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They Rule the Valley: The Story of How Large Central Valley Landholders Became the Primary Beneficiaries of the Central Valley Project¹

San Joaquin Valley is so in need of rain. It certainly would be a great help if the churches, in Bakersfield and Fresno would hold a meeting and pray for rain, not once but until an abundance of rain fell. We all greatly benefit from the products raised in the valley and surrounding mountains. It would need to be soon.

-Nora Smith, "Pray For Rain," *Bakersfield Californian*, March 1947

This great valley, one of the richest agricultural areas of the world, would be dry and relatively barren except for irrigation. It nowhere receives enough natural rain for diversified crops, and some parts are deserts. Thus, it is disclosed that section 4 of the rivers and harbors bill relates to a reclamation project and that that project will yield enormous benefits to the owners of irrigable land in the Central Valley.

-William E. Warne, Assistant Commissioner of the USBR, Hearings on H.R. 3961

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March 31, 2011

¹ The title is in reference to acreage limitation opponent Senator Sheridan Downey's 1947 *They Would Rule the Valley*. In the book he argues that the federal government, and the United States Bureau of Reclamation in particular, was attempting to use the excess land law in the Central Valley of California "to impose by high-pressure lobbying and propaganda an economic straightjacket upon a sector of free and successful enterprise" (1).

On August 26, 1937, amidst active lobbying by California Representatives and desperate Californians seeking federal assistance during the Great Depression, the United States Congress reauthorized the entire Central Valley Project as a United States Bureau of Reclamation enterprise under the Rivers and Harbors Act. The congressional reauthorization of the act resulted from a near decade long state campaign to obtain federal funds for an irrigation project that would benefit the Central Valley of California. Though many in California, and particularly in the Central Valley, were delighted that a federal irrigation project would finally come to fruition in the Central Valley, since its establishment as a federal reclamation venture the project has been marred by class conflict and controversy. In the 1940s the class struggle over the Central Valley Project reached an especially climactic point when the question of *who* would receive the benefits from the USBR irrigation project became the central concern for Central Valley residents.² The intensity of the social discord plaguing the project in this noteworthy period is lucidly revealed in a poem written by small Central Valley farm owner Dena Foster that was published in the *California Grange News* on August 20, 1942. The poem, which is entitled “Central Valleys,” not only gives a salt of the earth historical account of the early opposition the project faced from private power interests, but also illuminates the importance of the water project to the small farm growers of the Central Valley. Ms. Foster’s poem commences by describing the difficulties the arid environment of the region poses to the local farmers, and how the “folks in the Central Valley...figured out a Project, so to bring the water down.” However, immediately after the “smart folks” of the Central Valley crafted a plan that would give a drink to the “dry and thirsty land,” the poem maintains that “some sourpuss didn’t like it, so began to

² For clarification purposes a list of all acronyms used in the paper is provided at the end.

fuss and frown” and “made plans to stop the Project.” The poem then ends on a positive note by stating:

But it wasn't quite so easy as they thought
 it would be,
 For the Central Valleys people were well
 on guard, you see;
 So they fought it to a finish, and they won
 it, as you know,
 And there will soon be fruits and flowers
 where the weed patch used to grow.

While Ms. Foster's poetic narrative concludes by confidently declaring the triumph of the common rural folks over the conniving corporate villains, the actual story of the Central Valley Project ended quite differently. Within five years that “Central Valleys” was published it became evident to the general American public, and undoubtedly Ms. Foster, that the winners of the federal reclamation project were ultimately agribusiness and corporate interests, and not the “folks in the Central Valleys.”³

The Central Valley of California is irrefutably one of the most agriculturally profitable regions in the twenty-first century capitalist global society. According to the United States Department of Agriculture, in 2007 the top four counties in the United States with the highest agricultural sales were located in the Central Valley.⁴ That this particular region in California would become an unparalleled agricultural cornucopia in the twenty-first century is quite astonishing considering that it is, as Ms. Foster's poem noted, a very naturally dry region. In view of its environmental aridity, its transformation into an agricultural phenomenon can only be attributed to the large-scale human manipulation of water that has only recently occurred in the

³ “Central Valleys,” *California Grange News*, August 20, 1942.

⁴ United States Department of Agriculture Fact Sheet, last updated December 16, 2010, <http://www.ers.usda.gov/StateFacts/US.htm>.

nineteenth and twentieth centuries.⁵ Among the many irrigation projects that have assisted the region into becoming an agricultural empire is the Central Valley Project undertaken by the United States Bureau of Reclamation. The monetary advantages and agricultural prosperity the region attained under this enormous multipurpose irrigation project has led American environmentalist Marc Reisner to assertively argue that “70 percent of the profit on what is supposed to be some of the richest farmland in the world comes solely through taxpayer subsidization—not crop production.”⁶ Even more alarming than the fact that taxpayer subsidization has essentially allowed for the Central Valley of California to become a wholly federally-constructed agricultural empire is the fact that the principal beneficiaries of the Central Valley Project are large farm corporations who have a long and well-publicized history of employee and environmental exploitation.⁷ While there is general recognition that agribusinesses and not small farm owners were the principal beneficiaries of the Central Valley Project, the story of *how* large Central Valley landholders were able to unilaterally profit from the heavily federally subsidized irrigation project has been a highly debated topic among American intellectuals since the mid-twentieth century.

Though there have been countless theories on *how* the Central Valley Project fundamentally became a corporate welfare program in the late 1940s, mere “technical compliance” to the 160-acre water limitation has long been accredited as the gateway to allowing Central Valley agribusinesses to reap the benefits of the lucrative United States Bureau of

⁵ This is an argument proposed by Donald Worster in *Rivers of Empire: Water, Aridity, and the Growth of the American West*, (New York: Oxford University Press, 1985).

⁶ Reisner, Marc, *Cadillac Desert: The American West and Its Disappearing Water*, (Viking Penguin Inc.: 1986), 502.

⁷ It has been generally acknowledged by Western irrigation scholars and the United States Bureau of Reclamation itself that this affluent faction of the population has become the primary recipients of the federally funded Central Valley Project. See *Cadillac Desert*, pg. 502.

Reclamation irrigation project.⁸ Under the Reclamation Act of 1902, which led to the creation of the USBR, the federal reclamation agency is obliged to adhere to section five of the act which states that “no right to the use of water for land in private ownership shall be sold for a tract exceeding 160 acres to any one landowner, and no such sale shall be made to any landowner unless he be an actual bona fide resident on such land, or occupant thereof residing in the neighborhood.”⁹ As the wording of the reclamation act indicates, the excess land law was intended not only to irrigate the American West with federal funds, but also as a reformative program that would amend the social stratification that had occurred throughout the nineteenth-century. This assertion is validated by a statement the accredited father of the Federal Reclamation Act made in 1901. In explaining the reasons for the acreage limitation stipulation, Nevada Representative Francis G. Newlands declared that the objective of the act was “not only to prevent the creation of monopoly in the lands now belonging to the Government, but to break up existing land monopoly in the West.”¹⁰ When President Franklin D. Roosevelt established the Central Valley Project as a USBR endeavor three decades after the Federal Reclamation Act was passed, he certainly understood, as did the large Central Valley landholders and California politicians who supported his proposal, that acreage limitation was no mere appendage to the act, but in fact the heart of the act.¹¹

⁸ The term “technical compliance” will be used often in this paper to highlight the theoretical adherence to the reclamation law.

⁹ Bureau of Agricultural Economics, *Acreage Limitation and Excess Land Problems: U.S. Central Valley Project Studies*, (Sacramento, California: March 1944), 33.

¹⁰ Clayton R. Koppes, “Public Water, Private Land: Origins of the Acreage Limitation Controversy, 1933-1953,” 610. The spirit of Newlands argument was reiterated by President Theodore Roosevelt, another strong proponent of the act, who stated before the Commonwealth Club of California that he supported the pro-small farmer act because he wished “to secure this country against ever seeing a time when the ‘have-nots’ shall rise against the ‘haves’.” Source: Paul S. Taylor, “The 160-Acre Law,” in *California Water: A Study in Research Management* ed. David Sickler, (Berkeley: University of California Press, 1971), 262.

¹¹ Paul S. Taylor, “The 160-Acre Water Limitation and the Water Resources Commission,” *The Western Political Quarterly* 3.3, (1950): 435.

Despite understanding the social implications that came with USBR control of the Central Valley Project it was perhaps the financially advantageous aspects of federal reclamation endeavors that convinced large Central Valley landowners that it would be to their benefit to initially appear to accept federal reclamation terms. In a hearing before a congressional subcommittee in 1947, USBR staff member Paul H. Johnstone noted that if the subsidies and special benefits provided under the reclamation law were eliminated, irrigation rates in the areas served by the Central Valley Project would quadruple.¹² In the same hearing Johnstone also conservatively estimated that reclamation subsidies would increase the value of previously unirrigated lands by over \$200 an acre.¹³ These financial benefits provided under the reclamation law were certainly lucrative enough to tempt the large Central Valley landholders into consenting to USBR management of the Central Valley Project in 1937. The CVP acreage limitation debate that ensued in the subsequent decade would prove to be their attempt to keep the financial benefits, and not the social repercussions, offered by the reclamation act which was intended to prevent and prohibit monopolistic expansion.

While the reclamation act frankly asserts that the bureau is legally prohibited from selling land to private landowners with more than 160 acres, in the 1940s the United States Bureau of Reclamation faced countless public and private pressures that eventually led them to only obey the letter and not the spirit of the law in the Central Valley. However, though exterior pressures undeniably played a pivotal role in coercing the USBR into only technically enforcing the acreage limitation law in the Central Valley Project, these pressures alone were not the only contributing factors that led the bureau to sway from its authorized principles. There is certainly a well-documented history that gives credence to the belief that the USBR self-advantageously

¹² Ibid, 436.

¹³ Paul S. Taylor, "Central Valley Project: Water and Land," *The Western Political Quarterly* 2.2, (1949), 243.

adopted a strategy of theoretical adherence in the latter half of the 1940s as a means to appease the opponents and proponents of the acreage limitation law. It was thus the bureau's willingness to bend to external pressures in order to preserve their power in the agriculturally prosperous region that inevitably led to mere rhetorical obedience to the excess land law. This paper will comprehensively argue that general public support for the enforcement of the acreage limitation, various political pressures by large landholders and their political allies against the acreage limitation, the mid-1940s state campaign to purchase the CVP, the bureaucratic battle with the United States Army of Engineers, the changes in federal administrations with different political platforms and philosophies, and the USBR's personal expansionist ambitions eventually led the United States Bureau of Reclamation to follow a policy of "technical compliance" in the late 1940s which resulted in the façade of enforcement and the reality of nonenforcement.

HISTORIOGRAPHY:

Given the high stakes involved in the public dispute over the federal reclamation provisions that the Central Valley Project was required to observe under the Rivers and Harbors Act of 1937, and the eventual outcome of the heated national quarrel, the history of how large Central Valley landholders were able to become the primary beneficiaries of the CVP has been interpreted in a myriad of ways throughout the twentieth century. These numerous divergent interpretations by irrigation scholars have likely resulted from the fact that the Central Valley Project acreage limitation debate took many forms and was argued on many fronts. Despite the scholarly trend to argue for the significance of one causal factor, most of the historiographical work on the project in one way or another acknowledges the importance of the numerous other pressures that, though not deemed as significant, are accepted as playing an essential role in the demise of the excess land law. The historic positionality of scholars writing on the Central

Valley Project can also be accredited as contributing to the numerous histories presented on the Central Valley Project. While pre-1950s scholars have on the whole proven more lenient in their judgment of the United States Bureau of Reclamation, there is broad agreement among post-1950s CVP scholars that the USBR was not a completely powerless government agency that was forcefully compelled into accepting a policy of technical compliance. Though most studies differ in the level of responsibility they place on the USBR for only theoretically complying with the reclamation laws, the United States Bureau of Reclamation is one institution that all historical studies on the Central Valley Project agree played an especially pivotal part in the acreage limitation debate. Considering the diversity of opinions concerning the national debate over the application of the acreage limitation on the Central Valley Project, a historiographical analysis of these various scholarly interpretations seems justified before a new understanding is presented in this paper.

A historical account that is relatively representative of the 1940s scholarly perception of the CVP acreage limitation debate is the 1948 Robert de Roos work *The Thirsty Land: The Story of the Central Valley Project*. As a San Francisco newspaperman who initially notes the bias of his work by stating in the prologue, “let me say here that I believe the Bureau of Reclamation is on the right track,” de Roos was well-informed on the issues surrounding the national CVP excess land law debate.¹⁴ His extensive knowledge of the controversies surrounding the Central Valley Project are made apparent throughout his work as he comprehensively evaluates the various external pressures the bureau encountered in the 1940s as the dispute over the application of the acreage limitation on the Central Valley Project peaked. Among the countless issues de Roos notes as contributing to the acreage limitation debate is the USBR’s famous bureaucratic

¹⁴ de Roos, Robert, *The Thirsty Land: The Story of the Central Valley Project* (Stanford: Stanford University Press, 1948), VII.

battle with the United States Army of Engineers over the CVP, the state campaign to reclaim the CVP, agribusiness interests and their political allies who sought to abolish the acreage limitation law through legislative revampments, and congressional financial cutbacks. While *The Thirsty Land* does not overtly glorify the USBR's role in the acreage limitation debate—in fact it critiques the bureau for failing to negotiate repayment contracts before construction of the Central Valley Project began—the author's partiality towards the bureau is revealed by the overall positive portrayal he presents of the federal reclamation agency which he views as attempting to remain loyal to the acreage limitation law that it is charged with enforcing. This assertion is made evident at the end of his account when de Roos does not, for whatever reason, acknowledge the policy of technical compliance that the USBR started to openly practice as early as 1947. Though this deficiency might be due to the fact that he is literally in the process of writing his work while, as he states, “the fight has been going on,” the absence of this information might well have been intentional.¹⁵ That de Roos would consciously choose to disregard this vital shift in bureau policy perhaps attests to the fact that his sympathies, as he noted in the prologue, lie with the United States Bureau of Reclamation. Though *The Thirsty Land* is not as temporally complete as the work of later scholars, in his favorable perception of the bureau de Roos is not much different from the Central Valley Project scholars of his generation.¹⁶ It is perhaps because the various pressures the bureau faced in the 1940s were much more pertinent to their own era that the early scholars of the Central Valley Project are not as critical of the USBR as their successors would undoubtedly be.

¹⁵ de Roos, Robert, *The Thirsty Land: The Story of the Central Valley Project*, 206.

¹⁶ The 1940s work of American economist and acreage limitation activist Paul S. Taylor is very much in line with *The Thirsty Land*. Specifically in “Pressures to Destroy the Nation's Anti-Monopoly Policy for Public Water Development: a Documentary Study with Special Reference to the Excess Land Law, 1944-1949,” Mr. Taylor is quite defensive of the USBR. In his later work, however, he would drastically change his opinion of the USBR and begin to recognize that they were political opportunists who did not sincerely care about enforcing acreage limitation.

While de Roos ends his historical account on the Central Valley Project by noting the external pressures the USBR faced as it sought to enforce the acreage limitation in the 1940s, Clayton R. Koppes' 1978 study *Public Water, Private Land: Origins of the Acreage Limitation Controversy, 1933-1953* begins by highlighting the lack of acreage limitation enforcement that occurred for three quarters of a century.¹⁷ In his work he argues that "the decisive reason for the demise of the excess land law is traceable not merely to the conservative attack but to changes in liberal ideology and politics after World War II."¹⁸ Koppes notes that while the Franklin D. Roosevelt administration publicly endorsed the family farm and redistributive principles of the acreage limitation law, the Harry S. Truman administration cared much more about commercial agriculture and economic growth than it did about actually enforcing the controversial federal reclamation provision.¹⁹ The changes in liberal administrations with different political priorities and philosophies, *Public Water, Private Land* thus argues, led to mere rhetorical observance of the acreage limitation law. Federal reluctance to enforce the acreage limitation alone, however, is not the sole factor Koppes credits for the lack of excess land law enforcement. In *Public Water, Private Land*, Koppes presents a critical critique of the USBR which he argues self-advantageously crafted the strategy of technical compliance for political purposes. Backed by an administration that more than readily supported the agency's indifference to the controversial federal reclamation provision, Koppes maintains that the USBR was able to successfully abstain from adhering to the federal reclamation law. *Public Water, Private Land* fleetingly acknowledges the significance of the various external pressures the bureau faced in implementing the acreage limitation in the CVP, but the work primarily contends that the shift in

¹⁷ Clayton R. Koppes, "Public Water, Private Land: Origins of the Acreage Limitation Controversy, 1933-1953," *Pacific Historical Review* 47.4 (November 1978): 608.

¹⁸ *Ibid.*, 609.

¹⁹ *Ibid.*

governmental priorities after WW II was the leading cause for nonenforcement of the acreage limitation.

In his 1985 *Rivers of Empire: Water, Aridity, and the Growth of the American West*, Donald Worster presents perhaps the most scathing scholarly condemnation of the United States Bureau of Reclamation. *Rivers of Empire* argues that in the 1940s the USBR and large Central Valley landowners joined forces to become the unquestionable “power elite” in the Central Valley of California. Worster asserts that the USBR deliberately and calculatedly followed a policy of technical compliance that would jointly mollify the opponents and proponents of the acreage limitation law who were both complicating the bureau’s expansionist ambitions in the Central Valley. To support his claim that the bureau undertook completion of the CVP for self-serving purposes, Worster notes that during the 1930s —when the state of California began to seek federal funds for a multipurpose irrigation project— the struggling United States Bureau of Reclamation was eager to find a new project that would give the federal agency some credibility after three decades of economic disappointment. Despite the fact that the Central Valley was “notorious for its pick handles and tear gas, its filthy labor camps and overpriced company stores,” it was the bureau’s desire to expand its bureaucratic fiefdom in the Central Valley, Worster alleges, that led the Bureau to willingly embrace the CVP as a federal reclamation project.²⁰ In constructing the CVP as a federal reclamation venture, *Rivers of Empire* argues that both large Central Valley landholders and the federal reclamation bureau achieved their individual goals. While on the one hand Central Valley agribusinesses received essentially free federally-subsidized water, on the other hand the USBR was able to achieve its bureaucratic expansionist ambitions. The adherence to the acreage limitation law under the guise of technical

²⁰ Worster, Donald, *Rivers of Empire: Water, Aridity, and the Growth of the American West*, (New York: Oxford University Press, 1985), 242.

compliance, Worster concludes, created a partnership between private and bureaucratic agencies that contributed to the social stratification that continues to prevail in the Central Valley of California. Unlike de Roos, Worster does not believe there was much of a CVP acreage limitation debate but rather fiercely asserts that the USBR eagerly complied with agribusiness interest groups in order to augment its power in the Central Valley.

Published immediately after *Rivers of Empire*, American journalist Marc Reisner's *Cadillac Desert: The American West and Its Disappearing Water* does not sway much from its predecessors interpretation of the United States Bureau of Reclamation. While Reisner's work does not go as far as to call the federal reclamation bureau an "agency of conquest," as *Rivers of Empire* does, his work maintains that the USBR "was far more interested in building more dams than in trying to enforce such an unpopular [acreage limitation] law."²¹ Despite noting the bureau's indifference to the excess land law, Reisner does not lay full responsibility for nonenforcement of the reclamation provision on the bureau. Perhaps because of his professional background as a journalist who is well aware of the political pressures governing bureaucratic policy, like *The Thirsty Land* author Robert de Roos, Reisner attributes the demise of the excess land law on external factors. "Congress authorized the Central Valley Project," Reisner states in his work, "Congress approved the Westlands contract; Congress persistently refused to reform the Reclamation Act in any way except to enlarge the subsidies and to permit subsidized water to be sold to bigger farms."²² Reisner believes that the culture of American pork-barrel politics, and not the USBR, is primarily to blame for the unequal distribution of federal reclamation privileges. He argues that the creation of multibillion-dollar irrigation projects have satisfied everyone from unions to engineering and contracting firms, and that this has in turn led many

²¹ Reisner, Marc, *Cadillac Desert: The American West and Its Disappearing Water*, (Viking Penguin Inc.: 1986), 350.

²² *Ibid*, 503.

American politicians to opportunely vote for uneconomical reclamation endeavors that will only benefit the wealthiest of landholders.

Norris Hundley Jr.'s *The Great Thirst: Californians and Water, 1770s-1990s* is the most recent work that this paper will be investigating to more thoroughly understand the historiographical work completed on the CVP acreage limitation debate. In *The Great Thirst*, Hundley begins his study by stating that “the California Record describes the activities of a wide and often confused and crosscutting range of interests groups and bureaucrats, both public and private, who accomplish what they do as a result of shifting alliances and despite frequent disputes among themselves.”²³ Though such a statement would seem to suggest that Hundley’s argument on the CVP acreage limitation debate will be more comprehensive than previous post-1950s scholarly works, Hundley ultimately fails to emphasize this larger premise within his analysis of the CVP excess land law national dispute. Instead, when he discusses the policy of technical compliance that arose as a result of the debate over the application of the acreage limitation on the CVP, Hundley mostly credits the USBR and the Truman administration with conveniently accepting mere rhetorical adherence to the law as satisfactory bureau policy. If his argument sounds like the one presented in *Public Water, Private Land*, it is because it admittedly is. However, to his credit, Hundley’s work, more so than *Public Water, Private Land*, does seem to place greater emphasis on the role external pressures played in influencing the USBR into accepting the policy of technical compliance. Despite his acknowledgement that a wide range of private and public interest groups have assisted in the shaping of irrigation policy, his argument on the CVP acreage limitation debate proves weak when it neglects to present adequate evidence to demonstrate exactly how public interest groups impacted the outcome of the acreage

²³ Hundley, Norris, Jr., *The Great Thirst: Californians and Water, 1770s-1990s* (Berkeley: University of California Press, 1992), XVI.

limitation debate. While Hundley's argument on the demise of the excess land law is not as broad as he states that it will be at the beginning of his work, *The Great Thirst* is historiographically significant because it is the first work that outrightly claims —though not sufficiently supports— that various internal and external factors contributed to the USBR policy of technical compliance.

The historiographical work on the CVP acreage limitation debate has tended to emphasize the role the political, bureaucratic, and economic elite played in the public dispute over the application of the excess land law in the Central Valley Project. While this paper will certainly agree that these groups performed a pivotal function in the national debate, and indeed will at times fervently concur with many of the arguments asserted by previous scholars, this paper will more comprehensively attempt to argue that a wide range of private and public pressures, along with the USBR's own ambitious agenda, gave rise to the policy of technical compliance. In making the aforementioned argument this paper will build off of the scholarly work of previous historians of the Central Valley Project but will be different from preceding interpretations of the acreage limitation debate in that it will seek to rightfully pay tribute to the role the various internal and external pressures played in the national dispute over the excess land law.

PRE-CVP HISTORY OF THE CENTRAL VALLEY OF CALIFORNIA:

The CVP acreage limitation debate was a result of what one 1944 Bureau of Agricultural Economics study called the “continual struggle against land and water monopoly” that had come to characterize the thirty-first state admitted into the Union.²⁴ Within the first two decades that California attained statehood, the most fertile land in the region had been completely

²⁴ Bureau of Agricultural Economics, *Acreage Limitation and Excess Land Problems: U.S. Central Valley Project Studies*, (Sacramento, California: March 1944), 1.

appropriated by voracious land speculators seeking to accumulate large tracts of lucrative holdings.²⁵ These early land monopolists achieved their acquisitive ends through legislative land policies, lax administrative enforcement, and outright fraudulent strategies that made it more than convenient for the most prominent of nineteenth-century Californians to acquire large landholdings.²⁶ If deceitful methods did not suffice, then many times these nineteenth-century monopolists sought and received the assistance of political and governmental elite who were more than willing to assist them in amassing large tracts of land. That Californians were aware of the strategies concocted by these nineteenth-century speculators to acquire land is made evident in an 1876 *San Francisco Chronicle* article which stated that there was never “a State or country in the globe where monopolists and land sharks have found it as easy as in this of ours to secure their thousands and tens of thousands of acres for little or nothing.”²⁷ Fully understanding that their state was rapidly being annexed into baronial domains, three years after the publication of the *San Francisco Chronicle* article the people of California took proactive measures and added a provision in the California Constitution which was intended to limit land speculation.²⁸ Despite the public’s attempt to halt the monopolistic developments occurring in the Golden State, inequitable land patterns persisted and by 1945 three percent of the landowners in the Madera, Tulare, and Kern counties owned fifty-two percent of all the land in those Central Valley regions.²⁹

²⁵ Donald J. Pisani, “Land Monopoly in Nineteenth-Century California,” *Agricultural History* 65.4, (1991): 16.

²⁶ Paul W. Gates, “Public Land Disposal in California,” *Agricultural History* 49.1, (1975): 158.

²⁷ *Ibid*, 168.

²⁸ Paul S. Taylor and Orin C. Cassmore, “Pressures to Destroy the Nation’s Anti-Monopoly Policy for Public Water Development: a Documentary Study with Special Reference to the Excess Land Law, 1944-1949,” (Unpublished Paul S. Taylor manuscript housed in the Bancroft Library), 4.

²⁹ Bureau of Agricultural Economics, *Agricultural Land Ownership and Operation in the Southern San Joaquin Valley*, (Berkeley, California: 1945), 22.

While the history of land monopoly in California certainly created the conditions that led to the debate over the application of acreage limitation in the Central Valley Project, post-1870s state irrigation practices only contributed to this monopolistic tradition.³⁰ During the 1870s and 1880s speculators who owned land in the Central Valley began to foresee that their newly acquired tracts of naturally arid land would only be profitable with a sufficient supply of water. Similar to the deceitful schemes that they developed to achieve a monopolization of state land, large landholding interests used a variety of methods to control this vital natural resource that they deemed as essential to their monopolistic dominance. One organization that was formed during this period with the specific intent of appropriating water was the Kern County Land and Water Company. Within ten years that it set out to take ownership over the water in Kern County, the company—with the aid of various leading local officials—successfully controlled all the county’s main waterways.³¹ The influence large landholders exerted over local and state policy makers was made painfully evident to the California State Grange, a pro-small farmer organization, in 1874. Observing the difficulties that small growers faced in certain regions of the state that suffered from water scarcity, on January 21, 1874 the State Grange proposed a bill in the California Senate for the creation of a state irrigation project. Though passage of the bill seemed imminent considering the general recognition for the necessity of such an irrigation project that would assist small farmers, within hours the plan was foiled by San Joaquin and Kings River Canal Company lobbyists. Deeply distraught by the defeat of their long fought after bill, the State Grange stated to its constituency: “Their influence, whether exerted through solid arguments or otherwise, was more potent than the prayers of thousands of farmers.”³² In their nonchalant ability to thwart the efforts of the State Grange, land speculators revealed their

³⁰ Donald J. Pisani, “Land Monopoly in Nineteenth-Century California,” 26.

³¹ *Ibid*, 28.

³² “Journal of Proceedings of the First Annual Session of California State Grange,” *California State Grange*, 1873.

opposition to any endeavor that would be disadvantageous to their own monopolistic agenda. While their small rural counterparts saw the need for a state water project as early as 1874, late nineteenth-century land speculators still did not feel such a project was necessary for their continued existence and therefore hastily dismissed such a proposal. Demonstrating that they exercised an undue amount of influence over state policy makers, and that they were willing to use this power to preserve and protect the two natural resources that were vital to their dominance, by the late nineteenth-century state land monopolists proved themselves to be a definite force in the recently established Western American state.

In the nineteenth-century large Central Valley landholders generally did not deem an extensive federal or state irrigation project as essential to their continued prosperity. Not only did they have political and governmental elite to assist them in controlling state water channels, and the means to invest large amounts of capital in the construction of private irrigation projects, but underground water supplies were still in such sufficient quantities that excess water provisions seemed unnecessary. Large landholder disinterest in a comprehensive governmental irrigation undertaking, however, did not stop the federal government from investigating the possibilities for the creation of an extensive irrigation system in the Central Valley. In 1873 the forty-third United States Congress appointed the War Department to study a proposed canal plan in the San Joaquin, Tulare, and Sacramento Valleys of California. In their 1874 report—which some scholars believe to be the first conceptualization of the Central Valley Project—the three-man commission concluded that a “general system of irrigation can be properly planned...on the principle of ‘the greatest good for the greatest number.’”³³ Despite the thoroughness of the 160-page study recommending that the state and federal government develop an irrigation project in

³³ Lieut. Col. B.S. Alexander et. al., *Report of the Board of Commissioners on the Irrigation of the San Joaquin, Tulare, and Sacramento Valleys of the State of California*, (Washington: Government Printing Office, 1874), 78.

the region, nothing came to fruition. While numerous investigations on the practicality of an irrigation project in the Central Valley continued to be published throughout the late nineteenth and early twentieth-centuries, no serious attempt to build a comprehensive irrigation venture was undertaken until the 1920s when necessity propelled the state and large landholders to support such an endeavor. Able to attain an adequate source of water through various localized, political, and private means, throughout the nineteenth and early twentieth-centuries monopolistic interests had no incentive to endorse government irrigation projects.

In the second decade of the twentieth-century climate conditions and an increasingly insufficient supply of water began to challenge the agricultural prosperity of the Central Valley of California. Though large Central Valley landholders had previously been able to suppress all opposition to their monopolistic rule, their greatest foe yet came via the great drought of the 1920s which caused them to turn to “ground water pumping on a large scale to save themselves from ruin.”³⁴ Though the intensification of groundwater pumping allowed them to withstand the drought, it also created even greater water deficiencies because these natural water supplies were not being replenished but only rapidly exploited. Due to the systematic groundwater depletion that began to occur in the early 1920s, by 1939 the average groundwater level in the San Joaquin Valley had fallen 39 feet.³⁵ While expensive electric water pumps allowed agribusiness elite to endure the harsh environmental realities longer than their smaller counterparts, and though they did benefit from the situation by buying out their struggling neighbors, “by 1925 demands for state and federal aid in supplying water in California were becoming insistent.”³⁶ The fourteen reports on irrigation problems published between 1920-1932 testify to the growing regional

³⁴ Cooper, Erwin, *Aqueduct Empire: A Guide to Water in California its Turbulent History and its Management Today*, (Glendale: The Arthur H. Clark Company, 1968), 149.

³⁵ Worster, Donald, *Rivers of Empire: Water, Aridity, and the Growth of the American West*, 235.

³⁶ P.H. McGauhey and Harry Erlich, *Economic Evaluation of Water: A Search for Criteria*, (Berkeley: Water Resources Center, University of California, 1957), 27.

concern over the scarcity of water.³⁷ Faced with unpleasant ecological conditions, rapid underground water depletion, and progressively more expensive irrigation technology, in the second decade of the twentieth-century both large and small growers began to solicit government irrigation assistance.

Experiencing water shortages that threatened their very existence, in the 1930s large Central Valley landholders sought and received state support for a multipurpose irrigation project that would provide their naturally arid region with an adequate water supply. “The growers, by then,” Marc Reisner argues, “had such a stranglehold on the legislature that they convinced it, in the depths of the Depression, to authorize a huge water project—by far the largest in the world—to rescue them from their own greed.”³⁸ The influence large landholders wielded over the prominent state officials who advocated for passage of the act is perhaps best evidenced by the passionate support the act received from California Governor James Rolph. In signing the contentious assembly bill which would authorize state funding for the development of the act, Governor Rolph stated that he would not “stand for any side shows on this serious matter. If any special interests try to block this measure or delay it in any way, I am prepared to fight them to the last ditch of my executive authority.”³⁹ High-ranking political support was not the only ally the act found in the Depression-weary Western state. When the act was presented to the people of California via a referendum vote on December 19, 1933, some of the arguments presented by proponents of the Central Valley Project Act were that the measure would “give immediate employment to more than 25,000 men for at least three years,” and that federal contributions

³⁷ de Roos, Robert, *The Thirsty Land: The Story of the Central Valley Project*, 21.

³⁸ Reisner, Marc, *Cadillac Desert: The American West and Its Disappearing Water*, 10.

³⁹ Mary Montgomery and Marion Clawson, *History of Legislation and Policy Formation of the Central Valley Project*, (Berkeley: United States Department of Agriculture Bureau of Agricultural Economics, 1946), 51.

would help defray project costs.⁴⁰ This tidbit of information conceivably proved to convince more than a paucity of Californians that the project would resolve their economically precarious state, and in 1933 the people of California voted for passage of the act.

The Central Valley Project was intended to be a self-financed state project that would receive ample federal financial support, but in due time, as a result of a series of state and federal actions, the project would become a completely federal undertaking. When the Central Valley Project Act was passed by public referendum, one of the arguments asserted by supporters of the act was that the sale of state revenue bonds, along with generous federal financial assistance, would contribute to paying project expenses. However, that the fiscally struggling state was seeking more than federal financial cooperation in building the project is made apparent by the fact that four months before the project was voted upon by the people of California Governor Rolph filed a preliminary application for a federal grant with the Federal Emergency Administration of Public Works. When his first application for federal aid proved unsuccessful he fruitlessly reapplied two more times within two months.⁴¹ By 1935 the continued lack of federal response to state supplication for federal financial assistance obliged the increasingly anxious state to pass an act authorizing the Division of Water Resources to use every effort “to secure Federal aid and assistance in financing the construction of the Central Valley project.”⁴² In compliance with the act, Edward Hyatt, State Engineer of California, testified before the House Committee on Flood Control in the February of 1935 when the issue of federal assistance for the Central Valley Project Act was being debated. While the original act had stressed that the project would be a state endeavor, in his testimony before the committee the California engineer

⁴⁰ Ibid, 53.

⁴¹ Mary Montgomery and Marion Clawson, *History of Legislation and Policy Formation of the Central Valley Project*, 71.

⁴² Engle, Clair, *Central Valley Project Documents: Authorizing Documents*, 555.

declared: “California wants the project constructed, and if the Federal Government desires to take charge of it I am sure that the people of California will say well and good.”⁴³ As Congress continued to deliberate over whether the project would receive federal financial assistance, on May 29, 1935 —no doubt very aware of Hyatt’s statement— the United States Bureau of Reclamation applied for federal aid under the Emergency Relief Appropriation Act to begin construction of the project.⁴⁴ Their application stipulated that the project would be in compliance with “the terms of the Reclamation laws,” and on September of 1935 President Franklin D. Roosevelt appropriated the requested funds to the USBR on the premise that the “funds hereby allocated shall be reimbursable in accordance with the reclamation laws.”⁴⁵ Despite the controversy that this stipulation would have on the 1940s CVP acreage limitation debate, throughout the 1930s Central Valley politicians and agribusiness elite continued to support federal legislation mandating the project as a USBR endeavor. In 1937, when the United States Congress was deliberating over the Rivers and Harbors Bill which would reauthorize the entire Central Valley Project as a USBR undertaking, Representative Alfred J. Elliot —a Tulare landholder who would in 1944 propose an amendment to abolish the 160-acre water limitation— stated on the floor of Congress: “What is urgently needed is to vest in the Bureau of Reclamation such power and authorization as are necessary to enable it to attack and solve these [irrigation] problems with all its strength in the way they must be solved.”⁴⁶ When the bill was passed on the August of 1937, one would assume that the state of California, and the agribusiness elite who had originally advocated for the project, would be content that the long-awaited Central Valley Project would finally be constructed with federal funds under extremely advantageous

⁴³ Mary Montgomery and Marion Clawson, *History of Legislation and Policy Formation of the Central Valley Project*, 73.

⁴⁴ *Ibid*, 81.

⁴⁵ *Ibid*, 81, 247.

⁴⁶ *Ibid*, 86.

reclamation terms. Their gratification, however, unlike Ms. Dena Foster's, proved to be short-lived. By 1944 the terms set forth in the Rivers and Harbors Bill of 1937 would prove to be so controversial that President Franklin D. Roosevelt's conscious decision to initially establish the project as a USBR venture would have far-reaching ramifications for the nation in general and the Central Valley of California in particular.

THE BEGINNING OF THE CVP ACREAGE LIMITATION DEBATE:

The Central Valley Project acreage limitation debate is an extension of the larger public debate over monopolistic practices. This assertion is evidenced by the fact that the 1940s CVP acreage limitation debate was in large part instigated by John Steinbeck's *Grapes of Wrath* and Carey McWilliams' *Factories in the Field*. Published within months of one another in 1939, both works presented informative accounts of the migrant farm workers who were laboring under dreadfully precarious conditions in the Central Valley of California. Their pathos and logos infused illuminations of the undemocratic agribusiness social order effectively awakened the nation's conscience to the social realities of land speculation. The countless debates that took place immediately after the publication of *The Grapes of Wrath* and *Factories in the Field* make clear the significant role the two works played in bringing the issue of land monopolization to the forefront of local, state, and national politics. In one public debate over whether *The Grapes of Wrath* truthfully illustrated the farm conditions in California, landowner Philip Bancroft argued in the negative, and adamantly defended the principles of private farm ownership by noting the personal pains his family had endured to develop and improve their agricultural domain.⁴⁷ "Mr. Steinbeck and Mr. McWilliams," Bancroft claimed, "object to this kind of ownership. They want to do away with our California farms, as we have them, and establish in their places great

⁴⁷ "Rebuttal by Philip Bancroft, Commonwealth Club Debate," Friday, March 29, 1940, Paul S. Taylor Papers, Carton 18, Folder 22.

collective farms, similar to those of Soviet Russia.”⁴⁸ Mr. Bancroft’s words lucidly reveal the hostile manner in which *The Grapes of Wrath* and *Factories in the Field* were received by land monopolists who felt threatened by the two books literary and polemic illustrations of the agribusiness practices occurring in the state. While the acreage limitation law was not at the center of the public imagination in 1939, in pointing to the necessity for agrarian reform in the Great State, the two books played a crucial role in framing the CVP acreage limitation debate. By provocatively exposing the social effects of land monopolization these two controversial works compelled Americans to begin to publicly discuss the detrimental realities occurring in the long perceived fabled land and concurrently set the stage for the national CVP acreage limitation debate.

When President Franklin D. Roosevelt defended the excess land law by stating that reclamation projects should “give first chance to the ‘Grapes of Wrath’ families of the nation” he no doubt purposefully sought to capitalize on the celebrated novel’s explicit portrayal of land monopolization to advance the acreage limitation cause.⁴⁹ This statement would not prove to be Mr. Roosevelt’s only attempt to ensure that the acreage limitation of the Federal Reclamation Act was properly adhered to in the Central Valley. His administration not only denied California’s application for a federal grant to finance the CVP as a state project three times, but when he did appropriate the funds for the irrigation project he specifically stated that “the funds hereby allocated shall be reimbursable in accordance with reclamation laws.”⁵⁰ Though his administration can rightly be criticized for not signing contracts with CVP landholders prior to the project’s construction, and for allowing the USBR to neglect the acreage limitation issue for

⁴⁸ Ibid.

⁴⁹ Hundley, Norris, Jr., *The Great Thirst: Californians and Water, 1770s-1990s*, 260.

⁵⁰ Mary Montgomery and Marion Clawson, *History of Legislation and Policy Formation of the Central Valley Project*, 247.

several years following the project's inception as a USBR endeavor,⁵¹ his public endorsement of the acreage limitation law, and a series of studies commissioned by the USBR under his administration, are irrefutably two of the factors which led to the CVP acreage limitation debate. When the 32nd President of the United States wrote a letter to the National Reclamation Association in 1943 to express his admiration for the founders of the Federal Reclamation Act who "wanted no speculators to reap all of the value of government investment," his support for the redistributive purposes of the Act were made explicit to the anti-acreage limitation association.⁵² His sponsorship of the acreage limitation provision certainly proved threatening to the large Central Valley landholders who would later argue that they were informed by a government official in 1940 that the provision would not be applied to the Central Valley Project and felt duped by the federal administration and the bureau.⁵³ The support that the excess land law received from his Secretary of Interior Harold L. Ickes, who testified before the United States Senate for complete enforcement of the provision in the Central Valley, was also particularly significant in the acreage limitation debate. Mr. Ickes, with the support of President Roosevelt, is credited with preparing "an enforcement campaign in preparation for the beginning of CVP operations after the war's end" which eventually contributed to galvanizing agribusiness reaction towards the acreage limitation in 1944.⁵⁴ Despite the intense CVP acreage limitation

⁵¹ This critique of the FDR administration is presented in Harry Joseph Hogan's PhD. dissertation "The 160-Acre Limitation: Conflict in Value Systems in the Federal Reclamation Program," p. 140.

⁵² U.S. Congress. House. Committee on Commerce. 1944. California Central Valley Project: Hearing before the Committee on Commerce. 78th Cong., 2nd sess., May 8.

⁵³ U.S. Congress. House. Committee on Commerce. 1944. California Central Valley Project. 78th Cong., 2nd sess., May 8, 9, 18, pg. 666. In a Congressional hearing Mr. Roland Curran, a registered agribusiness lobbyist, stated that when he asked the California engineer of the Central Valley Project, "How about the provisions on the 160-acre limitations, and the rest of them, that go on?," the engineer responded, "the project won't work with those limitations on, and don't worry about it, they will have to come out."

⁵⁴ Mr. Ickes was perceived as such a hero of the people's struggle for acreage limitation enforcement that upon his resignation under the Truman administration the State Grange stated that his departure was "a matter of deep and sincere regret" for them, and that they felt that the "stalwart champion of the people's rights is passing from the

debate that would arise partly as a result of President Roosevelt's 1943 stance on the issue, his continued support for the enforcement of the acreage limitation in the Central Valley is noted in a letter he wrote to the California State Grange Master, George Sehlmeier, on January 8, 1945—four months before his death. “I have repeatedly urged,” stated the President, “that additional projects in the Central Valley such as the Kings and Kern River developments be undertaken by the Reclamation Bureau in order to achieve orderly unified administration under Reclamation Laws.”⁵⁵ Regardless of the lack of support the acreage limitation provision would receive from the preceding liberal administration of Harry S. Truman, the Franklin D. Roosevelt administration certainly demonstrated that it was willing to espouse the controversial excess land law in a region dominated by agribusiness fiefdoms who had no intent of giving a chance to the “Grapes of Wrath” families of the nation.

In the early 1940s various government-funded studies began to investigate the social implications of large landholdings in the Central Valley of California. Many of the findings the studies found were of pivotal importance to the question of *who* would benefit from the Central Valley Project, so why these studies were not conducted prior to the project's establishment as a USBR endeavor is significant in understanding the CVP acreage limitation debate. While one 1945 Bureau of Agricultural Economics study endorsed by Richard L. Boke, Regional Director of the CVP, argues that no attention was focused on the excess land law in the 1930s because “the Bureau was engrossed in developing detailed engineering plans for [the] project” and “it was anxious to employ men by early construction, in order to aid in relieving the serious

scene at a most inopportune time.” Source: “We Regret the Resignation of ‘Old Curmudgeon,’” *California Grange News*, February 20, 1946.

⁵⁵ “Letter from FDR to Sehlmeier,” *California Grange News*, June 20, 1945.

unemployment of that period,” this claim should not be taken at face value.⁵⁶ The bureau’s noticeable inattentiveness towards the acreage limitation issue for several years following the project’s adoption as a federal reclamation venture sheds light on the fact that the bureau was self-motivated in undertaking the CVP. Though the agency was continuously lauded by the California State Grange for being “one governmental agency that throughout its many years of public service has maintained a record of loyal and untainted stewardship and faithful adherence to the principles on which it was established,” the USBR was never fully devoted to the redistributive principles of the Federal Reclamation Act of 1902.⁵⁷ Throughout the decade, and indeed throughout its history, the USBR would continually utilize the acreage limitation provision to assert its moral high ground and efficacy. While this was an improper representation of itself, it nonetheless allowed the agency to continue to receive support from various sectors of the national population.⁵⁸ In ignoring the issue of acreage limitation until 1943 —when the Secretary of the Interior Harold Ickes and President Franklin D. Roosevelt publicly announced their intention to support the acreage limitation— the bureau no doubt thought that it would be able to continue to construct the project without opposition from Central Valley agribusinesses who USBR personnel well knew would oppose the imposition of such a measure.⁵⁹ This assertion was argued by American economist and acreage limitation activist Paul S. Taylor in a 1975 interview. “Within the Department of Interior the Bureau of Reclamation people wanted the appropriations needed to develop the project,” he stated, “they found the wholehearted

⁵⁶ Mary Montgomery and Marion Clawson, *History of Legislation and Policy Formation of the Central Valley Project*, 129.

⁵⁷ “By their Works Ye Shall Know Them,” *California Grange News*, March 20, 1945.

⁵⁸ Hundley, Norris, Jr., *The Great Thirst: Californians and Water, 1770s-1990s*, 266.

⁵⁹ *Ibid*, 261.

support of the large landed interests useful.”⁶⁰ Though their noticeable hesitation in conducting such studies reveals that the USBR did not prioritize acreage limitation, the studies are nonetheless significant because they added fuel to the ever-growing land monopolization issue that would soon manifest itself into the acreage limitation debate.

One of the first of numerous 1940s studies conducted by the Bureau of Agricultural Economics was the 1940 *Agricultural Adjustment Agency Study* which researched 13,000 landownership units in three Central Valley counties that would be served by the Central Valley Project. The BAE study revealed that there was an extreme concentration of landownership in the three counties, and that though the rest of the counties in the region were not investigated, “an examination of census data on acreage in farm operating units indicates that roughly the same situation prevails elsewhere in the Central Valley.”⁶¹ Fully understanding that the acreage limitation provision which the USBR was required to enforce could make the bureau an agent of social change in these counties, the study stressed the significant role implementation of the acreage limitation on the Central Valley Project could have on the region. “In the absence of acreage limitations,” the study argued, “the action of a relatively few large landowners in these counties in subdividing their holdings or in developing them for their own operation will be extremely important in its effect upon the use of this land brought under irrigation by the Central Valley Project.” While the study unquestionably called for the USBR to hold true to its principles and enforce the acreage limitation in the highly stratified region which the federal reclamation project would serve, this study did not persuade the USBR to prioritize the acreage limitation provision. Though insignificant in inducing proactive bureau adherence to the acreage

⁶⁰ Taylor, Paul Schuster, Oral History Interview, Conducted by Malca Chall, Regional Oral History Office, for the Earl Warren History Project, 179.

⁶¹ Bureau of Agricultural Economics, “Agricultural Adjustment Agency Study,” in *Acreage Limitation in the Central Valley: A Report on Problem 19*, (Berkeley: 1944), 11.

limitation, the *Agricultural Adjustment Agency Study* was among the first studies that the Bureau of Agricultural Economics conducted in the 1940s which focused on the necessity for the application of acreage limitation in the Central Valley Project and which started to cause the agribusiness elite in the region to reconsider their relationship with the Central Valley Project and the United States Bureau of Reclamation.⁶²

By the early 1940s the USBR, charged with ensuring that as many individuals as possible benefit from the federal reclamation program, found it ever more difficult to ignore the issue of acreage limitation as it applied to the Central Valley Project. In order to amend their continued negligence of the acreage limitation issue and various other issues arising from the United States Bureau of Reclamation control of the CVP, in 1942 a series of twenty-five studies on the Central Valley Project were undertaken by the USBR. One study that dealt specifically with the acreage limitation law was *Acreage Limitation in the Central Valley: A Report on Problem 19*. Unlike the *Agricultural Adjustment Agency Study* which had largely been ignored by bureaucratic, public, and private organizations, *Problem 19* was so important to the acreage limitation debate that Paul Taylor stated that the study “laid the groundwork for an understanding” of the acreage limitation issue.⁶³ The *Problem 19* study was conducted by a committee composed of private “advisers” and public “investigators,” and the bureau’s bipartisan decision to bring together these two distinctive groups proved to be catastrophic.⁶⁴ Though all of the committee members agreed that “alterations in reclamation law” should be made “to meet the special conditions of the Central Valley Project,” the members drastically disagreed on exactly what these revisions ought

⁶² Bureau of Agricultural Economics, “Agricultural Adjustment Agency Study,” 11.

⁶³ Taylor, Paul Schuster, Oral History Interview, Conducted by Malca Chall, Regional Oral History Office, for the Earl Warren History Project, 149a.

⁶⁴ Mary Montgomery and Marion Clawson, *History of Legislation and Policy Formation of the Central Valley Project*, 130.

to be in the extremely monopolized region.⁶⁵ While the private investigators believed that abolishing the application of the acreage limitation law in the Central Valley Project would solve the problems that the issue caused in the Central Valley, a majority of the public investigators believed that in order for the benefits of the federal reclamation project to be equitably distributed then owners with excess land should be charged an interest cost on the construction of the project.⁶⁶ The public investigators argued that “the desirability of aiding or inhibiting one economic group, in contrast with other economic groups, is a political question deserving of serious consideration,” and that since “certain benefits arise to private individuals as a result of these expenditures of public funds” provided under federal reclamation law, “such benefits shall be widely distributed and shall not be concentrated in the hands of a relatively small group.”⁶⁷ Upon completion of the study in September of 1944 none of the pro-agribusiness committee members agreed to sign *Problem 19* and it was never published. Despite the fact that the study was never publicly distributed, the recommendations made by the public investigators certainly worried Central Valley agribusiness elite. Fearing that the study, along with President Franklin D. Roosevelt and Secretary of Interior Harold Ickes public support of acreage limitation, signified a new era in excess land law enforcement, mere months after the unpublished *Problem 19* study was completed, agribusiness elite and their political allies embarked on a vigorous legislative battle to prohibit enforcement of the acreage limitation law in the Central Valley of California.

THE CVP ACREAGE LIMITATION DEBATE:

⁶⁵ U.S. Agricultural Economics, *Acreage Limitation in the Central Valley: A Report on Problem 19*, (Berkeley: 1944), IV.

⁶⁶ Ibid.

⁶⁷ Ibid, 1, 3.

On March 22, 1944, California Representative Alfred J. Elliot—the very Tulare politician who in 1937 had pleaded with the United States Congress to reauthorize the entire Central Valley Project as a USBR undertaking—introduced a rider to the Rivers and Harbors Act which would exempt the Central Valley Project from the 160-acre water limitation provision. There had been no notice given prior to the rider’s introduction before the floor of the House, but Representative Alfred Carter of California, a registered private power lobbyist, immediately defended the bill when Representative Jerry Voorhis argued that the rider “modified the fundamental reclamation laws, therefore is not germane to the bill.” Despite Representative Voorhis’s adamant attempt to prohibit complete exemption of the acreage limitation, after twenty minutes of deliberations the rider was added onto the Rivers and Harbors Act of 1944. When Representative Elliot added his infamous rider onto the omnibus Rivers and Harbors Act he no doubt thought that he would quite effortlessly prohibit the acreage limitation provision from being applied to his Tulare lands which would be served by the Central Valley Project. In due time, however, he would realize that the taxpaying citizens of the United States, and especially the small farm owners in the Central Valley, would not so easily allow land monopolists to benefit from federal reclamation projects which were intended to prohibit the very practices that these agencies represented.⁶⁸

Unlike the hasty manner in which Representative Elliot was able to add the rider onto the Rivers and Harbors Act in the House, when hearings on the Elliot rider began in the United States Senate on May 4, 1944, the heated deliberations in the Senate lasted four days. In that lengthy span of time statements for and against the limitation were presented by various public and private organizations. While the pro-agribusiness faction vehemently argued that the acreage

⁶⁸ Paul S. Taylor and Orin C. Cassmore, “Pressures to Destroy the Nation’s Anti-Monopoly Policy for Public Water Development: a Documentary Study with Special Reference to the Excess Land Law, 1944-1949.”

limitation provision could not be applied in the Central Valley due to distinctive regional circumstances, excess land law proponents passionately maintained that it would be undemocratic to abolish the acreage limitation on a federal irrigation project that would provide substantial financial benefits to project beneficiaries. “Federal reclamation should result in the establishment of family-sized farms,” argued William E. Warne, assistant commissioner of the USBR, “and the expenditure of public funds should not enhance and fortify land monopoly or promote land speculation.”⁶⁹ These sentiments were reiterated by Lewis G. Hines, the American Federation of Labor Representative, who stated that his organization urged that the Central Valley Project “be developed by the United States Bureau of Reclamation, because the National Reclamation Act contains provisions against water monopoly, against land monopoly, against power monopoly, and against land speculation.”⁷⁰ The agribusiness faction responded to these claims by stating that the acreage limitation law was based on a “philosophy of wanting to socialize the American farmer,” and one registered lobbyist for the Central Valley Project Association, Roland Curran, even went as far as to threateningly state that the agribusiness community felt that “the thing that is going to save endless legislation, endless trouble and expense in this proposition is to remove the limitations.”⁷¹ The arguments and outright intimidations of the Central Valley land monopolists and their allies did not seem to convince the Senate committee that the CVP should be exempted from adhering to the limitation, and after four days of hearings the committee voted to omit the rider from the Rivers and Harbors Act of 1944.

⁶⁹ U.S. Congress. House. Committee on Commerce. 1944. California Central Valley Project. 78th Cong., 2nd sess., May 8, 9, 18, pg. 581.

⁷⁰ *Ibid*, 604.

⁷¹ *Ibid*, 733, 667.

In spite of the outward appearance of victory, acreage limitation proponents did not overlook Mr. Curran's warning to the Senate. In an article published by the *California State Grange* on June 5, 1944, George Sehlmeier cautioned his small farmer organization by stating: "The State Grange membership can chalk up another signal victory to its credit. This round was ours, but the fight is not finished by any means and many hard battles lie ahead."⁷² His words proved prophetic for immediately after the Senate hearings "the pressures of the large landowners was sufficient to retain the Elliot rider in the conference report," and when the "bill came back to the two houses the exemption was part of the bill."⁷³ While this signaled that complete exemption of the acreage limitation in the Central Valley Project was still possible under the Rivers and Harbors Act of 1944, excess land law opponents decided to bring the acreage limitation battle closer to home, and from July 21 to 29, 1944, CVP hearings were held in the Central Valley of California.

When Senator Sheridan Downey, an ardent acreage limitation opponent, obtained an authorization under S. Res. 295 to hold hearings in the Central Valley, he explicitly stated that the hearings would be "to investigate problems arising in connection with the construction and administration of the Central Valley Reclamation Project in California."⁷⁴ While this would seem to suggest that the hearings would involve examining various CVP issues, immediately after the hearings began it became evident that his intention had simply been to demonstrate to

⁷² "Elliot Amendment Killed; Battle Looms in House," *California Grange News*, June 5, 1944.

⁷³ Taylor, Paul Schuster, Oral History Interview, Conducted by Malca Chall, Regional Oral History Office, for the Earl Warren History Project, 173.

⁷⁴ An examination of Downey's personal letters, housed in the Bancroft Library, reveals that he had close ties with agribusiness elite. In a letter he received from California rancher W.S. Breton on April 4, 1950, Mr. Breton told him: "I have been in California since 1903 and in all those years I feel California has never been more ably represented in the Senate than during your terms of office. I know from experience that business men and farmers have always found you sympathetic and happy to take up their cause whenever their complaint was justified." Source: Sheridan Downey Papers, Box 1, A, Miscellaneous letters, Folder 3. Quote in sentence: Engle, Clair, *Central Valley Project Documents: Authorizing Documents*, 684.

his fellow Senators that the people of California were not in favor of the application of the excess land law in the Central Valley. “I know of no irrigation lawyer or engineer in California,” Senator Downey argued at the beginning of the hearing, “who believes this limitation will work. I know of no State official, from the Governor down; I know of no State agency.”⁷⁵ Though fervent in his belief that the majority of Californians were in strong opposition to the acreage limitation, as the hearings continued it became evident that the Senator was terribly mistaken in his conviction. Not only did the local Elliot rider opponents come out to testify against the attempt to exempt the CVP from the acreage limitation, but they were “numerous, insistent, and at times vehement,” and they made it clear to the Senators that the “folks in the Central Valleys” were fully in support of excess land law enforcement.⁷⁶ In his testimony before the subcommittee, O.M. Davis, Master of the Fresno County Pomona Grange, noted that in a survey the organization conducted only ten percent of “rank and file” Californians opposed the acreage limitation provision.⁷⁷ His assertion that the majority of averaged-income Californians were in favor of enforcing the excess land law is confirmed by the occupational discrepancies of those testifying before the subcommittee. While those with higher incomes and close associations with agribusiness elite were more likely to oppose the acreage limitation, the majority of small farmers and middle-of-the-road testifiers were disproportionately in favor of excess land law enforcement. E.T. Wall, a proud farmer of a 60-acre raisin farm in Selma, California, certainly fit the profile of a Central Valley acreage limitation advocate. “I am definitely in favor of the 160-acre limitation,” he stated as he began his testimony, “I feel there should be a human side to this

⁷⁵ U.S. Congress. House. Subcommittee on Irrigation and Reclamation. 1944. Central Valley Project, California. 78th Cong., 2nd sess., July 24-29, pg. 5.

⁷⁶ Paul S. Taylor and Orin C. Cassmore, “Pressures to Destroy the Nation’s Anti-Monopoly Policy for Public Water Development: a Documentary Study with Special Reference to the Excess Land Law, 1944-1949,” 24.

⁷⁷ U.S. Congress. House. Subcommittee on Irrigation and Reclamation. 1944. Central Valley Project, California. 78th Cong., 2nd sess., July 24-29, pg. 278.

and that the purpose of this project should be to do the greatest good for the greatest number of people.”⁷⁸ As the hearings continued the class distinctions between those in favor of the acreage limitation debate and those opposed to it became increasingly apparent. In an article published in the *California Grange News* on August 5, 1944, the pro-small farmer newspaper claimed that “the old gang put on a good show” with their “crocodile tears for the farmers who are ‘not sleeping good nights and are terrified because of their fears of this attempt through the Bureau of Reclamation, to break down their economic structure.’”⁷⁹ Despite the presentation Senator Sheridan Downey and Central Valley agribusiness interests sought to manufacture for the committee of senators in the hearings, their efforts proved to no avail and when the Elliot rider was deliberated on the floor of the United States Senate in the next congressional session none of the senators who had participated in the Central Valley Project hearings “supported his efforts to pass the rider.”⁸⁰

The regional hearings, which Senator Downey had assumed would generate senatorial support for the Elliot amendment, had an inverse effect, and in fact compelled Senator Robert Lafollette, Jr. to cautiously advise Senator Downey, “If you press for that acreage exemption, I will deliver a three-hour speech on the floor of the Senate against you.”⁸¹ Senator Lafollette, Jr. remained true to his word, and when the Rivers and Harbors Act of 1944 was presented before the Senate with the Elliot amendment attached he fought passionately against its passage, and the entire bill, carrying “the gravy of public appropriations to projects all over the country,” was

⁷⁸ Ibid, 297.

⁷⁹ “Crocodile Tears,” *California Grange News*, August 5, 1944.

⁸⁰ Paul S. Taylor and Orin C. Cassmore, “Pressures to Destroy the Nation’s Anti-Monopoly Policy for Public Water Development: a Documentary Study with Special Reference to the Excess Land Law, 1944-1949,” 24.

⁸¹ Taylor, Paul Schuster, Oral History Interview, 176. Senator Lafollette Jr. was informed about the strong public support the acreage limitation received in the Central Valley hearings by his former classmate Paul S. Taylor.

aborted.⁸² While the people of the Central Valley of California proved victorious in their first attempt to defend the excess land law, and made it clear to the federal government that they were in strong support of the provision, the agribusiness elite in the region would demonstrate themselves to be as equally persistent and dedicated in their mission against acreage limitation enforcement as the acreage limitation battle continued to unravel itself onto different fronts.⁸³

Even as the Elliot amendment was being debated in the Senate, the public understood that the battle over the application of the excess land law in the Central Valley would not end with the defeat of the rider. An article published in *Business Week* during the senate deliberations in May of 1944 was fully cognizant of this assertion when it stated:

If the big landowners in the valley lose out in this particular fight [for direct exemption], they have several other proposals to accomplish their end. One of them is a House bill which would authorize the Army to add irrigation and power development to its present navigation and flood-control powers. The legislation also would call for construction of a series of irrigation and power projects throughout the country, especially in the Central Valley. This would circumvent the 160-acre rule, since the army is not bound by that restriction.⁸⁴

That large Central Valley landholders would turn to the United States Army of Engineers as a means of escaping the acreage limitation law is not surprising considering the monetary benefits and absence of acreage limitation that USAE flood control projects provided. Unlike USBR irrigation projects which are mandated to adhere to the excess land law, and which require project beneficiaries to pay a minuscule fee for project costs, USAE flood control projects are completely covered by the federal treasury. While the financial benefits provided by USAE projects were certainly lucrative enough to lure large landholders into seeking USAE constructed irrigation projects in their regions, they were not the only factors which led agribusiness elite to

⁸² Ibid, 174.

⁸³ Though USBR officials also testified at the Central Valley hearings in support of the acreage limitation, it was the strong support the excess land law received from the people of the Central Valley which ultimately had the greatest effect on the debate.

⁸⁴ Paul S. Taylor, "Central Valley Project: Water and Land," *The Western Political Quarterly* 2.2 (1949): 245.

solicit USAE entrance into the Central Valley. The USBR and the USAE were well-known rivals who were continuously in competition with one another to attain congressional appropriations for irrigation projects in the West.⁸⁵ The large Central Valley landholders no doubt recognized that they could profit from the historic rivalry between the two federal agencies by playing one agency against the other for their private interests. Due to the fiscal benefits and bargaining power USAE intervention in the Central Valley would provide the large landholders, as early as 1936—when flood control project costs became non-reimbursable under the Rivers and Harbors Act—Central Valley agribusiness interests “turned their attention toward bringing the Army Engineers into reservoir construction on all rivers from the Kings south to the Kern.”⁸⁶ Their efforts proved fruitful, for in 1937 the USAE, along with the ever suspicious USBR, which sought to maintain its newly appointed control over irrigation projects in the Central Valley, began intensive investigations of the Kings River and Pine Flat Dam.⁸⁷ The budding conflict between the two bureaucracies scrambling to construct irrigation projects in the Central Valley became evident when both the USAE and the USBR “submitted their separate [irrigation] reports to the president and Congress” in 1940.⁸⁸ While the USBR report self-servingly recommended construction of the Kern River developments primarily for irrigation purposes, the USAE report recommended similar developments for flood control purposes.⁸⁹ The differences in their report proposals were recognizably linked to the “desire of the respective agencies to have the project

⁸⁵ Hundley, Norris, Jr., *The Great Thirst: Californians and Water, 1770s-1990s*, 208. On this page Hundley notes that the USAE “was still unhappy over Congress’s passage of the Reclamation Act of 1902.”

⁸⁶ Paul S. Taylor, “Excess Land Law on the Kern?: A Study of Law and Administration of Public Principle vs. Private Interest,” *California Law Review* 46. 2 (1958): 166.

⁸⁷ Arthur Maass and Raymond L. Anderson, *...and the Desert Shall Rejoice: Conflict, Growth, and Justice in Arid Environments* (Cambridge, Massachusetts: The MIT Press, 1978), 256.

⁸⁸ *Ibid.*

⁸⁹ Mary Montgomery and Marion Clawson, *History of Legislation and Policy Formation of the Central Valley Project*, 229.

included as part of their programs.”⁹⁰ Not only did each agency frame their individual project proposals for opportunistic purposes, but they also attempted to marshal “support within the Valley and elsewhere” for their distinctive projects.⁹¹ While the USAE practice of completing irrigation projects and then handing over control of the project to local interests proved appealing to large Central Valley landholders, to small farmers and acreage limitation proponents the federal reclamation principles made the USBR the more socially conscious, and therefore the most agreeable, of the two agencies.⁹² When the Flood Control Act of 1944, which would allow for construction of the King and Kern Rivers under the USAE, was being deliberated in the Senate, the bureaucratic battle between the two agencies and their class of supporters became a major battle in the CVP acreage limitation debate.

The Flood Control Act of 1944 was an extension of the struggle to abolish the acreage limitation provision from being applied to irrigation projects in the Central Valley. This is most clearly revealed by the fact that Representative Alfred J. Elliot, who had succeeded in adding the Elliot amendment onto the House-approved Rivers and Harbors Act of 1944, “was the most active member of the House in the effort to prevent the Bureau of Reclamation from constructing Pine Flat and Isabella dams.”⁹³ Understanding that the acreage limitation debate had moved onto a different front, and that passage of the Flood Control Act of 1944 would mean a victory to Central Valley agribusiness elite, on November 5, 1944, George Sehlmeier addressed the California State Grange community by arguing that “if there is to be a full and complete

⁹⁰ Ibid. It should be noted that USBR projects were for water diversion, storage, and delivery purposes, whereas USAE projects were primarily intended for flood control purposes. Thus, though agribusiness elite found USAE projects profitable, they were not as comprehensive as USBR projects and therefore it was in the best interest of large Central Valley landholders to seek USBR projects.

⁹¹ Ibid, 234.

⁹² Ibid, 233. On this page Montgomery and Clawson present some of the reasons that “lead some local people to favor one program over the other.”

⁹³ Paul S. Taylor, “Excess Land Law on the Kern?: A Study of Law and Administration of Public Principle vs. Private Interest,” 167. Footnote.

development of the water resources in the Central Valley, it should be constructed by the Bureau of Reclamation.”⁹⁴ The California State Grange’s obvious preference for USBR construction of the Kings and Kerns River irrigation project was voiced by other local organizations throughout the Central Valley. As early as 1940, the Flat Water Users and Power Association, a local Kings River organization, collected 1,800 petitions requesting congress to allow the irrigation project to be constructed by the USBR.⁹⁵ Despite public disapproval of USAE entrance into the Central Valley, “growers lobbied hard for construction by the Corps,” and in 1944 the Flood Control Act was passed and gave the USAE the authorization it needed to begin construction on the Kern and Kings River region. Though the passage of the Flood Control Act was a victory for the large landholders, a stipulation in the act, added by President Roosevelt, required that USAE projects with multipurpose capabilities abide by federal reclamation law standards. While this would seem to create new barriers for the large landholders, the USAE’s public acknowledgement that they had no intention of complying to the limitation no doubt assured the large landholders that the USAE was a potent and dependable ally against the USBR. In light of the USAE stance that “the 160-acre limitation does not apply” to Central Valley irrigation projects, the Flood Control Act of 1944 proved to truly be a triumph for Central Valley agribusinesses.⁹⁶

Throughout the 1940s the USAE’s inobservance of the excess land law led Central Valley agribusiness elite and their political allies to continue to support the USAE over the USBR. One such instance that demonstrates large Central Valley landholder’s forceful support of the USAE was in 1946 when they, along with California Governor Earl Warren, lobbied for

⁹⁴ “The State Master’s Address,” *California Grange News*, November 5, 1944.

⁹⁵ U.S. Congress. House. Committee on Flood Control. 1940. Comprehensive Flood-Control Plans on H.R. 9640. 76th Cong., 3rd sess., Mar. 18-23, 25, Apr. 1-6, 8, 9, pg. 544.

⁹⁶ “The 160-acre Limitation Does Not Apply,” *Fresno Bee*, August 17, 1945.

USAE construction of Pine Flat Dam.⁹⁷ Noting that “it would be better never to build the Pine Flat Dam than to have it built under the regulations proposed by the Bureau of Reclamation,” and that President Truman was wrongfully “holding up the construction of flood control dams by the U.S. Army of Engineers,” in 1947 they convinced President Truman to appropriate funds for the USAE to begin construction of the Pine Flat Dam.⁹⁸ The ever-growing alliance between the USAE and the land monopolists did not go unnoticed by acreage limitation opponents. In a letter C.J. Haggerty, the Secretary of the California State Federation of Labor, wrote to Governor Earl Warren on October 3, 1947, he stated: “There is no doubt that this use of the Army offers special advantages to, and represents the preference of a few landholders and private power interests.”⁹⁹ Mr. Haggerty’s point was reiterated in an article published in the *California Grange News* on April 20, 1945, when the article discussed the unpopularity of the USAE’s proposal to divert Klamath River into the Sacramento Valley via Pitt River. “The net result of hearings conducted on this weird proposition,” the article stated, “was a revelation that the only possible beneficiaries would be the Pacific Gas and Electric Company, through whose Pitt River power generating plants the diverted waters of the Klamath would flow.”¹⁰⁰ While the USAE continued to be perceived as a tool of Central Valley agribusiness elite by acreage limitation proponents throughout the decade, their alliance with land monopolists persisted and proved to augment their power in the region. The newly-formed union between the USAE and large Central Valley

⁹⁷ An article in the *Bakersfield Californian* noted that Governor Earl Warren was lauded by R.F. Schmeiser, Fresno Presidents of the Southern San Joaquin Valley Flood Control Association, for his “efforts in behalf of California water interests.” “Unquestionably your personal appearance there with the President,” Mr. Schmeiser stated, “the department of interior, the army corps of engineers and other congressional leaders, had a very salutary effect on the President in unfreezing the \$1,000,000 appropriation in behalf of the army engineers to start construction of the long needed Pine Flat dam.” Source: “Governor Lauded for Water Stand,” *Bakersfield Californian*, March, 1947.

⁹⁸ de Roos, Robert, *The Thirsty Land: The Story of the Central Valley Project*, 70.

⁹⁹ “Position on Central Valley of the California State Federation of Labor” October 3, 1947, Paul S. Taylor Papers, Carton 18, Folder 26.

¹⁰⁰ “Army’s Pork Barrel Plan Endangers CVP,” *California Grange News*, April 20, 1945.

landholders threatened the control the USBR had attained under the Rivers and Harbors Act of 1944. Feeling their power slip in the agriculturally promising region where their historic rivals were growing in prominence, the USBR—a federal agency never fully committed to the acreage limitation provisions they were required to adhere to—increasingly felt pressured to reclaim a foothold in the region by any means necessary. By purposely pitting the two bureaucratic rivals against one another, Central Valley agribusiness elite no doubt recognized that they would eventually obtain federally subsidized water on their own terms. Though indeed significant in the outcome of the acreage limitation debate, the bureaucratic battle with the USAE was not the only means by which large Central Valley landholders pressured the ambitious USBR to amend their stance on acreage limitation enforcement.

On January 20, 1947, the *California Grange News* published a “Petition to the Congress of the United States” on the front page of their publication. In the public petition they listed six requests which they stated was their “last-ditch fight to save the great, fertile inland valleys of California for family-sized farms.” While their demand that “the acreage limitation be retained in the Reclamation Law” is predictable considering their long-standing support for the redistributive principles of the excess land law, their first request, which states that they “oppose taking over the project by the State of California,” initially seems peculiar in view of the state’s vigorous attempt to receive federal sponsorship for the project throughout the 1930s. The California State Grange’s belief that state control of the project proved threatening to family-sized farms is not unfounded, however, and in fact rightly points to the important role the state campaign to purchase the CVP had begun to play in the acreage limitation debate by 1947.¹⁰¹

Immediately after the Central Valley Project became a USBR venture there were various factions within California who began to express a desire for state control of the irrigation project.

¹⁰¹ “Petition to the Congress of the United States,” *California Grange News*, January 20, 1947.

These new state-control advocates often used anti-federalist arguments to assert that the state of California should administer and control its own irrigation projects. Professor S.T. Harding was one such state-control advocate who used anti-federalist rhetoric to demonstrate his disdain for federal control of the CVP, and in a speech before the State Chamber of Commerce in 1941, he stated: “It is to the state’s interest to...oppose the interference by federal agencies with the economic structure of our agriculture or marketing of power. These are matters of our own determination.”¹⁰² Mr. Harding’s sentiments were voiced by Mr. Ralph H. Taylor, Executive Secretary of the Agricultural Council of California, in 1944, when he asserted that the Secretary of Interior sought to “turn the Central Valley area into a Federal colonization project,” and that “the fundamental lesson to be learned from the Central Valley controversy, of course, is that what the Federal government pays for, the Federal government intends to control and dominate—and States’ rights go out the window when Federal financing comes in.”¹⁰³ Despite the rhetoric which would suggest that state-control advocates strongly cared about states’ rights, in actuality their contempt for federal management of the CVP was primarily motivated by their opposition to the acreage limitation provision. This is evidenced by the California Farm Bureau Federation’s proposal for state control of the CVP on the grounds that the federal government unjustly intended “to restrict Central Valley land ownership to 160 acres or less.”¹⁰⁴ Though acreage limitation opponents continued to voice their disapproval of federal control of the CVP throughout the 1940s, it was not until 1945 that their opinions began to crystallize into legislative measures to regain state control of the Central Valley Project.

¹⁰² Mary Montgomery and Marion Clawson, *History of Legislation and Policy Formation of the Central Valley Project*, 108.

¹⁰³ *Ibid.*, 110.

¹⁰⁴ *Ibid.*, 108-109.

The campaign for state purchase of the Central Valley Project took center stage in the January of 1945 when a group of California State Senators —opponents of the acreage limitation provision— introduced Senate Bills 896 and 897. Both bills sought to empower the state to play a greater role in the management of the Central Valley Project, and one of the bills, Senate Bill 896, was particularly controversial in that it mandated that the state be given “entire control of the Central Valley Project.”¹⁰⁵ Though neither bill was passed, on March 7, 1945, Secretary of Interior Harold L. Ickes wrote a letter to California Governor Earl Warren informing him that “the activities in relation to the Central Valley of such a group of well-known California citizens interests me, since the Bureau of Reclamation of the Department of the Interior has an investment of \$157,180,000 in the Central Valley Project.”¹⁰⁶ He further went on to tell the Governor: “If the State has arrived at a financial position where it is ready to reimburse the United States Treasury for expenditures already made in behalf of the people of California” then “the Department of the Interior is prepared to withdraw from the project.”¹⁰⁷ Perhaps fearing that the Secretary of Interior was not bluffing, and recognizing that the loss of the federally-funded Central Valley Project would jeopardize his upcoming gubernatorial reelection, Governor Warren organized the California Water Conference of 1945.¹⁰⁸ Though the conference was Governor Warren’s “attempt to reconcile the viewpoints and plans of the various groups interested in California water resources development,” there seemed to be no consensus among the 636 persons in attendance in regards to the issue of state control of the CVP.¹⁰⁹ The position

¹⁰⁵ Ibid, 121.

¹⁰⁶ Ibid, 125.

¹⁰⁷ Ibid, 126.

¹⁰⁸ An article in the *California Grange News* credits Earl Warren’s 1946 reelection to his “pre-election declaration for full development of the Central Valley Project.” Source: “The Governor Faces a Heavy Responsibility,” *California Grange News*, June 5, 1946.

¹⁰⁹ Simpson, Richard Perry, “The Campaign for State Purchase of the Central Valley Project, 1945-1955” (PhD diss., Stanford University, 1956), 91, 85.

of the agribusiness elite was expressed by their lobbyist representative, Roland Curran, who stated that he was sincerely convinced that “Congress as a whole would welcome the proposal that California agree to take over the operation and maintenance of the project.”¹¹⁰ While Mr. Curran seemed confident in his state-control stance, the Central Valleys Project Conference—an organization created for the specific purpose of opposing state purchase of the CVP—argued that “only the development plan of the Bureau of Reclamation safeguards our true welfare.”¹¹¹ The conflicting opinions articulated at the California Water Conference only signaled the growing disagreement over the state CVP purchasing campaign that would persist throughout the decade.

Legislative measures intended to allow for state purchase of the CVP continued to be proposed by state lawmakers throughout the 1940s, and well into the early 1950s, but never came to realization. Regardless of the conspicuous failure of the campaign, the drive to gain state control of the project was not unsuccessful in achieving its primary objective of ensuring inobservance of the excess land law. The effect the state campaign had on USBR policy was noted in a pamphlet which was distributed throughout the Central Valley of California in 1948. In the forward of the pamphlet CVP Regional Director Richard L. Boke is noted as stating that while the USBR takes pride in their administrative adherence to the reclamation law, “what will be ultimately meaningful about the Central Valley Project is its testimony to the success of people working together.” Though Boke seeks to romanticize the obvious nonenforcement of the excess land law that is implied by “the efficacy of the people and their Government working together to achieve a stable and democratic economy,” the USBR’s new accommodative stance is apparent. The state purchasing campaign, similar to the USBR’s bureaucratic rivalry with the

¹¹⁰ Ibid, 84.

¹¹¹ Ibid, 88. The Central Valleys Project Conference was composed of various organizations and individuals who actively advocated for the enforcement of the acreage limitation.

USAE, effectively pressured the self-serving federal reclamation bureau to compromise their stance on acreage limitation in order to maintain a presence in the agriculturally promising Central Valley of California.¹¹²

While large Central Valley landholders had lobbied for USAE flood control projects and the state CVP purchasing campaign in order to circumvent the acreage limitation provision, by the late 1940s they had not given up hope on complete CVP excess land law exemption. Understanding their continued desire for acreage limitation abolishment in the Central Valley, in a speech before the Irrigation Districts Association Convention in 1946, California Senator Sheridan Downey stated, “I can assure you gentlemen, who have been anxious and burdened and worried over this issue for several years, that I will do all I can to bring this matter to a speedy and a just conclusion.”¹¹³ Senator Downey’s tangible solution to agribusiness woes was announced on the March of 1947 when he publicly revealed that he, along with a group of four other Western Senators, would be introducing Senate Bill 912 in the United States Senate. The bill proposed by the five senators stated that “no benefit of the Federal reclamation laws shall ever be denied because of the size of any holding or private lands” in the San Luis Valley Project of Colorado, the Valley Gravity Canal Project of Texas, and the Central Valley Project of California.¹¹⁴ While the Elliot amendment had specifically been for CVP acreage limitation exemption, S. 912 applied to three USBR irrigation projects dispersed throughout the West and would set a precedent for future federal reclamation irrigation projects. Not only was S. 912 more comprehensive than the Elliot amendment, but it also had greater political leverage. This

¹¹² Ibid, 172. The pamphlet is entitled “The Central Valley and the Citizen: A Pattern of Citizen Participation in the CVP.”

¹¹³ Paul S. Taylor and Orin C. Cassmore, “Pressures to Destroy the Nation’s Anti-Monopoly Policy for Public Water Development: a Documentary Study with Special Reference to the Excess Land Law, 1944-1949,” 32.

¹¹⁴ U.S. Congress. House. Subcommittee on Public Lands. 1947. Exemption of Certain Projects from Land-Limitation Provisions of Federal Reclamation Laws. 80th Cong., 1st sess., May 5-9, 12-16, 19-22, 28, June 2, p.2.

latter assertion was noted by the *Sacramento Bee* on March 17, 1947, when an article stated that with his newest venture against the acreage limitation provision, “Downey appears to have strengthened his position by enlisting the support of the politically influential Texas delegation as well as the Colorado congressional representatives.”¹¹⁵ This potent coalition of Western Senators, intent on the abolishment of the excess land law, would become one of the greatest obstacles the ambitious USBR faced in the 1940s.¹¹⁶

Congressional hearings for S. 912 began in May of 1947, lasted nearly sixteen consecutive days, and consisted of over five dozen testimonies. The sheer number of organizations who sent representatives to witness before the subcommittee attests to the widely acknowledged importance of the hearings. Among the many testifiers before the senate subcommittee were representatives for religious organizations, all of the national veterans groups, the three major labor unions, farm organizations, USBR personnel, agribusiness lobbyists, and politicians from the three levels of government. While opponents and proponents of the acreage limitation provision continued to make the same arguments they had presented throughout the decade, the testimony of Michael W. Straus, the Commissioner of Reclamation, is of vital importance to the outcome of the acreage limitation debate.

During his congressional testimony, Mr. Strauss argued that the acreage limitation provision was “as basic a policy of American democracy as can be found in any of the statute

¹¹⁵ “Downey Tells of New 160-Acre Limitation Bill,” *Sacramento Bee*, March 17, 1947.

¹¹⁶ S. 912, like the state campaign to purchase the CVP and the bureaucratic rivalry between the USAE and the USBR, was backed by strong agribusiness support. In an article in the *San Francisco News* on May 23, 1947, it states that “Roland Curran, registered lobbyist for the Central Valley Project Association, and Ronald B. Harris, registered lobbyist for the California Irrigation Districts Associations, sit in constant attendance on Senator Downey as he presents the case for his Bill lifting restrictions.” Source: Unidentified Article, *San Francisco News*, May 23, 1947.

books.”¹¹⁷ Despite making this grand patriotic statement in support of the excess land law, when he was questioned by Republican Senator and ranch owner Zales N. Ecton of Montana, his tone dramatically changed. “Let me ask you this,” Mr. Ecton told Mr. Straus, “If a corporation owns and operates 1,600 acres, we will say, and there are ten stockholders within this corporation, what would prevent a stockholder, instead of having stock in this corporation, to own 160 acres of land within the corporation?” Mr. Straus responded by stating: “I think he would bring himself into technical compliance. Whether it would be spiritual compliance or not, I have no doubt [laughter], but the law goes to technical, legal compliance, and counsel advises me that that type of division would be compliance.”¹¹⁸ In this statement Mr. Straus, the top USBR official, not only makes it clear that his agency is not sincerely concerned with upholding the anti-monopolist principles of the federal reclamation laws that the USBR is obliged to enforce, but he also explicitly explains to large landholders how to evade adhering to the excess land law. While the federal reclamation law prohibits individuals with excess land from receiving USBR water, Mr. Straus was assuring the land monopolists, it could not prevent a corporation with various stockholders from receiving federal reclamation water if each individual owned 160 acres of land. Perhaps because the strategy Mr. Straus proposed proved satisfactory to agribusiness interests throughout the West, and because the public was strongly opposed to passage of the bill, S. 912 died in the committee without explanation.¹¹⁹ Though Senate Bill 912 was unsuccessful in completely abolishing the acreage limitation law, like the state campaign to

¹¹⁷ U.S. Congress. House. Subcommittee on Public Lands. 1947. Exemption of Certain Projects from Land-Limitation Provisions of Federal Reclamation Laws. 80th Cong., 1st sess., May 5-9, 12-16, 19-22, 28, June 2, p.102.

¹¹⁸ *Ibid*, 104.

¹¹⁹ In a Senate Appropriations Subcommittee in the next congressional session Senator Downey stated: “I have had Senators say that in almost every western state this campaign for the 160-acre limitation has been so widespread that they are no longer free Senators in voting.” Source: Paul S. Taylor and Orin C. Cassmore, “Pressures to Destroy the Nation’s Anti-Monopoly Policy for Public Water Development: a Documentary Study with Special Reference to the Excess Land Law, 1944-1949.”

purchase the CVP, and the bureaucratic rivalry between the USAE and the USBR, the bill was triumphant in pressuring the self-serving USBR into a policy of technical compliance.

Considering the significant role President Franklin D. Roosevelt played in igniting the CVP acreage limitation debate, and the sincere commitment to the redistributive purposes of the act which he demonstrated throughout his presidency, it seems peculiar that the succeeding liberal administration of Harry S. Truman would not even make a meager attempt to ensure that actual compliance of the acreage limitation was upheld. In fact, throughout his term in office President Truman would not only appropriate funds for the USAE to build the Pine Flat Dam in 1947, but he would also sign a bill raising the acreage limit on the San Luis Valley Project of Colorado.¹²⁰ President Truman's less than wholehearted effort to maintain the anti-monopolistic principles of the acreage limitation law were possibly tied to, as historian Clayton R. Koppes has argued, the post-WWII prioritization of economic growth. This assertion is given credence by a U.S. Department of Agriculture report issued on January of 1944 entitled "What Post-War Policies for Agriculture?" While the report proclaims the department's belief "that the 'scales of public policy' should be tipped in favor of family farms that are efficiently operated and that yield a satisfactory level of living," it also strongly affirms that the department "would erect no barriers against an expansion in the number of so-called industrialized farms."¹²¹ This post-WWII departmental stance seems to have become federal administrative policy under President Truman for by the end of his term the strategy of technical compliance was universally acknowledged as USBR policy. While the USBR opportunistically accepted the policy of technical compliance in order to appease both the proponents and opponents of acreage

¹²⁰ Clayton R. Koppes, "Public Water, Private Land: Origins of the Acreage Limitation Controversy, 1933-1953," 632.

¹²¹ "What Post-War Policies for Agriculture?," Report of U.S. Department of Agriculture Inter-bureau and Regional Committees on Post-War Programs, U.S. Department of Agriculture, Issued January 1944, Paul S. Taylor Papers, Carton 18, Folder 18.

limitation, the agency was allowed to do so in large part because by the late 1940s the Truman administration was much more concerned with fiscal development than it was with adhering to a law which the federal government saw as irrelevant to the nation's political and economic well-being.

CONCLUSION:

Though the acreage limitation debate persisted throughout the twentieth-century, in 1947, when the Commissioner of Reclamation publicly proclaimed that technical compliance of the acreage limitation provision was legally justifiable, the outcome of the CVP acreage limitation debate had decidedly been determined by the ambitious USBR. In view of the bureau's acknowledged policy of technical compliance, it should hardly be surprising that a 1985 report by the California Rural Legal Assistance Foundation would argue that "the principal beneficiaries of the subsidized water are large farming operations, frequently owned by absentee corporations or wealthy individuals."¹²² This was not news to the acreage limitation advocates who had continuously supported the USBR throughout the 1940s but who had come to realize by the early 1950s that the bureau was not the champion of the people's rights that it had long declared itself to be. While it would be easy to blame the USBR for the end result of the CVP acreage limitation debate, such an argument would hardly paint a complete picture of the events that took place throughout the 1940s. The USBR policy of technical compliance did not simply arise as a consequence of one bureau's absolute willingness to allow its monetary benefits to serve a select few, but rather was, to a large degree, a result of the concerted efforts undertaken by large Central Valley landholders to take what they rightfully believed was theirs. Though the CVP acreage limitation debate was primarily centered on the question of *who* would receive the

¹²² Leveen, Phillip E., *Turning Off the Tap on Federal Water Subsidies: Volume I, The Central Valley Project: the \$3.5 Billion Giveaway*, San Francisco: Natural Resources Defense Council: California Rural Legal Assistance Foundation, 1985, p. 1.

benefits of the federally subsidized irrigation project, unfortunately, as a result of the long established tradition of monopolistic expansion that was commonplace in the nation by the 1940s, the answer was always going to be the large Central Valley landholders. As irrigation lawyer Stephen W. Downey, brother of Senator Sheridan Downey, stated, “They have a great deal of influence on legislation and properly so.”¹²³ The question plaguing the land monopolists throughout the 1940s had never been whether or not they would receive the benefits from the Central Valley Project, but it had always been *how* and *when* they would receive the benefits. Their successful campaign to become the primary beneficiaries of the USBR-funded project only testifies to their unfettered ability to self-servingly manipulate public policy.

¹²³ Downey, Stephen W. Oral History Interview, Conducted 1957 by Willa Klug Baum. Regional Oral History Office, for the Regional Cultural History Project, p. 117.

LIST OF ACRONYMS USED IN THE PAPER:

CVP: Central Valley Project

USBR: United States Bureau of Reclamation

USAE: United States Army of Engineers