

IOWA IN THE GREAT DEPRESSION:

AN ECONOMIC DISSECTION

By

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Approved By:

A handwritten signature in blue ink, appearing to read "Dr. Price Fishback", is written over a light green rectangular background. A horizontal line is drawn below the signature.

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STATEMENT BY AUTHOR

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### *Introduction*

After the Great Depression struck the United States in 1929, state governments saw their finances change drastically throughout the 1930s. The state of Iowa is no different. The Iowa state government's revenues and expenditures increased dramatically during the 1930s, in part as a response to the Depression. A variety of new taxes were introduced to supplement the state's increased spending. The most notable of these taxes was the Three Point Tax, which comprised of a corporate income tax, state income tax, and sales tax ("Sales Tax" 7). These taxes, which were first introduced in 1934, remain in place today. The state's expenditures rose dramatically as well, with increases ranging across all aspects of the state's budget. Both Iowa's state government's receipts and expenditures more than doubled from the fiscal year of 1932 to 1937. During these years, the state government had to create new ways to cope with the financial issues caused by the Great Depression.

The political sentiment of the state also played a role in how the state dealt with the array of problems during the Depression. Politicians elected during the time period and the political party that dominated the state affected the introductions of new taxes and how the state confronted the various problems its residents faced, especially in the agricultural industry. Furthermore, the interaction between the Iowa state government and the federal government is notable because the state generated a significant amount of revenue through federal grants from New Deal programs during the Depression.

By analyzing the Iowa state government's finances during the 1930s along with the political leanings of the state, the data reveal how the norms of the state changed during the 1930s as a response to the drastic fiscal policy changes that the state employed. A further breakdown of individual spending categories across the state budget's receipts and expenditures

from the years 1933 through 1937 allows for one to determine where the dramatic increases in spending are realized.

### *Background on the State of Iowa*

Before diving into an analysis of the political landscape of Iowa during the Great Depression, it is important to discuss some of the key characteristics of the state and the issues that it faced. Iowa in the 1930s had the largest proportion of arable land of any state, with farming generating between one third and one fourth of all of the state's income. Iowa alone produced 6.9% of the United State's entire farm income. There were 221,986 farm units in operation in 1935 (Bergman 14). Furthermore, of the ninety-nine counties in Iowa, thirty-one were completely rural. Only in fourteen counties in the state did urban populations exceed rural ones, with urban populations defined as cities with 2,500 people or more. During the Depression, farm tenants also became much more common. In 1880, only 23.8% of farms in Iowa were operated by tenants, whereas that figure rose to 49.6% by 1935. This means that during the Depression there were a significant number of farmers who did not actually own the farm on which they were working. Since farm tenants did not own the land that they worked and were free to move from farm to farm to work, they had in some cases less incentive to take care of the land they were working, which contributed to the soil erosion the land endured during the 1930s (Federal 65). However, many farm tenants were tied to the land they worked until each harvest by contract from the farmer owning the land. These contracts helped provide incentives for tenants to take care of the land on which they worked, since they specified which tasks were to be completed by the tenant. This helped mediate the fact that farm tenancy was increasing

during the Depression. Another strain on the agricultural market was that a severe drought from 1934 to 1936 created huge crop shortages, some of the most serious on record.

Federal subsidies helped save farmers from economic ruin, and in 1936 farmers were able to operate again without a loss (Federal 59). One important program for farmers in Iowa was the Agricultural Adjustment Act. The federal government first started disbursing aid for this program in 1934, with an enormous surge in aid in 1935. Figure 1 shows the real per capita aid from the AAA for Iowa and its surrounding states, adjusted for 1967 dollars. Iowans received almost \$70 per capita from the AAA in 1935, which is second only to South Dakota when compared with Iowa's surrounding states (Fishback State Economic Variables). This made a dramatic difference in farmers' lives, and it swayed many farmers to favor the New Deal and President Roosevelt.

### *Iowan Politics in the 1930s*

Examining the political trends going on in Iowa during the 1930s provides a way to determine various effects of the Depression in the state. Iowa had long been dominated by Republicans before the Depression. From 1894 through 1933, only Republicans were elected as governors for the state. However, the political climate of Iowa and the nation itself changed after four years of the continuous economic decline that started in 1929 and the election of Democratic Franklin Delano Roosevelt as president. In the presidential election of 1932, Republican Herbert Hoover ran for reelection against FDR. Even though Hoover was from Iowa, he had become so wildly unpopular during his first term that he even lost the vote in his home state (Ruth 9). Iowa became a much more Democratic state during the Great Depression.

The shift was driven by the struggling agricultural sector in Iowa, with many farmers desiring or demanding aid to survive the brutal conditions they were facing (Bergman 13).

The governors of Iowa seemed to mirror the political party trends during the Great Depression. When the Depression started in October of 1929, a Republican governor, John Hammill, was in office until 1931. Hammill was followed by another Republican, Daniel Turner, who served only one term in office. During his term, he supported the idea to introduce a state income tax, although it was not implemented until after he was out of office. Turner also supported state laws for mandatory testing of cows for bovine tuberculosis. There were other instances where Turner faced agricultural issues in Iowa, which are detailed below. However, many farmers were extremely displeased with Turner during his term in office. The persistently poor economy also contributed to Turner's loss in the 1932 election (Hudson 522). With no end to the Depression in sight in the elections of 1932, Iowa elected a Democratic governor, Clyde Herring. The percentage of Democrats in the upper house of the state legislation also spiked in this year, and did not significantly fall again until 1939, shown by the attached Figure 2 (Fishback State Economic Variables). Herring stayed in office until 1937 when he moved on to become a US Senator and was replaced by another Democrat, Nelson Kraschel. Kraschel unsuccessfully ran for re-election in 1939, when he was defeated by the Republican George Wilson ("Search").

In 1934, Iowa held a special General Assembly session to determine legislative action to combat the Great Depression (Jones "Corn" E7). Normally the General Assembly only meets every other year, during odd numbered years. Since Iowa had to hold this special session, it is clear that the state was under serious strain. Under normal circumstances the 1934 session would not have been necessary at all, but the financial issues the state faced warranted the session to

draft much needed legislation (Federal 60). Iowa's struggles were not unique; Kansas also held two emergency sessions to draft legislation, much of which was in accordance with the New Deal. Iowa's General Assembly session cost \$350,000 in legislative expenses and added two hundred and fifty new laws to the state. One result from the session was the return of liquor sales, in the form of a state monopoly system, where the state operated liquor stores. Also discussed during the session was the implementation of the three point tax (Jones "Corn" E7).

### *Farmers' Influence in Iowa*

Many of the political issues that arose in Iowa from the Depression surrounded agriculture. Since many Iowans were farmers, the plummeting prices of agricultural goods were serious issues for the politicians in Iowa. A major event that occurred during Turner's term as governor was the Iowa Cow War. His handling of the Cow War, paired with the failing economy greatly contributed to his loss in the 1932 gubernatorial election. In 1931 Turner supported a state policy that required cows to be tested by veterinarians for bovine tuberculosis, a deadly disease that can be spread from cattle to humans through infected meat and milk. Under the new legislation, if the cattle were found to be infected, then they had to be killed. The Iowa state government reimbursed the farmers for one-third of the value of the cow, and the federal government did the same thing (Bergman 13). This program was estimated to cost \$500 per day between the state and federal government (Schwieder 255). However, even with the reimbursement program in place, this still meant the farmers would lose one-third of the value of any cow that was killed, along with additional profits from any milk that the cow would produce. Naturally, many farmers rebelled. Countless farmers had already resorted to burning corn instead of coal for warmth, since the prices for agricultural goods had dropped so low that it was

incredibly challenging to survive as a farmer. Farmers worried that the bovine tuberculosis test was not accurate, and therefore unfairly causing them to lose income. Eventually, farmers resorted to violence to prevent the testing from being done. Governor Turner reestablished peace by sending the Iowa National Guard to subdue the farmers. Over 1,400 National Guard troops were sent to Cedar County, Iowa to combat the situation; the National Guard remained for two months to prevent any future riots. This act caused a feeling of hostility towards Turner from many farmers in the state, and it contributed to his unsuccessful attempt at reelection in 1932 (Bergman 13).

The struggle of farmers gained nationwide attention at the start of the 1930s, as the prices of agricultural goods plummeted and many farmers faced foreclosure. Figure 3 shows the prices of selected crops in Iowa in the 1930s. In Iowa, there were farm government payments of \$3.75 million in 1933, and the figure rose to \$40.128 million in 1934 and then \$53.312 million in 1935 (see Figure 2). When the Agricultural Adjustment Act was enacted in 1933, the program was designed to stabilize and increase farm income while also conserving soil (Federal 67). Iowa farmers also wanted to take things into their own hands to help ensure their survival. The Farm Holiday Association was the most important independent farm organization operating in Iowa during the Depression. Formed in 1931, it was an aggressive group of farmers whose main purpose was to fight the dropping agricultural good prices and farm foreclosures. At first the Farm Holiday Association tried to get farmers to withhold their goods from the markets in an effort to raise prices. However, this proved unsuccessful and they escalated to more drastic measures (Bergman 13). The Farm Holiday Association attended sales of foreclosed farms and attempted to intimidate and persuade “outsiders” to the farming community from purchasing the land (Federal 73). “Penny sales” also became common here, where members would purchase the



foreclosed land for several dollars or sometimes less than a dollar and then returned the land to the farmer who had lost it at no cost to the farmer himself. The goal was to prevent successful sales of foreclosed farms (Federal 59). The agricultural issues of the time were very important to the politicians in Iowa, since so many votes were dependent on farmers.

The issue of farm foreclosures in Iowa is not surprising given the circumstances. Since the prices of agricultural goods dropped so drastically, many farmers were unable to make enough profit to pay their mortgages, and many were forced to leave their farms (Bergman 13). The average farm foreclosure rate between 1929 and 1933 in Iowa was over thirty foreclosures per one thousand farms. The only other states in the U.S. with farm foreclosure rates this high were Minnesota, North Dakota, and South Dakota (Wheelock 576). Farmers not only tried to stop sales of foreclosed farms, but also in some instances responded with violence to the struggles they faced. In 1932 the Farm Holiday Association instigated an attempt to interfere with the legal proceedings against farm foreclosures. In protest, a group of farmers in LeMars, Iowa pulled a judge from his courtroom and threatened to lynch him if he did not stop foreclosing farm mortgages. In the election of 1932, farmers voted largely for Democratic candidates at both the state and national levels (Bergman 13). In 1933, there was a moratorium imposed on foreclosures in Iowa; twenty-six other states also imposed moratoria on foreclosures between 1933 and 1934 to ease high foreclosure rates (Wheelock 575). Between the moratorium on foreclosures and incoming federal aid, farmers were able to slowly rebound from the rock bottom lows they hit during the early 1930s.

Eventually the conditions for farmers and other residents of Iowa rebounded, but sources are conflicting as to whether Iowa ultimately favored FDR and the New Deal or not. Figure 3 shows selected crop prices in Iowa from 1930 through 1940. Although there is noticeable

variation throughout this time, there was a general upward trend in prices. Total revenue from the same selected crops is shown in Figure 4 (Fishback Crop Prices). The AAA was credited with helping farmers improve their condition; by 1935 farmers were getting higher prices in the market for their corn-fed hogs as well as support checks from the government. By this time, farmers were also able to pay their mortgages and other bills and purchase new manufactured goods. Business and industry in Iowa was especially dependent on farm prices at this time since the state was largely agricultural, so the rising farm prices were favorable for Iowa as a whole, not just farmers. An article in the *New York Times* in 1935 indicates that many farmers did not support many other New Deal programs and the heavy spending and taxation associated with them. Nevertheless, their positive attitude towards the AAA still outweighed any negative attitude towards FDR otherwise. This article also stated that many businessmen and other professionals in Iowa supported FDR because the rising agricultural goods prices helped all residents of the state, since it is so largely agricultural (Porter 4). However, this attitude is not reflected in all sources. An article in the *Chicago Tribune* released at the same time shows that only 41.16% of Iowans favored the Roosevelt administration (“Roosevelt” 7). Nevertheless, Roosevelt still won Iowa in the 1936 presidential election (“1936”).

#### *New Taxes Implemented During the Depression*

At the state level, many taxation issues arose in Iowa during the Depression, as the state government had to determine how best to generate revenue when its citizens were struggling so miserably financially. In 1934, the Iowa Board of Assessment and Review eliminated the property tax levy. This marked the first time in the state’s history that property’s value was not assessed for purposes of the state (“Iowa Ends” 1). This forced Iowa to broaden its tax base and

not be as dependent on real estate taxes to cover the state's expenses ("Bills" R2). At the same time, a three-pronged tax approach was adopted to make up for the lost revenue. This new tax revenue essentially made up for the foregone revenue from the property tax. The three-pronged tax consisted of a sales tax, individual income tax, and corporate income tax. The sales and corporate income tax rate was two percent, and the individual income tax rate ranged from one to five percent ("Iowa Tax").

The sales tax generated \$3 million for a state unemployment relief fund. Another benefit to the new sales tax was that it was easy to collect. Fourteen percent of the state's property tax had remained uncollected in 1933, the year before the sales tax was implemented. The tax was made as two percent of gross sales, which the seller was expected to pass on to the consumer. Collection of the sales tax was very accurate (Jones "Sales" E1).

In addition to changing the tax structure, the state government tried to reduce the state's expenses to ease the tax burden. After he took office in 1933 Governor Herring reorganized departments in the state and reduced the salaries of some state employees to bring tax savings to Iowans. Herring focused on economizing in the state government. An article in *The Washington Post* indicated that Herring also influenced the legislature to make a series of tax cuts, although the only major tax cut made while Herring was in office was to the property tax ("Legislatures" 15). Ironically, it was the Republican Governor Turner who favored an increase in taxes during his term while the Democratic Governor Herring favored spending cuts during his term in office.

Iowa faced many political and economic issues in the 1930s, some of which still affect the state now. Republicans lost much of their political influence in the state, especially after their handling of the severe agricultural issues their constituents faced. Although farmers previously voted Republican, many became more partial to the Democratic Party in the 1932

election in hopes that the Democrats could be more successful in reviving the agricultural industry. The tax base also changed in response to the Depression, and the sales and income taxes adopted then are still in place today. By examining the revenues and expenditures of Iowa's state government in the 1930s, one can reveal how the various increases across revenue and expenditure categories affected politicians and residents of Iowa. Furthermore, comparing various statistics across Iowa and the neighboring states shows how Iowans were faring compared to their geographically similar counterparts.

### *Analysis of State Economic Variables*

First, it is important to examine real per capita state income. Figure 5 shows the real per capita state income for Iowa and all of its bordering states from 1929 through 1941. For every state, there is a noticeable decrease in real income from 1929 through 1933, which is not surprising, since this was the period of continuous economic downturn during the Great Depression. Residents of Iowa seemed to be earning fairly similar incomes to those in the surrounding states, with the exception of Illinois and South Dakota. The income for Illinois was noticeably higher than in the rest of the states, and South Dakota was significantly lower. One reason the Illinois income may have been higher was that the Illinois economy was less dependent on agriculture. Although Illinois still had a significant amount of farmland, there were far more residents living in cities at the time. Farm government payments in Illinois were also much lower than in Iowa during this time, as shown in Figure 6. This could in part be because Illinois was less dependent on agriculture than Iowa and its surrounding states. However, in Iowa, Nebraska, Minnesota, and Wisconsin the real per capita state income for each state followed the same trend and stayed fairly close together throughout the Depression. This shows

that Iowans did not seem to do significantly better or worse than the residents of neighboring states during the same time period.

The next valuable statistic to analyze is total employment. Figure 7 shows the employment totals for 1930 through 1940 for Iowa and its neighboring states. On the graph, the 1929 level of employment is considered 100%, and for each subsequent year the employment is shown as a percentage of the 1929 employment rate. Employment in Iowa fell quickly and steadily from 1929 through 1933. From 1934 through 1939, employment began to increase again, but the process was slow. Interestingly, Iowa did not reach the same level of employment as 1929 until 1939; every year in between, there were far fewer people employed and it clearly took several years for the devastating effects of the Depression to reverse themselves. As compared to its bordering states, Iowa seemed to fare about as poorly in terms of employment. However, the minimum point of Iowa's employment total is significantly higher than the employment levels in both Illinois and Wisconsin. In 1933 Iowa's employment total bottomed out, at only 77.9% of the 1929 level, compared with 67.7% in Illinois and 66.6% in Wisconsin (Fishback State Economic Variables).

#### *Analysis of the State Government's Finances*

The federal government stopped publishing the Financial Statistics of the States in 1931 and restarted again in 1937. To fill in the gaps, I compiled the reports of the Iowa state comptroller records. Comparing data from the Financial Statistics of the States in 1937 to the paper data files from the comptroller of Iowa reveals how spending patterns changed across various categories in Iowa's revenues and expenditures. In the 1937 fiscal year, the two sources show that the state's revenues are quite similar, approximately \$81 million and \$83 million,

respectively. The expenditures also match up well, approximately \$61 million and \$63 million, respectively. According to the Iowa state comptroller records, in 1933 the state's receipts and expenditures amounted to approximately \$37 million and \$36 million, respectively. Figure 8 shows that the receipts and expenditures rose steadily throughout the 1930s and that Iowa ran a budget surplus in 1930, 1934, 1935 and 1937, while running a deficit in 1936. There was essentially a balanced budget in 1931, 1932, and 1933. Further analysis of spending across each category reveals where the dramatic increases for both state receipts and expenditures took place (Rightor).

There were increases in numerous receipts categories, particularly from taxes. For instance, the cigarette taxes of two cents per package collected revenue that rose from \$1.1 million to \$1.7 million from 1933 to 1937 (Brown). The tax was first enacted in 1921 and the tax rate stayed the same until it was raised to three cents per package in 1953. The increase in cigarette tax revenue was therefore due to more cigarettes being purchased, rather than an increase in the tax rate itself ("Iowa Tax"). With the introduction of the three point sales, individual income, and corporate income tax, the associated categories increased dramatically from 1933 to 1937; the taxes generated close to \$1.2 million for the state in 1933 but over \$30 million in 1937. Business license taxes also increased during this time, from \$1.5 million to \$1.9 million (Brown). By 1940 that figure had risen to \$3.5 million (Gray). Iowa also received grants from the federal government in 1937, which accounted for almost \$2.9 million. Furthermore, charges for current services skyrocketed during this time period, rising from \$2.5 million in 1933 to \$5 million in 1937 (Brown). The charges for current services had risen to almost \$5.8 million by 1940 (Gray).

The receipts for property taxes are confusing, as there is a discrepancy between the Financial Statistics of the States and Iowa's comptroller records. According to the Financial Statistics of the States, the receipts from property taxes in 1930 and 1931 are \$10.6 million and \$11.6 million, respectively. In 1937 and 1938 the receipts are listed as \$10.4 and \$9.6 million, respectively. However, the state comptroller records do not indicate any revenue from property taxes at all, including in 1937. The property tax levy was eliminated in 1934, which partly explains why there were no records of it during that year and thereafter, but it is unclear as to why there were no records of property tax receipts prior to that when the tax was still being collected (Rightor).

Surprisingly, Iowa increased its receipts during this period by so much that there were no budget shortfalls, even with the extreme increase in expenditures. Even with the addition of the \$17 million homestead credit, one expenditure for Iowa that was not included as such in the Financial Statistics of the States, the 1937 total expenditures only amount to \$80 million. The Homestead Credit was a tax credit first implemented in 1937 to encourage homeownership by providing a tax credit to discount the property tax. It was foregone revenue for the state, which is likely why it is listed under expenditures in the state comptroller records. When the credit is excluded from the expenditures listed from the state comptroller records, the data matches very well with the Financial Statistics of the States. Both of these sources indicate a surplus (Rightor). Clearly, Iowa was able to maintain a budget surplus, even when still recovering from the Depression. It is interesting that in this period of economic turmoil, the only fiscal year from 1933 through 1937 that the state did not have a budget surplus was in 1936. In 1936, Iowa's budget deficit was slightly over \$8 million, but this was the only year that had data on record where such a shortfall took place. One noticeable difference in the 1936 records that could have

contributed to that year's deficit was part of the trust expenditures. In 1936 there is an entry called "Allocation to Counties" for \$11.55 million. The only other year with this same allocation on record is in 1935, but it is for only \$4 million. This significant additional expenditure could have contributed to the state's deficit of \$8 million in 1936 (Brown).

The state government's expenditures during this time period also changed drastically as the 1930s progressed. Iowa's spending on the development and conservation of natural resources rose from \$0.4 million to \$1.8 million. Spending in this category includes spending for agriculture, including for agricultural societies, experiment stations, livestock, and reclamation (Brown). By 1940 the spending for development and conservation of natural resources had risen further still to \$2.1 million. Another area where state spending increased was in hospitals and institutions for the handicapped. Spending rose from \$100,000 in 1933 to \$1.3 million in 1937 and \$2.7 million in 1940 (Gray). Not surprisingly, spending for unemployment increased greatly during this time period as well. By 1937, there was \$6.7 million being spent on unemployment, which was split between the Unemployment Compensation Commission and Unemployment Clearing Account. Spending in these categories was virtually nonexistent in 1933 (Brown).

Another important expenditure for Iowa during this time was for old age assistance. The Old Age Assistance Commission accounted for \$7.6 million of the state's expenditures, according to the Financial Statistics of the States (Rightor). This figure rose quickly, reaching \$11.8 million in 1938 and nearly \$16 million in 1940, even though the economy was recovering at this time (Gray). However, according to the state comptroller records, the spending here was only \$8,000 just four years prior. This increase came from the advent of the Social Security Administration, which included providing benefits for those of old age, although the data does not indicate any further detail. There were 200,000 aged persons in Iowa at this time, and 55,000



of them applied for the state aid. Iowa was able to create Old Age Assistance laws so that they could take advantage of the federal grant matching programs in place. The spending on old age assistance skyrocketed during the 1930s since Iowa did not have significant programs specifically for this previously; Social Security provided a new way for the elderly to receive relief in Iowa (Henning 4).

One area where there is a major discrepancy with state expenditures is with the sale of alcoholic beverages category. In the Financial Statistics of the States, only \$14,000 is recorded as an expense in 1937 for this category. On the other hand, the state comptroller records of Iowa show \$10 million spent here in 1937, which increased from just \$95,000 in 1933. The numbers started skyrocketing in 1934, which coincides with the date when the General Assembly decided to reinstate liquor sales through the form of a state monopoly system. Such high expenditures here therefore seem reasonable. Similarly, there is a vast discrepancy with receipts from liquor related categories between the Financial Statistics of the States and Iowa's comptroller records. The Liquor Control Commission in the comptroller records indicated \$10.9 million in revenues in 1937. There was no spending here in 1933, but it rose to \$5.4 million in 1934 and that figure rose steadily through 1937. However, the Financial Statistics of the States only shows \$1.4 million in gross revenues for the corresponding category in 1937. The other entries in the state comptroller records for receipts are under Liquor Compensation Commission and Liquor Control Transfers. The Financial Statistics of the States shows \$1.2 million in gross revenue for this category, although only a few thousand dollars yearly are reflected in the comptroller records. The complete numbers for all of these categories are shown in Figure 12. Why there is so much confusion between the Financial Statistics of the States and Iowa's comptroller records is

uncertain. One would expect that such a clear category would match up well between the two sources, but it serves as a major point of inconsistency between the two (Rightor).

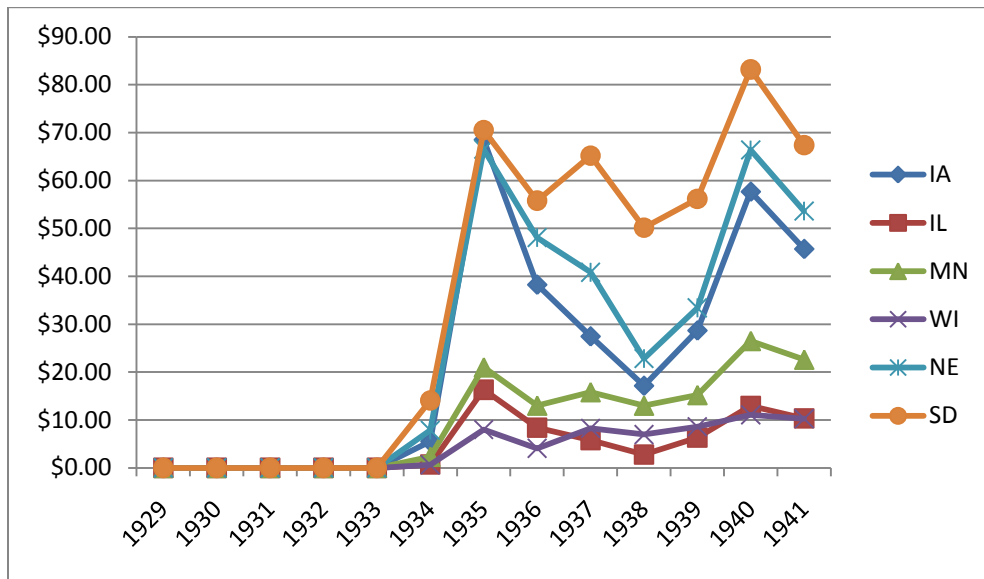
### *Conclusion*

Overall, the Great Depression marks a turbulent era in the United States, and the actions taken to cope with it still resonate in today's economy. The new legislation and policies that Iowa enacted during this time were vastly different than previous practices. It was the Great Depression that instigated the enactment of the sales and income taxes in the state, which functioned as major sources of revenue for the state once in place. Similarly, aid to farmers from the AAA, while although a federal program, played a significant part in the lives of Iowans at the time. Both of these two policies still resonate in the state today, as the taxes are still in place. Even though the AAA itself is no longer in place, farm bills and agricultural subsidies have since become common practice. Furthermore, it was the Depression that seemed to push Iowans to switch from their typical Republican elected officials to more liberal choices. This signified a major change in the political sentiment of the state. By 1932 the desperately struggling farmers in Iowa wanted more aid from the government. Agriculture drove the rural state, and that was reflected in the political trends of the time. Although the state faced major struggles, its agricultural foundation did not put it in any worse position than the surrounding states, which fared quite similarly to Iowa during this time. The state's major spending increases show that the state government became much more involved during this time period, which again influences how state governments work in the present time. Perhaps the most valuable piece of information from the study of Iowa's state government during the Great Depression is the dramatic increase in both receipts and expenditures during this time. These various aspects of

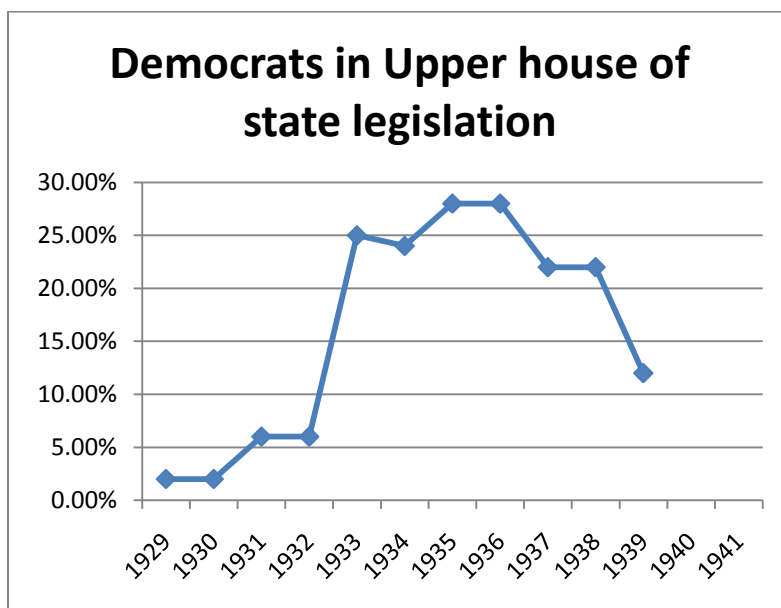
the Great Depression and the political and economic responses to it still have significant influences on the political and economic practices in place today.

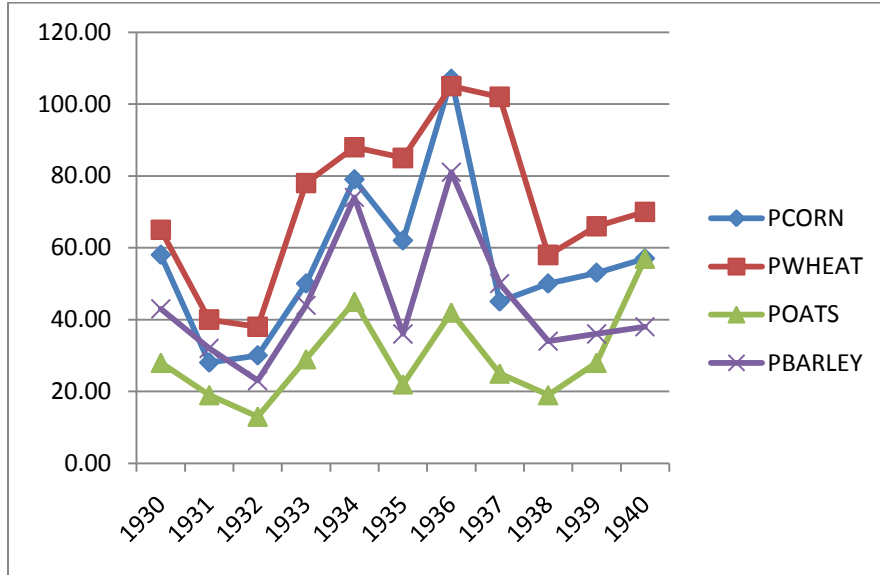
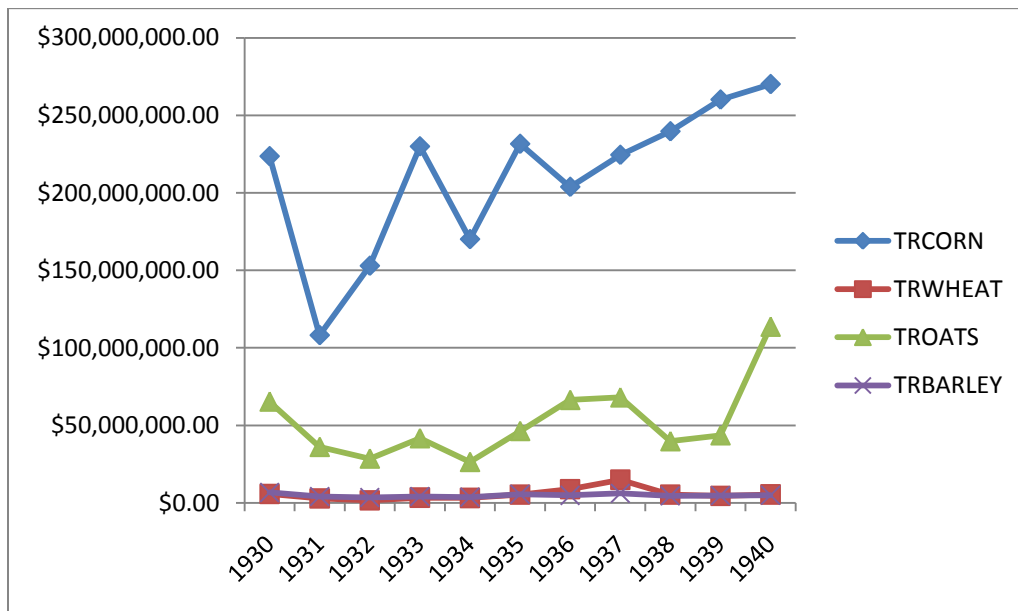
List of Figures

**Figure 1: Per Capita AAA Spending, Adjusted in 1967 Dollars**

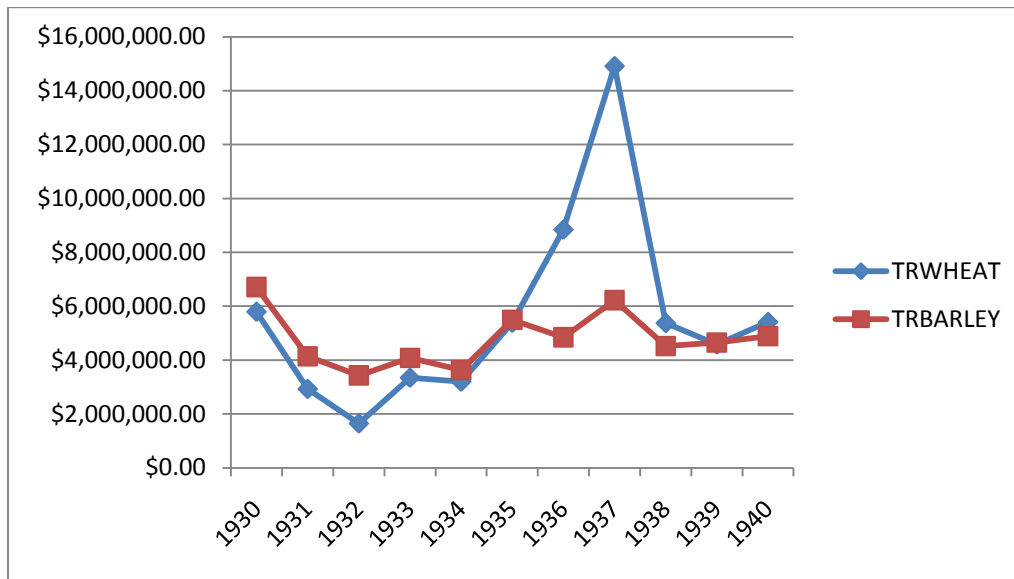


**Figure 2: Percentage of Democrats in Upper House of the Iowa state government**

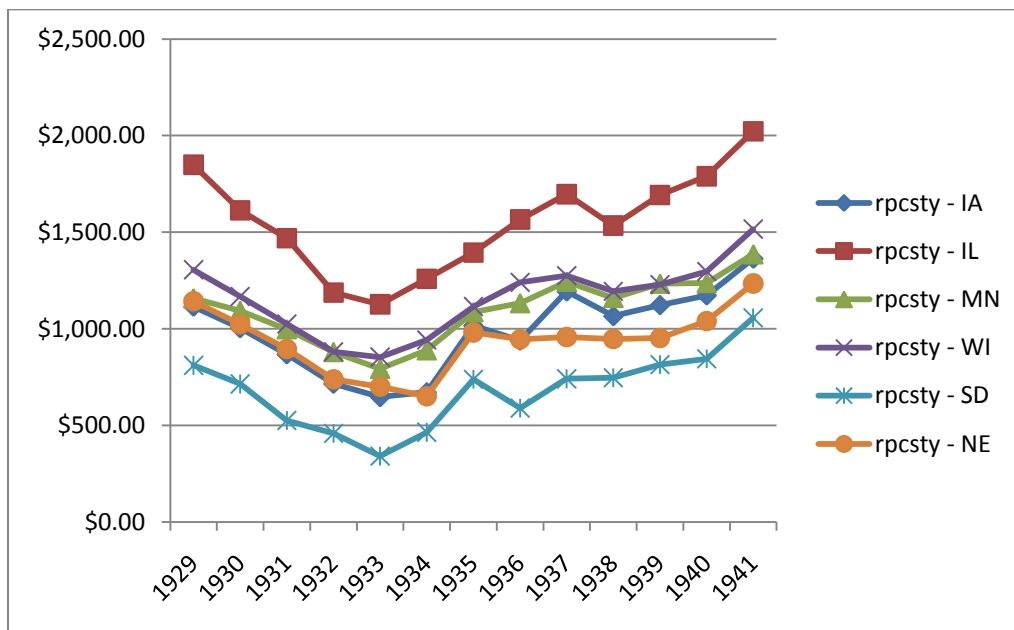


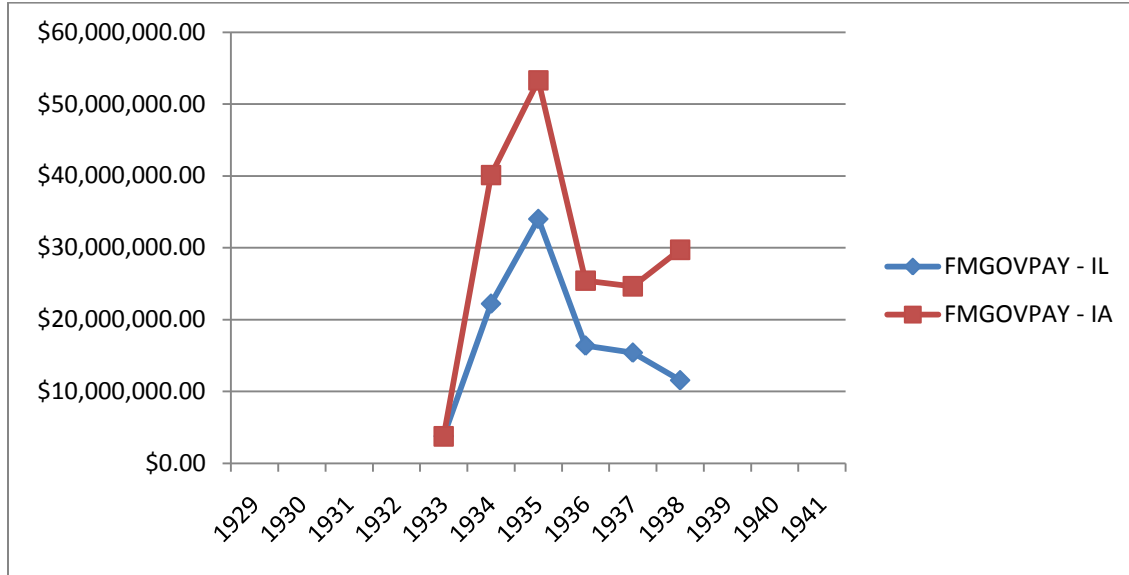
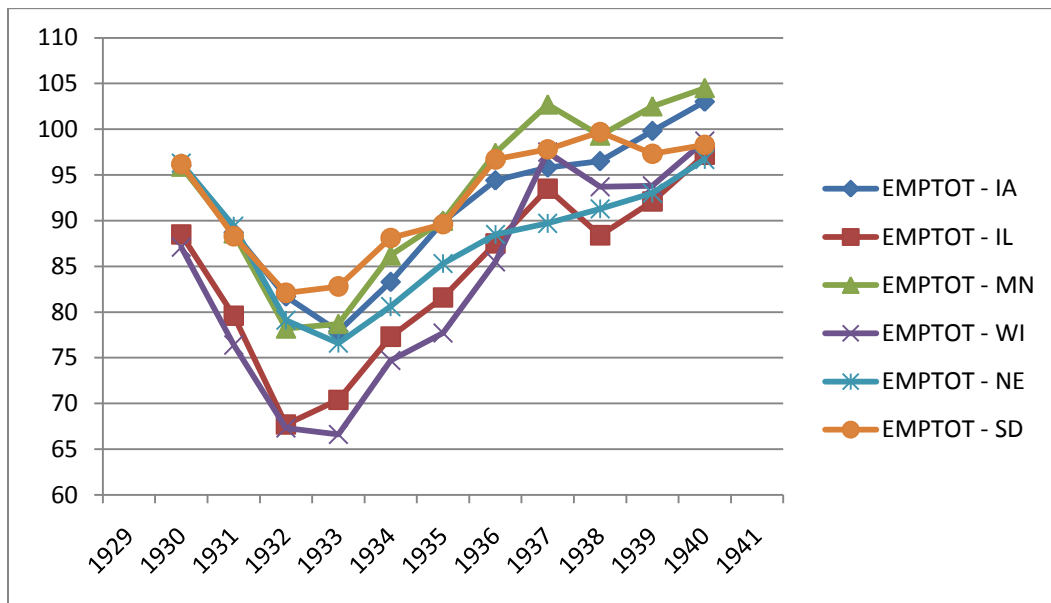
**Figure 3: Selected Crop Prices in Iowa (in cents per bushel)****Figure 4: Total Revenue of Selected Crops in Iowa**

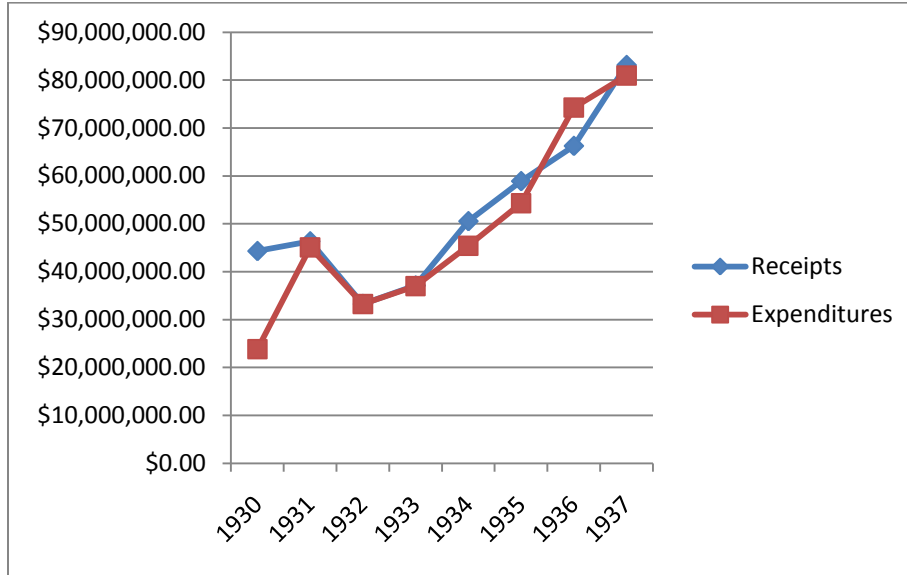
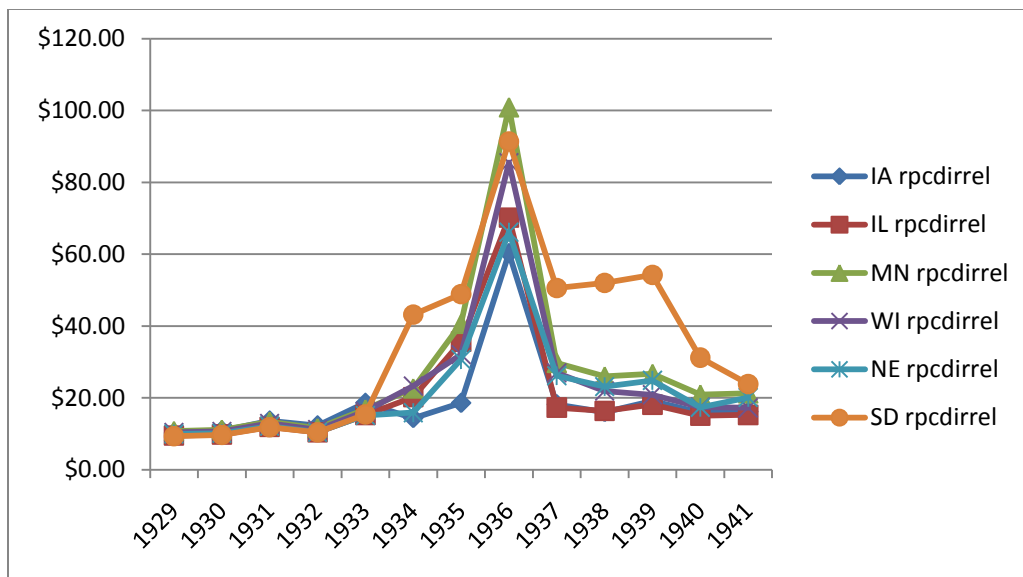
**Figure 4.1: Total Revenue of Selected Crops in Iowa**  
 (Barley and oats are shown alone to see the spikes in prices more clearly than above)



**Figure 5: Real per capita state income for Iowa and the surrounding states**



**Figure 6: Farm Government Payments in Iowa and Illinois****Figure 7: Employment Totals, with 1929 = 100%**

**Figure 8: Receipts and Expenditures in Iowa from 1930-1937****Figure 9: Per Capita Federal Direct Relief Spending in 1967 Dollars**



**Figure 10: Notable Receipts**

| <b>Notable Receipts</b>  |                |                |                |                |                 |
|--|----------------|----------------|----------------|----------------|-----------------|
|  | 1933-34        | 1934-35        | 1935-36        | 1936-37        | 1937-38         |
| <b>Taxes</b>   |                |                |                |                |                 |
| Three Point Tax - Sales, Corporation and Individual Income Tax Collections | \$0.00         | \$0.00         | \$0.00         | \$3,907,487.18 | \$2,996,010.49  |
| Homestead Credit, Three Point Tax Fund                                     | \$0.00         | \$3,250,104.00 | \$9,653,620.20 | \$9,802,531.79 | \$16,933,257.75 |
| Cigarette Tax  | \$1,194,493.53 | \$1,311,695.89 | \$1,486,694.46 | \$1,619,344.91 | \$1,714,571.75  |
| Insurance Tax  | \$1,292,270.81 | \$1,445,920.70 | \$1,626,136.37 | \$1,842,455.44 | \$1,652,338.61  |
| <b>Unemployment Compensation Receipts</b>                                  |                |                |                |                |                 |
| Unemployment Compensation Commission, Administration                       | \$0.00         | \$0.00         | \$0.00         | \$110,702.30   | \$240,592.10    |
| Unemployment Compensation Commission, Administration - Clearing Account    | \$0.00         | \$0.00         | \$0.00         | \$3,577,271.52 | \$6,248,296.28  |

**Figure 11: Notable Expenditures**

| Notable Expenditures  |                 |                 |                 |                 |                 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
|   | 1933-34         | 1934-35         | 1935-36         | 1936-37         | 1937-38         |
| Board of Assessment and Review, Sales Tax                                   | \$57,944.73     | \$415,053.55    | \$457,592.10    | \$468,377.74    | \$538,797.67    |
| Primary road  | \$22,539,922.30 | \$21,737,796.05 | \$23,400,971.12 | \$26,726,899.85 | \$23,343,184.11 |
| Liquor control commission   | \$95,750.86     | \$5,511,936.21  | \$6,829,644.08  | \$8,785,466.95  | \$10,730,064.66 |
| Development and Conservation of Natural Resources, Agriculture - Aggregated | \$464,501.67    | \$501,846.55    | \$471,811.66    | \$537,611.46    | \$862,825.98    |
| Unemployment, clearing account  | \$0.00          | \$0.00          | \$0.00          | \$3,450,024.59  | \$6,329,006.64  |
| Unemployment, administration  | \$0.00          | \$0.00          | \$0.00          | \$75,961.98     | \$219,255.39    |

**Figure 12: Liquor Related Receipts and Expenditures**

| <b>Notable Liquor Related Entries in State Comptroller Records</b> |                     |                |                |                |                 |
|--|---------------------|----------------|----------------|----------------|-----------------|
|  | 1933-34             | 1934-35        | 1935-36        | 1936-37        | 1937-38         |
|  | <b>Receipts</b>     |                |                |                |                 |
| Industrial Commission, Liquor Commission Compensation              | \$0.00              | \$0.00         | \$0.00         | \$0.00         | \$10,000.00     |
| Liquor Control, Transfers  | \$0.00              | \$110,026.29   | \$428,016.72   | \$1,449,250.39 | \$77.75         |
| Liquor Control Commission  | \$0.00              | \$5,486,215.10 | \$6,815,000.55 | \$8,901,377.24 | \$10,919,536.05 |
|  | <b>Expenditures</b> |                |                |                |                 |
| Liquor Control Commission  | \$95,750.86         | \$5,511,936.21 | \$6,829,644.08 | \$8,785,466.95 | \$10,730,064.66 |

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