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Title: Kalamazoo and the Great Depression, 1933 to 1937.

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## Introduction

The year was 1919. The United States had turned aside from the main currents of world affairs and embarked into a new era. An era of prosperity and good fortune, "The Roaring Twenties." The year was 1929. Here the nation was plunged into a depression, one which engulfed every inhabitant of the United States causing unemployment, suffering, and utter destitution. It is this depression, namely the years 1933 to 1937, that this paper will concern itself with.

This paper will attack the Problem of the Depression in Kalamazoo from 1933-1937. We will trace the history, following a chronological order, to show just what measures the people of Kalamazoo resorted to, to combat this grave and pressing disaster. This is the story of what the people of Kalamazoo did at that time to ward off the depression in this community.

One interesting aspect of this paper will be to show, indirectly, how the New Deal policies of President Franklin Delano Roosevelt affected the city of Kalamazoo. We are all aware of the far reaching and somewhat revolutionary measures taken by the government to raise the nation from the dark depths of the depression. We will see just how these measures concerned themselves with Kalamazoo and how successful they were in this community.

In the United States the most outstanding news of 1933 came in with President Roosevelt. His promised "new deal" consisted of a vast recovery program embracing banking reforms, a new monetary policy, the N.R.A., construction work, the Civilian Conservation Corps, relief for farmers and home owners and many others. It was a year marked by many unusual events with the banking holiday, N.R.A., and the institution of federal works programs engrossing the attention of the city of Kalamazoo and it's administrators.

In the face of trying situations Kalamazoo advanced and a trend upward in business was evidenced in the late summer and fall of 1933. Optimism, which was at a low ebb in February, when first the state, and then the nation put into effect a banking holiday, had been restored at the close of 1933. Predictions for 1934 in business and banking circles were for steady progress upward.

The banking holiday brought about a new situation and local groups as well as national were forced to face the issue without benefit of precedent. Emergency financial plans were instituted, and Kalamazoo emerged from the crisis in as favorable or better condition than most cities of its size or larger.

The N.R.A. gave impetus to the local employment program. This was followed closely by the government's Civil Works Program; these relief measures taken were effective. By December, 1933, they had provided employment for 2400 men and women in Kalamazoo County who had been on the welfare rolls or had been unemployed and not yet on the rolls.

Building activities in Kalamazoo were not heavy in 1933, as compared with more normal years, but records shoed an increase over 1932 according to the Building Inspector's Department.

Economics in government was practiced rigidly by the city, county, and school branches with the result of material reductions in tax rates. However, welfare relief remained the major problem of all governmental bodies for the year. These relief efforts were climaxed in the fall of 1933 by the creation of the Kalamazoo Emergency Welfare Relief Commission, which combined city and county welfare activities. Public improvements were subnormal, with the governmental units concentrating their efforts on maintenance and repair rather than on new projects.

Perhaps a closer survey of prevailing conditions in Kalamazoo in 1933 will help us gain a better prospective and overall picture of conditions as they were then.

1932 was a year of political upset in the United States. That year witnessed a revolution at the ballot box when the nation jumped from a Herbert Hoover plurality of six million in 1928 to a seven million vote plurality for Franklin Delano Roosevelt in 1932. The desire for a change in government was everywhere. The people of Kalamazoo County flocked to the polls on November 8, 1932, when 33,000 voters cast their ballots, thereby establishing <sup>1</sup> a new county record. The desire for a new government did not stop at the national level. The people of Michigan voted in for the first time in forty years a democratic governor and legislature. After more than forty years of republican control, fate of Michigan was now in the hands of the Democratic Party. All that had to be done now was wait, and see if these new faces in government could lead the nation to prosperity and better times.

At this time the officials of the city of Kalamazoo were not idle. They, too, on a local level were struggling with the problems of the depression and possible solutions. The city commission voted a pay cut from 4% to 20% for all city officials <sup>2</sup> in a measure aimed at keeping municipal costs down. In still a greater effort of maintaining low costs, the city commission adopted the 1933 budget of \$791,727.50, a decrease of \$272,750 <sup>3</sup> over the 1932 city budget. In preparing and adopting Kalamazoo's "Economy Budget" for 1933, the city commission had taken a long

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1. Kalamazoo Gazette, January 2, 1933. (hereafter referred to as Gazette)
  2. Ibid., January 10, 1933
  3. Ibid., January 31, 1933

stride in the right direction. This budget was welcomed by the populace of Kalamazoo who were already loaded down with burdens heavier than they could bear. This measure lessened that burden. On May 3, 1933 another step was taken when the City Commission voted a pay cut for teachers ranging from \$200 to \$1,375.<sup>4</sup> These steps forward and many others had definite results. Kalamazoo ranked first in her class of cities (50,000-100,000 population) in Michigan as having the lowest per capita debt in the state. The per capita debt of \$5.45 per person would have been even lower except for a \$295,000 bond issue created to help meet expenses for welfare relief.<sup>5</sup> Kalamazoo stood as an example for efficient municipal government which enabled it to end the year 1933 in the black. Very few cities could boast of that record in that depression year, so the city manager stated in a report to the commission.<sup>6</sup> "Kalamazoo leads cities for small debt and stands at the head of virtually all other cities, large or small, for being financially sound and solvent," said Mayor L.C. Wright.<sup>7</sup> Here we see how economics in government was practiced rigidly by the city of Kalamazoo and how successful they were in their endeavor. It seems rather strange that at such a trying time as 1933 the city commission would seek to conserve funds rather than to allot them for welfare and relief.

Another highlight of 1933 was the banking crisis. We are all aware of the far reaching effects that this crisis had.

4. Ibid., May 3, 1933.

5. Ibid., July 15, 1933.

6. Ibid., December 14, 1933.

7. Ibid., September 26, 1933

Perhaps, a closer look at this problem from the local level will help us understand it better. On Tuesday, February 14, 1933, Governor William A. Comstock of Michigan, dramatically and suddenly closed all banks in Michigan for the period of eight days. Michigan was the first of many states to proclaim these holidays until finally, President Roosevelt declared a national banking holiday. The governor proclaimed this holiday in order to give time to make necessary adjustments in the banking system in the state. Crisis started and necessitated this move when the Union Guardian Trust Co. of Detroit failed.<sup>8</sup> As a result of this four banks in Kalamazoo closed creating confusion and establishing all transactions on a strict cash basis. One can imagine the difficulties of a community struggling with this problem. The following day the slogan "Business as usual" was adopted by the city but this was hardly possible. The city commission voted in an emergency meeting to pay all of its employees with scrip having a value from one to five dollars, redeemable later for cash and reported to be as "good as gold."<sup>9</sup>

Meanwhile, Kalamazoo business and industry rapidly mobilized its forces to maintain the normal trend of business. The banks, although closed, offered the following services to their patrons: extension of credit; the opening of safety vaults; making change to customers; and night deposits returned unopened the following day were just a few of the emergency efforts taken.<sup>10</sup> Money,

8. Ibid., February 14, 1933.

9. Ibid., February 15, 1933.

10. Ibid.

in the form of cash poured into the city to pay the workers. Many big concerns, such as UpJohn's and Kalamazoo Stove Co., met their payrolls with cash payments. All in all, \$150,000 <sup>11</sup> poured into the city of Kalamazoo to help alleviate the situation. The currency shortage became so acute that on Sunday, the nineteenth, the national government sent Michigan 27 millions of dollars to <sup>12</sup> ease the shortage. It became evident to all that banking reforms and restrictions were needed and it might be said that the F.D.I.C. was born here in Michigan during this period.

On Thursday, February 23, the banks here opened and surprisingly enough the opening was an orderly and quiet one. Withdrawals up to 10% of deposits were allowed and strangely enough many new <sup>13</sup> deposits were made. However, this was not just the case in Kalamazoo or even Michigan. This crisis existed throughout the country and the closing of banks spread to all states. Out of this grew the national policies of expansion of currency, abandonment of the gold standard, the F.D.I.C., and many other monetary reforms.

Another interesting highlight is that of the national government's relief policies enacted during the latter part of 1933. The first of these measures was the creation of the Civilian Conservation Corps, the C.C.C., on March 30, 1933. Congress enacted into law a bill to aid 250,000 unemployed men to care for the public domain.

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11. Ibid., February 16, 1933.

12. Ibid., February 19, 1933.

13. Ibid., February 23, 1933.

This law established a six hour day, a five day week for these men who were to care and work in our national forests. In Michigan,<sup>14</sup> there were ten forest camps, all located in government domains. The quota for Kalamazoo County was 184 men, the quota for the state being 9,750 men. On May 3, forty four Kalamazooans left for the forest army and reported to Fort Custer.<sup>15</sup> This plan was scorned by many critics of the federal administration but the work these men did was outstanding and many lasting benefits were made from their efforts.

The N.R.A. was another part of the government's program for better times. Its purpose was to facilitate the cooperation of all American employers in a gigantic effort to shorten working hours, raise wages, and increase employment. The N.R.A. enabled industry to pull together with the government in a joint battle against the depression. On August 29, 1933 thousands viewed the N.R.A. campaign parade here. In a gala celebration and pageant that opened war upon want, the city of Kalamazoo officially ushered in the N.R.A. It was the greatest celebration since the 1918 armistice, with every phase of life in the city represented in the demonstration.<sup>16</sup> The throng was happy and jubilant because a war had been declared—a war against the bitter forces of despair—against the horror of unemployment—a war against empty larders—against the hunger of children—

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14. Ibid., May 3, 1933.

15. Ibid.

16. Ibid., August 29, 1933.

against disheartenment of mothers and the utter discouragement of husbands and fathers. All enlisted under the banner of the N.R.A. Nearly 10,000 people enrolled in N.R.A. that day and expected to reach 14,000 by nightfall; flooded by consumer participation cards signed in house to house canvassing poured in.<sup>17</sup>

By September 10, the shield of the Blue Eagle was in more than 10,000 Kalamazoo homes enlisting more than 70% of the population of greater Kalamazoo.<sup>18</sup> One might say that the response given to the N.R.A. by Kalamazoo was wholehearted and eagerly embraced.

Another important project embarked into by the Federal government was the creation of the Civilian Works Program, the C.W.A. This was perhaps the most far reaching measure ever taken by the government. Under this plan, people were taken from the relief rolls and made into wage earners.<sup>19</sup> One thousand men were given C.W.A. jobs here on a cash basis of \$15 weekly thereby removing them from the relief rolls.<sup>20</sup> This was the first big move to lick the depression and it was warmly received by the people of Kalamazoo. In Kalamazoo County, thirteen projects were approved, and stipulations were made that by December first, one thousand more were to be added from those not represented on welfare lists. Some projects here were, (1) light and power conduits installed (2) small park development (3) Crane and Milham Park improvements (4) street car tracks removed (5) water

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17. Ibid., September 1, 1933

18. Ibid., September 20, 1933.

19. Ibid., November 20, 1933

20. Ibid., November 21, 1933.

main extensions (6) field stone gutters (7) Riverside Cemetery  
development and others. By November 26th one million off  
relief and onto payrolls of C.W.A., in Michigan 70,000 were put  
on a self supporting basis. Here we realize the full scope and  
far reaching effects of the C.W.A. After one week's time there  
were 1,183,267 persons on the C.W.A. jobs with 42,000 jobs being  
held in Michigan. By December 15, 1933 there were 2,030 persons  
employed on C.W.A. jobs in this county, with a payroll of \$31,000  
per week. By December 27, there were 6,000,000 on C.W.A.  
payrolls in the United States. One can easily see by these figures  
that this program was successful in putting a large number of  
unemployed to work and supplying them with buying power and self  
respect.

Welfare relief remained the big problem of all governmental  
bodies for the year in Kalamazoo. These relief efforts were  
climaxed in the fall of 1933 by the creation of the Kalamazoo  
Emergency Welfare Relief Commission, which combined city and  
county welfare activities. Dr. Ernest B. Harper, head of the  
sociology department here at Kalamazoo College was named county  
relief administrator whose task was to disburse one half millions  
of dollars. Dr. Harper announced to the city commission that  
his bureau would have a three fold purpose, direct relief in the  
form of clothing and groceries, work relief on a cash basis

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21. Ibid.,

22. Ibid., December 1, 1933.

23. Ibid., December 15, 1933.

24. Ibid., October 1, 1933.

of 30 cents to 40 cents per hour, and straight work projects. However, the major task of welfare relief began with the institution of the C.W.A., which already has been mentioned. This welfare unit obtained work projects, procurred employment, directed the task, gave out the pay checks, etc. This wholesale relief program, started with the C.W.A. gave indications of things to come and renewed hope was planted in the hearts of the people of Kalamazoo.

During the year 1934 many signs of recovery were noted here in Kalamazoo. The 1935 dawn was the brightest of recent years although marks of economic decline were evident here in Kalamazoo. 1934 brought recovery just a little closer to the inhabitants of this community making it seem more of a reality rather than just a distant wish. Let us look at some of the highlights of that year and see just what they seem to indicate.

The major task of the county board in this year was the proposal of the building of a new County Building and Jail project. This endeavor was finally made possible by the allocation of Public Works Administration funds. (hereafter referred to as P.W.A.) This major addition to the city of Kalamazoo was an important one. Further study will help point out the interesting details.

This project was first considered by the county board in June of 1933.<sup>1</sup> By August of 1933, a formal application was made to the federal government for a loan and grant of \$768,000 for this newly proposed county building. Not until June of 1934 was this application approved by the federal government granting the building and grounds committee of the county board with Leigh B. McMurray as its chairman, to prepare a resolution to submit this matter of a County Bond issue to the voters of the county.<sup>2</sup> This was done and this resolution was put to the voting test at the primary elections on September 11. At that election

1. Ibid., June 11, 1933.

2. Ibid., June 24, 1934

the proposition was carried by a meager 152 votes, with 5, 319  
votes for the bonding issue, and 4,167 voters against the issue.<sup>3</sup>

The next action to be taken was the ratification of the loan-grant agreement with the federal government by the county board of supervisors. At the October meeting of the board a deadlock was almost enacted with a failure to obtain the necessary two-third's majority. However, this resolution was finally carried by a vote of 16 to 7.<sup>4</sup> At the December third and fourth meetings of the board, two architects were commissioned for the job, Milton C.J. Billingham of Kalamazoo, and Smith, Hinchman, and Gryllis of Detroit.<sup>5</sup> In their plans the county jail was to occupy the top floor, the building was to be four to six stories in height, complete with basement and have two circuit court rooms and regular offices for the county officials. This new building was to replace the old county building which had stood on that site for fifty years. The cost of the new structure was estimated at \$768,000, \$206,000 of a P.W.A. grant with the remainder of the sum coming from a county bond issue. Its construction would begin early next spring and would be finished sometime in 1935. Needless to say that without PWA funds, this building could not have been built.

While the indices such as tax collections, automobile registration, and bank deposits, showed that the economic direction was upward once again, the cost of relief paradoxically mounted

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3. Ibid., September 12, 1934.

4. Ibid., October 14, 1934.

5. Ibid., December 5, 1934.

and no prediction could be made of a substantial drop as the year closed.<sup>6</sup> Local relief costs rose to one million dollars during the year 1934. In this year, relief in Kalamazoo County grew from a \$300,000 a year administration to a million dollar institution.<sup>7</sup> The bill for relief for January 1934 was only \$33,000. This was attributed to the fact that the C.W.A. was still in effect and this figure compared favorably with those average monthly rates of 1933. However, when the C.W.A. ceased to function, those figures soared so that from June, 1934, to November, 1934, the cost per month rose to \$95,000. The C.W.A. was started in November of 1933 and kept costs and case loads down; it expired in March of 1934 and costs and case loads jumped. Perhaps this chart will show the results and costs better.

	<u>Months</u>	<u>Cost</u>	<u>Persons</u>
1933	October	\$30,028	7,212
	November	46,793	10,708
	December	37,425	11,108
1934	January	33,445	9,961
	February	39,662	9,987
	March	52,514	12,374
	April	70,893	12,968
	May	81,000	12,178
	June	82,412	11,605

6. Ibid., January 1, 1935.

7. Ibid.

July	90,374	12,594
August	102,188	13,210
September	101,665	11,966
November	118,118	12,588

This chart is based on a county area whose figures are those of the C.E.R.A. The cost unit contains and includes everything, even administration. The total persons includes transients. It's interesting to note that when the C.W.A. expired in March, the total persons on the rolls jumped approximately by 2,400 in March and another 600 in April making a total of 3,000 persons added to the rolls when C.W.A. expired. It's of interest to note that 3,030 persons were employed by the C.W.A. in Kalamazoo County when it was in existence.

Relief costs for first eleven months of 1934 were \$900,000 with the high being recorded in November. In November,  $\frac{14}{9}\%$  of the population of Kalamazoo County were receiving aid. 1934 saw some major changes in relief; some were cash payment for all clients, a re-registering system, a centralized in-take system, and a change in the medical setup, now having a centralized county medical service with Dr. Paul M. Fuller as a part time staff physician.

Construction gains in 1934 were one hundred per cent over those figures of 1933. Local building in 1934 with values at half million dollars with the outlook for 1935 with new County

8. Ibid.

9. Ibid.

building and jail project even brighter. During this year many new factory and building structures started, as well as many improvements that took place. UpJohn's in a big rebuilding plan,<sup>10</sup> estimated at \$650,000, started during this year. Four new buildings included in the Upjohn Company Plan, with one completed, another near completion, and two others in early construction in 1934. The storage and treating plant at Portage and Lovell streets was completed, while the nearly completed included the water plant at Spring and Portage streets. In the early construction stage at the end of 1934 was the office building located on Henrietta Street here in Kalamazoo.

Other construction work accomplished in 1934 with the aid of state and federal funds are as follows:

1. South Burdick St. sidewalk and curb at Axtell Creek and Reed St. cost - \$22,640.25
2. Fulford street storm sewer from Kalamazoo River to Lake St. cost - \$37,561.01
3. S. Burdick Street storm sewers cost - \$10,046.30

Other minor repairs employed on cobble gutters and street car removal. These figures obtained from Builder's Inspector's Office.

Perhaps the largest single program carried through last year in Kalamazoo was the repaving of Michigan Ave. This project replaced the old road, which was thirty-six years old in some sections.<sup>11</sup> This project was made possible through an outright

10. Ibid.

11. Ibid., June 28, 1934

gift of \$70,000 from the state of Michigan and the federal  
12 government. The only expense to the city of Kalamazoo was  
for incidentals such as street lighting, etc. Construction and  
repaving started in early spring and completed in July of 1934,  
terminating with the colossal Progress Festival and Industrial  
Exposition, sponsored by the Kalamazoo Chamber of Commerce.  
This lasted for four days, June 27 -30, with wholesale participation  
and enthusiasm.

On June 27<sup>th</sup>, the Made-in-Kalamazoo Exposition opened at  
eleven in the morning, in the Bates building. Sixty-one local  
industries participated in this display. Ten thousand persons  
passed through the doors despite 101 degree heat, thereby showing  
13 the wholehearted response to this endeavor. Altogether <sup>14</sup>14,000  
persons viewed this display of made-in-Kalamazoo articles.  
This Progress Festival was regarded as a milestone in civic progress.

Perhaps the best way to sum up the year 1934 could be with  
~~an~~ interview with Ralph Hayward, President of the Chamber of  
Commerce and President of Kalamazoo Vegetable Parchment Company  
in 1934. In his words, Kalamazoo has felt the depression but not  
as badly as the rest of the cities in the nation because the majority  
of Kalamazoo industries are in the consumer goods category and  
not hit as badly as those industries working in the capital goods  
field. As a result, there were steadier employment and better  
incomes. This is verified by tax collections and delinquencies

12. Ibid.

13. Ibid., June 27, 1934.

14. Ibid.

will not exceed 16% at end of year. (a very low figure) He went on to say that a great number of Kalamazoo people was supported by public funds but the percentage is lower and better than the average in the country. Prospects for business are bright with a 5-10% increase expected. He points with pride to the tax reductions in the last three years from \$11 a \$1000 to \$9.50 per \$1000 and the budget cut of \$200,000 by the city where practically no debt is in evidence.  
<sup>15</sup>

Business and industrial leaders here in Kalamazoo reported at the close of the year that conditions in this community have greatly improved. They are unanimous in their predictions for a general advance economically for the coming year 1936. These attitudes are based on solid and proven facts revealed to them by their balance sheets for 1935. All during the year ground has been gained, output has been increased, and progress, all of this in new fields and profitable ones as a result of consolidation. Among these leaders are Louis B. Simon, secretary of Birmingham and Prosser Co., paper brokers, William T. Schmitt, executive vice president of the Bryant Paper Co., Jacob Kindleberger, president of Kalamazoo Vegetable Parchment Co., and F.W. Sutherland, secretary of Sutherland Paper Co. All these leaders voiced confidence in growing business and better economic conditions in 1935. This might serve as a trustworthy index for the general betterment of conditions here. To support these claims are the following developments. The Checker Cab Corp. resumed a full production schedule, <sup>1</sup> the first time since 1930. In December, the Consumer Power Company mapped an expansion program, reemploying <sup>2</sup> and adding 47 employees to a full time schedule. They, at the Utilities Company found that business in 1935 surpassed all anticipations. In addition to these examples were many others, and in still further proof to these claims came the statement of

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1. Ibid., November 12, 1935.
  2. Ibid., December 18, 1935.

C.H. Winslow, traffic manager of the Chamber of Commerce, that increases of shipping from local industries have gone up by 9%<sup>3</sup> per quarter over that of 1934.<sup>3</sup> This serves as another index in the changing to better times.

Perhaps a better way of revealing this claim would be by the stock quotations of the local industries on the various exchanges. A study was made at the end of 1935 by Leb A. Swiat, vice president of Olmstead and Mulhall, that the outstanding stocks of the paper mills have gained approximately eleven millions of dollars in value in 1935. In making his compilation, Mister Swiat had purposely chosen the paper industry. As the leading industry of the community, it is therefore a vital factor in the general improvement of the city. These mills found in and around Kalamazoo employed at that time fifty per cent (50%) of the labor force of this city.<sup>4</sup> It is logical then to assume that the conditions of the mills would be of dire interest to the entire community. The following table is employed by Mr. Swiat to support his claims.<sup>5</sup>

(the aforementioned table is on the following page so that the reader may get an over all picture of said table)

3. Ibid., January 1, 1936.

4. Ibid.

	<u>Dec. 13, 1934</u>	<u>Dec. 28, 1935</u>	<u>Approx. gain in market value of outstanding stocks</u>
<u>Quotations</u>			
1.	Allied Common - \$ .10	\$ .50	\$ 69,000
2.	Allied Pfd. - 3.00	7.00	856,000
3.	Bryant Common - .60	1.00	200,000
4.	Bryant Pfd. - 2.00	3.50	45,000
5.	Kalamazoo Veg. Parchment Co. - 12.25	18.00 10.00	1,906,360
6.	Kalamazoo Pap.-	5.00 3.50	1,648,400
7.	Michigan Paper-	1.75 5.00	175,000
8.	Mac Sim Bar - 3.00	24.00	946,000
9.	Sutherland - 10.00	16.00	4,000,000
10.	Watervelit - 9.00		861,000

Mr. Swiat said that a similar tabulation of other industries could be made, with an equally favorable deductions to be drawn. He also cited improvements in local bond issues. They are as follows:

	<u>Close of 1934</u>	<u>Close of 1935</u>
1.	Shakespeare	\$55.00
2.	Gibson Co.	70.00
3.	Bryant Co.	55.00

These figures represent net gains in Kalamazoo's local industries,<sup>5</sup> and only favorable results could be drawn from these quotations.

Relief and welfare continued on in 1935 to assume a greater role in the life of this community. In this year, relief reached over a fourth of the families in Kalamazoo County. Public relief and it's structure underwent a major change as the Emergency Relief Administration here gave over a large portion of it's load to a new federal agency, the Works Progress Administration. (hereafter referred to as the W.P.A.)

An all-time Kalamazoo County E.R.A. peak was reached in February of 1935 when 4,200 received aid.<sup>6</sup> The next three or four months saw the case load slide downward several hundred, a decrease credited to general economic recovery and absorption of workers by private employers. In August of 1935, the E.R.A. reductions began to be accelerated by the transfer of "employable" cases to the new works agency, the W.P.A. and on December 6, 1935, the original agency had a residue of 981 cases. These chiefly were those classified in the W.P.A. definitions as "unemployable".<sup>7</sup> These 981 cases were the low point of the year. Meanwhile, during this same period the Kalamazoo County cases administered by the W.P.A. arose from zero to 2,771.<sup>8</sup>

Simultaneously, as the new works agency began to function in August, the E.R.A. discontinued its "works division" so that all residual cases received "direct relief". Federal aid was gradually withdrawn, leaving the problem of "direct relief"

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6. Ibid.

7. Ibid., December 6, 1935.

8. Ibid.

to "unemployable" as a joint state and local function. All labor costs of the W.P.A. meanwhile, were met solely by the federal government, but local units had to provide suitable projects and contributions of varying percentages towards them for materials and other costs.

The end of 1935 found the W.P.A. administering dozens of projects for men and women<sup>9</sup> in Kalamazoo County, employing about 2,500 persons. Another index to the changing E.R.A. picture was visible in the fact that the administration personnel dropped from a January peak of 140 to 43 after cuts were effective <sup>10</sup> on December 31, 1935.

Emergency Relief Administration recorded a record year in 1935 for expenditures as they reached the "1,250,00 mark for the year. Add to this \$257,000 spent by the W.P.A. up to December 1, 1935 and a true picture of relief costs are presented. E.R.A. aid went to 6,000 cases representing families with 20,000 persons so that a fourth of the 20,000 families in the county <sup>11</sup> were on relief at one time or another.

Hugh park and street programs got underway in 1935 representing nearly \$250,000 in projects completed with others planned which <sup>12</sup> would cost \$400,000 or more. 1935 was perhaps the biggest year for these developments when first the works division of the F.E.R.A. and then from August on the W.P.A. undertook these projects.

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9. Ibid., January 1, 1936

10. Ibid.

11. Ibid.

The chief street project completed was the track removal, widening and resurfacing of Portage St. from Michigan Ave. to Stockbridge Ave. as a P.W.A. job costin \$150,000. Crane Park, under F.E.R.A. auspices, was the only park dept. job completed in 1935, but four other big ones were started and were to be finished in 1936. In addition, many other small projects started and completed under the F.E.R.A., P.W.A., W.P.A., etc. The first W.P.A. project unau<sup>13</sup>gurated was the paving of S. Pitcher street which was begun on August, 9, 1935.

Thus ended the year of 1935, with these above mentioned facts highlighting the year in Kalamazoo.

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13. Ibid., August 9, 1935.

Local business and industry forged ahead in 1936. Optimistic predictions made for business and industry in Kalamazoo a year before seem to have been fully borne out by the definite developments of 1936. The year was marked by steadily increasing production, expansion of markets, growing hours of work and increase in payrolls, and reflected improvement in retail trade.<sup>1</sup>

Many manufacturing plants found that the growing demand justified factory improvements and additions. As a result nearly every paper mill was busy with rebuilding. There has been a general movement for consolidation of gains made by bettering the physical condition, and in numerous instances, especially in the paper industry, the increased values of stocks as quoted in brokerage houses and on the exchanges has revealed an attitude of optimism in financial and trade conditions.<sup>2</sup>

It is true that there had been no great increase in the number of men employed, but those employed have had fuller work weeks and increased wages. Skilled wage earners were at a premium in 1936. Some plants find it hard to find then skilled labor whereas before there was a reservoir of such a labor force. Some plants are putting into practice once more the apprentice system.<sup>3</sup>

The whole picture when viewed more or less superficially is one of optimism. The building industry has surged upward strongly in the year 1936. From a total of less than one millions

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1. Gazette. January 1, 1937

2. Ibid.,

3. Ibid.

off dollars in 1935, 1936 saw more than a 400% increase with over three and one half millions of dollars invested in new buildings,  
<sup>4</sup> and permanent improvements and modernization.

Effects on retail trade of the year's progress has been marked. As business increased, manufacturers found themselves faced with growing needs. Stores found some lines almost impossible to replace on short notice. Inventories of fabricators were at a low ebb, due to hesitance where buying was concerned on more than a temporary basis. Christmas buying was unusually heavy and many shelves in stores in Kalamazoo were depleted. In general, retailers found their business in 1936 was approximately 15%  
<sup>5</sup> ahead of 1935.

Kalamazoo's widely diversified industrial setup has been of material aid in pulling it through the depression, and in bringing to it an unusual degree of prosperity as business in general regained its health. Shipping as it does to almost every state in the union, Kalamazoo industry was quick to respond to increased prosperity. The city's pioneering spirit and its willingness to adventure have also been assisting factors in the year 1936. Business concerns, faced with shrinking markets in some lines, have boldly broken into new fields or brought out improvements and refinements that have found markets and made  
<sup>6</sup> work for hundreds.

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4. Ibid.

5. Ibid.

6. Ibid.

Most spectacular results in 1936 were the various federal works programs and their accomplishments. On October 16, 1936 the first shovelful of dirt was turned ceremoniously on the largest single project begun during this year. It represented the city's first grade separation which was the major change <sup>7</sup> in Kalamazoo's city streets in a decade. It was the East Michigan Ave. grade separation project, a \$425,000 improvement with most of the cost borne by the federal government, while state, county, and city came in for smaller shares. \$238,000 paid by the federal government for grade separation, \$92,000 paving contract paid by the national, state, and local governments, and \$95,000 paid by the county and city for property damages and the cost of <sup>8</sup> acquiring the site.

The city of Kalamazoo worked closely with the W.P.A. on many street and park improvements which were begun in 1936. The summer of 1936 saw projects of the W.P.A. begun in 1935 continued as to \$62,000 improvements in gutter, sidewalks, and streets. Other projects were:

1. W.P.A. approved street widening and repaving plan in downtown Kalamazoo. \$178,000 project with the city coming in for \$72,000 of the total cost. Lovell St. was widened, Academy St. was widened, as well as work on South and

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7. Ibid., October 17, 1936.

8. Ibid.

Park Streets.

2. W.P.A. park projects included \$12,000 job on the Ver Sluis purchase and a \$55,000 job on Red Arrow Park, and a 37,000 authorization on Riverside Cemetery begun in 1936.<sup>9</sup>

In addition, the new county building was to be ready May 1, 1937 and the county juvenile detention home, another W.P.A. project, ready by July 1, 1937.

Perhaps, the key feature of this four period was the important role the federal government, under the leadership of President Roosevelt, played during the depression. It succeeded in lessening the burden of the local and state governments through their many aid programs such as the C.C.C., N.R.A., C.W.A., P.W.A., W.P.A., and many others. One need only wonder what the outcome would have been here in Kalamazoo, if the federal government had not taken such a major role in combatting the depression.

It is interesting to note that Kalamazoo labored through the depression, but that they were not as hard hit by the crisis as other communities in the nation. This interesting fact was brought out in Louis Stolle's paper on the early years of the depression here. However, this interesting note was carried on after 1932 and it was shown in this paper that Kalamazoo fared

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9. Ibid.

better than other communities on through 1933-1937. Many explanations have been offered to explain this interesting note. One reason given was that the religious influences in this community were such that it promoted stability. Another reason offered was that the industry in Kalamazoo was stable and not as deeply affected by the depression as other types of industry in the nation. Another reason was that the type of city government practiced here was efficient and well run. All these reasons plus others, contributed to the fact that Kalamazoo fared better than the rest of the nation during the depression.

It has been the purpose of this paper to bring to light certain facts concerning Kalamazoo during the depression years. If it has done so, then I feel that this paper has been worthwhile. I sincerely hope that it has met the aims and objectives set for this paper.

## General Bibliography

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