

The Hair-Splitters: Reno and Wallace, 1932-1933

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FROM THE LATE SUMMER OF 1932 UNTIL THE FALL OF 1933, many Americans, including President Franklin D. Roosevelt, feared that an agrarian revolution would sweep the countryside and topple the existing power structure in America. During that period of crisis two Iowans, Milo Reno and Henry A. Wallace, were frequently pictured as polar opposites by the press. Reno, as president of the militant Farmers' Holiday Association, symbolized the forces of agrarian radicalism and Wallace, as Roosevelt's first secretary of agriculture, was seen as the defender of the established order. Although their differences were real and should not be minimized, a careful examination of their correspondence suggests many similarities in their approach to the Depression in the early 1930s. While Reno and Wallace were bitter political enemies, their personal "war" can best be understood as the result of differences in personality, style, circumstance, and position, rather than disagreement on substantive ideological issues.

In the summer of 1932, as farm prices plummeted, and a wave of mortgage foreclosures swept across the farm belt, Milo Reno established a new organization, the Farmers' Holiday Association, to articulate the demands of angry and frustrated farmers in the Middle West. The former president of the Iowa Farmers' Union was sixty-five years of age in 1932 and had fought farmers' battles with unrelenting energy since the turn of the twentieth century. Using the threat of a farm strike to enforce the Holiday Association's demands for

inflation, cost of production, and refinanced farm mortgages, Reno's rhetoric and bombastic diatribes brought back memories of the farm revolt which had inflamed the agrarian community at the turn of the century.¹

Reno, a former Greenbacker and Populist, demonstrated his heritage when, along with a host of other veteran farm leaders, he resurrected a favorite rural panacea to meet the Depression: monetary inflation. The Farmers' Holiday Association leader quickly dismissed sound money doctrines and argued that the honest labor of the farmer was being stolen by the money power in the East.² Although Reno and his close friend John A. Simpson, head of the Farmers' Union, were the most vociferous supporters of inflation, a number of younger farm leaders, who had not experienced the farm revolt of the late nineteenth century at first hand, also endorsed inflation as a way out of the Depression. Foremost among them was Henry A. Wallace, the influential editor of *Wallaces' Farmer and Iowa Homestead*.³ Still in his early forties, Wallace readily admitted that there was a philosophical similarity between his position on money and the position of the greenbacker and free silver advocates of an earlier age. Believing that manipulation of the currency would raise farm prices and would promote the general welfare in the United States, and the entire world, the Iowa editor crusaded for an "honest dollar" through a policy of "controlled inflation."⁴ As early as 1931, after criticizing Reno for not being active enough in the battle for inflation, Wallace encouraged the future Holiday Association leader to "Get into the fight vigorously and with both feet

¹John L. Shover, *Cornbelt Rebellion: The Farmers' Holiday Association* (Urbana: University of Illinois Press, 1965), 25-27; Theodore Saloutos and John D. Hicks, *Agricultural Discontent in the Middle West 1900-1939* (Madison: University of Wisconsin Press, 1951), 441-451; A. William Høglund, "Wisconsin Dairy Farmers on Strike," *Agricultural History*, XXXV (January, 1961), 24-35.

²Milo Reno to Henry A. Wallace, December 28, 1931, Henry A. Wallace Papers, The University of Iowa Library. (Hereafter cited as HWP); Reno to Roy Hildebrand, August 8, 1933. Milo Reno Papers, The University of Iowa Library. (Hereafter cited as MRP)

³For studies of Wallace see Russell Lord, *The Wallaces of Iowa* (Boston: Houghton Mifflin, 1947); and Edward L. and Frederick H. Schapsmeier, *Henry A. Wallace of Iowa: The Agrarian Years, 1910-1940* (Ames: The Iowa State University Press, 1968).

⁴Wallace to Border Bowman, January 12, 1932. HWR.

instead of standing on the outskirts and criticizing others for not punching hard enough." Apparently not particular about what method was used to promote inflation, he exhorted Reno,

Why don't you use all of your splendid energy on behalf of re-monetizing silver, on behalf of bimetallism, on behalf of sym-metallism, on behalf of greenbacks, or on behalf of something else which will effectively raise the price level?⁵

Although Reno protested that he had been working for the "greenback theory" of money and argued that Congress, if it would stop "palavering" and "playing politics" could solve the Depression in ten days, Wallace continued to fear that Reno's capacity for "fine spun distinction" would divide farmers amongst themselves and prevent the formation of a united front to do battle for agriculture.⁶ Although Wallace would continue to work for inflation, his relationship to the farm protest movement, and to Milo Reno, changed radically when, in February, 1933, he was named secretary of agriculture by President Roosevelt.

Wallace, whose father had been secretary of agriculture under Harding and Coolidge, was a natural choice for the appointment. A well-known figure in the corn belt, Wallace had deserted the Republican Party in 1928 to work for Al Smith and had actively campaigned for Roosevelt in 1932. Wallace, who understood that long-range solutions, as well as the immediate tonic of inflation, were necessary to bolster the sagging farm economy, labored under no illusions about the immensity of the task he would face in Washington. After he had accepted the nomination he wrote in *Wallaces' Farmer*,

It is fairly easy to put out a fire before it gets much of a start. To put it out after wind and time and neglect have fanned it into a flaming rage is a task of greater difficulty. The new administration must make up for twelve years of lost time.⁷

Milo Reno could not have agreed more.

Although Ferner Nuhn, of *The New Republic*, optimisti-

⁵Wallace to Reno, December 24, 1931, HWP.

⁶Wallace to Reno, December 29, 1931, HWP; Reno to Wallace, December 28, 1931, MRP.

⁷Quoted in Lord, *The Wallaces of Iowa*, 325.

cally reported, ". . . there is little doubt that in Henry A. Wallace the Middle West contributes to national affairs an authentic figure, not out of place in the line of George W. Norris, and the elder La Follette,"⁸ Milo Reno was less than enthusiastic about Wallace's appointment. Reno, who had supported John A. Simpson for the post, thought Wallace honest but predicted that he would become another Hyde, a disparaging reference to Hoover's secretary of agriculture.⁹ He wrote to Usher L. Burdick that Wallace ". . . is academic, also erratic, unstable and thoroughly bureauized in his ideas, and I doubt very much if he would be any great improvement over the present jackass who occupies that position."¹⁰ Wallace, even before his appointment as secretary, had also begun to question Reno's worth to the farm movement. In December, 1931, Wallace pondered Reno's motives and expressed fears that he might be sidetracking the money issue because he was afraid that some of the "Farm Bureau folks" might be receiving some advantage. He concluded on a note of sarcasm that "Milo probably means all right but often times his tongue runs away with him."¹¹ The seeds of bitter conflict had already been sown.

On March 16, 1933, Roosevelt sent a special message to Congress asking for the passage of a farm bill, entitled the Agricultural Adjustment Act, to bring relief to the depressed agricultural economy. Although the aim of the bill was clear—its objective was to restore farm purchasing power to a position comparable to the equality agriculture had enjoyed with industry in the five-year period from 1909-1914—the means of achieving this "parity" was not clearly stated in the omnibus measure that was sent to Congress.¹² As debate on the farm bill began it was soon apparent that rural dissidents, led by

⁸Ferner Nuhn, "Wallace of Iowa," *The New Republic*, LXXIV (March 15, 1933), 127.

⁹Reno to Thomas E. Cashman, January 13, 1933, MRP.

¹⁰Reno to Usher L. Burdick, January 25, 1933, MRP.

¹¹Wallace to Andrew Shearer, December 29, 1931, HWP.

¹²Samuel I. Rosenman (comp.), *The Public Papers and Addresses of Franklin D. Roosevelt with a Special Introduction and Explanatory Notes by President Roosevelt: The Year of Crisis, 1933*, Volume II (New York: Random House, 1938), 74, 175-180; Arthur Schlesinger, Jr., *The Age of Roosevelt: The Coming of the New Deal* (New York: Houghton Mifflin, 1957), 39; Saloutos and Hicks, *Agricultural Discontent in the Middle West 1900-1939*, 468-470.



*courtesy of the Iowa State Historical Department, Division of
the State Historical Society.*

Henry A. Wallace

Reno and Simpson, would place tremendous pressure on Roosevelt to add an inflationary amendment to the farm bill. Farmers hoped that inflation would cause an immediate rise in prices and, by cheapening the value of the dollar, would lessen the extent of rural indebtedness. Some inflationists wanted to do something about silver, others favored devaluation, while still others proposed to encourage inflation by printing paper money. Although the farm bill eventually enacted by Congress did include the Thomas Amendment, which gave President Roosevelt wide discretionary powers to promote inflation, by the fall of 1933 the immediate relief expected by farmers had not yet come to the farm belt.¹³ Although Roosevelt was directly responsible for the administration's program, he was still riding high on a wave of public support and enthusiasm. As a consequence, most of the criticism of the New Deal farm program was directed by rural malcontents at his youthful secretary of agriculture.

Before Wallace became secretary of agriculture he had worried that Roosevelt might not go far enough in inflating the dollar. Although convinced that Roosevelt was an "inflationist," he wrote to George F. Warren, of Cornell University, on August 26, 1932, that "I am a little afraid there are some conflicts in the Governor's thinking on the money question which need some straightening out."¹⁴ A few days later he wrote to George N. Peek, who would become the first head of the Agricultural Adjustment Administration, that Roosevelt was a "fine gentleman," but that it appeared the outcome of his presidency would depend primarily upon whom he looked to for advice.¹⁵ Although the inflationists, at least temporarily in 1933, did manage to capture Roosevelt's attention and the New Deal did attempt a moderate program of "controlled" inflation, it did not go far enough, or fast enough, to satisfy

¹³Raymond Moley, *The First New Deal* (New York: Harcourt, Brace and World, Inc., 1966), 300-303; James F. Byrnes, *All in One Lifetime* (New York: Harper and Brothers, Publishers, 1958), 77-78; Allan Seymour Everest, *Morgenthau, The New Deal and Silver* (New York: King's Crown Press, 1950), 25; Schlesinger, *The Coming of the New Deal*, 41-42.

¹⁴Wallace to G. F. Warren, August 26, 1932, HWP.

¹⁵Wallace to George N. Peek, August 29, 1932, HWP.

the farm community. Ironically Wallace, who before he became secretary of agriculture had worked so hard to convince farmers to support inflation, now became identified in the minds of many rural militants as the primary force resisting the implementation of radical inflationary measures.

As secretary of agriculture, Wallace was forced to take a broader view of the Depression than he had when he had been the editor of *Wallaces' Farmer*. In August, 1933, Wallace was concerned about an impending farm revolt; he warned Roosevelt that many farmers thought that inflation was the only thing that was really needed to raise farm prices. Although Wallace continued to support inflationary policies, he also pointed out that ". . . in the long run, inflation does not increase the foreign demand for our surplus farm products and does nothing toward adjusting the supply of our farm products to the home market."¹⁶ Later in the month, while still trying to follow a course of moderation, Wallace again warned the president:

The next month or two will be very difficult and I shall be very surprised if the farm organizations, being continually pressed as they are by the violent holiday group and other left wing organizations, do not stage a demonstration here in the city. If this is done, it will be a question of how lucky we are in keeping the wrong kind of publicity out of the newspapers.¹⁷

Meanwhile Milo Reno, who would play a leading part in the mounting offensive against Wallace, was doing everything he could to get the "right" kind of publicity in the newspapers.

Abandoning all restraint in his denunciation of Wallace, Reno called Wallace a "jackass" and an "ignoramus" and insisted that he had never known a member of the Wallace family who had not been mentally unbalanced.¹⁸ He also joined

¹⁶Wallace to Roosevelt, August 21, 1933. Franklin D. Roosevelt Correspondence, National Archives and Records Service, General Services Administration, Franklin D. Roosevelt Library, Hyde Park, New York, Official File I (Hereafter cited as FDRL).

¹⁷Wallace to Roosevelt, August 22, 1933, FDRL.

¹⁸Frank Moorhead, State Agent, Bureau of Investigation to Wallace, September 23, 1933. National Archives. National Archives and Records Service, General Services Administration, Washington, D.C., Record Group 16, Secretary of Agriculture, General Correspondence (Hereafter cited as NARS).



courtesy of the Des Moines Register and Tribune
Milo Reno

the Iowa Farmers' Union in demanding that Wallace resign as secretary of agriculture.¹⁹ Wallace was not surprised by the attacks; he had expected them earlier, but he admitted, somewhat gloomily, "I must confess that deliberate misquotation and misunderstanding pain me. . . ."²⁰ Although Wallace still had his defenders, their voices were drowned out by the vituperative attacks of rural militants who promised the desperate farm population that their panaceas would end the Depression.

Demands for inflation were heightened when farmers complained, not without justice, that the New Deal was pushing up the price of industrial goods more rapidly than the prices of agricultural products.²¹ Wallace, although he must have found it increasingly difficult to be a member of the Roosevelt "team," again defended the administration. While Wallace wanted prosperity for agriculture, he now spoke for consumers as well as farmers. He pointed out that a rise in farm prices, without a simultaneous revival of the industrial sector of the economy, would be harmful to consumer interests because it would increase their food costs without increasing their buying power.²² While Wallace had, in effect, asked the farm community to make temporary sacrifices for the general good of society, Milo Reno, representing a smaller constituency, concluded that the secretary's stance had ". . . destroyed the last hope that he can be of any benefit in solving our problems."²³ Accusing Wallace of "perfidy" for refusing to inflate consumer prices, Reno argued, "It is very evident to me that no relief can be hoped for until Secretary Wallace's position is

¹⁹The *New York Times*, September 22, 1933.

²⁰Wallace to Moorhead, September 23, 1933, NARS, RG 16.

²¹O. L. Brownlee to Wallace, September 15, 1933, FDRL, OF 227; Richard L. Metcalfe to Charles F. Honer, September 14, 1933, FDRL, OF 227-M; Hans Pauli to Wallace, September 6, 1933, FDRL, OF 1.

²²Reno to F. T. Markert, September 2, 1933, MRP; the *New York Times*, November 12-14, 1933; Press Conferences of President Roosevelt, 1933-1936. (Microfilm, Hyde Park, New York: The Franklin D. Roosevelt Library, 1956), Press Conference #51, September 13, 1933, p. 264; Roosevelt to Clyde Herring, September 14, 1933, FDRL, OF 327.

²³Reno to C. E. Carnshan, September 2, 1933, MRP.

held by some man, who is really the Secretary of Agriculture instead of the tool of the Wall Street bunch.”²⁴

Although in the fall of 1933 Wallace privately warned Roosevelt “there is a great storm now brewing” and that it might be necessary to come out openly for inflation in the near future, publicly he attacked the “hell raisers,” an obvious reference to Reno, for not giving the administration a chance.²⁵ Wallace, who pointed out that “reactionaries” were also attacking the New Deal, argued that attacks from the left might eventually result in the reactionaries coming into their own again.²⁶ At the same time, however, Wallace tried to educate urban America to the ultimate necessity for higher farm prices. Speaking in Chicago the secretary reiterated the dangers of attacks from the left and right and argued that the cities could not regain prosperity until agriculture was healthy again. He concluded with the dire warning, “If the people of Chicago cannot become possessed of a more statesmanlike knowledge of the crisis, the consequences will be such that Chicago must surely be reduced to an ash heap.”²⁷ In Muncie, Indiana, combining the language of the “statesman” with rhetoric which rivaled Reno’s diatribes, Wallace asked his audience,

Do you want to go back to the vomit of capitalism . . . ? But on the other hand, do we want to foment discord, prejudice and violence, which tend to break us up into warring groups, with hatred continually breeding hatred and with no prospect for a constructive outcome? I believe there is a middle course by which we can shake off the leadership of discredited capitalists without committing ourselves to the follies of the hell-raisers.²⁸

By the fall of 1933, although sentiment for inflation continued to be rampant throughout the farm belt, it was obvious that Wallace, and the Roosevelt administration, had managed to convince many farmers that Milo Reno was a left-wing ex-

²⁴Reno to F. T. Markert, September 2, 1933, MRP.

²⁵Wallace to Roosevelt, September 7, 1933 and Wallace to Roosevelt, September 11, 1933; the *New York Times*, November 12, 1933.

²⁶The *New York Times*, November 12, 1933.

²⁷*Times*, November 14, 1933.

²⁸*Times*, November 15, 1933.

tremist who threatened, by deviating from the political center, to allow the old order to return to power. Wallace continued to believe in inflation, but he also believed that it could bring effective relief only if the power to manipulate the currency remained in the hands of the administration. Although the verbal assaults continued unabated, the difference between Wallace and Reno on inflation was one of degree, not of principle. Had Wallace not become secretary of agriculture, given his past record, he might well have become a primary force outside the administration to force the New Deal to move "left" by rapidly inflating the farmers' dollar.

Another divisive issue between "conservatives" and "radicals," which lasted throughout the decade of the 1930s, was the question of whether the "voluntary domestic allotment plan," or various proposals for guaranteeing farmers the "cost of production," would be the primary vehicle used by the Roosevelt administration to lift the nation's farmers out of the Depression. M. L. Wilson, more than any other individual, deserves the credit for the ultimate acceptance of the domestic allotment plan.²⁹ By the spring of 1932 Wilson had shaped the ideas of a number of agrarian theorists, including W. J. Spillman, John D. Black, and Beardsley Ruml into a workable legislative program. His plan called for farmers to enter into a contract with the government to limit production to an amount determined by agricultural officials in Washington. Farmers in turn were to be paid benefit payments, financed from taxes collected from processors of agricultural products. Wilson further insisted that the program be decentralized and be based upon voluntary cooperation, not compulsion. Unlike other farm proposals being debated in the 1930s, Wilson's plan, by calling for controlled production, took cognizance of the farmers' changing position in the world of international trade.³⁰

²⁹W. D. Rowley, *M. L. Wilson and the Campaign for the Domestic Allotment* (Lincoln: University of Nebraska Press, 1970); Richard S. Kirkendall, "A Professor in Farm Politics," *Mid-America*, XLI (October, 1959), 210-217; Saloutos and Hicks, *Agricultural Discontent in the Middle West 1900-1939*, 452-454.

³⁰*Ibid.*; Joseph S. Davis, *Wheat and the AAA* (Washington: The Brookings Institution, 1935), 31-32; Lord, *The Wallaces of Iowa*, 292-311.

An alternative plan, presented in many forms during the 1930s, was the cost of production plan, which had won the enthusiastic support of most militant farm leaders, including Milo Reno and John A. Simpson. The plan called for officials in Washington to fix prices, as they had during the war, based upon the farmers' cost of production plus a guaranteed profit. After the cost of production had been determined for individual crops, processors would be required to purchase farm products at that price on the amount of agricultural production consumed domestically. Surplus farm products would be stored on the farm or dumped on the foreign market for whatever price they would bring. Like the McNary-Haugen plans of the 1920s, the cost of production plans, by avoiding a call for acreage reduction or production controls, in effect asked for a two-price system for American agriculture.³¹

To many contemporary observers in the early 1930s both the domestic allotment proposal and the cost of production plans were considered "radical," primarily because they involved planning and called for the active intervention of the federal government to stabilize the farm economy. To many the cost of production plan appeared to be the most radical because it called upon the government to fix prices, a move which would have required careful governmental control of the entire economy; others, however, saw the domestic allotment plan as being equally radical for, although it allowed for a greater play of the free market, it required the government to intervene in the lives of each individual farmer to make production controls effective. When Milo Reno endorsed the cost of production scheme, and Henry A. Wallace the voluntary domestic allotment proposal, the real issues were again obscured as the "radical" Reno emerged to do battle with the "conservative" Wallace.

³¹John L. Shover, "Populism in the Nineteen-Thirties: The Battle for the AAA," *Agricultural History*, XXXIX (January, 1965), 18; John D. Hicks, *Republican Ascendancy 1921-1933* (New York: Harper and Row, Publishers, 1960), 217-218; Gilbert C. Fite, *George N. Peek and the Fight for Farm Parity* (Norman: University of Oklahoma Press, 1954), 139, 160-161; William R. Johnson, "Farm Policy in Transition: 1932: Year of Crisis," Unpublished Ph.D. dissertation (University of Oklahoma, 1963), 64-66.

Although Wallace had rather quickly decided that overproduction was one of the major problems facing the American farmer, he was not a particularly early or enthusiastic supporter of the domestic allotment plan. By early 1932 Wallace had given up the hope that export dumping could be used, in the face of mounting tariff barriers, to solve the farm problem.³² He was also aware, however, that it would be difficult to convince farmers to control their production.³³ Choosing the correct method of dealing with overproduction was for Wallace far more significant than simply restoring prosperity. It was, in his mind, ultimately a choice between isolationism and internationalism.³⁴ Assuming that an endorsement of the domestic allotment plan meant the acceptance of our declining share of world markets, Wallace wrote to Roosevelt in April, 1932, that the people must be educated . . . to the necessity of choosing either the isolation path or the world cooperation path. . . . When our people realize this, they will choose one path or the other intelligently and act accordingly."³⁵

In the spring of 1932 Wallace appeared to be leaning in the direction of "internationalism" and despaired at the difficulties inherent in trying to implement the domestic allotment plan. He informed Roosevelt that while the plan had much to commend it, ". . . when you sit down to seriously consider the details of a bill for carrying out the 'Domestic Allotment Plan,' you find that you are working quite definitely toward a bureaucratic plan of state socialism."³⁶ Although by August, 1932, Wallace was still not completely sold on the program, he began to realize that the plan had many political advantages.³⁷ By December Wallace was finally convinced that "The Voluntary Domestic Allotment Plan is the most intelligent scheme

³²Wallace to Clifford Gregory, February 10, 1932, HWP.

³³Wallace to E. L. Bilbert, February 4, 1932, HWP.

³⁴Wallace to Thomas T. Kerl, December 4, 1931; to F. A. Wirt, April 11, 1932, HWP.

³⁵Wallace to Roosevelt, April 11, 1932, HWP.

³⁶Wallace to Roosevelt, April 23, 1932; see also Wallace to C. F. Lytle, April 22, 1932, HWP.

³⁷Wallace to Henry I. Harriman, August 26, 1932, HWP.

yet brought forward to furnish agriculture with a program for an intelligent, orderly retreat.”³⁸ When Wallace was appointed secretary of agriculture, he automatically became the most important spokesman for the domestic allotment plan in the country.

Milo Reno, even before Wallace became secretary of agriculture, rejected the plan. Since the plan was supported by a number of important business groups, including Henry I. Harriman, president of the United States Chamber of Commerce, Reno was convinced that the domestic allotment plan was but “a gesture to mislead.”³⁹ When Roosevelt’s farm bill was introduced in Congress, with provisions for implementing the domestic allotment plan, Reno and John A. Simpson tried to convince Roosevelt that he should drop the plan and endorse their own cost of production amendment. Unleashing an obvious threat to Roosevelt’s leadership, they warned the president, “. . . we do not desire to seek redresses of our wrongs and grievances through force except as a last resort, but we are free men and we refuse to become serfs and slaves of the usurer and the money king.”⁴⁰ Labeling Wallace and other members of the administration “pussy-footers” and “compromisers,” Reno predicted catastrophic consequences for the nation if Roosevelt’s farm bill became law without the cost of production amendment.⁴¹ He wrote to Cecil Johnson, “The farmers of this nation will either be conceded cost of production and place themselves in a position to obtain it, or they will become peasants. You might as well meet this issue squarely and those who are pussy-footing around only hinder the final contest.”⁴²

While Reno worked to defeat the domestic allotment proposal, Wallace worked equally hard to defeat the cost of production amendment. In part Wallace opposed the cost of production plan because it did not provide for production con-

³⁸Wallace to Dwight McDonald, December 18, 1932, HWP.

³⁹Reno to Oren Herbert, January 11, 1933, MRP.

⁴⁰The *New York Times*, March 19, 1932.

⁴¹Reno to A. A. Rose, May 6, 1933, MRP.

⁴²Reno to Cecil Johnson, February 16, 1933, MRP.

trols, but he also objected to the plan for purely pragmatic reasons. Worried about administering the plan should it become law, Wallace wrote to Roosevelt,

. . . I am convinced there is no satisfactory yard stick by which to measure cost of production. Each farm differs. Moreover, there are many different methods of keeping books. Also there are important differences as to what constitutes cost of production.⁴³

Although Reno and Wallace had similar objectives, Reno was filled with despair when the cost of production amendment went down to defeat. On May 11, the day before Roosevelt signed the new farm bill into law, he wrote to William A. Hirth, head of the Missouri Farmers' Association, that he interpreted the defeat of the cost of production amendment as a determined effort to ignore the farmers' right to a decent standard of living. He concluded ominously,

To me, the whole question is, where do we go from here As far as I, myself, am concerned, I have very little choice between a communistic government enforced by a bayonet, and a capitalistic autocracy, maintained by the same military tyranny.⁴⁴

Reno quickly determined that it was necessary to continue his fight against the domestic allotment plan and to work for new legislation which would incorporate the cost of production concept.

Reno's criticisms of the New Deal, which he developed in the remaining months of 1933, illustrate that Reno and Wallace were much closer than either imagined in their hopes for the future of American agriculture. Along with many other critics of the Roosevelt leadership, Reno pointed out the contradiction of carrying out a program based upon "scarcity economics" while millions of Americans in the land of plenty faced want and hunger. In October, after admitting the need for balanced production, Reno argued he was ". . . in complete disagreement as to Wallace's plan which is to reduce production to the present consumption, which means twenty-

⁴³Wallace to Roosevelt, April 11, 1933, FDRL, OF 1.

⁴⁴Agricultural Stabilization Service (Formerly referred to as Agricultural Adjustment Administration), National Farm Holiday Association, Reno to William Hirth, May 11, 1933, NARS, RG 145.

five million hungry people and at least fifteen practically facing starvation."⁴⁵ Charging that the Agricultural Adjustment Administration's programs were "criminal" and "un-American," he concluded "I am certain that their program cannot succeed, because it is wrong and any program that is not right, its ultimate end is failure."⁴⁶

While the administration was not willing to abandon its farm program, officials in Washington were equally distressed by the enigma of starvation and abundant agricultural production. In an effort to partially remedy the situation, Roosevelt announced at a press conference on September 21, 1933 that the Agricultural Adjustment Administration would buy surplus food and clothing for the needy unemployed. The food and clothing were to be turned over to the Federal Emergency Relief Administration, which in turn gave the surplus commodities to individual state relief administrations for distribution.⁴⁷ For greater efficiency in purchasing and distributing the products, a new federal agency, the Federal Surplus Relief Corporation, was created on October 4, 1933. Although the New Deal's response did not resolve the contradiction of want in the midst of plenty—millions of Americans were without adequate food throughout the 1930s—Roosevelt had at least recognized the problem and had made a tentative move to resolve the dilemma.⁴⁸ Although Reno effectively used the Agricultural Adjustment Administration's control features as a springboard to attack the New Deal, it is difficult to see how the cost of production plan would have improved the plight of poor people in the United States. Reno, whose position was very similar to George Peek's, the leading conservative within the administration who opposed production controls, might argue that the domestic allotment plan was economic idiocy

⁴⁵Reno to W. H. Borman, October 3, 1933, MRP.

⁴⁶Reno to S. P. Free, October 27, 1933; see also Reno to W. J. Frazee, October 29, 1933; Reno to James J. Corcoran, November 9, 1933, MRP.

⁴⁷Henry A. Wallace, *New Frontiers* (New York: Reynal and Hitchcock, 1934), 183.

⁴⁸Roosevelt Memorandum to Peek, Wallace, and Hopkins, September 11, 1933 FDRL; OF-1-K; Press Conference #54, September 21, 1933, 270-284; the *New York Times*, September 22, 1933; Rosenman (comp.), *The Public Papers and Addresses of Franklin D. Roosevelt*, II, 362-363, 370-372.

and that the problem was one of distribution and underconsumption, but he failed to develop an alternative to the market-price system of capitalism. Reno's first goal continued to be to raise agricultural prices, the same goal which dominated the New Deal's approach to agriculture throughout the decade of the 1930s. Reno's real complaint was not that there was hunger in the land, but that the price of food was not high enough.⁴⁹

Another argument which the Farmers' Holiday Association leader developed to attack Roosevelt's farm program in late 1933 was that it was leading the United States toward the path of dictatorship. Although Reno, like Wallace, had once concluded that state socialism was preferable to unregulated capitalism, he decided that Wallace's farm program was leading to centralization and to the destruction of traditional constitutional freedoms.⁵⁰ He complained that "The program they are trying to force down the farmer's throat is uneconomic, unchristian and inhuman, and is doomed to failure, unless it is the intention to Russianize American agriculture, which I do not believe we are ready for yet."⁵¹ Viewing the administration from the outside while Wallace's prestige and influence within the Roosevelt camp increased daily, a bitter and frustrated Milo Reno concluded that ". . . nothing short of a complete dictatorship for agriculture will satisfy the administration."⁵²

Closely related to Reno's charge that the New Deal was subverting the democratic process was the contention that Wallace formed an alliance between the American Farm Bureau Federation, the extension service, and the federal government. Reno believed that the extension service was merely a tool of the American Farm Bureau Federation which in turn was a tool of big business.⁵³ He concluded, "I am sorry to say

⁴⁹Reno to Frank Ingram, November 22, 1933 MRP; Reno to C. D. Satterfield, August 22, 1933; on Peek see Fite, *George N. Peek and the Fight for Farm Parity*.

⁵⁰Reno to Morris Self, July 10, 1933, MRP.

⁵¹Reno to W. H. Borman, October 3, 1933, MRP.

⁵²Reno to W. J. Mullis, December 12, 1933, MRP.

⁵³For an extended discussion see William J. Block, *The Separation of the Farm Bureau and*

that the agricultural program under Secretary Wallace means only one thing, to re-establish the county agents as federal agents and to increase by thousands the lice that already infest this Republic as government employees." Reno further charged that the hierarchy of power in rural America represented only the wealthy farmers and excluded the interests of the poor.⁵⁴ When Wallace turned to the county agents and the extension service to aid in implementing and administering the early Agricultural Adjustment Administration program, Reno was convinced that the New Deal was beyond redemption.

Although Reno's charges contained more than an element of truth, it is difficult to see that Wallace had any other alternative, if the farm program were to be initiated with speed, but to turn to the extension service. It was virtually the only organizational structure in rural America that could be quickly adapted to the administrative needs of the New Deal. Although Wallace was indeed close to the extension service and looked to Edward O'Neal, president of the American Farm Bureau Federation, with respect, his eyes were not closed to the weaknesses of the county agent system.⁵⁵ He pointed out that the county agents had dedicated too much time to trying to increase economic efficiency, and not enough to trying to improve the general economic position of the farmer.⁵⁶ Wallace realized that rural militants and representatives of the American Farm Bureau Federation were far apart on many issues, but he hoped that a common ground could be found in the New Deal to unite all farm factions. Wallace realized that the domestic allotment system would give the extension service more prestige and institutional support, but he looked upon their activities as a way of democratizing the farm program, not as a step towards establishing a centralized

the Extension Service: Political Issue in a Federal System (Urbana: University of Illinois Press, 1960).

⁵⁴Reno to Morris Self, September 15, 1933, MRP.

⁵⁵See Christiana M. Campbell, *The Farm Bureau: A Study of the Making of National Farm Policy, 1933-1940* (Urbana: The University of Illinois Press, 1966).

⁵⁶Wallace to Donald Griswold, May 26, 1932, HWP.

bureaucracy. While Wallace admitted that many of the county agents were "rather dumb," he could not agree that they were "blood sucking parasites" and continued to believe that their hearts were in the right place.⁵⁷ Ultimately, however, his decision to support the extension service was based upon expediency as much as deeply felt convictions. He wrote to Guy B. Park, governor of Missouri,

The existing extension set-up is so well fitted and its personnel so well trained and prepared to attack the large problems of production adjustment which confront us, that the thing to do is now to move them into action in this direction, with all possible local and, for the most part, volunteer backing and aid.⁵⁸

Throughout the remaining years of the 1930s Henry Wallace worked hard to guarantee farmers a reasonable income, to bring relief to the poor, and to make the administration of the farm program more democratic. He did so, not because of the attacks of Milo Reno, but rather because he shared the same basic goals and convictions as the leader of the Farmers' Holiday Association. Although Wallace and Reno disagreed on the domestic allotment plan and the cost of production amendment, their disagreement was based upon method, not upon their immediate objectives for the rural community. Even on the question of tactics Reno and Wallace shared many of the same assumptions, at least until Wallace became secretary of agriculture, about how their objectives could be realized.

One of the most dramatic developments of the early 1930s was the emergence of the farm strike, championed by Reno and the Holiday Association, as a new technique to restore prosperity to the agricultural community. As early as 1927 Reno had suggested that if legislators failed to respond to farmers' demands the farm community should go on strike by withholding their products from market.⁵⁹ Reno was undoubtedly aware, as many of his critics pointed out, that the farm strike made little economic sense, unless it was accompanied by controlled production, since the eventual release of the pro-

⁵⁷Wallace to Griswold, May 20, 1932, HWP.

⁵⁸Wallace to Guy B. Park, April 25, 1933, HWP.

⁵⁹Schlesinger, *Crisis of the Old Order*, 268.

ducts stored on the farm would drive prices down again.⁶⁰ Although Reno apparently reasoned that the farm strike might cause a temporary rise in farm prices, he viewed the strike as an instrument which could be used to accomplish much more than simply raising agricultural prices.

Reno believed that the farm strike, by dramatically spotlighting the farmers' problems, would attract support from the non-farm population by appealing to their moral consciences. Reno wrote to Howard Chapman, "A good general will not needlessly sacrifice his men, even though it sometimes requires fortitude and patience in waiting for the psychological time to strike." Reno warned that farmers must have cost of production, ". . . or else they will strike in a way that will startle the world, and, if justified in doing so, will have the moral support of all thinking, patriotic people."⁶¹ Reno also believed that the government was controlled by "vested interests" and that the farm strike could be used to threaten the enemies of agriculture and to force positive action by the government on the behalf of the farm community. In August, 1932, Reno launched the first major farm strike in the Middle West. As the movement spread throughout Iowa and into neighboring states, farmers blocked roads, dumped milk, and spread nails on the highways to prevent agricultural supplies from flowing into the cities. Although the farm strike failed to raise prices, Reno believed that the strike had had the therapeutic effect of frightening the industrial East. He wrote to A. W. Ricker, an official of the Farmers' Union, that ". . . if the Farmers' Holiday was never heard of again in the world, it has done more to raise h--l with the vested interests than the farm organizations have done in a quarter of a century."⁶²

While Reno hoped to dramatize the farmers' plight and hoped to challenge the supremacy of the industrial East, the direct action programs of the Farmers' Holiday Association were not intended to effect radical changes in American life.

⁶⁰*Ibid.*

⁶¹Reno to Howard Chapman, June 22, 1933, MRP.

⁶²Reno to A. W. Ricker, February 3, 1933, MRP.

Even when the Holiday Association violated the law, as it did when it forcibly halted mortgage foreclosures, or when it defrauded mortgage holders through the "penny auction" rebellion, Reno's intentions were clearly conservative.⁶³ He wanted to protect the farmers' property and keep them on the land so they could faithfully "serve society" as they had for the past century and a half.⁶⁴ Similarly, Reno viewed the Farmers' Holiday Association not only as an organization which would strike to promote the interests of agriculture, but also as an agency to save the Republic from outside threats. He wrote to George S. Taylor that his organization

. . . has accomplished more in the ten months of its existence, in arousing the moral conscience of all groups of society as to the unthinkable conditions not only of the American farmer, but the starvation, privation and want in a land of super-abundance.⁶⁵

Reno actually feared that the farm strike movement might get out of hand and would lead to violence and chaos. In September, 1933, just before Reno called the last major strike of the Holiday Association, he wrote to E. A. Sherrill that he hoped that a strike could be avoided ". . . because in the confused state of mind of the people, not only of this Republic but of other nations, a strike might easily have the same effect as a lighted match thrown into a powder mill."⁶⁶

By the fall of 1933, while worrying about the implications of another strike, Reno became convinced that the New Deal would not work and that although Roosevelt had made "herculean efforts" to save the farmer, the government had fallen into the hands of bankers, racketeers, and moneyed interests.⁶⁷ As usual, Wallace was singled out by Reno for special condemnation. Reno charged that Wallace was a tool of Wall Street who was primarily responsible for the farmers' continu-

⁶³See John L. Shover, "The Penny-Auction Rebellion." *The American West*, II (Fall, 1965), 64-72.

⁶⁴Reno to Austin Mills, January 15, 1933; Reno to William Hirth, February 25, 1933; Reno to Roosevelt, September 26, 1933, MRP.

⁶⁵Reno to George Taylor, March 14, 1933, MRP.

⁶⁶Reno to E. A. Sherrill, September 7, 1933, MRP.

⁶⁷*Ibid.*; the *New York Times*, October 22, 1933; Milo Reno Speech, "Reasons for the Farm Strike," October 26, 1933, NARS, RG 16.

ing dilemma. On September 7 Reno wrote "I attribute the unfair treatment of agriculture very largely to the economic idiocy of Henry Wallace, who has not the ability and I doubt if he has the inclination to serve the class he is supposed to represent."⁶⁸

Warning that "no man knows what the end will be," on October 21 Reno called for a national farm strike.⁶⁹ Reno charged that Wallace's program was a bribe from the same old dealers using the same stacked deck and contended that the strike would determine whether the farmer would retain his independence or would ". . . become a peasant, the menial slave of the usurers and the industrialists."⁷⁰ Reno again insisted, as he had in 1932, that the strike was the only effective way to force Washington to respond to the agricultural crisis. Reno argued, "The farmers' strike now in progress is the only weapon the farmers have left to compel recognition and fair treatment. We are going to strike until agriculture is given its rightful place in the economic and social sun of this nation."⁷¹ As the strike movement got underway Reno undoubtedly received some satisfaction when an effigy of Wallace was spanked at a mass meeting of the Farmers' Holiday Association near Shenandoah, Iowa.⁷² It was soon apparent, however, that Reno had overplayed his hand. Although he continued to demand that something be done about mortgage foreclosures, that the government expand the currency, and that farmers be given cost of production, Reno realized that the strike had failed and consequently called it to an end on November 19.⁷³ He managed to fire a parting shot at Wallace, however, when he warned, "The responsibility for whatever happens in the future will rest squarely on the shoulders of the administration and Secretary Wallace in particular."⁷⁴

⁶⁸Reno to E. A. Sherrill, September 7, 1933, MRP.

⁶⁹Reno to John A. Simpson, October 6, 1933 MRP; the *New York Times*, October 22, 1933; Milo Reno Speech, "Reasons for the Farm Strike," October 26, 1933, NARS, RG 16.

⁷⁰*Ibid.*; the *New York Times*, October 26, 1933.

⁷¹*Ibid.*

⁷²The *New York Times*, October 24, 26, 1933.

⁷³Lorena Hickok to Harry Hopkins, November 23, 1933. Harry Hopkins Papers. Franklin D. Roosevelt Library, Hyde Park, New York, Field Reports; Cornbelt Rebellion, 166.

⁷⁴The *New York Times*, November 5, 1933.

Although Reno excoriated Wallace as the arch enemy of the strike movement, the secretary's views were not as far from those of the Holiday Association as Reno would have liked to believe. While frequently ambivalent about the strike, Wallace, before he became secretary of agriculture, had expressed open sympathy for striking farmers and seemed to indicate that he would support the movement if it offered hope for the future. Wallace was not offended by the strikers' tactics, or by their objectives, but he did fear that the strike was doomed to failure and would divide farmers against themselves. On June 22, 1932, before Reno had launched his first strike, Wallace observed, "The farm strike is merely a symbol. It might be all right if it was possible to organize the farmers more effectively. Unfortunately farmers are so separated by distance and by temperament and by economic background that an effort of this sort at the present time is bound to be impotent."⁷⁵ Wallace admitted that the strike would have dramatic effects and might be a

. . . way of waking up the people of this country to what is happening to the farmers at the present time. I have been trying to think of something that will turn the trick but haven't discovered it yet. Perhaps we shouldn't be too critical of these farmers' Holiday folks until we get a real idea of our own along this line.⁷⁶

As the presidential campaign of 1932 unfolded Wallace advised Roosevelt that in his campaign against Hoover he should deprecate the violence of the Farmers' Holiday Association, but should also point out that the system had failed the American farmer. In language which resembled Reno's own, he wrote the Democratic candidate,

You can see that there is real excuse for these men engaging in direct action when they feel that for 10 years the leadership of this country has been both unintelligent and unsympathetic. In my opinion, the economic abuses from which they have suffered have been more severe than those from which the colonists suffered during the period from 1763 to 1775. The holiday move-

⁷⁵Wallace to Jacobus De Vries, June 22, 1932; see also Wallace to J. K. Whitehill, April 28, 1932; Wallace to Grover Arbeiter, September 18, 1932. HWP.

⁷⁶Wallace to D. D. Offringa, July 11, 1932, HWP.

ment may well prove to be a Boston Tea Party if we do not get rid of our Lord Norths and George III's.⁷⁷

When Reno launched his second strike, this time against Wallace, the secretary, although he questioned Reno's motives, continued to defend the farmers' position. He wrote to his friend, Otha Wearin,

Frankly, while I don't like the bitter spirit in which the farm strike is being pushed, I don't favor the idea of breaking up movements of this sort as long as the fundamental situation is bad. It appears to me as the same kind of thing as killing the nerve of an aching tooth. We need to be reminded that the pain is there so that we can strive more energetically to remedy the fundamental wrong.⁷⁸

Wallace may have objected to Reno's leadership, but he did not question the farmers' right to strike.

Reno and Wallace were united, not by their defense of radical tactics, but by their basic conservatism. Although Reno and Wallace on occasion sounded radical and found their thought leading logically to revolutionary conclusions, both wanted gradual reforms to save the system, not to destroy it. Wallace in particular realized that the traditional Christian values of frugality, industry, and thrift, would have to be modified to meet the needs of modern society.⁷⁹ As he studied the Depression his analysis, coupled with his desire to bring social justice to America, led him to attack the very foundations of the capitalist system. In May, 1932, he wrote,

I am beginning to think that what we really need is a type of Christian communism which includes some of the very real good points of capitalism and cooperation. I am afraid it is going to take a lot of suffering before the wealthy people of the United States learn their lesson.⁸⁰

A month later he observed that although farmers were patriotic and wanted to avoid violence, they legitimately demanded

⁷⁷Wallace to Roosevelt, September 22, 1932, HWP.

⁷⁸Wallace to Otha Wearin, November 1, 1933, NARS, RG 16.

⁷⁹Wallace to J. A. Currie, November 14, 1932; see also Wallace to Roosevelt, September 29, 1933, HWP.

⁸⁰Wallace to Mrs. J. E. Campney, May 19, 1932, HWP.

“. . . a peaceful revolution which will bring about a modern up-to-date social machinery for justice in the distribution of our national income between the classes. It is time to write a Declaration of Independence along these lines.”⁸¹ While Wallace did not systematically attack the “business elite,” and actually collaborated with “progressive” business leaders like Henry I. Harriman, he did argue that the country was “half slave and half free” and urged farmers to organize a countervailing power to balance the power of industry and labor.⁸² Wallace refused, however, to embrace a revolutionary vision of the future. He was willing to be a political maverick, to abandon the Republican Party, and even to flirt with the possibilities of establishing a third party, but not radical enough to reject the American political tradition. Wallace concluded that values in America could be changed, and the proper economic balance restored, by Franklin D. Roosevelt and the New Deal.⁸³

Milo Reno also, at least until late 1933, believed that Roosevelt would work to end the agricultural depression and would try to establish “more equal distribution” of wealth in the country.⁸⁴ He blamed the many enigmas of the New Deal and the continuing agricultural depression not on Roosevelt, but upon the “ambitious” and “unscrupulous” men around the president.⁸⁵ Although he expressed faith in Roosevelt’s leadership, he also appeared to question whether the existing political order was workable. Big business interests, along with sycophants like Wallace, were, in Reno’s mind, responsible for the corruption of the political system. Reno reasoned,

Big business has always been able, regardless of the political party in power, to obtain in one way or another the concessions and privileges that they desired, while the farmer has been

⁸¹Wallace to Floyd Keepers, June 14, 1932, HWP.

⁸²Wallace to B. W. Kinsey, August 5, 1932; Wallace to Charles Roos, June 2, 1932, HWP.

⁸³Wallace to Henry Morgenthau, Jr., September 3, 1932; Wallace to Roscoe Fertich, December 23, 1932, HWP.

⁸⁴Reno to Thomas Horsford, January 6, 1933; Reno to A. F. Whitney, June 11, 1933; Reno to Norman Lermond, June 12, 1933; Reno to John A. Simpson, July 26, 1933; Reno to W. H. Borman, November 1, 1932, MRP.

⁸⁵Reno to Thomas Horsford, January 6, 1933; see also Reno to John A. Simpson, July 26, 1933, MRP.

juggled with, used as a political pawn. His leadership has been taken up into the high mountain and shown the kingdoms that he might be able to rule, if he was tractable and conservative. Organizations have been built for him under the hypocritical pretense of furthering his interests, when in fact, they were the stool pigeons of big business and used by big business to deceive the public, making it believe that the representative of such organizations spoke for the farmers.⁸⁶

Although Reno frequently sounded revolutionary as he inveighed against the "interests," he was most certainly afraid of the consequences of revolution. He promised to "go down fighting for the principles upon which this government was builded" and argued that the Republic was threatened by extremists on the left and right.⁸⁷ Like Wallace, Reno sought to restore balance to the economy and, like the secretary, believed that the system could be used to meet the challenge of the Depression, provided of course, that the system was in the proper hands. He observed, "There is no measure of correction, no act of justice and equity, that cannot be accomplished under and by the authority of the constitution of the United States, if it is interpreted in the spirit of the Declaration of Independence."⁸⁸ Reno especially feared communism, not only because it represented an alternative to capitalism, but also because it presented a threat to the existing religious hierarchy in the United States. Although his theology was perhaps not as sophisticated as Wallace's, they both wished to preserve the Christian tradition. Reno, linking Christianity and capitalism, observed, as 1933 came to a close:

I . . . am convinced, that when you destroy the gospel of the Christ, that spiritually men will be sailing unchartered seas without guide or compass. Perhaps they will be wrecked. Maybe out of their spiritual desolation they may find another harbor, and when we politically have abandoned the foundation upon which this government was builded, we will be occupying exactly the same position. Maybe in the desolation and destruction that fol-

⁸⁶Reno to J. S. Wilson, February 2, 1933, MRP.

⁸⁷Reno to William Hirth, February 25, 1933; see also Reno to I. B. Rabenold, May 24, 1933, MRP.

⁸⁸Reno to J. W. Tabor, December 30, 1933, MRP.

lows revolution, that invariably loses all chartered courses of human relationship, we may land on the rocks and become castaways, all of orderly processes lost, and the human race pass through another period of dark ages. Perhaps one chance in a million that out of the turbulence of revolution, we might enter an economic haven that would be superior to our present ideas of human relationship, but it seems to me our responsibility, today, is to, as nearly as possible, adjust our affairs in equity to all who serve and, in order to do so, we must protect the foundation upon which our economic life depends which, first, is production; second, processing; and, third, distribution.⁸⁹

When Henry A. Wallace was chosen as Roosevelt's secretary of agriculture, William Hirth wrote to Milo Reno that he feared that Wallace would be a "hair-splitter."⁹⁰ In the fiercely partisan decade of the 1930s the phrase was a favorite epithet used to brand one's opponent as an impractical idealist whose capacity for obscuring concrete issues with vague ideological pronouncements was exceeded only by his inability to deal with concrete political problems. Although his concern may have been justified, he might well have written the same letter to Wallace about Reno. Their debate, in 1932 and 1933, was indeed a classic confrontation of hair-splitters.

⁸⁹Reno to W. Hume Logan, December 17, 1933. See also Reno to George W. Christian, November 9, 1933; Reno to F. C. Crocker, October 8, 1933; Reno to William Hirth, April 23, 1933, MRP.

⁹⁰Hirth to Reno, February 28, 1933, MRP.

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