power vacuum left by the initial group of leaders and in doing so transformed the cooperatives from a business-friendly, non-partisan, utopian socialist movement to an anti-capitalist, state socialist movement. This led to intense opposition both from business leaders in California and from the Roosevelt administration.

Chapter V: Last Ditch Efforts in the California Division of Self-Help Cooperatives, 1934-1940

This chapter discusses last-ditch efforts to revive the movement in the California Division of Self-Help Cooperatives. This regulatory agency was the state counter-part to the Federal Division of Self-Help Cooperatives. This agency was also created in the summer of 1933. The mission of the agency was to provide the cooperatives with financial support (e.g., grants and loans) as well as technical expertise. The early leaders of the agency were major supporters of the cooperatives and tried to secure state support to build a large cooperative sector in California, and eventually nationally, as a major response to and guarantee against mass unemployment. However, despite denying any connection between their plan and the EPIC plan, the Roosevelt administration believed they were one and the same and thus refused to support the plan.

Losing the majority of its membership after the implementation of the New Deal work programs and many of its supporters after EPIC, the cooperatives survived on the margins for the rest of the 1930s until state support completely ceased in the summer 1940 and the movement finally ended. It was a former EPIC leader, Democratic Governor Culbert Olson, that finally pulled the last of the state’s support. Despite accomplishing its goal of electing an EPIC leader to the governorship, the EPIC
movement had become discredited, too politically toxic for Olson to support it. Former cooperative members, like other unemployed workers around the country, found work in the defense plants.

Chapter VI: Conclusion

The concluding chapter provides a thematic summary of the dissertation, emphasizing the roles of political ambiguity, historical contingency, unstable political authority, and political leadership in making and unmaking the Self-Help Cooperative Movement. I end with a brief discussion of my personal experiences in contemporary organizations similar to the Self-Help Cooperatives and the critical role of politics in expanding these organizations.
CHAPTER II
HISTORICAL CONTINGENCY, RACE, AND THE ORIGINS OF THE SELF-HELP
COOPERATIVE MOVEMENT, 1931-1933

This chapter examines the relationship between the Self-Help Cooperative
Movement, a movement of largely white unemployed Los Angelenos in the 1930s, and
Japanese Farmers, Mexican farm workers, and unemployed people of color. Rejecting
the distinction between race and class-based social movements, these groups constructed
complex alliances that undermined prevailing racist and nativist political currents and in
so doing helped build a social movement that included hundreds of thousands of people
in Los Angeles, and, as the movement spread, millions around the country.

Rather than understanding race and class as being in tension with each other, the
unemployed of Los Angeles increasingly came to believe that unless race, specifically,
was addressed—i.e., creating racially inclusive organizations, actively recruiting non-
whites, contesting nativism and racism both within the movement and in the wider
political environment—their movement could not succeed. Previous studies focus their
analyses only on the economic aspects of the movement, either ignoring or downplaying
the relationship between the Self-Help Cooperative Movement and race. On the contrary,
the early phase of the movement cannot be understood outside of race.

Japanese Immigrants and California Agriculture

Japanese immigrants began arriving in the United States in mass numbers in the
1880s and 1890s. Settling mostly in the Western United States and Hawaii, the vast
majority of Japanese immigration took place from 1885 to 1924; about 380,000 came to
the United States during this period. Los Angeles County received more immigrants than
any other city in the continental United States, with 35,390 persons of Japanese descent
living there in 1930; one in four Japanese in the continental U.S. lived in Los Angeles
County in 1930. Since immigration from Japan was drastically curtailed for men as
result of the “Gentlemen’s Agreement” of 1907-08, negotiated by the Theodore
Roosevelt administration and Japanese leaders, and later for Japanese picture brides,
wives, and family members after the 1924 Immigration Act was passed into law, the
increase in population after the 1920s was due to births in the U.S. rather than
immigration from Japan. By 1940, approximately sixty-three percent of persons of
Japanese descent were American-born.

Japanese immigrants found work in the railroad industry, logging and lumber
camps, mines, canneries, and domestic service when they first arrived in California in the
1890s. However, after 1900 they began to move away from these jobs, towards
opportunities in labor-intensive agriculture in California, in the Central Valley and on the
outskirts of Los Angeles especially. Many had prior experience with farming in Japan—

38 Brian M. Hayashi, For the Sake of Our Japanese Brethren: Assimilation, Nationalism,
and Protestantism Among the Japanese of Los Angeles, 1895-1942 (Stanford: Stanford

39 Robert Higgs, “Landless By Law: Japanese Immigrants in California Agriculture to
Stephen S. Fugita, The Japanese American Experience (Bloomington: Indiana University
Press, 1991), 137. Francis Hilary Conroy and Tetsuo Scott Miyakawa, East Across The
Pacific; Historical & Sociological Studies of Japanese Immigration & Assimilation
(Santa Barbara, Calif: American Bibliographical Center-Clio Press, 1972), 73; Rebecca
Stoeff and Ronald T. Takaki, Issei and Nisei: The Settling of Japanese America (New
York: Chelsea House, 1994), 18. Valerie J. Matsumoto, Farming the Home Place: A
Japanese American Community in California, 1919-1982 (Ithaca, N.Y: Cornell
immigrants was immediate. Immigration from Japan went from nearly eight thousand a
year in the early 1920s to 723 in 1925. Lon Kurashige, Japanese American Celebration
and, as a legacy of anti-Chinese movements, many were excluded from entering white-controlled industrial jobs in urban areas—and so many began as farm laborers, playing a major role in union organizing and strikes. Most notably, Japanese and Mexican farm laborers organized the successful Oxnard Beet Strike of 1903, but their victory was undercut by the refusal of Samuel Gompers and the AFL to recognize Japanese workers—another legacy of anti-Chinese movements in the 19th century.\(^\text{40}\)

In the early 1900s, Japanese immigrants slowly moved from farm laborers to farm owners and operators.\(^\text{41}\) It is estimated that two-thirds of Japanese immigrants worked in agriculture by 1910. They specialized in truck farming, which involved smaller acres of diverse and specialized cash crops often sold to local businesses. By 1920, an estimated 5,000 Japanese immigrants operated their own farms, consisting of more than 450,000 acres (only one percent of cultivated land in California, but over ten percent of the “dollar volume of California agriculture,” amounting to about $67,000,000 worth of produce), but only ten percent of them owned their farms.\(^\text{42}\) While the second generation of Japanese-Americans, or Nisei, branched out to other occupations in the succeeding decades, by 1940 more than 17,000 Japanese still worked in agriculture, including half of all males. By 1941, Japanese truck farming accounted for an estimated one-third of all truck-farmed crops in California.\(^\text{43}\)


\(^{41}\) Higgs, “Landless by Law”, 207-209.


Their success in agriculture led to discrimination in agricultural work and also in their ability to achieve ownership. A number of western states began adopting Alien Land Laws in the early twentieth century to prohibit Japanese immigrants from owning land and thereby reduce competition for white farmers. To avoid a direct insult to Japan and to prevent its application to European immigrants, the laws only applied to “aliens ineligible for citizenship”. This category only applied to Japanese and other Asian immigrants who were legally prohibited from attaining naturalized citizenship—it was reaffirmed by the Supreme Court in the Takao Ozawa v. United States decision of 1922, in which Ozawa, and Japanese immigrants in general, were determined to be “clearly of a race which is not Caucasian” and therefore not white (or of African descent) and thus not eligible for citizenship.44

California passed an Alien Land Law in 1913 preventing Japanese immigrants from owning land and a more stringent law was passed again in 1920 through a ballot initiative—by a margin of 3 to 1—prohibiting Japanese immigrants from owning or leasing land.45 Other states soon followed suit, modeling their laws after California. By 1943, Texas, Nebraska, Montana, Idaho, Washington, Minnesota, Missouri, Oregon, New Mexico, Arizona, Louisiana, Wyoming, Arkansas, and Utah all passed versions of the Alien Land Law.46 These laws had some effect on Japanese farmers. Ronald Takaki notes, “Between 1920 and 1925, Japanese-owned lands declined from 75,000 to 42,000

44 Haney-López, White By Law, 56-61.
acres, and Japanese-leased lands declined from 192,000 to 76,000 acres.\textsuperscript{47} However, these laws, in California and in other states, failed to prevent Japanese immigrants from becoming de facto owners. They worked out informal leasing arrangements with white landowners and would often put their property in the name of their American-born children.\textsuperscript{48}

Discrimination against Japanese Americans was an outgrowth of discrimination against Chinese laborers in the 19\textsuperscript{th} century. Chinese immigration to the United States was suspended by the Chinese Exclusion Act of 1882—which was not repealed until 1943. Just as Chinese immigration was falling, Japanese immigration was rising, and many Americans could not tell the difference between the two groups. Japanese, Chinese, and other immigrants were lumped together through terms like “Orientals”, “Mongoloid”, or “Yellow”, for much of American history.\textsuperscript{49} Thus, the racial discrimination, political repression, and social exclusion were carried over from Chinese to Japanese immigrants. In addition to the legal discrimination of the Alien Land Laws, Japanese Americans faced social discrimination in a variety of forms. Kashu Mainichi, a reporter for the Japanese and Asian newspaper Pacific Citizen, recounts the daily occurrences of discrimination:

At a San Francisco bath-house, at a Southern mountain lake, at swimming pools, at places of entertainment, Japanese have been refused admittance or have been

\textsuperscript{47} Stefoff and Takaki, \textit{Issei and Nisei}, 81.


refused certain services…In the Imperial Valley and in certain other California
districts are many towns where “white trade only” signs are displayed
prominently, purportedly directed against the Oriental…There are theaters still
shunting the Oriental to the side rows or balconies and dining places refusing
admittance…When cited the many examples of discrimination, and there are far
too many to enumerate, it is easy to rise in wrath and demand reprisals.\textsuperscript{50}

This systematic exclusion, called “Jap Crow” by another journalist working at the \textit{Pacific Citizen}, Larry Tajiri, was pushed by an overlapping coalition of labor (the American
Federation of Labor), agricultural (the California Farm Bureau Federation and the
California State Grange), civic front groups formed by labor leaders and farmers to
advance their economic interests (the California Joint Immigration Committee, the
American Legion of California, and the Native Sons of the Golden West, the Japanese
and Korean Exclusion League, later the Asiatic Exclusion League, and the Anti-Jap
Laundry League), and ambitious political elites like James D. Phelan (Mayor of San
Francisco at the turn of the 20\textsuperscript{th} century and later a U.S. Senator).\textsuperscript{51}

These movements were always strongest in San Francisco. It’s no coincidence
the California nativist movement was centered in San Francisco, and not Los Angeles. In
the late 19\textsuperscript{th} and early 20\textsuperscript{th} centuries Los Angeles businesses led a successful drive to

\textsuperscript{50}Kashu Mainichi, “Discriminatory Bugaboos”, in \textit{Pacific Citizens: Larry and Guyo
Tajiri and Japanese American journalism in the World War II era}, ed. Greg Robinson et
al. (Urbana: University of Illinois, 2012), 10-11.

\textsuperscript{51} Alexander Saxton, \textit{The Indispensable Enemy: Labor and the Anti-Chinese Movement
Hirobe, \textit{Japanese Pride, American Prejudice: Modifying the Exclusion Clause of the
Brilliant, \textit{The Color of America Has Changed: How Racial Diversity Shaped Civil Rights
Reform in California, 1941-1978} (New York: Oxford University Press, 2010), chapter 2.
marginalize unions and maintain an “open shop” or non-union city. Without union leadership, this not only led the Los Angeles labor movement in Utopian Socialist directions during the inter-war period and the Great Depression; it also meant that Los Angeles laborers did not possess the organizational base or resources to mount nativist campaigns on the same scale as San Francisco. Moreover, part of the reason the unemployed of Los Angeles were able to work so effectively with Japanese Farmers is that—unlike white farmers in the Salt River Valley of Arizona, for example—they did not present an economic threat to them. Most Japanese immigrants and Japanese Americans living in Los Angeles worked in the niche market of truck farming that had no bearing on the job prospects of Los Angeles workers. They were forced into this field because few other fields of employment were open to them, due to pervasive discrimination. Ironically, hundreds of thousands of Los Angelenos would come to rely on them in the early years of the Great Depression.

Japanese immigrants faced unique forms of discrimination in the first half of the twentieth century: they could not achieve naturalized citizenship until 1952, could not legally purchase or lease farmland in California (or many other states) from 1913 to 1956, and were forced into internment camps for three years, from 1942 to 1945. It is in this context that the alliance between the largely white unemployed of Los Angeles, i.e., the membership of the Self-Help Cooperative Movement, and Japanese farmers developed. Given this context, what needs to be explained is why this relationship occurred at all, what ended it, and what lasting political impacts it had.

52 Higgs, “Landless By Law”, 205.
The Self-Help Cooperative Movement and Race

Japanese Farmers made the Self-Help Cooperative Movement possible.\(^53\) It was their relationship with first and second generation Japanese-Americans, whose farms were located just on the outskirts of Los Angeles, that sustained the cooperative movement in the beginning and eventually convinced the largely white and urban unemployed of Los Angeles that racial inclusivity was critical to building a mass social movement. The famous first act that sparked the movement occurred in February of 1932 when a crippled war veteran, William “Shorty” Burchfield, with a gunnysack on his back went into the fields of a Japanese truck gardener near Compton, California, and offered to help harvest the vegetables for a share of the crop. Part of his surplus he took to some neighbors who immediately became interested and went out to work on the same basis.\(^54\)

This mutual aid relationship between the Japanese farmers and the White unemployed quickly became essential to the movement:

This was the period of greatest organizing activity, which at times took on the aspects of a crusade. Units were started in nearly every sizable town in the county and later even in the city of Los Angeles. Obtaining food was a day-to-day imperative, and barter of labor for vegetables of 'second' and 'third' grade with the

\(^{53}\) There was some exchange with white farmers, especially in Orange County, but the vast majority of the exchanges in Los Angeles appear to be with Japanese farmers: “Labor exchange was more with white growers [in Orange County] and less with Japanese than in Los Angeles County. Of twelve white farmers interviewed in Orange County in 1935, six made donations to self-help units and six accepted labor in exchange. Nine were favorably impressed with the self-help units”. Kerr, “Productive Enterprises”, 337, Footnote 69, Volume 2.

\(^{54}\) Campbell, "A Social Revolution Meets Bread and Circuses," 161, 162. Indeed, the Compton war veterans were initially in charge of the movement, but quickly lost control when the unemployed began flooding into it. Kerr describes Shorty as “a disabled Spanish-War veteran, an inveterate mining prospector since Klondike days and an intermittent nomad” (Kerr, “Productive Enterprises”, 89, volume 1).
nearby truck gardeners, most of whom are Japanese, became a dominant activity. This exchange with the Japanese was the primary activity of self-help cooperatives in the vicinity of Los Angeles for the first six months, and has remained a major factor ever since.\textsuperscript{55}

Once the cooperatives were organized, the farmers, like urban businesses, simply provided the cooperatives with donations, not requiring any labor in return. However, the increasing number of units, and competition between them for the agricultural surpluses, soon led to labor exchange.\textsuperscript{56} This entailed “preparing the fields, in digging the irrigation ditches necessary…and in cultivating and harvesting the crops.”\textsuperscript{57} Sometimes their work ventured into non-agricultural areas. “In a few instances units traded commodities, such as fish, or skilled labor, as in repairing barns or houses, for vegetables. Several times Saki—a Japanese wine—was given the cooperatives instead of vegetables.”\textsuperscript{58}

The average day for the cooperatives during this early period began at dawn, when work crews of varying sizes were sent out to the farms. “Contact men” had reached out to the farmers the day before and made all of the arrangements for the day. The work crews would perform whatever work there was for them—the majority of which was harvesting crops. They would head back to the cooperatives around four o’clock, and during this same period the contact men would once again scour the countryside to talk with the farmers and make arrangements for the next day. Upon


\textsuperscript{56} Kerr, “Productive Enterprises”, 116, volume 1.


\textsuperscript{58} Kerr and Taylor, \textit{Final Report}, 175.
returning to the cooperative’s headquarters with the crops, both those who worked that day and those who would not work until some other day that week would fill up their burlap sacks with food.\textsuperscript{59} The food was distributed according to need, which was based on the size of one’s family.\textsuperscript{60} During this early period of the cooperative movement, from 1931 to 1933, known then as the “vegetable stage”, labor-exchange and donations from Japanese farmers provided the members with an estimated “two-thirds of a minimum food budget”. The following account of the Compton unit, in Table 3, for the week ending January 16, 1933, provides a snap shot of what the cooperatives received from this relationship.\textsuperscript{61}

\textbf{Table 3. Exchange Between the Compton Unit and Japanese Farmers, for the Week Ending January 16, 1933}

<table>
<thead>
<tr>
<th>Produce Obtained</th>
<th>Pounds</th>
<th>Produce Obtained</th>
<th>Pounds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Celery</td>
<td>93</td>
<td>Lettuce</td>
<td>5,450</td>
</tr>
<tr>
<td>Carrots</td>
<td>5,000</td>
<td>Spinach</td>
<td>300</td>
</tr>
<tr>
<td>Parsnips</td>
<td>6,325</td>
<td>Grapefruit</td>
<td>40</td>
</tr>
<tr>
<td>Oranges</td>
<td>10,020</td>
<td>Lemons</td>
<td>1,496</td>
</tr>
<tr>
<td>Rhubarb</td>
<td>4,600</td>
<td>Bread</td>
<td>2,848</td>
</tr>
<tr>
<td>Radishes</td>
<td>210</td>
<td>Soup bones</td>
<td>1,892</td>
</tr>
<tr>
<td>Potatoes</td>
<td>50</td>
<td>Cheese</td>
<td>925</td>
</tr>
<tr>
<td>Mixed Vegetables</td>
<td>736</td>
<td>Bacon rinds</td>
<td>24</td>
</tr>
<tr>
<td>Fish</td>
<td>425</td>
<td>Apples</td>
<td>20</td>
</tr>
<tr>
<td>Milk</td>
<td>10</td>
<td>Beans</td>
<td>10</td>
</tr>
<tr>
<td>Cabbages</td>
<td>2,640</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The next table, Table 4, provides some idea of the practical arrangements made between

\textsuperscript{59} Kerr, “Productive Enterprises”, 106, volume 1.

\textsuperscript{60} Ibid., 104, volume 1.

the cooperatives and the farmers.\textsuperscript{62} This is from the account of one farmer, covering one week’s worth of work with the cooperatives. The farmer’s account reveals the haphazard nature of the arrangements between them and the cooperatives. There was no correlation between the number of people sent to the farms, the hours worked, and the payment received. The cooperatives sent as many people as they could spare and the farmers provided whatever surpluses they could spare that day.

Table 4. Accounting Records of Japanese Farmer

<table>
<thead>
<tr>
<th>Day</th>
<th>Number of Men</th>
<th>Hours</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday</td>
<td>4 men worked</td>
<td>8 hours</td>
<td>11 crates of vegetables</td>
</tr>
<tr>
<td>Tuesday</td>
<td>6 men worked</td>
<td>8 hours</td>
<td>20 crates of vegetables</td>
</tr>
<tr>
<td>Wednesday</td>
<td>2 men worked</td>
<td>8 hours</td>
<td>0 crates of vegetables</td>
</tr>
<tr>
<td>Thursday</td>
<td>1 man worked</td>
<td>4 hours</td>
<td>17 crates of vegetables</td>
</tr>
<tr>
<td>Friday</td>
<td>3 men worked</td>
<td>8 hours</td>
<td>22 crates of vegetables</td>
</tr>
</tbody>
</table>

In a 1934 study of “The Relations Between Japanese Farmers and Self-Help Cooperatives in Los Angeles County”, by the California Division of Self-Help Cooperatives, the researchers interviewed 24 farmers that “had any dealings with the cooperatives” to ascertain the nature of their relationship with the SHCM. The report paints a mixed picture of the relationship between the two groups. Of the 24 farmers that had dealings with the cooperatives, only 15, or 62.5 percent, “had satisfactory dealings with the cooperatives and wished to continue.”\textsuperscript{63} For those that wished to continue the relationship, the reasons given were:

\textsuperscript{63} Kerr and Taylor, 174.
The main reason I started working with the cooperatives was because I felt sorry for the fellows out of work, and another reason was that to exchange vegetables for labor was profitable to me and better than wasting them.

We should all help each other in times like these.

Then I can cut down on the workers I hire for cash.

Vegetables otherwise would go to waste.

Their labor is better than nothing.

They want to help each other so I want to help them.

When we have surplus we give it to them by truck loads; when we don’t, they wait.\(^{64}\)

The researchers concluded that the second reason, cutting down on workers hired for cash, was a significant factor for the farmers continuing the relationship, since “although not asked the question, several farmers volunteered the information that Co-operative labor decreased their demand for other unskilled workers”. The researchers included a similar category in the report titled “favorable comments”. These included:

- I always try to pick out the easiest work for the inexperienced cooperatives.
- They worked good for me while Mexicans were on strike.
- If they don’t do good work, I make them do it over.
- When they work real good I pay them a little cash.
- They work good when they have a good field boss.\(^{65}\)

For the farmers that stopped working with the cooperatives the reasons given were “they came with a big truck and took my melons, but never came back to work” and “They

\(^{64}\) Ibid., 174.

\(^{65}\) Ibid., 174, 175.
took my hoes and rakes”. Similarly, under the “unfavorable comments” section, the farmers responded:

Steal things; talk too much; take too many vegetables; too many men one day and none the next.

Loaf too much, although I do not expect much; inexperienced. Do not get much done. Slow.

Not ambitious enough; do not do as I wish. Mess up the fields.

Take too much bossing. Work only from ten to three.\textsuperscript{66}

Only 7 of the 24 farmers found the “work (not general arrangements) satisfactory”, while 11 found the work “unsatisfactory”, with 6 having “no comments.”\textsuperscript{67} As the researchers that prepared the report noted, the produce given the cooperatives would have gone to waste anyways—since they were dealing with the crisis of overproduction and underconsumption. Thus, this arrangement allowed for a haphazard solution to one of the pressing problems of the Great Depression, “starvation in the midst of plenty”. In addition to the 24 farmers interviewed that did have a working relationship with the cooperatives, the researchers also spoke with 4 farmers that did not have any dealings with the cooperatives. The reason they gave for not working with the cooperatives was they had no spare work or crops.\textsuperscript{68}

Interviews of the white unemployed reveal that, at least for some of the members, their attitudes about race and the necessity of creating interracial alliances underwent a profound change as a result of this experience. When researchers asked about their

\textsuperscript{66} Ibid., 175.

\textsuperscript{67} Ibid., 174.

\textsuperscript{68} Ibid., 174, 175.
relationship with Japanese farmers, responses included:

Some of our people say, “Oh, I won't work for a Jap,” but the Japanese has been one friend of the unemployed in Southern California. They go more than half way.⁶⁹

We like the Japanese just fine; they are what keeps us going.⁷⁰

The Japanese treat us better than the white people do.⁷¹

Their attitudes about Mexican farmer workers, no less than Japanese farm operators, also underwent a profound shift. While working at the farms, in Los Angeles, the cooperative members also worked alongside 129 paid employees of the farmers, the vast majority of whom were most likely Mexican migrant workers. Researchers found that “in addition to the Co-operative labor, all of the farmers had other members of their own family working; usually three to five of them. Also Mexicans.”⁷² In a report on the relationship between the cooperatives and the farmers in Orange County, the researchers estimate 1400 family members and 500 migrant workers from “Los Angeles and grape country in the northern part of the state” worked during the same time as the cooperatives.⁷³

As the interviews with the Japanese farmers hinted, the white unemployed would often work as strike breakers when Mexican farm workers went on strike. By 1933, a major disagreement erupted in the cooperatives as to whether they could, in good

⁷¹ Ibid., 114, volume 1.
⁷³ Ibid., 2, 177.
conscience, keep working as scabs against their fellow workers. By the time of the El Monte Berry Strike in June of 1933, when Japanese farmers, white landowners, white farmers, the Los Angeles Chamber of Commerce, the Los Angeles Police Department (including the “red squad”), and the Los Angeles County Sheriff’s office successfully crushed a strike by Mexican farm workers, the cooperatives decided they could no longer scab on their fellow workers.\footnote{John Modell, The Economics and Politics of Racial Accommodation: The Japanese of Los Angeles, 1900-1942 (Urbana: University of Illinois Press, 1977), 122, 123; Fugita and O’Brien, The Japanese American Experience, 30-31.} Those that continued to scab were labeled “right-wing”. The “left-wing” units joined the picket lines to “clean out” “chiseling scabs.”\footnote{Kerr, “Productive Enterprises”, 150, volume 1. Kerr put “left-wing”, “right-wing”, “chiseling scabs”, and “dishonor roll” in quotation marks, suggesting these were the words used by the cooperatives. However, “clean out” were Kerr’s words.} A “dishonor roll” of their names was published and the cooperatives eventually passed a resolution on June 16, 1933 going on “record not to take any action that would in any way hamper the activities of the agricultural workers in their efforts to obtain better conditions.”\footnote{Ibid., 150, volume 1. The farmers told researchers that the white unemployed knew next to nothing about farming and were only mediocre workers, but would give them produce anyways, even if they did little or no work, since they did not work for money and the “Vegetables otherwise would go to waste”. See George Knox Roth, “The Compton Unemployed Co-operative Relief Association: A Sociological Study, 1932-1933” (Master’s Thesis., University of Southern California, 1934), 174. Apparently, “other equally effective techniques were employed” (Kerr, “Productive Enterprises”, 150, volume 1.). It’s not clear what these were.}

Even though over 90% of the membership was white, the cooperatives refused to become a nativist or a whites only movement.\footnote{Kerr and Taylor, Final Report, “Summary of Field Survey of Self-Help Cooperatives Under Federal Grant, Los Angeles County 1935” and “Summary of Field Survey of Self-Help Cooperatives Non-Grant Units, Los Angeles County Spring, 1935”.} Only one unit discriminated on the basis
of race; a unit which refused to admit persons of Mexican descent.78 Otherwise, the units banned discrimination and actively recruited non-whites into the movement. Their charters either did not mention race or they directly repudiated white supremacy.79 As the charter of one cooperative unit put it “Membership shall be open to any person regardless of race, creed, age, color or sex.”80 While many units were all white, all black, or all Mexican, many others, some of the most successful, were incredibly diverse.81 In annual and semi-annual surveys of the groups, no Self-Help Cooperative units listed “racial composition” as a problem.82 This was not because they publicly downplayed problems within the units. The units did list “community interference”, “lack of community support”, “water rates too high”, and “antagonistic merchants” as problems, for example.83 A conversation between two members of Oakland's Unemployed Exchange Association summed up the attitude of many whites in the movement: “Shall I bring in a Chinese, Negro, and Filipino’? A member asked. I replied, 'Why not'? I thought it would be necessary to have this thing widespread.”84

83 They also listed “too much competition from EPIC” as a problem. I discuss more about this below. This, like much of the information from this article, can be found in Kerr and Taylor’s Final Report, under “Summary of Survey of Administrative Problems of Self-Help Cooperatives”, Los Angeles units, Spring 1935.
84 Taylor, Paul Schuster Taylor Papers, “CR, UXA, June 5, 1933”.
Table 5 shows the “racial and national composition” of Los Angeles units, in the Spring of 1933.\(^\text{85}\) While most units were only composed of whites, many of these units were interracial. By 1934, the number of “Negro” units had increased to 10.\(^\text{86}\)

### Table 5. Racial Composition of the Self-Help Cooperative Units, Spring 1933

<table>
<thead>
<tr>
<th>Racial Composition</th>
<th>Number of Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>White Americans</td>
<td>88</td>
</tr>
<tr>
<td>White American and Mexicans</td>
<td>11</td>
</tr>
<tr>
<td>Mexicans</td>
<td>3</td>
</tr>
<tr>
<td>Jews</td>
<td>2</td>
</tr>
<tr>
<td>Negroes and Mexicans</td>
<td>2</td>
</tr>
<tr>
<td>Negroes</td>
<td>1</td>
</tr>
<tr>
<td>Italians, Mexicans, and Negroes</td>
<td>1</td>
</tr>
<tr>
<td>White Americans and Italians</td>
<td>1</td>
</tr>
<tr>
<td>White Americans, Negroes, and Mexicans</td>
<td>1</td>
</tr>
</tbody>
</table>

Los Angeles newspapers picked up on and celebrated the racial inclusiveness of the cooperative movement. *The Los Angeles Record* ran a story titled, “Jobless Societies Ban Race Prejudice” on September 9, 1932. The article notes that “Racial prejudice doesn’t enter into the co-operative relief system. One family—white, black, orange or maroon—is as good as another, despite race or creed, according to the relief organizers’ calculations.” By listing “orange” and “maroon” as races, the article’s author, Phil Freeman, is apparently mocking the very idea of race as a social category. The article continues, “Stressful times have peeled false pride off these people like synthetic varnish is stripped from oak, baring the wood underneath…Secondly, to point out the lack of color discrimination, it is only the once hungry, destitute person who can appreciate the suffering of his brother.” Freeman’s assumption is that racial discrimination suffered

\(^{85}\) Ibid, 242, volume 1.

major blows in the movement because all groups were reduced to the same class status: unemployed. He concludes that during the Great Depression, “The black and brown, after all, suffer as acutely from hunger as the white.”

Freeman is correct in pointing out the leveling role of the Great Depression in producing class solidarity. For whites in the movement their experience of extended face-to-face contact with people of color in the farm fields of Compton and other areas of Los Angeles and Southern California, and their reliance on people of color early on in the movement, was key to convincing them they needed to work with non-whites if they were going to be successful. In the union movement as well, organizers came to realize that they needed to actively recruit and work with people of color, African-Americans especially, if they were going to succeed. Echoing Freeman’s argument, Elizabeth Cohen’s *Making A New Deal: Industrial Workers in Chicago, 1919-1939* argues that this worked, in part, because working-class Chicagoans, equally decimated by the Great Depression, found themselves in very similar economic positions. From that vantage point, they “…had learned to see commonalities where once they had seen differences.”

Another source of information on the role of race in the SHCM are the convention notes. The Self-Help Cooperatives held several state-wide conventions, with the intent of uniting the northern and southern units and creating a viable state-wide organization. As I discuss in chapter 4, as a result of ideological infighting and power plays that never came to fruition. The convention notes also provide useful information on the internal racial dynamics of the movement: how interracial solidarity was sustained and how it was sustained.


undermined. It indicates that not only in Los Angeles but across California the unemployed workers that made up movement went to great pains to create a movement as inclusive as possible. As one delegate put it, “This is the first time in the history of the world that people have buried their human differences to an extent like this. That is why I stay with the movement.” This desire for inclusivity was not motivated by principle alone, but by political calculation; the cooperatives believed that any divisions within the movement would only weaken it.

The discursive chains formed in the excerpts from the convention notes are instructive. The early experiences of the Self-Help Cooperative Movement, of working in the fields of Japanese farmers, with the farmers and their families, and with Mexican farm workers, led to the development of a movement that was not only racially inclusive but racially conscious. The membership of the movement concluded that a traditional Old Left class movement could only succeed by addressing racial hierarchies and divisions both within the movement and in their wider political environment. However, the cooperatives quickly elaborated on this position, building on their earlier experiences. The delegates pointed to the need to build alliances with Filipinos, just as they had with Mexicans and Japanese, since “Filipinos are citizens” too, “An attack on any section of the working class is an attack of working class as a whole”, and “We are going to Japanese farmers for food.” They make no easy separations between race, class, and citizenship but instead view them as interconnected problems. Moreover, instead of

89 Bob Rogers, UCRA State Convention, 9 Jan 1932, Convention Notes, Paul Schuster Taylor Papers. In Taylor's original notes it is 'differenced' instead of 'differences'. The 's' and 'd' are next to each other on the keyboard (or typewriter), so I assume this was a mistake.

90 Ibid., Buck, UCRA Convention, Los Angeles, 10 Jan 1933, 3. In this case, the original reads 'attact' instead of attack.
turning on each other, they pointed to specific institutions with an interest in keeping people divided. According to the “Negro delegate”, “The religious people have kept us separated, and the capitalists have divided us. Let's get together and get that [federal aid] money. To hell with these factions.”

Their solutions to the divisions are also instructive. Instead of arguing for a pure and simple working class movement, delegates offer more inclusive solutions, capable of generating not only cross-racial but cross-class support. C. R. Rogers, one of the leaders of the movement, likened successful social movements to public transportation. “Be tolerant. Intolerance has broken more movements than anything else. Everybody is there because they want to be. If you get on a trolley car, you don't pick your passengers. Get together, stick together and go down the line, but do it together.” As with public transportation, movements can only succeed if it practices tolerance and includes as many people as possible; if it includes people from all parts of society.

The most important factor that made this movement and these relationships possible was the Great Depression. The desperate need, daily and immediate, to survive the fact of mass unemployment—and with it hunger, homelessness, and poverty—led whites in Los Angeles to consider alliances that previously, before the depression, made little sense. These alliances, with people of color, proved both beneficial and transformative, leading them to ban discrimination in their own organizations, actively recruit non-whites into the movement, and to support unions primarily composed of

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91 Ibid., Negro Delegate, County Council Meeting, 4 Aug 1933. In Taylor’s typed notes, it says ‘fractions’, instead of factions. This is likely a typing error, which are common in his notes—also ‘f’ and ‘r’ are next to each other on the querty keyboard (or typewriter).

92 C.R. Rogers, UCRA Convention, 1932, Carton 2, Convention Notes, Unemployed Cooperative Relief Council of California., et al., Unemployed Cooperative Relief Council of California records, 7.
people of color. In short, they came to the conclusion that alliances with people of color, both American born and immigrants, were necessary to advance their own interests. As a result of the Great Depression, and the widespread deprivation experienced by millions of Americans, those interests came to be seen as one and the same.

The exact date the cooperatives and the Japanese farmers ended their relationship is not clear. In 1934 and 1935 there was still significant labor-exchange with the farmers, but by 1936 only eight units still exchanged with farmers, by 1937 only one unit, and by 1938 no units.93 Several factors played a role in ending the relationship: perceived laziness and incompetence of the cooperatives in farming, the persistence of anti-Japanese and nativist movements in the Western United States, and the implementation of the New Deal work programs. The first two factors undermined the relationship between the white unemployed and the Japanese farmers, but the last factor, the New Deal work programs, was the decisive factor. I discuss each of them in turn.

**The Laziness and Incompetence of the Cooperatives**

The Los Angeles SHCM began in Compton. George Knox Roth captured the development of the Compton unit in his University of Southern California master’s thesis, “The Compton Unemployed Co-operative Relief Association: A Sociological Study, 1932-1933”. This thesis provides key insights into the early years of the movement. Unlike other students of the movement in the 1930s, Roth focuses on the relationship between the farmers and the cooperatives.

While acknowledging the farmers “hold diverse opinions on the [Compton] unit”, Roth nonetheless points to the reckless behavior of the cooperatives as the primary factor

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that ended their relationship with the Japanese farmers. Roth argues that “The Japanese have not found the work-exchange as successful as people believe, and they are constantly objecting to some of the practices of the unit in its work.” The cooperatives were aware of this as early as August of 1932. At an Area meeting—like the Unemployed Cooperative Relief Association (UCRA), this was an umbrella group for the cooperatives in their dealings with outside organizations, such as businesses, farmers, and state agencies—one member recognized that “There have been complaints from Japanese that unit members are overstepping bounds dishonestly and Japanese farmers will not tolerate this in the future.” A “veteran field contact man” and a “Japanese interpreter” interviewed several farmers to gauge their reaction to the cooperative units overstepping boundaries.

The interviews reveal the farmers’ increasing exasperation with the cooperatives. An interview with the President of the Japanese Language Association in Compton captures this frustration:

If the unit would only do good work, I wouldn’t care. I have tried these men over and over again. They fixed my trucks up for me. I let them do it, because they said they could and insisted on it. They didn’t do a good job on them, but I couldn’t complain about that, for it didn’t cost me anything. If they were only particular and careful, but they are not. They come late and leave after a short time. They don’t want to work. I must employ people I can tell to do things.

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94 Roth, “The Compton Unemployed Co-operative Relief Association”, 165.
95 Ibid., 165.
96 Ibid., 165.
97 Ibid., page 165.
They only get in the way. I can’t tell them anything if I am not paying them for
the stuff isn’t worth anything. I have no right to complain if I don’t give them
anything for what they do. They came to my garden and did some watering, but
they were not careful to block up the ends and I lost a lot of water. That’s it; they
are not careful or particular about their work. If they would only do something I
could count on for sure, if it was only pulling weeds. That they can do with their
muscles. Strong work is all right, but skillful work on my garden they cannot do.
No, I can’t count on them in the future. I won’t plant anything in the future for
them. I don’t think they can learn to do the job. I don’t mind giving them the
stuff I can’t sell, though, for I don’t like to see people hungry. Don’t tell these
Americans what I think for I like to do what I can, but I have been disappointed
with them.\(^\text{98}\)

Another farmer gave a similar explanation for his refusal to work with the cooperatives in
the future. He explained,

I can’t use the U.C.R.A. very much. They come in large bunches. They don’t
know how to do anything. They know only how to hoe weeds and they don’t do
that very well. They don’t care about the job they do for me and I have to do it
over again when they get through. If you don’t pull all the weeds, you have to do
it over again. I can’t tell them to do anything, because I am not paying them;
anyway I don’t speak English well enough. The foreman is as bad as the men.
The men take things out of my garden without my permission. They come late
and some of them sneak off after working a little while. One Mexican I pay is

\(^{98}\) Ibid., 166.
worth ten Americans I don’t pay. I haven’t got very much to give them anyway.

If I can’t sell something, I can give it to them.99

Even those farmers that were sympathetic to the cooperatives were still critical of their work ethic and incompetence. This comes out in an interview with a “Second-generation Japanese, Hawaiian born who speaks English”:

If the unit can guarantee me good foreman and honest workers to do for me what I would otherwise have to pay for, I will agree to raise more produce and give them what they earn. I have done that already for them, especially when I had B___ for so long. I don’t care whether the unit sells it or gives it away or what it does with it. I will make it a straight business deal, if they can supply me with men who can do the work and are willing to work for me. When B___ left, some of the other units came in. I couldn’t stand the kind of work most of the men from these units gave me. They would take all my vegetables everywhere they saw them, and wouldn’t take what I told them to take. I have got to plan on them, if they are going to plan on me. Anything they want to work for the future, if they can assure me I can count on them, I will plan. As it is now, I have some surpluses, because I can’t sell it all, and so I give that to them, but even if I could sell all my surpluses I would be glad to raise more for them. If the men would only take their time and do work and not try to get through as soon as they can and as quickly as possible, everything would be all right. They can’t come here with their little sacks and take what they want for themselves either. They must take what they work for. They must learn to do work more carefully than even the best of them

99 Ibid., 167.
have done. I will be glad to give them the stuff I can’t sell for nothing, but if they want good stuff, then I must get something back for it. It won’t pay for me otherwise. I am satisfied with B__, I don’t know where he came from, but he knew what to do and how to get the men to do it. He would work hard, and while he didn’t come back in the afternoon as I should have liked, yet I got along all right.\textsuperscript{100}

From these interviews with the farmers, it would appear that the relationship ended, at least in part, for the mundane reason that the cooperatives—composed largely of unemployed blue and white collar urban workers—had no idea what they were doing in the farm fields. They lacked the farming experience and the initiative to learn. As a farmer above noted, “One Mexican I pay is worth ten Americans I don’t pay”. Thus, it would appear the relationship ended because the cooperatives provided bad workers and were simply fired. However, this does not explain why the relationship lasted for five years, from 1932 to 1937.

Why did the farmers put up with the laziness and incompetence of the cooperatives for five years? Why did they continue to work with them? One explanation is they were pressured by the Japanese government to do so. The Japanese Consul in Los Angeles wrote a letter to the farmers suggesting, “Wouldn’t it be a good policy for the Japanese to assist their American Legion friends to eat”. A copy of the letter was carried by the “chief contactor of vegetables” and in some instances was effectively used as a “lever for all sorts of purposes.”\textsuperscript{101} Part of the job of Japanese consulates was to advocate on behalf of Japanese immigrants. However, part of their job was also to advance the

\textsuperscript{100} Ibid., 168. In the original it was “speak”, instead of “speaks”.

\textsuperscript{101} Ibid., 166-167.
image and interests of Japan. This meant not only protecting immigrants from
discrimination, but urging them to maintain good relations with their new community—in
this case Los Angeles.\textsuperscript{102}

Why this would be good policy is obvious: Japanese immigrants and their
children, first generation American-born citizens, coming to the aid of American War
Veterans—who started the Los Angeles Self-Help Cooperative Movement in Compton,
but soon after lost control as the movement rapidly expanded—would improve relations
between the U.S. and Japan and might ease racial tensions between Japanese and Whites
in America. In other words, the Japanese Consul in Los Angeles viewed the movement
as a political opportunity, to improve the image of Japan and its diaspora. As already
mentioned, it worked; but the movement soon went far beyond this and began taking
racial inclusivity, in general, very seriously.

However, this letter and the intervention of the Japanese Consul was not the only
reason the farmers and the cooperatives worked together. As Roth notes, “It was purely a
request and a suggestion, not a command. It is hard to tell whether this had a great deal
of effect except that it gave an introduction.”\textsuperscript{103} The letter probably had some impact on
the farmers, on their initial willingness to work with the cooperatives, but it was not the
most important factor involved in building this relationship. The farmers were more
concerned with their immediate problems, with the Great Depression, than what was
“good policy” for Japan. In other words, the farmers were not coerced into working with
the cooperatives.

The most likely reason the farmers kept working with the cooperatives stemmed

\textsuperscript{102} Kurashige, \textit{Japanese American Celebration and Conflict}, 22.

\textsuperscript{103} Roth, “The Compton Unemployed Co-operative Relief Association”, 166-177.
from the fact that: 1) even with the laziness and incompetence of the cooperatives, for
the most part the farmers gave them surplus food that would have gone to waste anyways
and 2) like other people they felt that something had to be done to address the wide social
problems produced by the Great Depression. An interview with another farmer points to
these factors:

I give a lot of things to the unit, I can’t sell them and why should not someone
have them? I don’t want to make them do things, I can’t do that. The vegetables
aren’t worth very much so what can I do if they don’t work? I can only use a few
men, but they must be steady all day long and help me all the time. I can’t use
many men, because they are in the way, and I don’t have tools for them. Even if I
could sell some of this stuff, I feel I ought to give it to people who are hungry.
We are having a hard time ourselves, and we know what it is for some of these
people who can’t get anything to eat. I like to help them out. Maybe that will
help us all out. Sometimes I have given them things I couldn’t make much money
on. They are good people, but I can’t count on them much. The men don’t care,
even if they are without food. I can’t stop to teach them or keep after them all the
time. The man in charge can’t know himself, so I can’t spend all my time
showing them. I’ll help them though, as much as I can.\footnote{Ibid., 169-170.}

The laziness and incompetence of the cooperatives, at least from the point of view of the
farmers, was a factor in undermining the relationship between the two groups but it was
not decisive. The farmers had practically nothing to lose by working with the
cooperatives—only produce they could not sell on the market. Even if the work was
often incompetent and the cooperatives did not work the long hours the farmers needed, the farmers still gained extra workers for no pay. Moreover, as many of the farmers noted, like businesses in Los Angeles, and municipal agencies, they would have donated their extra food to the unemployed anyways, rather than see food go to waste while people go hungry.

**Rising Anti-Japanese and Nativist Movements**

The second, and far more important, factor for ending the relationship was rising anti-Japanese and nativist movements in the Western United States in the 1930s. While the cooperatives did go out of their way to include people of color in the movement, it would be misleading to state that the entire movement was filled with nothing but tolerance and inclusivity. Nativist and racist sentiments existed in the movement, even as they were contested by those who saw no reason to exclude people of color. For example, a unit manager, described as an “embryo storm trooper” by Clark Kerr, explained why the members of his unit refused to work for Japanese farmers: “We won’t work for Japs. I won’t subject a white man to the domination of an Oriental.”105 In a separate instance, when Winslow Carlton, the director of the California Division of Self-Help Cooperatives from 1934 to 1936, proposed abandoning labor-exchange with Japanese farmers in favor of the Self-Help Cooperatives developing their own agricultural cooperatives, “typical expressions of opinion” included, “We’re white men. We ain’t going’ to farmin’ in competition with the Japs and Chinks”. However, others

105 On the fate of this manager, Kerr writes, “The manager eventually retired from the group, when a ticket he backed during a local city election was defeated and FERA representatives demanded a new democratic constitution from the group”. Kerr, “Productive Enterprises”, 274-276, volume 1.
countered, “We won’t scab on the Japanese. They’ve helped us too much.”106 Others “won loud applause”, when they similarly declared: “We won’t scab on the Japanese who have supported us for two years.”107 It’s not clear which of these opinions predominated in the cooperatives, those who believed whites were too good to work for Japanese farmers or those who were so grateful for the work given to them by the Japanese in the previous years that they refused to compete with them. Perhaps the only thing we can say for certain is that the political identity of the cooperatives was still an open question—there were elements in the movements that were open to nativist appeals and others who believed racial inclusion was the only way to build a successful social movement.

However, what is clear is that there were efforts both within the movement and across the Western United States during this period to whip up nativists sentiments. An example of this is a speech delivered to a state-wide convention of the California Self-Help Cooperative Movement in Los Angeles, in January of 1933. A number of politicians from both parties were invited to speak at the conventions—there were six over the course of the movement—but in only one case are there detailed convention notes of such speeches. A speech by Colonel Carlos Huntington, a personal representative of James Rolph, the longest serving mayor in the history of San Francisco and the Republican governor of California from 1931 until his death in 1934, demonstrates that many people in the movement were open to racist and nativist appeals.

Instead of appealing to tolerance and inclusivity, Col. Huntington instead urged the convention delegates to turn against foreigners and adopt an “America first” strategy

106 Ibid., 349, volume 1.
107 Ibid., 114, volume 1.
for getting out of the Great Depression. He exhorted: “Buy American! And live
American! The Chines and Filipinos are sending money back to China and the Filipines,
and they don't assume responsibility of American citizenship. They will take bread and
butter out of your mouth. I am an American first, last and all the time, and I am not ready
to give our country over to the foreigners”. The note taker points out that “for these
remarks and others derogatory to China, an apology was demanded and given.” 108

However, the Colonel's speech did resonate with convention delegates. Whoever
took notes recorded only the above excerpt in whole; for the rest of it he or she not only
recorded other parts of the speech but also the reactions of the audience. The sections
with quotation marks indicate a direct quote from Huntington or from the audience;
otherwise, it is the observations of the note-taker. They note that Col. Huntington:

- says prosperity is around the corner—upholds “Hearst's principle of buy
- American”—talks against products of cheap labor of foreign countries—“Buy
- American goods, made by Americans, and for Americans and also live
- American”. Convention applauds. Talks against Chinese cooking food and
- Filipinos running elevators—cheap living Filipinos and dirty Chinamen doing
- Americans work—some applause and some say “kill them”—others dissent loudly—
- “no”, “sit down”- “you've said enough”—Chairman gets order-speaker
- withdraws statements. “Buy American” will take us out of the depression—both
- applause and cries of “no”. Talks against foreigners-get money here and send it
- back home—“foreigners are here leeching you, taking food out of your mouths and
- clothes off your backs”—we are not ready to give the country to foreigners—says

108 Col. Huntington, Speech at UCRA Los Angeles Convention, 10 Jan 1933, Paul
Schuster Taylor Papers, 14.
“communism has no place” applause-this enterprise is “American the whole way thru”-applause-“You are staunchly behind old glory and are not going to Russia for advice”, “that's fine”, he cried,-he cries in his room because of distress-“My heart aches and bleeds for the unemployed”--“have cried my heart out”-he concluded “Buy American”-applause.109

Besides his connection to Governor Rolph and the connection to the military suggested by his title of colonel, there is very little academic or archival history on Huntington. Without video or audio documentation it is difficult to read this speech. To what degree was this purely for show, and to what degree did Huntington actually believe his own words? Were these ideological appeals, delivered by a true believer, or just the empty rhetoric of a savvy political operator? Much of it was likely for show since he targets Chinese and Filipinos, but not Japanese and Mexican immigrants who were, by far, more numerous and, incidentally, also had the backing of the Los Angeles and California business community at the time of the convention.

Regardless of the sincerity of Huntington, it’s clear he struck a deep cord with the audience. Fearing the socialist potential of the movement, but reluctant to alienate the favorable labor and prices the business community received from Mexican and Japanese workers, Huntington nonetheless succeeds in connecting with the largely white unemployed members of the audience through racist and nativist appeals. Beyond the fact that this speech appealed to convention delegates, as indicated by shouts of “kill

109 Col. Huntington, Speech at Los Angeles UCRA Convention, 10 Jan 1933, Carton 3, Folder: “Miscellaneous cooperatives, reports, histories, meeting minutes, etc, 1935”, Clark Kerr, Guide to Fieldnotes., Bancroft Library, University of California, Berkeley. The name of this folder is misleading since the speech takes place in 1933 and not 1935. Italics added.
them” and applause from the audience, it’s still not clear what impact this had on the movement. It’s not clear to what degree this speech, and perhaps others not recorded, succeeded in turning the Los Angeles unemployed away from their earlier goals of creating an interracial movement.

However, there were other instances of nativist sentiment and the potential for violence against the farmers within the cooperative movement. By the Spring of 1934 many units still had good relations with the Japanese, but around this time there were rumors floating around the cooperatives that the farmers planned to curtail their production and ship excess crops out of state. The cooperatives responded with threats of violence. One manager stated, “If they do that, we’ll get the Legion to run them all out of town”. Another stated, “We’ll pull everyone of our men out of their fields and they won’t like that”. Clark Kerr had this to say on the deteriorating relationship between the cooperatives and the Japanese farmers: “By this time several units in the southern part of Los Angeles were admittedly using the threat of vigilante tactics to secure donations from the Japanese without giving any work in return”. This was not limited to the southern part of Los Angeles, as at least one unit in the San Fernando Valley used “the threat of vigilante action against gardeners who refused to supply the organization with vegetables.”110 Like the charges of laziness and incompetence, these threats were made not only against the farmers but also against businesses and local governments.111

111 Speaking of the shift from the barter/labor-exchange period to the production phase during the New Deal, Kerr notes, “Production also necessitated discipline to which the members were not accustomed in their self-help organizations. In fact many members considered the lack of discipline an advantage over industrial employment and fought its introduction, not fully realizing its relation to productivity. A concomitant of lack of discipline was the slow pace and negligent work of the cooperative members in the barter
other words, these tactics of using the threat of violence to get food and other necessities were not limited to use against the Japanese farmers.

However, nativist sentiment and the use or threat of violence against Japanese farmers became widespread throughout the Western United States in the 1930s. Placed in this political context, neither Huntington’s speech to the convention delegates nor threats of vigilante violence against the Japanese farmers by the cooperatives are isolated incidents, but must be understood in the context of escalating nativist rhetoric and actions taking place in the Western United States during this period. The arguments used in past nativist movements and state actions, centered in the Western United States, such as the Chinese Exclusion Act, were the same used in the 1930s to justify the mass deportations of Mexican and Filipino Americans in the West and the threats and actual use of violence against Japanese Americans in the 1930s: unfair economic competition. These actions and movements have been, and continue to be, supported by workers and farmers fearful of economic competition with these groups, and by political entrepreneurs like Col. Huntington and Governor Jim Rolph who use these movements to steer workers and farmers away from movements seeking structural changes in the economic and political system and instead incorporate them into conservative political coalitions they would not otherwise support.

period, as noted by Japanese farmers and business firms with whom they dealt. Higher standards of workmanship and greater rapidity of action necessitated a reformation of habits. In addition, members customarily worked only 16 hours a week, a policy continued into the production period. Full employment of equipment and facilities thus required two, or even three shifts of workers, and arrangement of days and hours alone was a considerable task”. Ibid, 275, 296, 300 (footnote 30), 304, 387, volume 2.
The New Deal Work Programs

The third and decisive factor was the introduction of the New Deal and the shift in the cooperatives from barter and labor-exchange to collective production. The driving force behind their relationship with farmers, local businesses, and municipal welfare agencies were the initial conditions, the early years of the Great Depression. The introduction of the New Deal work programs in 1933, which syphoned the vast majority of the cooperatives’ membership into the Civilian Conservation Corps, the Public Works Administration, and later the Works Progress Administration, and the grant and loan money offered to the cooperatives, by state and federal agencies, to aid in their transition to worker cooperatives—for those that remained in the cooperative movement—was the key factor in ending this relationship.

However, the Self-Help Cooperatives were moving away from barter and labor exchange even before the implementation of the New Deal work programs. In the Spring of 1933, in the run up to the implementation of the federal work programs, the cooperatives: 1) placed more pressure on local governments and businesses to increase food aid, 2) improved inter-unit communication and inter-unit exchange of goods, and crucially 3) they began producing food themselves. During this period ten units began baking their own bread, often in abandoned bakeries, half a dozen units began fishing from “piers, barges, and boats”, and forty units began planting their own gardens.\textsuperscript{112} Moreover, when they did receive food surpluses, instead of receiving it directly from farmers, it was delivered by a third party, a “middle-man”, in the form of the Federal Surplus Relief Corporation, created, in part, as a result of the Agricultural Adjustment

\textsuperscript{112} Ibid., 229, volume 1.
Act.\textsuperscript{113} As a result of these efforts, data collected by the Los Angeles County Food Administration, a department of the Los Angeles County Welfare Department, created in part from pressure by the cooperatives and set up to aid them with food and gasoline beginning in the Fall of 1932, estimates the average family in the cooperatives received 170 pounds of food in February, 194 pounds in April, and 222 pounds in July of 1933.\textsuperscript{114} In other words, the cooperatives increased their food production by 30 percent during this five-month period. As a result of increased donations by business, local government, and successful efforts to produce their own food, they became less reliant on labor-exchange with farmers.

While this was important, the key to ending their relationship with the farmers and ending the movement in general was the increased role of the state in dealing with unemployment. Even before the New Deal work programs, Los Angeles began easing resident and property restrictions on who could apply for local assistance, and began substituting work programs for direct cash relief which was far more appealing to the membership of the cooperatives.\textsuperscript{115} As a result of these efforts, the number of persons receiving County Aid, in either direct cash payments or local work programs, increased from 50,000 in the late 1932 and early 1933 to 100,000 by June of 1933.\textsuperscript{116} During this same period, the number of “active” cooperative members in Los Angeles—i.e., the activists, the organizers, those most involved and committed in keeping the cooperative

\textsuperscript{114} Kerr, “Productive Enterprises”, 131, 229, volume 1.
\textsuperscript{115} Ibid., 231, volume 1.
\textsuperscript{116} Ibid., 231, volume 1.
movement going—decreased from 31,900 in March, to 26,350 in May, to 21,000 in June of 1933.\textsuperscript{117} However, even with this drop, by June of 1933, there were still 60,000 registered cooperative members in Los Angeles County (including the 21,000 active members).\textsuperscript{118} Tables 1 and 2 show the rise and decline of active membership in California as a whole and across the United States.\textsuperscript{119}

The tables indicate the importance of the New Deal in ending the movement. In both California and The United States as a whole the movement steadily gained active members until June of 1933, when membership fell precipitously. In cities that created work programs before the New Deal, like Los Angeles, the drop in membership began earlier. The New Deal offered assistance on terms the unemployed could accept—i.e., work programs—and in doing so lured members away from the haphazard, unstable Self-Help Cooperative Movement. The unemployed no longer had to trade their labor with Japanese farmers or urban businesses to survive; they did not have to organize mass marches and demonstrations to get the attention of municipal authorities; they did not have to battle back landlords trying to evict them and utility companies trying to shut off their services; and they did not have to build the novel political alliances with people of

\textsuperscript{117} Ibid., 233-234, volume 1. See Kerr, page 26, footnote 1, volume 1, for an explanation on the difference between active membership (sometimes referred to as “active families”) and registered members: “Active members” is used to signify the number reported to have retained active status by working during the month, withdrawing compensation or attending meetings; but in general it indicates the number which actually worked. "Active member" is not synonymous with "registered member." There usually was only one member to a family”.

\textsuperscript{118} Ibid., 234, volume 1.

\textsuperscript{119} Ibid., 74, volume 1. “Active members” is used to signify the number reported to have retained active status by working during the month, withdrawing compensation or attending meetings; but in general it indicates the number which actually worked. "Active member" is not synonymous with "registered member." There usually was only one member to a family” (Ibid., 25, volume 1).
color that made the Self-Help Cooperative Movement such a success in its early years, before the work programs. Instead, they could sign up for the steady work and pay provided by the Civilian Conservation Corps, the Public Works Administration, and later the Works Progress Administration.

In the next three chapters I explain why the arrival of the New Deal did not have to mean the end of the SHCM. Indeed, the New Deal could have transformed the movement into a mass movement of worker cooperatives; had that happened, it could have rivaled the agricultural cooperatives for state support. Instead, through a series of critical errors the movement lost the support of businesses and the state and federal governments. As I discuss in the next three chapters, subsequent opposition from these groups played key roles in ending the movement.
CHAPTER III
POLITICAL AMBIGUITY AND CONSERVATIVE BUSINESS SUPPORT FOR THE COOPERATIVES, 1931-1933

The Self-Help Cooperatives not only formed alliances with farmers and people of color, but also with Los Angeles businesses. This chapter explores the nature and dynamics of this relationship. This relationship is puzzling because we do not expect to find a conservative business community, one that successfully marginalized unions in the late 19th and early 20th centuries, to enthusiastically support a social movement advocating “production for use, not for profit” and practicing distribution according to need, rather than hours worked.

Business support for the cooperatives was made possible by the ambiguity of the cooperative movement. The cooperatives contained elements of both socialism and conservatism; and combined them in ways that cannot be easily traced back to either, as many students of the movement have tried to do. The cooperatives were able to generate massive support from the business community, and other groups, precisely because they were open to multiple interpretations and could potentially advance the interests of multiple groups.

The business community identified with the cooperative movement’s self-help, do it yourself mentality; with their emphasis on civic voluntarism and their critiques of the welfare state. Faced with growing calls for increased state intervention by the Democratic Party and an upsurge in union organizing, they viewed the cooperatives as the conservative response to the Great Depression and threw their support behind them. This was helped by the fact that the cooperatives repeatedly emphasized they had no
intention of opposing or competing with private businesses. They also repeatedly affirmed their faith in and support of capitalism.

The cooperatives thus contained within them what appears to be a fundamental tension, between socialist principles and practices and their professed faith in and support of capitalism. How did they reconcile this tension? How did they make sense of it? Apparently, neither the cooperatives nor their supporters in the business community saw this as a problem. They saw no tension between a cooperative economy for the unemployed (for those unable to find work in the private economy) and private for-profit businesses. Business leaders recognized that drastic actions needed to be taken to address mass unemployment, but they preferred the cooperatives to state welfare schemes. They did not believe the cooperatives would interfere with private business, but would instead serve as an efficient and effective response to unemployment and without increased state intervention into the economy.

The layout of the chapter is as follows. I first discuss the nature of business support for the cooperatives; what this support looked like and why businesses supported the movement. Second, I discuss the contradictory relationship between the cooperatives and businesses by explaining why businesses supported a movement that regularly and often violently opposed them. They key to understanding this support is political ambiguity. The principles and practices of the cooperatives were open to interpretation, and the business community believed that, in contrast to the emerging New Deal welfare state, the cooperatives were the conservative response to the Great Depression.
Building Alliances with Los Angeles Businesses

From 1931 to 1933, business support for local cooperatives was substantial and diverse. First, newspapers provided extensive and sympathetic coverage of the cooperative movement—by presenting the cooperatives to the public and covering multiple aspects of their operations. News series of the cooperatives can be found in the Los Angeles Times, The Pasadena Post, The San Francisco News, The Los Angeles Record, and The Los Angeles Daily Illustrated News. The best coverage for the national movement was found in the New York Times, The Christian Science Monitor, and by liberal and radical newspapers like Labor Action, American Guardian, Llano Colony News, Vanguard, Daily Worker, and Western Worker.¹²⁰

The Los Angeles Times not only encouraged its readers to join the cooperatives but went so far as publishing the names and addresses of cooperatives to aid their readers in finding them.¹²¹ The Los Angeles Times also laid out the most forceful arguments for supporting the movement and defended it against conservative critics. A Los Angeles Times editorial titled “The Self-Help Idea” discusses the differences between the Self-Help Cooperatives and the communist movements of that era. The editorial explains, “Their co-operation has been voluntary, not something imposed from above, as political communism's has proven to be.” Unlike the communists “they are not out to upset any social system...they'll go back to jobs and businesses and professions as soon as ever general conditions will permit.” Moreover the cooperatives are practical, not based on

¹²⁰ Kerr, “Productive Enterprises”, 902-912, Volume 3. Copies of these papers are located in archives throughout California. I have copies of the issues relevant to the Self-Help Cooperatives in my possession. If anyone would like to see them, I would be happy to scan and e-mail them.

¹²¹ Harold Finley, “Self-Help Co-operative Plan Gives 100,000 Food”, Los Angeles Times 1933. The Los Angeles Times is now accessible through Proquest.
“some wild social theory.” The editorial admits that the cooperatives have not “gone it all alone” but have received the “kind of help that self-respecting people can accept.” They've received help from the state, farmers, and businesses who donated outright or exchanged labor because they “admired their pluck and wanted to give them a boost”. The editorial continues, “These people are entitled to something more than mere applause...Every citizen of Los Angeles county and in every community in which these unemployed men and women are helping themselves should have a live interest in their efforts.” The business community is, and should, “…do something more than merely 'lend' their names to movements and causes.” This movement needs “people who do things.” The editorial concludes insisting that “This thing they've started is getting bigger and bigger” and that the “rest of us must see to it that they do not fail.” For The Los Angeles Times this was not merely a dispute over which method is more efficient, which groups are more deserving, or a means to advance their own self-interests, but a question of identity. The cooperatives were practicing “Americanism”, another label the Times gave this movement, which “must appeal to all.”

This political support was not limited to the Los Angeles Times. Newspapers across California and the nation firmly placed their support behind the movement. The El Sereno News bluntly laid out the nature of this support when they wrote that: “If there are any persons here who wish to start this movement they will find this newspaper ready to aid in giving the publicity necessary to gather them together.”


Movement: “Expanded a bit further, the same system will provide for the needs of every person in Southern California this winter who is jobless or short of money. Bond issues won't solve our difficulties; handouts make them worse; maudlin sympathy feeds no babies. Let us all unite, business, workers, and jobless, and cooperate to exchange whatever some of us have too much of, for what the rest of us need.”

Second, businesses made donations to cooperatives. As a contemporary observer pointed out, the existence of the cooperatives depended on the “vested interests.” The support was so strong that phone companies violated California state law by providing free telephone service. The Los Angeles Street Railways Company donated old streetcar bodies, which were used as lunch counters and dining rooms. Before the passage of the National Recovery Act, local meat and baking companies donated to the cooperatives in exchange for labor. Doctors and dentists provided medical care either for free or in exchange for labor. The local warehouses where the cooperatives stored their goods were all donated by local businesses. In one town, Signal Hill, California, “the Mayor gave the self-help cooperatives the use of one-half of a building which he owned.”

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126 The National Industrial Recovery Act of 1933 and other laws passed during the first hundred days of Roosevelt’s administration, aimed at recovery, initiated unprecedented state intervention into the economy, with the goal of creating a coordinated response to the Great Depression. One of the arguments of this paper is that this coordinated response was already happening, and on a massive scale, outside the state.
127 Roth, “The Compton Unemployed Co-operative Relief Association”, 156.
Local landlords even allowed some cooperatives to live for years without paying rent.\textsuperscript{129} The cooperatives made arrangements with local mechanics to help keep up their fleet of trucks running and received donated gasoline from businesses and municipal agencies.\textsuperscript{130}

In one unit, the Unemployed Citizens League in Santa, Monica,

> The rent is donated by the lumber company whose property we use. The city provides light and water; and water on the vegetable gardens…The county pays the gas company. The telephone is donated by the Associated Telephone Company. It is available for local calls only. The Southern California Edison Company donates light in the kitchen. They wrote us a check as a donation for one year, and I endorsed it right back to them. The garden plot is provided us by two people. Among the activities are: Production of food: Garden, kitchen and dining room. We have a staff. Eighteen to thirty-five people live here in the building.\textsuperscript{131}

As this example shows, the unemployed were able to get around legal restrictions against these companies providing free services through tricks of accounting. Like the telephone companies, Southern California Edison was most likely restricted from providing free electricity to its customers. There’s no other logical reason why they would have to resort to the practice of giving the cooperatives a check to cover free electricity for an entire year, only to have them endorse the check right back to the company. These arrangements provide some idea of the interlocking relationships between local

\textsuperscript{129} Roth, “The Compton Unemployed Co-operative Relief Association”, 67.

\textsuperscript{130} Ibid., 41-42,155.

\textsuperscript{131} Paul Schuster Taylor interview with C.W. Cook, Unemployed Citizens League, Santa Monica, California, Paul Schuster Taylor Papers, Carton 14, Folder: Self-Help Cooperatives: Field Notes—Typescripts, July 1933, 22.
government agencies, businesses, and the cooperatives. As Frank G. Taylor, the last
director of the Division of Self-Help Cooperatives, put it, “In many communities the
organization became a distinctly community welfare program and was aided and assisted
by constituted municipal authorities and the recognized business organizations.”

Third, in addition to business donations, the city and county of Los Angeles paid
the gas, electricity, and water bills not only of the Self-Help units and warehouses but
often of individuals involved in the movement (i.e., for their homes and apartments). These donations resulted, in part, from businesses lobbying the Los Angeles County
Board of Supervisors and local agencies to assist the cooperatives. This assistance was
not limited to Los Angeles. As of February, 1939, “At one time or another 33 cities, 5
counties and the State and Federal government have extended aid to the self-help
cooperatives in California.”

Fourth, businesses assuaged the fears of the public and the police that the
movement was communist. An interview with a “leading businessman” in Los Angeles
illustrates the point: “The police were too suspicious of the movement but I talked to
them and reasoned with them about it and their characteristic police attitude of suspecting
everyone.” While the cooperative movement was concentrated in Los Angeles, this
relationship between cooperatives and businesses also existed in San Francisco where

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133 Wallace Campbell, “A Social Revolution Meets Bread and Circuses”, in Clark Kerr
Personal and Professional Papers, 166.
135 Roth, “The Compton Unemployed Co-operative Relief Association”, 155. Roth does
not tell us who this “leading businessman” is—apparently he did not want to be
recognized.
local business owners had “become imbued with the spirit of Cooperation.” As this last point makes clear, material donations were not the only way businesses supported the cooperative movement. Business support was critical to legitimizing the movement for the public and ensuring their demands were heard.

The Ambiguous Politics of the Cooperative Movement and Its Complicated Relationship with Businesses and Local Government

Explaining business support for the cooperatives is complicated by the fact that the cooperatives regularly stole from businesses. This becomes even more complicated since the cooperatives were opposed, on principle, with any interference with private businesses, and were committed to the system of private enterprise. The charter of the Unemployed Cooperative Relief Association (UCRA), the umbrella organization of the Los Angeles Self-Help Cooperative units, and to a lesser extent the San Francisco units, called on its member units “To protect and assist all existing business establishments in securing a reasonable return on their investment.”

Their decision to avoid antagonizing private businesses was based on the belief, one that still persists, that business owners were “job creators.” They also believed that opposing private businesses would harm unions—since unions could not exist without businesses and the jobs they created. Because all of them were actively looking for jobs, they did not want to do anything that would harm their prospects. Moreover, they did not view cooperatives as the enemy of private businesses, but only as a form of unemployment insurance. They saw no conflict between production for use and

136 “Minutes General”, Unemployed Cooperative Relief Council of California., et al., 1-2.
production for profit, but believed the two should exist side-by-side, with the former absorbing the unemployed only when the latter could not.

Even as the cooperators pledged to support private businesses they did not believe this prohibited them from placing pressure on businesses for more assistance or, failing that, directly appropriating what they needed from businesses. E.J. Krueger, one of the most important leaders of the Los Angeles Self-Help Cooperative Movement, captured this position when he wrote that: “True, that we as unemployed are forced to use any of the weapons necessary to force a reluctant public to acknowledge our existence but I further believe that any attack emanating from our organization upon the cherished ideals held by Americans everywhere will mean the utter destruction of the thing thousands of us have earnestly labored to perpetuate.” For Krueger “cherished ideals” did not mean deference to business owners, turning to charity, or a turning away from politics. It meant operating within the conservative political environment that defined Los Angeles politics in the early 1930s, even as they reworked them for their own purposes. It also meant building alliances with private businesses and other institutions despite the limitations of this environment, and to “use any of the weapons necessary” to enforce those alliances. These weapons included rent strikes opposing landlords and eviction; illegally turning back on utilities; marching to city hall to demand food and other necessities; and direct appropriation from local businesses or what was called “chiseling” at the time.

The UCRA, for example, successfully presented a petition to the Los Angeles

138 E.J. Krueger, Chairman of UCRC to Mrs. Frances Kroese, 10 June 1933, Unemployed Cooperative Relief Council of California., et al. I changed the original emanating to emanating, and added italics.
County Board of Supervisors to obtain free gasoline and oil—“the lifeblood of the movement”—for the individual units. Arguing that they were saving taxpayers money, by staying off the County relief rolls, the Board of Supervisors responded by approving $10,000 and establishing the Los Angeles Food Administration, a division of the Los Angeles County Welfare Department. This provided enough gasoline and oil for the cooperatives fleet of trucks to get to and from the Japanese farms, and there was often enough leftover “for friends of the manager to fill their tanks at night.” When the city tried to cut off the flow of gasoline to the cooperatives a few months later, mass protests were staged and the services were continued.

In addition to supplying free oil and gasoline, and later free specialized license plates, the UCRA forced the County Welfare Department to pay for the public utility bills—for electricity, water, and gas—of their headquarters. They also put pressure on local governments to prohibit home evictions of all unemployed workers and to prevent public utilities from the “...shutting off of gas, lights, and water in homes of unemployed workers.” In addition to petitions and mass demonstrations, the UCRA also took direct action. They circulated leaflets that urged people to “STOP EVICTIONS OF THE

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139 The Self-Help Cooperative Movement was composed of individual units. These units were the constituents of the larger umbrella groups, such as the UCRA. The units were autonomous, similar to union locals, but gained many benefits from joining the umbrella groups—both the political power that comes with numbers and immediate benefits such as access to warehouses to exchange their goods with other units.


141 Ibid., 131, 148, volume 1; Margaret Workman, “Supplementary Functions of the Southern Area Office”, Box 6, Folder 2, Workman Family Papers (California: Loyola Marymount University, Department of Archives and Special Collections).

142 Unemployed Cooperative Relief Council of California., et al., 11 Jan 1933, Box 1, Folder: Reports and Accounting (B), “Resolution For Unemployment Relief in Cash”. The headquarters were donated, rent free, by private businesses.
UNEMPLOYED, Solidarity and Unity Can Do It Now.” The UCRA placed stickers on utility meters, automobile windshields, and in house windows reading: “PROTEST AGAINST CLOSING of Gas, Water and Electric of our people” and “Don't turn this water off by order of the Unemployed Cooperative Relief Association.” When this failed to get results, the cooperatives turned to forcible resistance. Those in the movement urging “We should wait for the government to take action” were eventually won over by more radical members who argued that “We have tried all other methods and they have failed us.”

The Cooperatives elected “home guards” and “huskies”—i.e., large men—to lead the eviction resistance. At least a dozen units were able to keep their evicted members in their homes through the use of force and in one case fourteen units worked together to keep one family in its home. These tactics were popular during the winter especially. For example, thirty-seven members signed a petition at a UCRA meeting in February 1933 indicating their willingness to go to jail, if need be, to keep the unemployed in their homes and with all of their utilities. This was no small commitment since at least one person was killed when a unit fought against the police, to prevent an eviction. There exist no official statistics that might indicate the relative success of these actions. We have to rely on anecdotal accounts. One indication of the tactic’s success is that the manager of just one unit reported that his “eviction committee” kept 40 to 50 families

\[143\] Kerr, “Productive Enterprises”, 141, volume 1.
\[144\] Ibid., 141, 142, volume 1.
\[145\] Ibid., 142, volume 1.
\[146\] Paul Schuster Taylor interview with Walter Milsap, 4 Aug 1933, Paul Schuster Taylor Papers.
housed and kept on the water and gas of over 200 people as a result of these actions.\textsuperscript{147}

While communists were most likely in all of the units and played a role in slowly pushing the units to take more radical actions, the average cooperative member never veered far from conservatism. As one unit manager put it, “I am not a Red or a Bolshevik. I believe in law and order, but only as long as it places the value of a human life ahead of that of an old shack or shanty.”\textsuperscript{148}

While not embracing or advocating direct action and mass mobilizations, business owners understood these tactics and maintained the alliance with the unemployed despite it. An interview by Paul Schuster Taylor with a local business owner captures the ambiguous politics of the cooperative movement:

They asked for one vacant store of mine for one day a week, then they began using it six without asking; then they began using the furniture store…It makes me wonder if we are starting a little Russia...I don't blame a man for getting radical when he can't get work or anything to eat. I don't know what I would do, until I got into the same position. But our business is picking up, so I don't know

\textsuperscript{147} Kerr, “Productive Enterprises”, 142, volume 1.

\textsuperscript{148} Ibid., 144, volume 1. The manager, Haddon, was half-white and half-Native American, and Kerr describes him as a “half-breed”. While he was not a communist, he worked very closely with communists to push the units in a more radical direction. Paul Schuster Taylor, in his comments on his numerous interviews with both the leadership, rank-and-file, government officials, and community members concludes, “General Results: Some men with leanings toward socialism have been confirmed in their belief, and some have told me they thought after experiencing UCRA that a socialistic world could work. But generally, no. They have become conscious of their relation to life, that we can’t live alone. We are more or less our brother’s keeper. In union there is strength. They knew it before, but it had not become a part of them; they had not lived it” (Paul Schuster Taylor Papers, Field Notes: Type-Scripts, page 4).
why I should complain…I don't want them to get an idea that I am unfriendly. I
couldn't afford that. No merchant could; there are too many of them.\textsuperscript{149}

This business owner, identified as “MacDonald” by the interviewer, captures the strange,
contradictory relationship between the cooperatives and the local business community.
Business owners were well aware of what they were supporting, “a little Russia”, but
their intense opposition to labor unions and the emerging New Deal welfare state and the
pressure placed on them by a well organized mass movement meant they had little choice
but do something about the Great Depression themselves. Frank G. Taylor, director of
the California Division of Self-Help Cooperatives from 1939 to 1940 recounts the
massive numbers, presence, and pressure the movement placed not just on businesses but
on local governments:

In L.A. County they just, actually, they mobbed the board of supervisors. They
threatened to physically take food and things...I was there when the representative
of the unemployed got up and said, “we've petitioned here for a long time...and
we've asked and so forth and so forth and now we want to tell you we're
organized, we know where the warehouses are on the south end of town and we
tell you if something isn't done by the end of this week we're going over there and
we're going to take the food out and we're going to distribute it and you do what
you want to about it”...there were thousands of people there. I one time walked
through two or three thousand people to get into my office at L.A. at one time...I
came down to my office on Monday morning and we had a whole city

\textsuperscript{149} Paul Schuster Taylor Interview with Macdonald, Allendale Butcher, 1 Jul 1933,
Folder: “Self-Help Cooperatives, Field Notes June, 1933, 14:11: Coon, UXA, June,
1933”, Paul Schuster Taylor Papers, 8-10.
block...they called a mass meeting of their people. I didn't know if I was gonna get beat up or what.  

Considering the numbers, organizational sophistication, and commitment of its membership, we have to consider whether local businesses and government officials offered such generous assistance to keep the movement in check—to prevent further radicalization of the unemployed—and were not sincere in their efforts to work with them to create bottom-up, practical solutions to the Great Depression. If Los Angeles businesses owners had responded the way we expect they should respond to mass rallies, direct action, and even direct appropriation—e.g., working with either private or public police and military to violently crush the movement, as they have done countless times throughout American history—then the movement might have achieved even more than it did. In other words, by placating the movement, businesses and local government officials prevented its radicalization.

A contemporary researcher, William Campbell, advanced this explanation. Campbell argued that the self-help cooperatives were not radical at all, but tools of elites who used the “old Roman device” of “Bread and Circuses” to keep the unemployed under their control. Campbell saw in the cooperatives the potential for an “economic revolution”, but believed this revolution was being stalled by the “vested interests”, who leveraged their material support to keep the unemployed distracted and from directly

\footnote{Frank G. Taylor and Malca Chall, *California and Relief (Self-Help Cooperatives) in the 1930's* Frank G. Taylor interview, 2 Jun 1971, Sound Recording, Bancroft Library, University of California, Berkeley. This portion can be found between 22:43 and 25:00 on CD1.} 

\footnote{Wallace Campbell, “A Social Revolution Meets Bread and Circuses”, in Clark Kerr Personal and Professional Papers, 166-167.}
challenging their authority. The circus came from free concerts held for the unemployed at the Hollywood bowl, in which “accomplished musicians, movie stars, vaudeville artists, and experts at terpsichoric arts staged spectacles for the unemployed.” Campbell, who studied the movement first hand, estimates that these services were provided for 200,000 persons in Los Angeles alone in the early 1930s. The bread came from the massive material assistance provided to the unemployed directly by businesses and by local welfare agencies. Campbell is correct in pointing out that wealthy elites attempted to control the movement, offering “fatherly guidance” as “one leading businessman” put it. This same businessman sought to keep “down the possibility of any communism starting.”

However, there are two problems with Campbell’s theory. First, without the support of elites the movement would have never gained the foothold it needed. It was people like Mrs. Hancock Banning, “a representative of one of the old families” in Los Angeles who organized advisory groups such as the Hollywood Assistance League, to pressure the business community into supporting the movement. The Hollywood units, consisting of some of the “best equipped units” in the movement, were organized by this

152 Ibid., 166. Campbell was a student at the University of Oregon during the Great Depression. Apparently, fellow students were so impressed with him, that they started a “Campbell Club”. The Campbell Club, which still exists, is now a housing cooperative and has spawned two other houses—the Lorax Manor and the Janet Smith House. The Lorax is named after the famous Dr. Seuss book, and the Janet Smith House is named after Janet Smith, a secretary at the University of Oregon during the Great Depression and a pioneer of Eugene’s cooperative movement, especially cooperatives for women.

153 Ibid., 164.

154 Ibid., 167.

155 Roth, “The Compton Unemployed Co-operative Relief Association”, 155. This is the same ‘leading businessman’ mentioned earlier.

156 Ibid., 155.
group because Mrs. Banning was amazed that the cooperatives were “not at all interested in cash donations as such but wanted the kind of help and equipment that would help it bring in the needed supplies of food and clothing. Her investigations made her an ardent convert and she has since been on the alert against the occasional outcroppings of ignorance and prejudice that have threatened the expansion of the movement.” 157 In addition to organizing cooperatives—indeed, going so far as to convince welfare officials in Riverside and San Bernardino counties to refuse assistance to the unemployed and instead direct them to the cooperatives—and defending it against “ignorance and prejudice”, this group then immediately and successfully lobbied the Los Angeles City Council and Mayor for food donations to the cooperatives. 158

Second, the cooperatives were run on a democratic basis—one person, one vote. The membership listened to the advice of the wealthy and worked with them, but groups like the Hollywood Assistance League never exercised control over the movement. Whenever such groups failed to deliver on their promises or tried to control the movement, the cooperatives stopped listening to their advice and repudiated them. Indeed, the cooperative units eventually broke ties with the Hollywood Assistance League when their material support began to wane and because they “tried to get

157 Kerr, “Productive Enterprises”, 242, volume 1; “The Unemployed Strike at Chaos!”, Reuben W. Borough Papers (Collection 927), 1900-1970. Department of Special Collections, University Research Library, University of California, Los Angeles. More on the Hollywood units, “One of the best equipped of the units is Hollywood 33, at 968 North Formosa avenue, directly under the friendly eye of Los Angeles county's social elite organized for relief work in the impeccable Assistance League. The membership of Hollywood 33 includes 1,150 heads of families, which means that it feeds, clothes, and assists in sheltering around 5,000 men, women and children. A number of these members were formerly employed in the motion picture industry” (Ruben Borough Papers). The actual first name of “Mrs. Hancock Banning” is never revealed in the multiple sources that discuss her role in advancing the movement. Italics added.

158 Roth, “The Compton Unemployed Co-operative Relief Association”, 34.
control.” Indeed, it’s true that elites attempted to exercise control over the movement, even as they advanced it, but like other groups that tried to control it—the Communist Party, and the American Legion who started the Los Angeles cooperative movement in Compton—they all failed. There was something else motivating both business support and the rank and file of the movement, which cannot be reduced to material interests alone.

**The Success of Los Angeles Businesses in Crushing the Labor Union Movement in the Late 19th and Early 20th Century**

The single most important factor that made the Self-Help Cooperative Movement possible was the acute class-consciousness of Los Angeles businesses owners and their success in crushing labor unions and keeping the city a non-union “open-shop”. The *Los Angeles Times* and its wealthy owners, Harrison Otis, and later his son-in-law Harry Chandler, lay at the center of this battle. In the late 19th and early 20th centuries, Harrison Otis rallied local businesses and led a largely successful fight against unions. Otis and the Merchant and Manufacturer’s Association successfully kept Los Angeles an open-shop city. He did so by using the ever-expanding circulation of *the Los Angeles Times* to “…ridicule businessmen too friendly to unions, to harass organized labor at every turn, to elevate the nonunion workingman to a pinnacle of nobility, and to commend various nonunion organizations of workers.”

Business owners willing to listen to the demands of unions were “verbally browbeaten” and “physically terrorized into line” by Otis.

While labor unions were making major inroads in San Francisco in the late 19th and early

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20th centuries, the Los Angeles labor union movement was losing badly to the Los Angeles Times and the Merchant and Manufacturer’s Association.

A nearly successful organizing campaign to unionize Los Angeles was waged in 1910-1911. The campaign sought to make Los Angeles a “closed-shop”, or unionized town, like San Francisco. It suffered a major setback when the Los Angeles times building was bombed on October 1st 1910. The bombing, which killed 21 and injured 100 of the Los Angeles Times' employees, was used by Otis and Chandler to stop the momentum achieved by labor organizers seeking to unionize Los Angeles. Included in the campaign around the bombing was the damage done to Job Harriman, candidate for mayor on the Socialist ticket in 1911 and lawyer to the unionists accused of setting off the bomb—James and John McNamara. Harriman's narrow loss to the incumbent mayor George Alexander is attributed, in part, from the McNamara Brothers' confession to the bombing.162

With the McNamara Brothers' confession, Harriman's loss, and public opinion on their side, the Los Angeles Times and the Merchant and Manufacturer's Association redoubled their efforts in destroying unions. Disillusioned, Harriman foreswore politics and instead worked on utopian socialist projects such as the Llano del Rio commune, which was located in the Mojave Desert, on the outskirts of Los Angeles. Harriman and other socialist’s turn toward utopian politics, brought about by repeated losses in the political arena, would define Los Angeles radical politics for the next generation. Labor

unions would not gain a major foothold in Los Angeles until the Second World War.\textsuperscript{163}

In contrast to the Socialist and then Utopian Socialist politics of Harriman, by the turn of the 20\textsuperscript{th} century unions around the country generally shifted from political unionism to voluntary or business unionism. Politically conscious labor movements such as the Knights of Labor, whose guiding vision was that of a producer’s republic and who were avid supporters of cooperatives, suffered repeated political losses—especially in the courts—and by the end of the 19\textsuperscript{th} century declined into insignificance. By the turn of the 20\textsuperscript{th} century the American labor union movement, led by the American Federation of Labor, shifted its resources to direct action against employers.\textsuperscript{164} This kind of union action marked a shift in the American labor union movement from achieving structural change through political reform and party politics to “collective bargaining and industrial action on the shop floor.”\textsuperscript{165}

Even as the American labor movement turned from political parties and the state to shop floor action, unions remained militant in many parts of the country. In Los Angeles by contrast, both in their numbers and their ability to force concessions from employers, the Los Angeles labor movement was in the midst of its “darkest years” on the eve of the Great Depression.\textsuperscript{166} Even more so than the rest of the nation, businesses maintained the momentum generated after the bombing of the \textit{Los Angeles Times} building in 1910, succeeding in crushing other attempts by the Los Angeles labor

\begin{footnotes}
\item[165] Ibid., 3.
\item[166] Perry and Perry, \textit{A History of the Los Angeles Labor Movement}, chapter 6.
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movement to end the open shop.\footnote{Mike Davis, "Sunshine and the Open Shop" in \textit{Metropolis in the Making: Los Angeles in the 1920s}, ed. William Deverell et al. (Berkeley: University of California Press, 2001), 102.}

The effects of the successful campaign to maintain the open-shop by the Los Angeles business class resulted in a lack of leadership among labor union movement in Los Angeles during this period, and thus in Depression-era Los Angeles social movements were far more utopian than other cities—e.g., San Francisco. As early as the 19th century San Francisco unions were able to gain a major foothold in municipal politics, electing mayors and supervisors by the turn of the century; possessing the unity and organizational strength to enforce the closed-shop.\footnote{San Francisco’s Union Labor Party elected two mayors, one from 1901-1907, Eugene Schmitz, and Patrick Henry McCarthy from 1910-1912 (Starr, \textit{Endangered Dreams}, 26). “Of 180 San Francisco assembly-men elected between 1892 and 1910, biographical data available for 120 show that 49 were laborers or skilled or semiskilled workers, as opposed to 23 lawyers and 31 business or professional men. By way of contrast, in Los Angeles County, still largely rural but rapidly urbanized at the turn of the century, 48 assemblymen elected in six elections during the same period included 19 lawyers and one workingman, a solitary carpenter” (Saxton, \textit{The Indispensable Enemy}, 235).} While the national shift from political parties and the state to direct action and antistatism also affected San Francisco, the organizational power and traditions of San Francisco unions reemerged and were reenergized during the Great Depression.

Instead of drawing on a powerful union tradition to mobilize and fight for bread and butter issues, like the San Francisco unions did during their 1934 General Strike, Depression-Era Los Angeles social movements were distinctively utopian, with blurred class boundaries. For example, Los Angeles was home to the Self-Help Cooperative movement, the End Poverty in California (EPIC) movements, as well as the Technocracy and The Utopian Society of America, and The Townsend and Ham and Eggs movements.
The Technocracy movement began in the 1910s and 1920s and harkened back to the socialist forerunner Saint-Simon and the work of contemporary socialist thinker Thorstein Veblen. The movement sought the creation of a national economy coordinated by scientists and engineers—instead of bankers and politicians—that operated on the basis of production for use instead of profit, even while maintaining the constitutional protections of basic rights, including private property. The Utopian Society of America revived and popularized the ideas of Technocracy, gaining a half-million active members and a million supporters by the early 1930s. The Townsend and Hamm and Egg movements both sought to end the Great Depression by placing the elderly on state pensions that would have the double effect of removing the elderly from the working population—approximately fifteen to twenty million Americans were over sixty in 1930 and half of them still worked—and would provide an increased and steady flow of money into the economy. Like other utopian movements in Los Angeles during this era, these were mass movements—the Townsend movement had approximately 2.2 million dues paying members across the United States by 1936 and the Hamm and Eggs movement, a direct offshoot of the Townsend movement, had over a million supporters in California as late as 1938.\(^{169}\)

These were not fringe movements but attracted the sustained support of hundreds of thousands of Los Angelenos and millions of Californians and Americans. They also had long-lasting impacts on state and national politics, no less than the labor union movement. The mass support generated by the Townsend and Hamm and Eggs

\(^{169}\) Starr, *Endangered Dreams*, 130-37, 203-211. Ham and Eggs differed with the Townsend movement on two key points—the cut off age being fifty instead of sixty, and only the unemployed would be eligible.
movements were decisive in securing the passage of the Social Security Act and in expanding and increasing its coverage in post-World War Two America. Likewise, the Technocratic and Utopian Society of America’s popularization of national planning provided further legitimacy for increased regulation of the American economy under the New Deal. Moreover, and crucially, these movements did not receive the same level of business opposition as labor unions because it was not obvious how they would impact the interests of business owners.

The success of the *Los Angeles Times* and the Merchants Manufacturers Association in crushing unions not only transformed the Los Angeles labor movement, forcing it into utopian directions and without the leadership of labor unions; it also produced a political culture among Los Angeles business owners that allowed them to not view utopian initiatives as a political threat. In other words, the vigilance and ultimately the success of Los Angeles employers in maintaining the open shop for two generations, from the 1870s to the 1930s, shaped the world-view of employers no less than workers.

The alliance between Los Angeles business owners and the Self-Help Cooperative Movement was made possible by this shared preference for a utopian, grassroots response to the Great Depression. In the 1910s and 1920s utopian experiments in Los Angeles, like the Llano del Rio commune, started by Job Harriman, were fringe operations that did not attract mass support. Most workers had no reason to pay attention


171 John Laslett, *Sunshine Was Never Enough: Los Angeles Workers, 1880-2010* (Berkeley: University Of California Press, 2012), chapter 1; Perry and Perry, *A History of the Los Angeles Labor Movement*, 3. This reference is for the dates—1870s to the 1930s. Neither of these works make the argument that L.A. employers did not see anti-statist, utopian initiatives as a major political threat.
to these experiments, because they did not need them. Private employment, however oppressive, was sufficient. However, the Great Depression changed the equation. Faced with an inadequate public welfare and private employment, as well as the lack of union leadership, the unemployed of Los Angeles decided to give utopianism a try and on a mass scale. Businesses, fearing the rise of a new labor movement or welfare state, were happy to accommodate them.

**Conclusion**

In the next chapter I discuss the role of the 1934 California gubernatorial campaign and the End Poverty in California (EPIC) movement in shifting the discourse and public perception of the cooperative movement. The EPIC movement accomplished in language, theories, images, and abstractions what the Self-Help Cooperative Movement could not accomplish in all of its radical actions and opposition to Los Angeles businesses: it generated intense opposition from the business class. In contrast to its earlier support, Los Angeles businesses spent the rest of the decade opposing the cooperative movement and by the end of the 1930s they played a major role in destroying it.
CHAPTER IV

FACTIONAL INFIGHTING, THE EPIC SHIFT, AND THE COLLAPSE OF
POLITICAL SUPPORT: CRITICAL TURNING POINTS IN THE COOPERATIVE
MOVEMENT, 1933-1934

The mass phase of the Self-Help Cooperative Movement (SHCM) lasted for two years, from the summer of 1931 to the summer of 1933. Facing mounting hardships and inadequate responses from local, state, and federal leaders, the unemployed flooded into the movement. It was during this period, before the introduction of the New Deal work programs, that the leaders of the SHCM had their best chance to institutionalize the cooperatives. This two-year period was their window of opportunity to make cooperatives, and the slogan “production for use, not for profit”, the response to the Great Depression in Los Angeles and California.

Despite generous support from the Los Angeles business class, from local, state, and federal agencies, and partially successful efforts to overcome white supremacy and build a movement that actively recruited and involved people of color, the early leaders were still unable to unify the movement. Their failure to do so meant that when the New Deal money began flowing to the states, they were not in a position to demand that it flow to the cooperatives. This failure was due, in part, to the success of conservatives in sowing divisions within the movement. Conservative generation of anti-communist and racist rhetorics and identities played a role in undermining the cross-class and cross-racial solidarity that made the mass phase of the movement possible between 1931 and 1933. However, that is only part of the explanation.

The other part is the failure of the leaders of the SHCM, and other social
movements centered around Los Angeles during this period, to successfully counter this conservative opposition. They failed to do so because successive waves of movement leaders were repeatedly torn apart by ideological infighting. The leadership of the movement passed through several stages and groups throughout the 1930s. The initial leaders came from the Self-Help Cooperatives themselves. Largely unknown local organizers like Pat May, C.M. Christofferson, E.J. Krueger, Bob Rogers, and Frances B. Kroese led the movement from 1931 to 1933. This initial group of leaders split apart as a result of ideological disagreements and power plays.

The split opened over what direction to take the movement. The cooperatives became divided between those who wanted to focus all of their energy on “political protest”, electoral politics, and the New Deal and those who wanted to focus on movement building, organizing new cooperatives, and “prefigurative politics”. This group spent the summer of 1933 undercutting and maneuvering each other out of power, forcing the movement into opposing factions and driving away both the rank-and-file and leadership in the process.

It was in this environment that the second group of leaders, Upton Sinclair and the End Poverty in California (EPIC) movement, emerged and took over the movement. While the Self-Help Cooperatives did not formally endorse EPIC, the cooperatives, and other Los Angeles-based social movements, formed EPIC’s political base. Sinclair and other EPIC leaders asserted control over the movement in the summer of 1933 just as the previous group was walking away from the cooperatives—disillusioned with infighting. EPIC, arriving as it did at the same time as the New Deal work programs, sought to redirect the New Deal in California away from what they saw as fiscally wasteful public
works projects towards worker cooperatives that would only produce what the unemployed needed—e.g., food, clothing, shelter, and other necessities. Unlike the SHCM, EPIC set out to both build up the cooperative movement and to destroy capitalism. In doing so, it antagonized the California business class, which previously did not view the SHCM as a threat to their interests. The EPIC movement eventually collapsed as a result of overwhelming business opposition and later, like the original leaders of the SHCM, from infighting and petty power plays.

The internal dissension and factionalism produced by this infighting meant that, unlike the Labor Union Movement, for example, the cooperatives failed to leave a lasting institutional mark on the post-war economic and political structures of California or any other state; and worker and consumer cooperatives would not again be considered as serious alternatives to corporate capitalism until the 1960s and 1970s.

**The Unemployed Cooperative Relief Association and the Mass Phase of the Movement**

The single most important organization of the SHCM was the Unemployed Cooperative Relief Association (UCRA), an organization formed in July of 1932. The individual cooperatives, or units as they were called, remained autonomous, turning to the UCRA to help organize new cooperatives, represent the cooperative movement as a whole when dealing with state agencies, businesses, and farmers, and coordinating inter-cooperative activities (e.g., organizing marches, exchanging goods, information, and etcetera). The UCRA consisted of two delegates from each unit, who met every week  

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to exchange “information, ideas and methods.” Because of its massive numbers and presence in Los Angeles, the UCRA was successful in generating public support for the cooperatives during this early period. As discussed in chapter 3, it regularly and successfully petitioned local businesses for material support. When this support was not forthcoming, when the petitions failed, they turned to mass demonstrations, direct action, and appropriation. They used these same tactics to force material concessions from the state as well.

The UCRA, for example, successfully presented a petition to the Los Angeles County Board of Supervisors to obtain free gasoline and oil—“the lifeblood of the movement”—for the individual units. Arguing that they were saving taxpayers money, by staying off the County relief rolls, the Board of Supervisors responded by approving $10,000 and establishing the Los Angeles Food Administration, a division of the Los Angeles County Welfare Department. This provided enough gasoline and oil for the units to get their fleet of trucks to and from the Japanese farms, and there was often enough leftover “for friends of the manager to fill their tanks at night.”. When the city tried to cut off the flow of gasoline and oil to the cooperatives a few months later, mass protests were staged and the services were continued.174

In addition to supplying free oil and gasoline, and later free specialized license plates, the UCRA convinced the County Welfare Department to pay for the public utility bills—for electricity, water, and gas—of their headquarters. They also put pressure on local governments to prohibit home evictions of all unemployed workers and to prevent

173 Ibid., 128, volume 1.
public utilities from the “...shutting off of gas, lights, and water in homes of unemployed workers.”175 In addition to petitions and mass demonstrations, the UCRA also took direct action. They circulated leaflets that urged people to “STOP EVICTIONS OF THE UNEMPLOYED, Solidarity and Unity Can Do It Now.”176 The UCRA placed stickers on utility meters, automobile windshields, and in house windows reading: “PROTEST AGAINST CLOSING of Gas, Water and Electric of our people” and “Don't turn this water off by order of the Unemployed Cooperative Relief Association.”177 When this failed to get results, the cooperatives turned to forcible resistance. Those in the movement urging that “We should wait for the government to take action” were eventually won over by more radical members who argued that “We have tried all other methods and they have failed us.”178

The Cooperatives elected “home guards” and “huskies”—i.e., large men—to lead the resistance to the evictions. At least a dozen units were able to keep their evicted members in their homes through the use of force and in one case fourteen units worked together to keep one family in its home. These tactics were popular during the winter especially. For example, thirty-seven members signed a petition at a UCRA meeting in February 1933 indicating their willingness to go to jail, if need be, to keep the unemployed in their homes and with all of their utilities. There exist no official statistics that might indicate the relative success of these actions. We have to rely on anecdotal

175 Unemployed Cooperative Relief Council of California., et al, Box 1, Folder: Reports and Accounting (B), “Resolution For Unemployment Relief in Cash”, As noted in the previous chapter, these headquarters were donated, rent free, by private businesses.
176 Kerr, “Productive Enterprises”, 141.
177 Ibid., 141, 142, volume 1.
178 Ibid., 142, volume 1.
accounts. One indication of the popularity of this tactic is that the manager of just one unit reported that his “eviction committee” kept 40 to 50 families housed and kept on the water and gas of over 200 people during this period.\textsuperscript{179} While communists were most likely in all of the units, and played a role in slowly pushing the units to take more radical actions, the average unit member, like the average union member, never veered far from mainstream institutions or traditions. As one unit manager put it, “I am not a Red or a Bolshevik. I believe in law and order, but only as long as it places the value of a human life ahead of that of an old shack or shanty.”\textsuperscript{180}

During these early years, before the New Deal Work programs and before many political and economic leaders were sure how to adequately respond to the Great Depression and mass unemployment, the Self-Help Cooperative Movement attracted many people in Los Angeles, and elsewhere, who did not identify with radical groups like the Communist Party, but who nevertheless needed some kind of organized response to their collective problems. As the manager says above, these were people who valued “law and order” but only if it did not leave them homeless and starving at the end of the day. With political leaders still scrambling to recognize, let alone, adequately respond to the severity of the crisis in the early 1930s, organizations like the SHCM were able to attract hundreds of thousands, and nationally millions of members.

The leaders of the movement during this period were able to channel that energy into concrete gains for its members—e.g., keeping people in their homes, with all of their

\textsuperscript{179} Ibid., 142, volume 1.
\textsuperscript{180} Ibid., 144, volume 1. This manager, Haddon, was half-white and half-Native American, and Kerr describes him as a “half-breed”. While he was not a communist, he worked very closely with communists to push the units in a more radical direction.
utilities, and with food—and were able to generate widespread support, coordinating state agencies, the business community, and local farmers to accomplish these ends. Thus, with the election of FDR and the arrival of New Deal money and support in mid-1933, the leaders of the SHCM found themselves in a position to demand that the cooperatives receive a share of that money and support. However, at the very moment when the SHCM most needed a solid and unified leadership, it was torn apart by ideological disagreements over the future of the movement.

The Arrival of the New Deal, Internal Fights, and the End of the Mass Phase of the Movement

The most important governing body within the UCRA was the County Council, an executive board which held weekly meetings, open to the public. The County Council was critical in building the SHCM and later in tearing it apart. The most influential members and the original organizers of the County Council were “…Chris Christopherson, a Mormon carpenter, who had been secretary of a Rochdale Cooperative in Salt Lake City, Bob Rogers, skilled factory worker and later a CIO organizer; Ernie Krueger, railroad conductor, Commander of the Legion in a North Dakota town, and candidate for a state office on the Democratic ticket in North Dakota; and Pat May, reputed former I.W.W. and union organizer, saw the possibilities of power in the organized strength of the units.”181 Under the leadership of these “four horsemen”, the UCRA organized new cooperatives with a “missionary zeal.”182 Half a dozen organizers established new groups throughout California in the Fall of 1932. Their slogan and goal

181 Ibid., 125, 136, volume 1. In his dissertation Kerr placed quotation marks around their first names. I’m not sure why he did that, maybe it was a convention to do so at the time when referring to someone’s nickname. Either way, I removed them.
182 Ibid., 125, 129, volume 1.
was to “organize every man, woman, and child in the State.”\textsuperscript{183} Early on they made the critical decision to include \textit{all} unemployed workers in the UCRA, regardless of their background. This included all occupations—from San Pedro Longshoremen and Torrance steel-mill workers to Hollywood Artists—and all races. Black and Mexican units were admitted with full voting rights, under the slogan: “no race, no creed, no color distinctions.”\textsuperscript{184}

The pursuance of these policies by the County Council led to the rapid growth of members and units in 1932 and early 1933.\textsuperscript{185} Under the leadership of this first group the UCRA became one of the largest organizations of the unemployed in the 1930s. The movement peaked in membership from this period, late 1932, to the implementation of the Civilian Conservation Corps in June of 1933. Over a hundred thousand “family heads” in Los Angeles directly benefited from the movement from 1932 to 1938, with the vast majority involved in the movement before the introduction of the New Deal. This means that several hundred thousand, and perhaps as many as a million, people in the Los Angeles area either directly or indirectly benefited from the SHCM.

Christopherson, Rogers, Krueger, and May were initially united by the desire to expand the movement and to prevent outside groups from taking it over—including leftists, e.g., communist groups, and conservatives, e.g., veterans groups. By early 1933 these threats had been thwarted, and they then proceeded to turn on each other. They split over ideological differences, over the future direction of the movement. The split, one that plays out in many social movements, was between what Barbara Epstein called

\textsuperscript{183} Ibid., 129, volume 1.  
\textsuperscript{184} Ibid., 166, volume 1.  
\textsuperscript{185} Ibid., 166, volume 1.
“political protest and cultural revolution”. Christopherson, Rogers, and Krueger were advocates of cultural revolution. As Krueger put it, “I believe our organization has a well defined place in the society of to-day and I further believe that that place can be made secure and strong by working with and through constituted authority and the present tottering economic regime.”

They contended that the future of the cooperative movement lie in building actual cooperatives. To that end they fought to avoid radicalism, stay out of politics, and keep the movement mainstream. Pat May, whose IWW background was far more radical than the other three, thought the focus of the movement should be political: building up a political movement strong enough to control, or at least significantly influence, the direction of the New Deal in California.

What they could agree on was the necessity of expanding the movement beyond Los Angeles and building a genuinely state-wide cooperative movement. To this end, a state-wide council was formed to coordinate this drive, and six state-wide conventions were held in 1932 and 1933 to firmly unite the Northern and Southern California units. It was at these conventions that the leadership conflicts played out, conflicts that destroyed the movement by June of 1933, at the precise moment when they needed to be united if they hoped to influence the direction of the New Deal in California.

The first three conventions, held in Fresno, San Jose, and Los Angeles were successful events. Each one attracted greater attendance, media coverage, and political interest than the last. The momentum began to ebb beginning with the fourth convention in Oakland, in April of 1933. It was at this convention that the leadership conflicts, originating with the Los Angeles leaders, began to adversely affect the development of

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186 Letter to Frances Kroese, 10 June 1933, Unemployed Cooperative Relief Council of California, et al.
the state-wide movement. The conflicts between Christopherson, Rogers, Krueger, and May escalated only a month before the Oakland convention, in March of 1933, when Rogers and Krueger were accused by May of accepting bribes from the Citizen's committee and the local County Welfare Office, and were then repudiated by a committee controlled by May. Rogers left the UCRA, and Krueger decided to leave Los Angeles for San Francisco to find work and to organize units in Northern California, where the movement was far weaker than in the South.\textsuperscript{187}

The Oakland meeting ended in a stalemate. While the Northern movement was far weaker than the South, between the units in Oakland and San Francisco, and his remaining support in the South, Krueger managed to avoid a recall from his position as head of the state-wide UCRA. The recall, pushed by May, ostensibly had to do with Krueger “hob-nobbing” with politicians. It was also at this convention that Christopherson was maneuvered out of his position as Chairman of the Los Angeles County Council. As Krueger put it in a June 1933 letter to Frances Kroese, another influential leader in the movement who appears to have steered clear of the leadership battles, “…it is quite apparent to anyone who takes the trouble to see that the organization is rapidly approaching the cross-roads of its existence.”\textsuperscript{188} The splits within the Los Angeles leadership, already fractured during the Oakland convention, “ruptured” at the next state-wide convention in San Francisco. To continue Krueger’s metaphor, the San Francisco convention took the wrong turn.

The San Francisco convention, held in July of 1933, signaled the end of the

\textsuperscript{187} Kerr, “Productive Enterprises”, 172, volume 1.

\textsuperscript{188} Letter to Frances Kroese, 10 June 1933, Unemployed Cooperative Relief Council of California., et al.
campaign to create a powerful state-wide SHCM and it was the beginning of the end of
the SHCM in general. In an attempt to reassert control over the movement, Krueger
called the convention and then invoked a technical rule passed by the previous
convention—that no unit be seated that has not made monthly reports to the State
Secretary—to prevent the recognition of Los Angeles delegates controlled by May. The
unrecognized Los Angeles delegates were ejected from the convention hall. Immediately
afterwards, May called for a “rump convention”, which was held a few doors down and
declared itself the official convention and leadership of the state-wide SHCM.

This is how the San Francisco convention ended, with the delegates focusing all
of their time and energy on power plays and political maneuvering, trying to determine
who will control the future of the movement. “…Hour after hour, yes, day after day the
time went without accomplishment other than discussion on minute technicalities
regarding seating of delegates—“jockeying for power” as it was termed by one disgusted
delegate.” 189 Not long after the convention, many of the movement leaders saw the
writing on the wall, so to speak. In a letter to E.J. Krueger two weeks after the
convention, Chris Christopherson stated:

In so far as the morale in the unemployed movement in Los Angeles goes, the
machine is operating but very much as a machine, and not as a group of human
beings. Therefore it is only a matter of time until valves and bearings, not being
of the ball-bearing type, and because the oil is leaking out very fast, will burn
out—unless I am badly mistaken, and if I am mistaken on this point, “it would be

189 Letter from UCRA Executive Board to All Units, Unemployed Cooperative Relief
Council of California., et al. The letter is undated, but was probably sent not long after
the San Francisco Convention, but before the end of July 1933.
the first mistake I ever made in my life.”

This posturing not only produced cynicism within the movement, leading some of the best units, members, and leaders to withdraw from the movement all-together, but, critically, political leaders in Sacramento and Washington, facing a fractured, rather than a united movement, felt less pressure to direct resources towards the cooperative movement—in contrast to the gains made by industrial unions and agricultural cooperatives and farmers during this same period, for example.

Pat May called another state-wide convention in January of 1934, in San Jose, in one last attempt at building a strong state-wide movement. May's Los Angeles delegates were numerous enough to dominate the convention, but the ideological split which caused the rift within the leadership remained and was not resolved at the convention. The movement remained split between those that sought to avoid politics, at this point led by the San Francisco and northern cooperative units, whose goal was to live the cooperative movement and spread the practice of production for use as far as possible through this prefigurative practice, i.e., those who sought a “cultural revolution”; and those who thought all of their efforts should go into controlling the disbursement of federal New Deal relief money in California, focusing their activities on “political-relief” and state politics. This division, previously only ideological, but with May in charge of the Southern California units and Krueger’s influence on the already pre-figurative

190 Letter from Christopherson to Krueger, 26 July 1933, Unemployed Cooperative Relief Council of California., et al.
191 As Frances Kroese put it, “My interest in the whole farce of unemployed organization has died a natural death” (Letter to Krueger, 26 Aug 1933, Unemployed Cooperative Relief Council of California., et al.). UXA, one of the most important units of the cooperatives, withdrew from the state-wide organization as a result of these leadership conflicts at the conventions.
politics orientation of the Northern California units, became a geographical split. These splits within the leadership generated at the previous convention in San Francisco were not resolved at this San Jose Convention—which proved to be the last state convention of the movement.

The leadership conflicts occurred at the top levels of the movement, but the divisions generated during this period filtered down to the individual units, to the rank and file, as well, leaving them disillusioned with the movement and looking for alternatives. The most active members began leaving the cooperatives during this period.\(^{192}\) As I note in chapter 2, the number of active members, those most involved and committed in keeping the cooperative movement going, decreased from 31,900 in March, to 26,350 in May, and dropped again to 21,000 in June of 1933.\(^{193}\) This amounts to a one-third drop in active membership. During this same period, the number of cooperative units in Los Angeles County increased from 110 in March to 128 in July of 1933—a one-sixth increase.\(^{194}\) While some of this increase was from new units starting in places where previously there were none, the majority of the increase came about as a result of factional splintering. For example, one group in East Los Angeles had four units develop out of it and one in Monterey had five develop from it—both without

\(^{192}\) Kerr, “Productive Enterprises”, 26, footnote 1, volume 1. He provides an explanation for the difference between active membership (sometimes referred to as “active families”) and registered members: “Active members” is used to signify the number reported to have retained active status by working during the month, withdrawing compensation or attending meetings; but in general it indicates the number which actually worked. "Active member" is not synonymous with "registered member." There usually was only one member to a family”.

\(^{193}\) Ibid., 233-234, volume 1.

\(^{194}\) Ibid., 235, volume 1.
accompanying increases in membership. The average unit membership decreased from 270 in April to 165 in July of 1933. This situation meant that by June of 1933, there were fewer active members in the organizations—these persons either gained jobs in private employment or gained public employment with Los Angeles county and were later absorbed into the New Deal work programs—and those that remained in the movement were now spread out into more units divided along ideological lines.

The timing of the failures of the San Francisco and San Jose conventions proved disastrous for the Self-Help Cooperatives as a mass movement. The disintegration of the state-wide movement in July of 1933 overlapped with the beginning of the New Deal programs. The lack of leadership within the movement, as a result of these power struggles, opened the movement to federal leadership. In a letter from E.J. Krueger to Frances Kroese on August 3, 1933, Krueger explains the new dynamics of the movement:

I held several interesting meetings while in the South [of California], at which time our attitude toward the Wagner-Lewis Bill and its effect on our organization was taken up and thoroughly discussed…the FERA is going to deal directly with the smaller units rather than with the larger or central group. This is done for various reasons, chief among them is that there is so much dissension and dissatisfaction among the leaders of the organization. Also, there is no direct representative body of the entire group which can be chosen as spokesmen…the Government is right…the dissension so rampant within our organization is the

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195 Ibid., 235 volume 1.
196 Ibid., 235, volume 1.
cause of this more or less arbitrary action on the part of the Government.\textsuperscript{197}

The arbitrary action Krueger refers to is the government going around the umbrella organizations like the UCRA and the leadership, and instead dealing directly with the individual units and members. Without groups like the UCRA to speak on behalf of the entire movement and collectively make their demands to the government, the cooperative movement was forced to follow the leadership of the federal and state agencies regulating them. Unlike the pre-New Deal era, they no longer possessed the leadership or mass numbers to force state actors, and business leaders, to listen to their demands.

Had the New Deal programs began a year earlier, or even six months earlier, the cooperatives, still unified and still one of the largest movements of the unemployed in the country, would have been powerful enough to both divert massive amounts of New Deal money into cooperative infrastructure—i.e., buying buildings and machinery outright—and maintain the growth and spread of the movement. However, the opposite occurred. Instead of controlling the New Deal, the New Deal controlled the movement. The rank-and-file of the cooperative movement were immediately syphoned into the Civilian Conservation Corps (CCC) and other New Deal programs. By the end of 1933 the SHCM was a shell of its former self.

\textbf{The EPIC Shift in Discourse and Business Opposition}

At the exact same time that the Self-Help Cooperative leadership splintered, when the movement was falling apart and the members were being syphoned into the Civilian Conservation Corps and other New Deal Programs, the End Poverty in California (EPIC) movement was gathering momentum and eventually took over the leadership of the

\textsuperscript{197} Letter from E.J. Krueger to Frances Kroese, 3 Aug 1933, Unemployed Cooperative Relief Council of California., et al.
cooperative movement. The EPIC movement stepped into the leadership void left by the initial group of cooperative leaders. Led by novelist and activist Upton Sinclair, the goal of the EPIC movement was to end the Great Depression in California—and later in other states—through systematic state support for cooperatives. This plan generated enormous support within the cooperative movement, especially in Los Angeles.

To implement this plan, the EPIC movement sought to elect its members to state office in the 1934 state elections, with Upton Sinclair as the nominee for governor on the Democratic Ticket. As a result of intense opposition from Republicans and their business supporters, Roosevelt’s decision not to endorse Sinclair, unlike every other gubernatorial candidate running that year, and opposition from the Democratic Party in general, Sinclair narrowly lost the 1934 gubernatorial elections—even though many other EPIC-supported Democratic candidates did win. But his brief leadership of the cooperative movement had long-term effects on both the cooperatives in the 1930s and California politics in the post-WWII era.

Scholars looking back at the EPIC movement have lamented its failure, viewing it as a lost opportunity for socialism to gain a foothold in a major American state. However, they fail to examine the complex relationship between EPIC and the SHCM. Most EPIC scholars mention the SHCM only in passing, as little more than a prelude to EPIC. Those that do discuss the connection between the two movements make the mistake of treating the EPIC movement as the natural extension, the political arm, of the SHCM.

Failure to understand the relationship between the SHCM and the EPIC has grave consequences for their analyses. Without paying serious attention to the SHCM, the
conclusion reached by these studies is that the Los Angeles business class opposed EPIC because it was the “high tide of radicalism in the United States.” What Greg Mitchell’s *Campaign of the Century*, and several other studies of the EPIC movement, beginning with Upton Sinclair’s *I, Candidate for Governor, or How I Got Licked*, fail to ask is: why did the Los Angeles business class mobilize against Upton Sinclair’s candidacy and the EPIC movement to begin with? Why didn’t they support the EPIC movement, just as they were then supporting the SHCM?

The reason is that the EPIC movement presented a new interpretation of the cooperative movement, one deeply rooted in anti-capitalism and state socialism. EPIC self-consciously modeled itself on the SHCM except in four crucial aspects. First, EPIC had very different understandings of race than the early cooperative leaders. Unlike the Self-Help Cooperative Movement, Sinclair and the EPIC movement did not prioritize racial inclusivity. As Greg Mitchell notes, in his detailed history of the EPIC movement and every single person and event connected to it, “Sinclair did not court a black following; Negroes, he said, should support EPIC simply because, as the poorest citizens, they had the most to gain. In many areas, the End Poverty League directed blacks to form their own EPIC clubs rather than integrate existing chapters.” Part of Sinclair’s aversion to race was his Southern identity and its connection to the Democratic Party. He declares that he was “born” a Democrat, and takes pride in the actions of his ancestors, who were also Democrats; ancestors such as “Captain Arthur Sinclair, commander of a

U.S. naval vessel that forced Japan to open to the Western World.**200**

In arguing for cooperatively owned farms for the unemployed or “land colonies”, Sinclair gave a nod to nativist groups like The Native Sons of the Golden West, whom, like many California politicians, he openly endorsed. Sinclair criticized large-scale industrial operations that “…work Chinese, Japanese, Hindus, Filipinos, Mexicans, and other kinds of foreigners, under what amounts to peonage. I propose a third kind of agriculture.”**201** In this third kind of agriculture, state-financed and supervised land colonies, it’s not clear if these groups specifically would be included, he only promises to make these farms available to “every unemployed man and woman in the State”.

Sinclair, who ran for office in California three times previously on the Socialist ticket—the US Senate in 1922, and for governor of California in 1926 and 1930—was not committed to white supremacy but neither was he committed to racial justice.**202** Rather, he was a socialist, deeply committed to building a common class movement unconnected to race.

EPIC leaders were also at the forefront of calls to intern Japanese Americans. Months before the attack on Pearl Harbor, Culbert Olson, one of the top leaders of the EPIC movement, who was elected to the California State Senate in 1934 as an EPIC-Democrat, and elected governor in 1938, publicly questioned the loyalty of Japanese Americans. Speaking before the JACL and the Japanese Consul in Los Angeles, he urged them to demonstrate their patriotism by rooting out and exposing traitors in their

**200** Upton Sinclair, *I, governor of California, and how I ended poverty; a true story of the future* (Los Angeles, Calif, 1933), 1.

**201** Ibid., 14.

midst. After the attacks on Pearl Harbor, Olson closed ranks with Los Angeles’ liberal Democratic reform mayor Fletcher Bowron, liberal Republican (and future Governor and Chief Justice of the Supreme Court) Earl Warren, and most U.S. Senators and Representatives from the West Coast, and pushed for the internment camps.²⁰³

However, there were notable exceptions; some of the former leadership of the cooperative movement opposed the camps. Sheridan Downey, Upton Sinclair’s running mate and failed candidate for Lieutenant Governor in 1934—the team was referred to as “Uppie and Downey”—who despite this was elected to the U.S. Senate in 1938 with strong backing from elderly Californians who supported the Townsend and Ham and Eggs Movements (and despite opposition from the Roosevelt Administration), used administrative ploys to put pressure on the Roosevelt Administration to speed up the closing of the internment camps.²⁰⁴ George Knox Roth, who carefully documented the movement in the early 1930s as both a participant, leader, and a Master’s Student at the University of Southern California, also opposed the internment camps. During the Second World War Roth became “…a Los Angeles radio broadcaster who devoted himself so dearly to defending the constitutional rights of Japanese Americans that he was removed from his program.”²⁰⁵

Second, EPIC proposed to use the power of the state to build up the SHCM. Instead of building the cooperative movement through alliances with multiple


institutions—i.e., businesses, farmers, and state agencies—Sinclair proposed the establishment of state-operated farms and factories. As outlined in his book, *I, Governor of California, and how I ended poverty; a true story of the future*, “These colonies will be run by the State under expert supervision.” For the unemployed who have no interest or skills in farming, they would work in state financed and supervised factories. The state would acquire them by purchasing “idle, or half idle” factories from their owners.

Third, EPIC explicitly sought to use the cooperative movement to challenge and eventually overtake capitalism. EPIC’s cooperative system would be financed by the state and would thereby undermine “private industry, by withdrawing the hundred million dollars a year which the state is now paying the unemployed, and which they are spending for goods.” In a national radio address, he proclaimed, “We confront today the collapse of an institution which is world-wide and age-old...Capitalism has served its time and is passing from the earth.” The system to replace it would be state socialism.

Once the land colonies and factories were established and strong enough to stand on their own, the state would relinquish supervision and they would become “free, self-governing institutions, democratically managed by their members.” Sinclair’s book, and the EPIC movement it spawned, was a mass media phenomenon, becoming the best-selling book in the history of California at the time. However, the book, the EPIC

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207 Ibid., 15.
208 Ibid., 16.
210 Sinclair, *I, Governor of California, and How I Ended Poverty*, 59-60. For “widows and orphans and the sick and incapacitated” and the elderly, persons over sixty years in age, they would be taken care of through increased taxes on corporations, public utilities, and the personal assets of the wealthy (Ibid, 18).
movement, and the business class’s response during the 1934 gubernatorial campaign collectively produced a discursive shift in the public’s understanding of the SHCM which led to its marginalization and eventually disintegration by the end of the 1930s.

**The Business Response to EPIC: From “Self-Help” and “Cooperative” to “State Socialism” and “Communism”**

The anti-EPIC campaign, managed by political consultants, mass media executives, and public relations firms, with the unpopular Republican gubernatorial candidate and incumbent Frank Merriam pushed to the background, centered its strategy against Sinclair and the EPIC movement on a basic, recurring theme: fear that the state would be captured by a socialist movement. This propaganda campaign is well captured in the literature on EPIC, and this literature has consistently noted the campaign strategy to conflated EPIC with communism. The anti-EPIC propaganda blitz encompassed newsreels, newspapers, radio, billboards, posters, leaflets, and other mass media. It was not only unprecedented in its scope and costs, but in its willingness to bend the truth beyond recognition.

The most infamous advertisements of the entire campaign were the fake “man on the street” newsreels commissioned by Louie B. Mayer, head of MGM and president of the California Republican Party. They were the first “attack-ads” ever produced and, perhaps more than any other feature of the anti-EPIC campaign, glimpsed the future of election campaigns. These fake newsreels—made on a studio lot at MGM, but presented to the public as authentic—feature an unseen talking man behind a camera

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interviewing people on the street at “random.”²¹² People who stated their intention to vote for Frank Merriam, the Republican candidate, were portrayed as simple folk who were just smart enough to know that their interests lie with private businesses and not with Sinclair’s proposed land colonies and collectively owned factories. Those who stated their intention to vote for EPIC and Sinclair were portrayed as confused, dubious, and dimwitted. With few exceptions the differences between these two groups were subtle but apparent.

In two of the scenes, Sinclair supporters directly state they are voting for him because EPIC will bring communism to California. In the first, a cordial white working-class man with a mainstream accent cheerfully states, “He's the author of the Russian government. It's worked out well there and I think it'll work here.”²¹³ This scene fails to convince because it lacks the subtly and sophistication of the other scenes; it ventures just beyond what is believable, what someone would actually say to a random reporter on the street corner. Moreover, the character is too personable, too likeable to actually scare people away from communism; this scene could be reused by the Communist Party USA to sell communism to Americans.

However, MGM did produce one newsreel which was both over the top and believable. This newsreel shows a disheveled and surly man just hopping off a train with a thick Russian accent telling the cameraman he is voting for Sinclair, because “communism worked in Russia and it will work here”. Unlike the previous newsreel, this


²¹³ This remark apparently has some truth to it. Apparently, some government officials in the USSR were influenced by some of Sinclair’s writings.
one invoked fears and anxieties already at work in depression-era Los Angeles. First, unlike the mainstream white worker in the previous newsreel, this one shows a man, dressed like a “bum”, hoping off a train during a time when Los Angelenos became increasingly worried of the hundreds of thousands of “Oakies” and “Arkies” entering the state from the Midwestern United States. They became so fearful that the Los Angeles police department set up a “bum blockade” a few years later, in 1936, in which armed police officers set up check points along the California border—along Oregon, Arizona, and Nevada—and made regular sweeps across Los Angeles to detain and deport poor white migrants. They “were given the option of forced hard labor in a rock quarry or deportation over the State line.”

Similar to the rationales used in the forced deportations of Mexican-Americans and Filipino-Americans during this same period, conservatives promoted the idea that white migrants would intensify job competition and become a drain on an already overburdened municipal welfare system.

The thick Russian accent added another dimension to the fear of foreign invaders, drummed up throughout the 1930s and reaching its peak with the internment of Japanese-Americans from 1942-1945. Fears of a communist take-over resonated with Californians, and Americans, in 1934 especially; a year that witnessed the San Francisco General Strike, widespread strikes and vigilante violence in the fields of Southern California, in addition to union organizing and industrial violence in other parts of the country—e.g, in Toledo, OH and Minneapolis, MN. As with other propaganda produced during this campaign, the Los Angeles business class responded to Sinclair’s threat to use

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214 It’s not clear how they patrolled the Oregon border.
the cooperative movement to challenge and eventually overtake private enterprise by conflating cooperatives with communism. This stands in stark contrast to their earlier understandings of the cooperative movement, as laid out in the *Los Angeles Times*, as the finest example of “Americanism”.

Sinclair and successive students of EPIC have portrayed the EPIC movement and the 1934 California gubernatorial campaign as a populist crusade, and its failure the result of an unprecedented right-wing propaganda campaign financed and overseen by the business class. However, contemporary activists and researchers of the Self-Help Cooperative Movement viewed the EPIC campaign very differently. Constantine Panunzio, an Italian immigrant to the United States, anti-fascist activist, professor of sociology at UCLA, and student of the cooperative movement, put it thus: “...although the intention of those who drew the Cooperatives into state politics undoubtedly was good, that move put the Self-Help organizations in a false light and created a widespread opposition.”

Private businesses now “…saw communistic spooks in these organizations when they were injected into state politics.” Panunzio continues, “Conservative elements which had merely looked askance at self-help units now saw a real danger lurking in them...the moment they were brought into the political arena, many saw in the self-help organizations the forerunners of “Communism.”

Not only business support, but also state support began to wane after the anti-EPIC campaign. As Clark Kerr—a doctoral student who spent the entire 1930s studying

the Self-Help Cooperatives and other movements, working for the California Division of
Self-Help Cooperatives within the State Emergency Relief Administration, and as an
activist within the movement, living, working, and organizing with them—puts it,
“Political interest also injured the self-help production program by labeling it "Epic,"
which was synonymous with "socialism" to many people. This later influenced some
state and Federal officials to refuse assistance.”

Once again, Panunzio adds, “So, the
heated campaign of 1934 was party directed against the cooperatives…later both State
and Federal government agencies, evidently prompted by political pressure, placed
stumbling blocks in the way of the functioning of the self-help units.”

Far from being “nothing less than a revolution in American politics” and the
“high tide of radicalism in the United States”, contemporary scholars familiar with the
SHCM saw the EPIC movement for what it was: the unnecessary alienation of friends
and the creation of enemies when before there were none.

While there was a great deal
of support for EPIC in the SHCM, among the unemployed, EPIC’s leadership of the
cooperative movement nonetheless proved to be its undoing. Sinclair’s reworking of
previous understandings of the cooperative movement, from a common-sense response to
the Great Depression whose politics could not be easily defined and whose goals were

Taylor, were both active in various movements in California at this time—as participants
and researchers. Kerr also worked in the Division of Self-Help Cooperatives for a time,
and was part of a group that successfully pushed for more consumer cooperatives in the
Bay Area—the cooperatives movements in the 1960s and 1970s were, in part, made
possible by these efforts. Later in life, Kerr, as President of the University of California
system, would oppose the Berkeley Free Speech Movement in 1964. Ironic, since as a
student himself he fought these same battles—he spent years living and working with the
Self-Help Cooperatives.

220 Panunzio, Self-Help Cooperatives in Los Angeles, 110.

221 Mitchell, The Campaign of the Century, xii.
complementary to private businesses, to an antagonistic challenger to private businesses whose stated goal was the abolition of capitalism, unnecessarily alienated a business class that was previously eager to support the movement. The propaganda campaign aimed at cooperatives in the 1934 elections by the Los Angeles business class reflect fears originally generated by EPIC.

The Aftermath of the 1934 California Gubernatorial Election

There were two immediate political effects, with long-term consequences, that resulted from the 1934 gubernatorial campaign in California. First, even though Upton Sinclair lost the governor’s race, other EPIC candidates still won dozens of seats in other elections. “Of Los Angeles County’s thirty representatives in the state assembly EPIC had elected eighteen; in the remainder of the state, six. Two EPIC endorsed candidates for the state senate had been elected. One of them, Culbert Olson, from Los Angeles, was elected governor four years later.”222 Instead of working to create a new and separate system of land colonies and worker-owned factories, as the EPIC candidates campaigned on, they instead pushed through bills, all of them failed, to increase relief funding for the existing cooperatives throughout the 1930s. The bills sought to create the EPIC system out of the existing self-help cooperative infrastructure. They were supported by, and often written by, supporters within the California Division of Self-Help Cooperatives.223

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223 The leaders of the Division of Self-Help Cooperatives consistently denied that they were either supporters of EPIC or trying to implement the EPIC plan. The most important and active leader of this Division, Winslow Carlton, later went on to found the first hedge fund in the United States. He also spent the rest of his life championing cooperatives, pioneered HMOs, and played a role in the passage of Medicare and Medicaid. Carlton was also the inspiration for the protagonist in Sinclair’s 1936 Novel
However, their efforts to generate political support and keep the cooperative movement going was continually blocked by the cooperative movement’s new association with communism.224

While the EPIC movement was, in part, responsible for the decline of the SHCM, it also registered 330,000 new Democrats, pushing both the Democratic and Republican Party closer to the New Deal. It would have been politically impossible for a pre-EPIC Republican to push for state-wide universal health-insurance as Earl Warren did in 1943, two years before Truman proposed a national health-care system, and sixty-eight years before Vermont successfully signed into law a state-wide universal health-care system.225 Governor James Rolph—the longest serving mayor in the history of San Francisco—and his Lieutenant Governor and successor Frank Merriam resisted implementing the New Deal in California. However, Roosevelt, hesitant to endorse Sinclair for governor in 1934, the only Democratic gubernatorial candidate he did not endorse that year, eventually made a deal with Merriam to withhold his endorsement of Sinclair in exchange for Merriam supporting the New Deal programs in California after the election. Merriam, in a radio speech given after the election, stated, “The people of California are progressive…and my election was made possible by the wholehearted and loyal support

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224 Harold Finley, "Is Epic To Be Revived Here?" *Los Angeles Times*, 1938.

225 Apparently Upton Sinclair was one of Earl Warren’s favorite author’s while a law student at the University of California Berkeley from 1912 to 1914, where he also used to visit local bars where he would listen to socialist writer Jack London “talk about his experiences in the far north and the South Seas” (Mitchell, *The Campaign of the Century*, 33). Vermont’s law will probably not take effect until 2017.
of progressives of all shades of political opinion.”

This deal, and California’s cross-filling primary system at the time, significantly reduced opposition to the New Deal in California, paving the way for governor’s like Earl Warren, and later Pat Brown, to push for extensive post-war state planning (e.g., in higher education and freeways) and public works projects.

The 330,000 new Democrats brought into the Party by the EPIC movement were a key part of both Democratic and Republican political coalitions in the post-war era. The old-line conservative Democrats, lead by William McAdoo, who temporarily lost the party to EPIC recaptured the party and with it a new radicalized wing. This became immediately evident in 1938, when McAdoo lost his U.S. Senate seat to Sheridan Downey, Sinclair’s running mate in 1934.  

Ironically, the Los Angeles business class made this increased role of the state possible, by pulling its support from the SHCM and reluctantly supporting the New Deal. Over the course of the campaign, Roosevelt and the

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226 Mitchell, The Campaign of the Century, 534. More on the Roosevelt-Merriam deal: “Meeting with Governor Merriam on 31 October, [James] O’Connor negotiated Merriam’s agreement, in return for Roosevelt’s continued boycott of Sinclair, not to claim his victory as a repudiation of the New Deal. Instead, Merriam would describe his election as a triumph of bipartisan common sense. He would also promise to show favor to the anti-Sinclair Democrats in appointments and patronage after the election” (Starr, Endangered Dreams, 153). Merriam succeeded Rolph upon his death on June 2, 1934.

227 McAdoo was Woodrow Wilson’s son-in-law, indeed the wedding was held at the White House. McAdoo was a pivotal figure in the early days of the Federal Reserve. He was also a key figure in resisting EPIC and in retaking the California Democratic Party after the 1934 elections. As for Sheridan Downey, like many of the EPIC veterans, he moved to the right after the 1930s. He reflected the growth-fueled New Deal balancing act of the post-war era, of advancing the interests of large corporations and pushing for the expansion of state welfare programs like social security and veterans benefits. Like Culbert Olson, he came to be owned by California oil interests. Nixon, who first came to congress by defeating Jerry Voorhis, a former socialist who first entered office as a state assemblyman and EPIC/Democratic candidate in 1934, also took the seat of Sheridan Downey when he first became a Senator in 1950—Downey lost his primary to Helen Douglas (Taylor, California and Relief (Self-Help Cooperatives) in the 1930's, 36:36, CD1).
New Deal came to be seen as the lesser evil, preferable to EPIC and communism.

It is highly doubtful that Sinclair would have implemented any program resembling Soviet-style communism if he were elected. First, as already mentioned, after the election the EPIC-endorsed candidates that were elected did not attempt to implement the EPIC program, but instead worked to support the cooperatives already in existence. And by the end of the 1930s California business owners had gained significant influence over this group, many of whom arrived in Sacramento in a state of impoverishment.228 This included EPIC leader Culbert Olson, governor from 1938 to 1942.

Second, and more important, the propaganda generated during the 1934 gubernatorial campaign worked on the EPIC leaders no less than the general public. Rather than leave the public realm and settle down to a quiet private life of writing novels, as EPIC scholars have repeatedly suggested, Sinclair instead remained in charge of movement for another year, overseeing EPIC-endorsed candidates in local Los Angeles elections in 1935—winning more seats on the Los Angeles City Council and School Board—and purging EPIC of “communist infiltrators”. In May of 1935, the EPIC movement held a state-wide convention “not to align itself with the living issues of the hour but to wrangle over the dubious threat of “Communist infiltration and control.”229 The Los Angeles Evening Herald captured the turmoil of the convention:

“Communists are here,” he [Sinclair] shouted, his figure quivering with emotion and his long fingers pointing accusingly at the convention. “They are here for the same purpose that they are at every meeting of Epics, Democrats or labor organizations. They are here to cause discussion and disruption.”

229 Ibid., 40.
“I know I'm right,” he roared.

“Throw him out,” came the cry.

“You communists are here to break up the Epics,” Sinclair almost screamed above the din. “You are here to cause trouble so that the word will go out that the Epic convention was torn by dissension and fights. I have seen Communists on this floor with my very eyes. I have seen them actually voting on the motions just put”

“We'll find a way to get them out. They are not going to be seated with our delegates and are not going to vote....you Communists are trying to destroy democracy.”

Ruben Borough, the editor of the EPIC News, which achieved a readership of half a million during the campaign, and a leader of the movement, points to this convention, not the 1934 campaign and not business opposition, as the moment when the EPIC ended. He remembers, “The organization persisted for some time, its headquarters rife with petty conspiracies and counter-conspiracies. It was a dwindling force in the state's political affairs.” What happened next is a familiar story to students of social movements. Disenchanted members of the EPIC movement left the organization and a number of splinter organizations developed—Establish Prosperity in America (EPIA) and United Organizations for Progressive Political Action (UOPPA)—neither of which made a lasting political impact.

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230 Los Angeles Evening Herald, 18 May 1935 in Reuben W. Borough Papers (Collection 927), Box 78, Folder 9.
Conclusion

The initial leaders of the SHCM—consisting of unemployed activists directly elected by the rank-and-file of the movement—had a two year window of opportunity to organize and unify the movement so that when political conditions became favorable they could make the most of it. The initial leaders succeeded in organizing the cooperatives but could not unify them behind a common political program. Their efforts to unite the California cooperative movement failed as a result of ideological divisions; between those that sought to avoid electoral politics and instead focus all of their energy on organizing new cooperatives and building the movement; and those who believed the cooperatives could only survive as a mass movement if they entered into electoral politics and put pressure on political leaders to direct resources to the cooperatives.

A number of factors conspired to remove these initial leaders and undermine the Self-Help Cooperatives as a mass movement. The factional fighting between these leaders and their supporters not only tore the movement apart, but at the exact same moment, June and July of 1933, that new leaders and alternatives were emerging. The election of FDR and the willingness of the New Dealers to try just about anything to end the Great Depression led to Federal and State support for the Self-Help Cooperatives, among other initiatives. This initial political support from the Roosevelt Administration and the financial support from the federal Division of Self-Help Cooperatives arrived despite the infighting and the collapse of the mass movement. This support only ceased after the EPIC campaign and the shift in the public perception of cooperatives: from a nonpartisan, common sense solution to mass unemployment, to a communist threat to capitalism and the Democratic Party.
If any one of these factors had been removed, the cooperatives would have likely remained a mass movement. If not for the EPIC movement, for example, the cooperatives probably would have continued to receive support from California businesses and the Democratic Party and would have likely survived into the post-war era. Had the Roosevelt administration lost the election or failed to implement work programs, the cooperatives would have remained a mass movement, though with new leadership. Had the original leaders not turned on each other, they could have prevented Sinclair and EPIC from taking over the movement and pressured the New Dealers into fully supporting the Self-Help Cooperatives—making “production for use” the response to the Great Depression in California.

The next chapter examines last-ditch efforts by the California Division of Self-Help Cooperatives to revive the cooperative movement. As a result of the EPIC movement, these efforts were in vain. The cooperatives survived, as a minor movement, until the summer of 1940, when it was shut down and they, like other unemployed Americans, were redirected to the defense plants for work.
CHAPTER V

LAST DITCH EFFORTS IN THE CALIFORNIA DIVISION OF SELF-HELP COOPERATIVES, 1934-1940

The last and final group to assume leadership of the movement was the state bureaucracy charged with regulating the Self-Help Cooperatives: The California Division of Self-Help Cooperatives. This regulatory agency came into existence in 1933-34. The ideological conflicts produced by the EPIC campaign of 1933-34 carried over to the division; throughout the rest of the decade, administrators, legislators, and governors were divided over whether to implement the EPIC plan or abolish the division altogether. The division was eventually abolished in 1940, and along with it the few remaining cooperatives that had become dependent on state aid. Ironically, it was governor Culbert Olson, a leading figure of the EPIC movement, elected State Senator and later Governor partly on the strength of that support, that abolished the division and finally ended the movement.

The state continued its support, however minimal, for the cooperatives, and for other unemployment relief programs, throughout the decade because it could not solve the problem of mass unemployment and because of widespread fear of what might happen without some state support for the unemployed. This dilemma was solved, at least temporarily, in California, and throughout the nation, when the defense plants, war mobilization, and eventually war itself began absorbing the unemployed.
The Production Phase and Ideological Battles within the State Division of Self-Help Cooperatives

The introduction of the New Deal and increased federal leadership in the national response to the Great Depression led to changes in the internal operations of the Self-Help Cooperatives. In June of 1933 a Federal Division of Self-Help Cooperatives was created. Like other unemployment programs, state divisions were also created, which were given a great deal of autonomy. The mission of these agencies was to provide financing and technical expertise to the cooperatives. The Federal Division immediately urged the cooperatives to move away from relying on direct donations and labor-exchange with businesses, farmers, and local governments, and move towards direct production instead. The “policy from Washington very definitely set forth their desire to use grant funds for the purchase of tools of production to match with the huge labor surplus in cooperatives.”

Like Los Angeles and California business owners, the federal government initially viewed the cooperatives as a common sense response to the Great Depression. Between August of 1933 and December of 1934, the Federal government granted the state of California almost half a million dollars for the cooperatives to purchase whatever they needed to begin collectively producing for themselves. The cooperatives “had no more to do than make application for whatever amount they thought they needed and grants were always made according to their request...there is no record of any application

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231 State Relief Administration, *Study of Cooperatives*, February 5, 1938, 2. By mid-1935 “Donations of staple groceries and gasoline by governmental authorities were declining, and with respect to private industry, also, it was found that the days of chiseling were over” (Emergency Relief Administration, Annual Report, Division of Self-Help Cooperatives, June 30, 1935, A-16).

for Federal funds ever being turned down. On occasions the sums requested were greater than Washington would grant; however, ample funds were always forthcoming.”

However, three political problems soon strained the relationship between cooperatives and the New Dealers. First, the factional infighting within the cooperatives and the lure of steady work offered by the New Deal meant that the cooperatives no longer possessed “huge labor surpluses.” Thus, the Roosevelt Administration and the New Dealers felt less political pressure to support a cooperative movement with an ever-dwindling membership. Second, this support was stipulated on the belief, widespread before 1933-34, that the cooperatives were neither liberal nor conservative but a common sense solution to the Great Depression, with no other political aspirations than solving the unemployment crisis. The EPIC movement, its brief takeover of the Democratic Party and alienation of the Roosevelt Administration—Sinclair was the only Democratic gubernatorial candidate in 1934 that Roosevelt did not endorse—and its insistence that the cooperative movement could be used to challenge and eventually overtake capitalism, weakened public support for the cooperative movement. Third, as I discuss in chapter 4, the shift in the public’s perception of the cooperative movement led to increased opposition to the cooperatives, which had previously been negligible.

Because something had to be done about unemployment, and because the cooperative movement still possessed a presence and some political support in California, the state and federal government still supported the cooperatives for the rest of the decade, but with strings attached. Thus, from the beginning a major stipulation of federal and state support was that the cooperatives confine themselves to a separate cooperative

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Ibid., 5.
economy that did not compete with private businesses, but only traded with each other or sold their goods to public agencies.\textsuperscript{234} For the remainder of the decade these political setbacks and organizational restrictions would play a major role in sustaining conservative opposition and in undermining the cooperative movement.

**Winslow Carlton and the “Unregulated”, “Laissez-Faire” Period**

A young and energetic recent Harvard graduate, Winslow Carlton, was appointed head of the California Division of Self-Help Cooperatives in May of 1934. At the time of his appointment, from a federal field agent to state director, more than fifty personnel were placed at Carlton’s disposal.\textsuperscript{235} Federal intervention into the cooperative movement, June 1933, occurred at the same time that the EPIC campaign was just getting off the ground, August 1933.\textsuperscript{236} Like EPIC, the federal government viewed the cooperatives as a cost effective means of permanently achieving full employment. The stated goal of the Division was that:

\textsuperscript{234} From the FERA manual on self-help cooperatives: “The cooperative must undertake to exercise extreme care that its operation shall not in any way reduce the wage of labor in the community in which it operates...It is the general intention that goods produced by the cooperative under Federal grant shall not find their way into the open market where their sale will interfere with going employment. No hard and fast rule can be drawn on the sale of goods for cash. It is the intention that cash sale shall be kept at a minimum. This general rule, however, does not constitute a barrier to the sale of products by cooperatives in non-competitive markets and to local, public or private relief agencies. Such agencies should pay the cooperative the same price that they would pay in the open market, and may pay in cash or kind; e.g., it frequently happens that the cooperative may return to the relief agency clothing in payment for cloth” (Emergency Relief Administration, Annual Report, Division of Self-Help Cooperatives, June 30, 1935, A-41).

\textsuperscript{235} Emergency Relief Administration, Annual Report, Division of Self-Help Cooperatives, June 30, 1935, A-22.

\textsuperscript{236} Sinclair first met with the Los Angeles County Central Committee of the Democratic party in Santa Monica in August of 1933, who were apparently instrumental in convincing him to run for governor. Sinclair, *I, Governor of California, and How I Ended Poverty*, 11.
The Federal policy is that production, not relief, is the most important task of the cooperatives. Only by production can the members become self-sufficient and economically independent. To attain this goal economic activity is of paramount importance. The present Federal program anticipates the time when the self-help cooperatives may produce all the necessities of life, and provide self-employment which will result in an adequate standard of living as well as maintain self-respect. This is our common problem and our common goal.²³⁷

To accomplish this task, Carlton organized the offices of the California Division of Self-Help Cooperatives to give the cooperatives as much freedom as possible from unnecessary regulation while also working very closely with the cooperatives. To this end, the offices of the Division were located “on the East, or industrial side of the city,” containing “about 50,000 feet of floor space, a large loading dock with railroad facilities, and much warehouse space”. This warehouse contained the offices, equipment, and personnel of the California Division of Self-Help Cooperatives—which included “mimeograph, switchboard, teletype, and laboratory for testing cooperative products”, room to store the goods produced by the cooperatives, and the offices of the California Cooperative Units (CCU). The CCU was the successor organization to the UCRA which formed after the last of the UCRA leaders, Pat May, was repudiated by the rank-and-file. Working alongside Carlton and other state administrators, the CCU kept the following in the warehouse: “its executive offices, a garage and machine shop, a sample and scales display room, gasoline pumps and tanks, and a wash and grease rack”, all of which were

²³⁷ Kerr, 426, Volume 2. Kerr is citing this from a bulletin of the Division. Here’s his footnote: “Division of Self-Help Cooperative Service, Bulletin 1, June 1934. This policy of production entailed discouragement of the desire of the units to distribute groceries and of labor exchange activities. (See Bulletin 4 of the Division, June 1934.)”
available for use to any cooperatives that wished to use them.238 In addition to the warehouse, the Division had field advisors visiting the individual cooperative units to provide “technical advice and assistance, and to aid it with whatever practical problems arise.”239 Even with such close cooperation between the state and the cooperatives, it was the stated “…aim of the Division, however, that the cooperative should manage its own affairs as far as possible. The advice and assistance offered by the Division is not obligatory.”240

Carlton lobbied the federal government to invest almost four and a half million dollars in the California cooperatives to provide them with enough initial capital to become self-sustaining. Given the massive amount of financing the federal government was providing to agricultural, utility, and financial cooperatives and to intentional communities during this same period, Carlton assumed this request was reasonable. In the Prospectus of Program for California Self-Help Cooperatives, 1936, Carlton laid out the reasoning behind this proposal, why cooperatives specifically would be necessary to permanently end the Great Depression:

Should the depression lift, it is doubtful whether the increase in business activity will be sufficient to reabsorb all the unemployed...The return of prosperity alone will not eliminate the problem of unemployment in California, and, in general terms, California may expect to have a larger burden of unemployment than can

be met by useful public works.\textsuperscript{241}

Carlton proposed a decentralized “...system manned by workers grouped into 100 producer cooperatives and 130 consumer cooperatives. The workers in the producing units will comprise the bulk of the consumer units' membership, the rest being workers in the stores and service industries.”\textsuperscript{242} Even though denying any connection to the EPIC program, Carlton’s plan called for the implementation of Sinclair’s EPIC in all but name. At the writing of this prospectus in 1935 the link between the SHCM and EPIC and between EPIC and communism had been well established in public discussions of the cooperative movement, as a result of the gubernatorial campaign of 1934. It was in this ideological environment that Carlton sought approval for the prospectus.

Carlton left Los Angeles for Washington for several months—October of 1935 to February of 1936—trying to persuade top officials in the Roosevelt Administration, and the president himself, to support the plan. While in Washington he lobbied President Roosevelt, Rexford Tugwell, and Harry Hopkins. Carlton was able to secure the support of the technical staff in both Tugwell’s Resettlement Administration and Hopkins’ Work Progress Administration, and a promise from President Roosevelt to think it over, but in the end received no support.\textsuperscript{243} Upon returning to Los Angeles Carlton reported back to the Self-Help Cooperatives that the “…engineers in both Mr. Hopkins and Dr. Tugwell's offices, after minute examination, approved the program and passed it to their superiors with favorable recommendations. I am extremely sorry their recommendations were not

\textsuperscript{241} Winslow Carlton, “Prospectus of Program for California Self-Help Cooperatives”, California Division of Self-Help Cooperatives (Sacramento, 1936), 3.
\textsuperscript{242} Ibid., 23.
\textsuperscript{243} State Relief Administration: Study of Cooperatives, February 5, 1938, 6.
followed, and that almost three months were wasted by myself in futile negotiations”.

“Bitterly disappointed”, but not disillusioned, Carlton resigned as director of the California Division on March 13, 1936. While he was unable to secure federal financing for the plan to make the cooperatives independent and self-sustaining, he did manage to secure ongoing financing of the cooperatives—$30,000 a month from the California State Relief Administration (SRA) to the Self-Help Cooperative Division—before resigning.244 The SRA continued to supply the cooperatives with grant money for fixed equipment and loans to cover operating expenses for the rest of the decade. The cooperatives would spend the rest of the decade struggling to expand their production and sell their goods on the private market, in the face of conservative opposition from businesses, politicians, and California state administrators.

As with waning business support, the pulling of federal support for the cooperatives was not due to the radical nature of Carlton’s plan. This plan had already been in operation, at the insistence of the federal government and with their financial, technical, and political support.245 The cooperatives had already shifted from their earlier mass movement activities consisting of labor-exchange, bartering, and direct action towards creating an alternative economic system of cooperative production. Between 1933 and 1935 when this shift took place, the California movement still consisted of tens of thousands of active members and other individuals still involved with and benefiting from the movement, either directly or indirectly. During this period, the

244 Kerr, “Productive Enterprises”, 590, volume 2. Moreover, Carlton spent the rest of the decade lobbying federal agencies to continue funding to the cooperatives, with some success.

245 The FERA grants began in August of 1933. Washington made its last grant to the California cooperatives in October of 1935. Taylor, Self-Help Cooperatives in California, 12.
cooperatives were already producing goods for the CCC and the WPA, and with approval from certain sections of the business community. As the California Division of Self-Help Cooperatives points out in its Semi-Annual Report in 1935, “These cooperatives have, with our assistance, developed an increasing market for their goods with recognized agencies such as CCC camps and WPA labor camps...Because of quality, they have received offers from private business for their goods, but due to the limitations inherent in their program, which they willingly accept, such offers have not been considered.”

The internal limitations referred to was the increasing opposition to the movement from the business community and later the federal government. The federal government pulled support for the same reasons that businesses pulled support: the EPIC campaign brought to the surface latent and justified fears that the cooperatives could work either with or against private businesses and the Democratic Party, depending on their leadership. It was in this hostile political environment that Carlton’s plan failed. With the mass phase of the movement ending, the majority of the membership syphoned into the New Deal programs, the EPIC movement imploding, and the old-guard California

246 Semi-Annual Report, July 1 – December 31 1935, Division of Self-Help Cooperative Service., vii. Here’s some basic information of the productive capacity of the cooperatives under Carlton: “...cooperatives have become more efficient with greater stabilized business routine and management during the past year. In December [of 1935], there were 3,652 family members and 11,358 individuals in 78 cooperative organizations in 10 counties obtaining direct benefits from their cooperative activities. This represents a decrease of 39% in membership and 14% in organizations, both due to increased efficiency. The non-producing members have been weeded out and some organizations have merged with stronger groups”(Ibid, viii). “The total cooperative production of goods and services for 1935 was valued at wholesale at $693,542.46” (Ibid, viii). “The major activities, in the order of their value, are: (1) farming, (2) canning, (3) baking, (4) sewing, (5) wood cutting, (6) dairying” (Ibid., viii). In the original it is “with they willingly accept” instead of “which they willingly accept”—I assumed this was a spelling error.
Democratic Party reasserting some control over the platform and leadership positions, Carlton had little political leverage to implement his plan.

**The “System of Controlled Cooperatives”**

Carlton was succeeded by Frank W. Sutton, an engineer by profession and enthusiastic supporter of the cooperative movement. Under Sutton both the quality and efficiency of the production improved, and he worked hard to build up public support for the cooperative movement. However, Sutton, who maintained Carlton’s belief that the cooperatives should maintain as much autonomy as possible in directing their own affairs, with the state offering voluntary advice and supervision rather than direct control, was soon replaced by the State Relief Administration’s new director, appointed in 1936, Harold Pomeroy. Pomeroy replaced Sutton with W.B. Hughes in July of 1936.

Under Hughes, and with backing from Pomeroy, the Division increased their efforts to assert control over the cooperatives. Unable to eliminate state support for the cooperatives all-together, Pomeroy instead sought to transform the cooperatives into more “business-like” organizations. One indication of this new attitude is that by June of 1937, Pomeroy succeeded in renaming the Division of Self-Help Cooperatives to simply the Division of Self-Help. He sought to root out the radical potentials of the cooperatives—e.g., the slogan “production for use, not for profit” and the use of the word cooperative itself—attempting, instead, to turn the cooperatives into non-political jobs programs. To this end, he sought to reduce the autonomy of the individual cooperative

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248 According to Kerr, it was Carlton’s plan, or “prospectus”, that was “…also influential in the development of the system of controlled cooperatives which was inaugurated in 1937” (Ibid., 509, volume 2).
249 Ibid., 513, volume 2.
units and federations—with the Division for the first time hiring or firing individual members or closing entire units—placing the State Relief Administration firmly in control of the cooperatives.\textsuperscript{250} With the vast majority of their former membership syphoned into the New Deal work programs and the mass phase of the movement, and thus its political influence, over, Pomeroy and his supporters became convinced they could assert control over the cooperatives and eventually end the movement altogether. As J.C. Byre, an Assistant Administrator under Pomeroy, wrote in a report on the cooperatives: “We can do this, for in the long run we make the rules and furnish the cash.”\textsuperscript{251}

Hughes initiated this process by deeming the equipment of the cooperatives—purchased with grant money from the federal government—to be the property of the state and attempted to shut down the central warehouse, making it difficult for the units to trade with each other or sell their merchandise to private or public buyers. However, he soon reversed the decision upon realizing the cooperatives could not function at all without the warehouse. A year later, on July 1\textsuperscript{st}, 1937, Hughes was replaced by Albert Wheelon, the former director of Self-Help Cooperatives in Idaho.

In Idaho Wheelon had successfully suppressed the socialist potentials of the Self-Help Cooperatives, turning them into de facto state-controlled work programs. Pomeroy

\textsuperscript{250} Ibid., 512, 513, volume 2.

\textsuperscript{251} Ibid., 479, 480, Footnote, 367, volume 2. The number of people in the cooperatives continued to dwindle throughout the decade. The Number of cooperatives active under federal and state grants as of June 30 1936 was: 76. Under state grants only: 40. Decline in membership during this fiscal year, the time period covered in the report, 51.8%. Membership at this time is 7,472. Annual Report, July 1, 1935 – June 30, 1936, Division of Self-Help Cooperative Service.
hoped he could do the same with the California cooperatives.\textsuperscript{252} However, for reasons that are not clear, Wheelon instead continued Carlton and Sutton’s laissez-faire policies, allowing the cooperatives almost complete control over their own affairs. Thus, the cooperatives began producing mass quantities of high quality goods, as “equipment and funds were available” under Wheelon’s directorship of the Division. The merchandise began piling up at the central warehouse and unable to sell all of their goods to the work projects agencies, they began selling to private retailers and set up consumer cooperatives to market and sell their goods on the private market. Apparently they were successful, and this activity escaped the notice of Pomeroy until December of 1937, when private businesses began complaining to the SRA of unfair competition.\textsuperscript{253} The SRA responded by strictly forbidding the cooperatives from setting up consumer cooperatives or competing with private businesses in any way.\textsuperscript{254}

On January 1\textsuperscript{st}, 1938, Major Harry L. Black, of the Los Angeles Military Academy, took over the directorship of the State Division and, according to Kerr, “energetically undertook the suppression of the cooperatives.”\textsuperscript{255} Pomeroy and Black lobbied the State Relief Commission, which oversaw the State Relief Administration, for the complete cessation of state support to the Self-Help Cooperatives and the abolition

\footnotesize{\textsuperscript{252} Kerr, “Productive Enterprises”, 592, 593, volume 2.}

\footnotesize{\textsuperscript{253} “Some merchants have declared against the cooperatives, 'because they are in direct competition with us, even selling goods for cash, and promote chiseling”’ (Emergency Relief Administration, Annual Report, A-18,). “...a few producers, such as mattress makers, with who production cooperatives may possibly compete by removing a market, have said: 'Why should we pay taxes to put people into competition with us?'” (Ibid., A-18). This was true of cooperative canneries and in other cases where the cooperatives entered the private market as well.}

\footnotesize{\textsuperscript{254} Kerr, “Productive Enterprises”, 592-596, volume 2.}

\footnotesize{\textsuperscript{255} Ibid., 596, volume 2.}
of the Division of Self-Help. The commission agreed with them and informed the cooperatives in 1938 to begin making plans for the cessation of state support.\textsuperscript{256} The cooperatives resisted this new direction, and in turn lobbied their political supporters in the California state government, urging them to maintain state support for the cooperatives. But by this point the cooperatives did not possess the political strength of a mass movement and thus did not possess enough political influence to reverse the decision.

**The End of the Movement**

However, the influence of Democratic state assembly and senate members elected in 1934, as part of the EPIC movement, especially State Senator Culbert Olson, who was elected Governor in 1938, forestalled the cessation of state support and renewed the hope for a new mass movement. The election of Olson, the appointment of a new SRA director, Dewey Anderson, and a new director of the Division of Self-Help, Frank G. Taylor, all supporters of the cooperatives, also meant that there was a real possibility that the cooperatives might once again receive major state support.

By February of 1939 the SHCM consisted of 33 worker cooperatives. These remaining cooperative enterprises consisted of “7 sewing units, 2 furniture factories, 1 oil processing plant, 1 soap factory, 1 chemical plant, 8 farms, 1 confectionary manufacturing plant, 3 operating canneries, 4 bakeries, 1 cereal factory, and 1 alimentary paste factory.”\textsuperscript{257} These businesses possessed considerable productive capacity. The farms operated 1,469 “net acres of production” and produced “approximately three million pounds of farm products in addition to meat, eggs, and milk in considerable

\textsuperscript{256} Ibid., 613, 614, volume 2.

\textsuperscript{257} Taylor, *Self-Help Cooperatives in California*, iii, iv.
These products were delivered to consumer cooperative stores set up by and for the individual units, which consisted of, “…canned vegetables and fruits, staples such as corn meal, sugar, flour, vinegar, salt, etc.; soaps and household supplies such as cleaners, bleaches, floor wax…house-dresses and smocks, men’s shirts and work clothes, men’s and women’s underwear”. Unlike the earlier barter and labor-exchange system, which distributed goods and services based on need, this new production system distributed goods and services according to hours worked.259

Even as late as 1939, the cooperatives were still able to “operate as a self-contained system” with financial and technical assistance from the Division of Self-Help Cooperatives. The head of the Division in 1939 was Frank G. Taylor, the ninth director of the cooperatives in three years, who, like Winslow Carlton, operated the Division in the same warehouse the cooperatives used as their base of operations and primary storeroom. However, unlike Carlton, and as a result of policies under directors appointed by Republican Governor Frank Merriam, the Division slowly eroded the autonomy of the cooperatives; by 1939, “the important decisions concerning the whole production operation of the cooperative units are determined by the administrative staff of the Division.”260 Thus, by 1939, the Division had taken over the cooperatives and the cooperatives, in turn, had become dependent on state assistance for their continued survival.

Nevertheless, the system proposed by EPIC, of a state-controlled system of industrial and farming cooperatives, separated from capitalist production, was fully

258 Ibid., iv.
259 Ibid., 19.
260 Ibid., 22.
implemented by 1939, even if on a limited scale. Taylor, along with other supporters of
the cooperatives, sought to expand this system. However, only a year later the state
pulled the last of its support for the cooperatives. Despite rhetorical support by Olson
and his last ditch attempts to convince the California legislature and the Roosevelt
Administration to reconsider their antagonistic stance towards the cooperatives, Olson
was unable to reverse the decision to abolish the Division of Self-Help Cooperatives.
Taylor, the last director of the Division of Self-Help Cooperatives, recalled in a 1971
interview:

29th of July by messenger, that was a Friday. The whole department, all of the
staff, was abolished… Everybody in the warehouse, in the whole property all over
the state...This sort of a thing, see, could not have been done without collusion
between people in the relief administration and in the legislature, see. It had been
worked out, I'm certain, in detail, see...they put in custodial personnel to liquidate
the program. That was actually the end of it… this equipment all went to the
prisons and the states and wasn't sold… it reverted to them, the government, and
the government gave it to the public institutions… We had, oh, I would say, our
property responsibility there was about $300,000, which would be today [in 1971]
3 million dollars worth of merchandise.\textsuperscript{261}

According to Taylor, the staff of the Division was skeletal by the end, with only him and
a handful of employees running the office and serving as liaisons between Sacramento
and the cooperatives. Likewise, the number of persons involved in the cooperative
movement at this point had also dwindled to a few thousand members.

\textsuperscript{261} Taylor and Chall, \textit{California and Relief (Self-Help Cooperatives) in the 1930's}, 15:00
CD 1, 43:00 CD 2.
Conclusion

Taylor believed the revival of the cooperatives, as a mass movement of worker and consumer cooperatives, and the revival of other radical mass movements were inevitable given the failure of the New Deal work programs to end the Great Depression. As Taylor put it:

There was a real belief among the people at least like myself who were in, actively in relief programs and so forth, that this thing had not solved the unemployment problem. And I think if we had not hopped into the war, we would have had a very real problem, of the fact that the unemployment had not been solved by these, this type of programs...unemployment started to shift the other way, particularly among the older people.\textsuperscript{262}

Taylor argues that the war not only ended the Great Depression, but it also undermined social movements seeking lasting changes in the structures of the American economy—e.g., a national policy of full employment. According to Taylor, the defense jobs were key to ending any hopes for these structural changes. He continues:

Anybody who could stand up and work was employed. This was what took the guts out of the reform of anything I was interested in…would employ anybody who could stand up and walk and with a much higher income than you could get in these programs. In a years time or two they [the public work programs] disappeared, they were gone....all of this push for economic reform and even listening to alternative economic approaches was gone for the duration and has been gone practically ever since. Even though people are talking about

\textsuperscript{262} Ibid., 26:46 CD2.
unemployment now [in 1971] they're not talking about economic, institutional reform.\textsuperscript{263}

Taylor thus argues that if not for the Second World War the U.S. would have been forced to enact structural changes to the economy, e.g., a national policy of full employment, to end the unemployment crisis. Put differently, he argues that the war cut off opportunities for radical changes in American society.

Taylor is correct in arguing that the Second World War undermined \textit{specific} initiatives aimed at structural change in the United States—e.g., the New Deal work programs. However, radical change itself remained possible. What changed was the terrain on which political actors had to operate. Many political actors responded by linking their goals with the war aims. Women and African-Americans, for example, saw increased access to the workplace during the war. Moreover, through the “G.I. Bill”, veterans returning from the war were provided with increased access to medical care, college education, and home ownership, among other benefits. It is beyond the scope of this study to discuss California politics during WWII or the post-war era. I only suggest that, contrary to Taylor, opportunities for radical change did not end with the Great Depression and the onset of the Second World War.

\textsuperscript{263} Ibid., 15:30 CD 2.
CHAPTER VI
CONCLUSION

Prevailing accounts of the Great Depression and the New Deal cannot make sense of the SHCM. They still assume a clear break from the conservative Republican political order to the liberal Democratic political order. This study, by contrast, opens up the possibility that there was no clear break between these two orders. Instead, it suggests that Americans spent the 1930s experimenting with novel combinations of political traditions and institutions. The bulk of the literature on the Great Depression details this experimentation within liberalism; this study, by contrast, examines these political experiments within conservatism.264

Conservatism, no less than liberalism, was open to reinterpretation during the 1930s and in radical ways. The SHCM suggests that conservatives were receptive to ideas like “production for use, not for profit” and what the Los Angeles Times called “voluntary communism”. They saw in the cooperatives a brand of socialism they could, not only tolerate, but enthusiastically support; one that was rooted in civil society and the conservative tradition of self-help; one that complemented, rather than antagonized, private businesses. The appeal of this vision was its political ambiguity: it could not be reduced to any single or discernable ideology or political tradition. It possessed wide appeal among conservatives, socialists, and liberals, and thus could not be easily discredited.

264 The argument that Roosevelt’s leadership was essential to ending the Great Depression has persisted in this literature. The classic argument for the centrality of Roosevelt’s leadership in breaking with the old order and inaugurating a clearly defined liberal new deal order is Arthur Schlesinger’s The Age of Roosevelt. Arthur Schlesinger, The Age of Roosevelt (Boston: Houghton Mifflin, 1957).
There are three main parts to this chapter. First, I provide a thematic summary of the study. In doing so, I address themes this study holds in common with other works of American Political Development. These include the crucial roles of: historical contingency, the instability of political authority, and political leadership.

**Thematic Summary of the Self-Help Cooperative Movement**

*Historical Contingency*

Historical contingency played a key role in the formation and dissolution of the SHCM. First, the origins of the movement were not planned; it was not the result of decades of organizing like the labor union movements. It began when a crippled war veteran walked out to Japanese farms on the outskirts of Los Angeles and asked farmers he encountered if he could work their farms in exchange for food. The veteran returned to his neighborhood in Compton with more food than he could eat. He shared the food and how he got it with his neighbors, who decided to contact the farmers to make similar arrangements. Not long after, news spread to other neighborhoods, and the unemployed began organizing local “units” to coordinate the increasing amount of food they received from the farms and the increasing number of people joining the cooperative units to work. They soon made similar arrangements with local businesses and with municipal agencies.

Second, the experiences of the largely white SHCM, working with Japanese farmers and their families and also with Mexican migrant workers, led the cooperatives to the conclusion that racial inclusion was critical to building a political movement strong enough to end mass unemployment. Had the movement not started in Compton, with its close proximity to Japanese farms, or had the movement not began with labor-exchange
on farms, it’s not obvious they would have been so eager to not merely include people of color but to actively recruit them and come to the aid of (majority Mexican-American) farm unions when they went on strike by refusing to work as strike breakers. Efforts by conservative political operatives to convince the cooperatives to downplay their socialist practices and embrace nativism had some effect on the movement but did not catch on. The cooperatives remained committed to racial inclusion until the very end.

Third, the summer of 1933 proved to be the turning point for the SHCM. Three contingent events occurred during this summer that transformed the movement. First, the New Deal work programs were implemented. These programs gave the unemployed of Los Angeles, and the rest of the country, what they wanted: steady work and steady pay. At the very moment these programs were being rolled out, this is precisely what the cooperatives did not have to offer. Second, the fifth convention of the SHCM was held in San Francisco in July of 1933. The movement formally split at this convention, as leadership conflicts that had been building for years finally came to the fore and tore the cooperatives apart. The cooperatives split into competing factions, leaving the movement too weak to make demands on the New Dealers and other politicians.

Unstable Political Authority

Third, the End Poverty in California (EPIC) movement began in the late summer of 1933. EPIC dramatically transformed the movement from an ambiguous synthesis of conservatism and socialism to a more easily recognizable ideological movement for state socialism. Perhaps the most important thing to note about this development is that the EPIC plan was already being put into effect before the EPIC movement even began. The New Deal work programs not only syphoned off the majority of the cooperatives’
membership, but New Deal programs to curtail industrial and farm production meant that farmers and businesses increasingly had no surplus goods to donate or exchange with the cooperatives. Thus, the tens of thousands of remaining cooperative members decided to engage in direct production of goods and services. To assist these efforts, New Dealers in Washington, eager to finance experiments that might ease or end mass unemployment, including massive financing of intentional communities, created the regulatory agency The Division of Self-Help Cooperatives to provide technical expertise and funnel money to the cooperatives. All of this began happening in the early summer of 1933, before the EPIC movement.

The SHCM had built up enough good will among politicians, businesses, and the public that the New Dealers were still willing to financially and politically support the movement, despite the political infighting. The only difference was that now New Deal administrators would lead the movement. However, this was also not a problem for the cooperatives. The administrators assigned to regulate the movement were young, idealistic supporters of the cooperatives and supported the plan to expand the cooperatives and transform them from their earlier labor exchange and barter activities to direct production (like Mondragon in Spain, Italy’s Emilia Romagna region, and agricultural cooperatives in the United States which received massive state support during this same period and region in the 1930s). Thus, the first two developments—the political infighting and the introduction of the New Deal work programs—were not destructive, not necessarily even detrimental, to the SHCM.

The novelty of the EPIC movement was not the proposal to create production cooperatives on a mass scale, or to secure state support for them; rather, it provided a new
interpretation of existing plans for production cooperatives. EPIC proposed using the cooperatives to challenge and eventually overtake private businesses, the same businesses that were, up to that time, actively and enthusiastically supporting the cooperative movement. The intense fear and paranoia generated by this proposition among business leaders, and the fact that EPIC briefly took over the Democratic Party—EPIC leaders had a major hand in writing the 1934 platform of the California Democratic Party after Upton Sinclair gained more votes than all the other candidates combined in the Democratic primary for governorship—all of this led to intense opposition from business leaders and the Democratic Party. The 1934 gubernatorial campaign became a referendum on the cooperative movement, and the Republican strategy to identify EPIC with communism meant that cooperatives and communism became one and the same in public discourse after 1934 in California. No longer a common sense solution to mass unemployment, the alliances between cooperatives, businesses, and state actors came to an end.

While the EPIC movement was critical to ending these earlier alliances, the EPIC plan, or rather enthusiasm for state planning and intervention into the economy it helped generate, still enjoyed widespread support among the cooperatives and former members of the cooperatives now working in the New Deal work programs. As the EPIC movement itself demonstrated, their allegiances were not settled but remained open to new ideas and leaders. Sinclair lost the 1934 gubernatorial election, but dozens of EPIC-endorsed Democratic candidates were elected to local office in Los Angeles and to statewide office in California, including EPIC leader Culbert Olson, who was elected to the California State Senate in 1934. Culbert was then elected to the governorship in 1938. Thus, just over four years after the movement began, EPIC realized its goal of electing a
governor. However, elite and institutional opposition to EPIC, even within the Democratic Party, remained. Olson accomplished little during his time in office. Even more, far from increasing state support for the cooperatives, which he campaigned on and attempted to do as a State Senator, it was Governor Olson that pulled the last remaining state support for the cooperatives in the summer of 1940. Instead of worker-run cooperatives, the unemployed were directed towards the defense plants and eventually the battlefields of Europe and Asia.

*Political Leadership*

The Los Angeles cooperative movement underwent three distinct phases of leadership. The initial leaders, elected by and from the cooperative members themselves, were critical to the early success of the movement. They actively recruited new members, helped start new local chapters or “units”, and formed the UCRA, which served as an umbrella group for the individual units. The UCRA facilitated trade and information between the individual units and also presented the political demands of the cooperatives to politicians and business leaders.

The primary ambition of this early group was to build a strong, unified state-wide movement. After some initial success in this direction, they split over disagreements about the future of the movement. Some of them wanted to stay out of politics and focus on building cooperatives, with whatever help they could get. They feared that any engagement with politics, especially radical politics, would alienate supporters and destroy the movement. To use Barbara Epstein’s terminology, they preferred “cultural revolution” to “political protest”. To the extent they engaged in politics, it was prefigurative politics; they wanted to “build the new world in the shell of the old”, to live
The other group argued that this ignored contemporary political developments. The New Deal programs would soon be implemented and they would fundamentally transform the American political economy. Unless the cooperatives engaged with the New Dealers, focused their energies on protests, and put their movement on the New Deal agenda, like the union movements, then the cooperatives would not survive beyond the Great Depression.

Both strategies could have worked. The cooperatives had generated enough political support, through the discourse of self-help, that even would-be opponents (e.g., conservatives) interpreted both of these actions through a sympathetic lens. However, instead of compromising, each of these factions undermined the other, until neither of them were strong enough to prevent the EPIC take over of the movement. EPIC did not take over the cooperatives directly, the organizations, but the loyalty of the membership. The factional infighting left the majority of the rank and file, and the majority of the leadership, disillusioned. The EPIC movement revived the hope and the possibility of a cooperative economy. However, it did so in ways that alienated previous supporters and thus was unable to accomplish its stated goals.

The last group of leaders were the administrators of the California Division of Self-Help Cooperatives. This group took over leadership of the cooperatives after the collapse of the EPIC movement. They sought to implement the EPIC plan of state-financed and supervised cooperatives—even while strenuously denying any connection to EPIC—but the political moment had already passed. The most ardent proponent of this plan, the young, energetic, and idealistic Winslow Carlton, an avid supporter of

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cooperatives, spent years working closely with the cooperatives and trying, in vain, to secure support for the cooperatives from the Roosevelt administration. Roosevelt and his top advisors argued that the cooperatives had become too politically toxic to support. Carlton, disillusioned, eventually left his post as director of the California Division of Self-Help Cooperatives and de facto leader of the cooperative movement. The cooperatives continued to receive limited and largely token state support for the remainder of the 1930s, until that support finally ceased in the summer of 1940.

The collapse of the SHCM was overdetermined. Multiple failures of leadership had to transpire for the movement to fail to achieve its stated goals. Indeed, the timing of these failures was no less essential. Had the initial group of leaders turned on each other in 1934 instead of 1933, they might have been strong enough to compete with the EPIC movement for the loyalties of the membership and could have maintained the support of businesses and the Democratic Party even after their departure. Had the EPIC movement begun in 1932, before the implementation of the New Deal work programs, unemployed Californians might have felt desperate enough to elect Sinclair for governor, who narrowly lost in 1934, partly because of opposition from FDR, and despite the overwhelming resources of California businesses and the Republican Party.

266 Carlton’s own life mirrors that of the cooperative movement in some ways. On the one hand, he founded the first hedge fund in the U.S, and remained involved in investment banking and starting new enterprises his entire life. On the other hand, he was also a pioneer in the field of non-profit medical insurance, remained actively involved with the cooperative movement (especially housing cooperatives), and was also actively involved in 1960s anti-poverty programs. Wolfgang Saxon, “Winslow Carlton, Official of Agencies And Fund Chief, 86” The New York Times, 1994. Carlton, along with Richard Cloward, and others, apparently played a critical role in pioneering the 1960s “War on Poverty”. Noel Cazenave, Impossible Democracy: The Unlikely Success of the War on Poverty Community Action Programs (Albany: State University of New York Press, 2007).
However, even with these failures, the cooperative movement made a lasting impact on California politics. Earl Warren was able to draw on this new voting bloc to advance his liberal Republican policies. He was able to do this, in part, because of the cross-filling primary system then in effect in California. Warren is the only governor in the history of California to simultaneously win the Democratic and Republican primary (in 1946), and to be elected to three consecutive terms. Warren’s landslide victories provided him the political authority to raise taxes and engage in massive public works programs (e.g., highway construction and increased access to colleges and universities), overriding business opposition, and even to push for socialist programs like universal health care. Even though the cooperatives failed, multiple times, to achieve their goals, they still succeeded in altering the California political landscape, opening up new terrain for future political entrepreneurs.267

**Personal Experience with Cooperatives**

Around the same time that I began writing this dissertation, I moved into a student housing cooperative—one that was, ironically, started by supporters of the Self-Help Cooperative Movement in the 1930s. Everyone in the cooperative had a number of house jobs, a number of hours of housework, they had to complete every week. One of my jobs was to act as the contact person for a local non-profit, Food for Lane County. Similar to the cooperatives’ relationship to farmers and businesses in the 1930s, Food for Lane County provided our cooperative with leftover food that local businesses could not sell, but was still edible, and with food donated directly from the companies themselves (right out of the factory). My experience with the housing cooperative, and as their contact

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person for Food for Lane County, provided me with some practical understanding of the Self-Help Cooperative Movement. It gave me some idea of how they actually operated as well as the role of politics in these organizations.

The housing cooperative and Food for Lane County are able to operate effectively and smoothly because both organizations are nonpartisan. Beyond providing affordable housing and a community atmosphere, and free food for their low-income clients, neither organization have tied their fortunes to any political party or social movement. There are major upsides to this strategy. So long as both organizations remain nonpartisan, like the Self-Help Cooperative Movement in the early 1930s, they will continue to receive generous support, or at least no major opposition, from local businesses, law enforcement officers, and other groups.

However, there are also major drawbacks this strategy. Without politicizing these organizations, their future growth is limited. The student housing cooperatives have operated in Eugene, Oregon since the 1930s and Food for Lane County since the 1980s, and their impact on Eugene has been negligible. Like the Self-Help Cooperatives in the early 1930s, both operate at the margins of society, accommodating themselves to and picking up the slack of an inadequate social welfare system in the United States. While the EPIC movement played a critical role in undermining the Self-Help Cooperatives, it also placed their agenda, the needs of unemployed workers, at the center of politics. It failed to achieve its stated goals, but nonetheless succeeded in creating a political atmosphere conducive to radical initiatives. There are a number of amazing and politically active people in both the student housing cooperatives in Eugene and in Food for Lane County, and the work of these organizations is commendable, but if these
organizations want to move from the margins to the mainstream, if they want to extend
the benefits of affordable housing and food security to all people in their vicinity, then
they cannot remain nonpartisan. They need to enter the political arena and choose sides,
and they must do so in a way that avoids the pitfalls of EPIC, of unnecessarily
demonizing an entire class, “capitalists”.

I left the cooperatives after living there for a year. While it met the needs of its
members, providing a community atmosphere and low-income housing for students, its
benefits were limited to a select few and it ultimately served as an escape from, rather
than an engagement with, politics. As prior cooperative movements in the United States
have demonstrated—e.g., the populist movement in the late 19th century—cooperatives
possess enormous political potential. They have been able to generate massive political
support from a wide swath of the population in the past and can do so in the future as
well. I hope this study helps contemporary cooperatives in the United States absorb these
lessons and tap into their political potential.
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