

8 The Great Depression



Toledo, 1936



The Great Depression started in Toledo in the spring of 1929, when the Willys-Overland Company laid off the first of several thousand workers. Though unemployment in Toledo rose as steadily as the stock market during that summer, it

mainly affected a group of workers accustomed to an annual layoff. By October 29, 1929, when prices on the New York Stock Exchange fell sharply and millions of people lost all their savings, more than ten thousand Willys-Overland workers were already living on savings and an occasional part-time job. In January 1930 the Merchants and Manufacturers Association estimated that as many as 18,000 Toledoans had no work. The situation seemed to be improving, however, and businessmen remained confident that the economy would soon recover from the effects of the stock market crash. Toledo's banks appeared to be stable, and the many building projects underway in the city that year gave further

cause for optimism.

Toledo voters had approved a bond issue for a new bridge across the Maumee River in 1928, and construction had started in 1929. The magnificent suspension bridge, arching high above the water, opened to traffic on October 27, 1931. Built at a cost of \$3 million, the bridge was named for General Anthony Wayne.

The Hocking Valley Railroad and its parent company, the Chesapeake and Ohio Railroad, had started a \$6 million project at Presque Isle on the Maumee Bay in June 1929. The new coal and iron ore loading docks, which opened one year later, in June 1930, were expected to give Toledo the best railroad and lake shipping terminal on the Great Lakes. Toledoans had their first look at the interior of the new Catholic cathedral on Collingwood Avenue in November 1929. Though the murals would not be completed until 1945, and the 250-foot bell tower was never added, Our Lady Queen of the Most Holy Rosary Cathedral was presented to the city in ceremonies on June 1, 1931. It remained a parish church until its dedication as the mother church of the Toledo diocese on October 1 and 2, 1940.

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Early in 1929 the city had sold the site of the former Contagious Disease hospital on Upton Avenue to the Board of Education. The groundbreaking for a new high school was held on May 25, 1930, and the first students entered the new Thomas A. DeVilbiss High School in September 1931. Ground was broken on January 30, 1930, at Detroit and Arlington Avenues for a new Lucas County hospital, made possible by a \$950,000 bond issue. The Georgian—style hospital, with beds for 269 patients and a residence hall for sixty-four nurses opened in May 1931.

In 1928 voters had approved a \$2,850,000 bond issue to provide new buildings for the University of Toledo. The more than two thousand students had studied in a building on Nebraska Avenue, built to train auto mechanics during the World War and later used as a factory. Night classes had met in the old Illinois school building on Eleventh Street. Neither building had provided adequate space or facilities. The University purchased an eighty acre farm on West Bancroft Street for \$275,000, and an additional thirty-four acres for \$25,000 more. The trustees broke ground on March 3, 1930, for the main building on the new campus, and for the Field House a short time later. University Hall, in the "collegiate Gothic" style, with 337 rooms on six levels, two courtyards, and a two hundred-foot tower, opened for classes on February 10, 1931.

Late in 1929 the Ohio Savings Bank and Trust Company had begun construction of a new twenty-five story

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Madison Avenue, 1930



*The Anthony Wayne Bridge
Construction, 1929*



Rosary Cathedral

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The University Hall Construction, 1930

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building on Madison Avenue, announcing that growth during the past five years had forced it to find new quarters. The bank moved into the first six floors of the elegant new building on August 29, 1930. Within a year the Ohio Savings Bank and Trust Company went bankrupt.

Toledo's banks appeared to have survived 1930, though throughout the country hundreds of banks closed. The 1930 federal census revealed that in April a total of 16,173 Toledoans had no work at all. Many of these people had purchased homes during the prosperous 1920s, when credit was easy and new neighborhoods replaced farmland all around the city. Banks in Toledo held the mortgages on many of the new homes. The banks repossessed the houses when the unemployed owners could no longer make the payments, but with no new buyers, the banks found themselves with huge real estate holdings and no money. In 1931 Toledo's banks held the mortgages on seventy-two subdivisions.

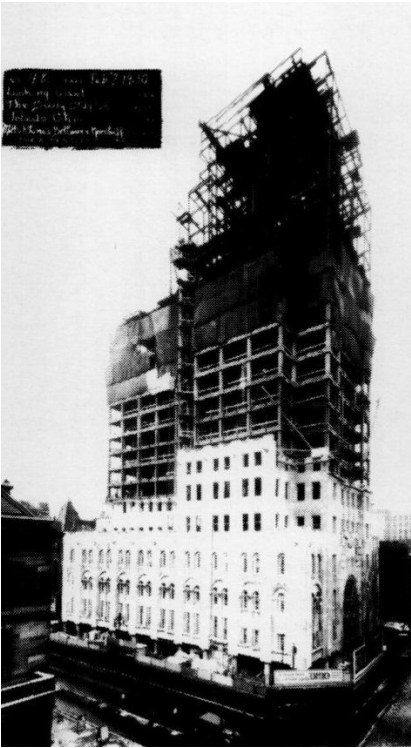
On June 17, 1931, the Security-Home Trust Company failed to open. When fearful depositors tried to withdraw their money from other Toledo banks, the bankers imposed a waiting period of sixty days for savings account withdrawals.

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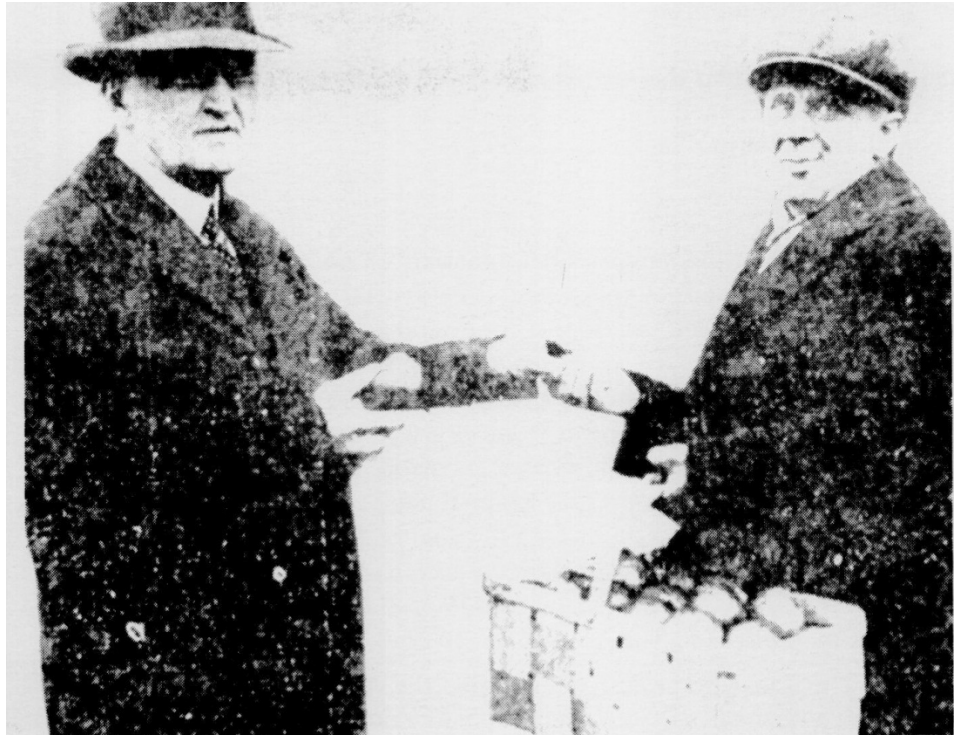
On August 17, 1931, the date the sixty days expired, four other banks, the Ohio Savings Bank and Trust Company, the Commercial Bank, the Commerce Guardian Trust and Savings Bank, and the American Bank, remained closed. Many smaller companies and shops went bankrupt. Doctors, lawyers, and others in the professions lost everything, as did the stockholders and employees of the banks. Large employers and some department stores banked outside the city, assuring them of cash for payrolls. Some stores offered credit to employed customers, but with little money in circulation, most business in Toledo stopped. In September 1931 a record 5,261 Toledoans accepted direct relief. More than 8,000 people received direct relief in December 1931, and more than 13,000 in December 1932.

Until 1932 the city of Toledo bore the responsibility for providing assistance for those in need, with funding from the city budget and the Community Chest. The Social Service Federation administered direct relief, which in 1931 totaled more than \$1 million. In 1932, with \$1,400,000 tied up in accounts in the insolvent banks, the city lacked money for its own operation. Relief for the unemployed, who by November 1931 represented nearly 50 percent of the workforce, posed a problem.

Construction of two large additions at the Toledo Museum of Art relieved unemployment to some extent. Edward Drummond Libbey had provided in his will \$2 million



The Ohio Savings Bank and Trust Company Construction, 1929



An Unemployed Man Selling Apples in Downtown Toledo

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The Ohio Savings Bank and Trust Company



Needy Toledoans Lining Up for Free Sandwiches

to finance a school of design and a concert hall. Begun in 1930 at Mrs. Libbey's request, the project employed twenty-five hundred men during the next two years. The fifteen hundred-seat Peristyle opened with a concert by the Philadelphia Symphony orchestra on January 10, 1933.

In November 1932 Franklin D. Roosevelt was elected President of the United States. Immediately after his March 1933 inauguration the new President announced his New Deal programs to reduce unemployment. The federal government would provide direct relief for food and clothing, while creating employment for as many workers as possible on a variety of public projects. In 1933, with as many as fifty to sixty thousand people receiving food from city warehouses and no money to pay the \$1.7 million cost, Toledo welcomed the federal work relief programs. City Council had voted in 1930 to hire unemployed men to fill in the old canal bed and build the long-planned Canal Boulevard, but the city had no money to pay for the work. With federal funding, the Civil Works Administration started the project in 1933.

The Canal Boulevard, later named the Anthony Wayne Trail, and a new parking lot for the Toledo Zoo headed a long list of projects completed with the help of the various federal agencies. The Naval Armory at Bay View Park and the William W. Roche Tuberculosis Hospital, two of the earliest building projects, started with Civil Works Administration (CWA) and Federal Emergency Relief Administration (FERA) funds, but were completed as projects of the Works Progress Administration (WPA).

The WPA completed the greatest number and widest variety of projects. Workers demolished a number of old buildings, among them the Milburn Wagon Works, the Lucas County Armory, the Wabash Elevator, and St. Mary's Church, salvaging the building materials for use in the new construction work. The WPA painted forty-five schools and repaired seven others, built additions at Beverly School, Woodward High School, and Newberry School. WPA workers made improvements at Libbey High School, built a stadium at Waite High School, and built the Glass Bowl stadium, a baseball field, and eight tennis courts at the University of Toledo.

The WPA and the Civilian Conservation Corps (CCC) worked extensively in the Metropolitan Parks, building athletic fields, shelter houses, bicycle paths, and fences. The WPA repaired the stone locks at Side Cut Park and built a three-acre lake, ten dams, and six bridges at Pearson Park. The city parks benefited as well, with projects in Willys, Beatty, Jermain, Ashley, Ottawa, Bay View, Riverside, Scott, Walbridge, and City Parks. The WPA employed people for smaller projects,

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One of Toledo's Three "Hoovervilles" along the Maumee River – The Shacks House Homeless Families During the Depression



The Anthony Wayne Trail

such as indexing newspapers and other records, repairing books and furniture, sewing, trimming trees, painting, and cleaning and repairing storm sewers, water lines, streets, sidewalks, and alleys.

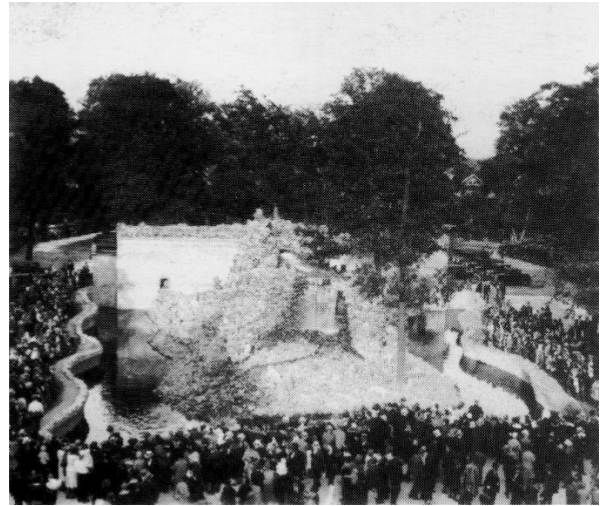
At the Toledo Zoo the WPA built the Reptile House, Monkey Mountain, the Natural History Museum, the Amphitheater, the bear pits, the seal pool, a new entrance, the Aviary, the Aquarium, and an addition to the Monkey House, as well as the pedestrian tunnel under the new Anthony Wayne Trail. The Works Progress Administration provided funds to pay workers on projects requiring many laborers and little money for supplies. Toledo used salvaged bricks, lumber, and other building materials to keep costs to a minimum. By 1937 the WPA had spent \$18 million in Lucas County, with \$86 of every \$100 used to pay workers' salaries. The Public Works Administration (PWA) gave grants and loans to cover part of the cost of labor and materials for private contractors on larger building projects. Contractors usually hired labor for these projects from the WPA rolls.

The PWA financed new buildings for Pickett, Warren, Washington, Old Orchard, Westfield, Bancroft Hills, Stevens, and McKesson elementary schools, as well as repairs and improvements to ten others. The PWA helped finance the \$1.7 million Macomber Vocational High School, and a new \$2 million building for the Toledo Public Library. PWA funding enabled the Toledo Metropolitan Housing Authority to build Toledo's first public housing and slum clearance project, the \$2 million Brand Whitlock Homes.

Toledoans blamed the city's mayors for much of the difficulty with relief during the first years of the Depression. Voters had rejected four versions of city manager government in 1928 and 1931, but in 1931 they also rejected the incumbent mayor, William T. Jackson, in favor of Addison Thacher. Both men were Republicans, but neither obeyed the dictates of the party organization. During Thacher's two years in office the banks failed, unemployment soared, and the city bankrupted itself trying to feed the hungry. Citizens blamed corruption in the city government for the inadequacy of relief for the unemployed.

In 1933 Socialist Solon T. Klotz challenged Thacher for the office of mayor, and won by fewer than three thousand votes. The city soon complained that Klotz was not capable of leadership. The conflict within the city government, the worsening financial crisis, and the continuing maneuvering of the Republican party "machine" convinced some of the former Independents that the City Charter should be changed to ensure nonpartisan government.

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The Toledo Zoo's Monkey Mountain, 1933



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An Inner City Street



The Brand Whitlock Homes, 1938

The Citizens' Charter Commission drafted an amendment providing for a city manager and a nine-member city council elected at large by proportional representation. On November 6, 1934, the amendment passed with 54.5 percent of the vote. The Citizens' Charter Commission became the City Manager League, a permanent organization, in January 1935. In May 1935, and again in September 1937, the League helped defeat attempts to repeal the city manager charter amendment. On Christmas Day 1935 local newspapers announced that John N. Edy would be Toledo's first city manager.

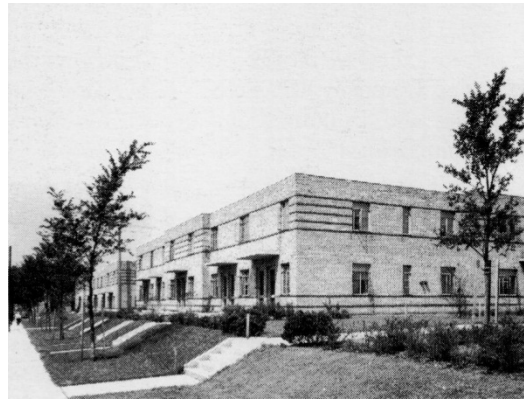
President Roosevelt's New Deal included the National Industrial Recovery Act, which became law on June 16, 1933. Intended to promote industrial growth, it included a section dealing with the rights of labor which encouraged collective bargaining. Toledo's labor organizations dated back into the nineteenth century, but the new law gave the workers a new impetus to organize. As the unions grew in size and strength, demands for wage increases and union recognition multiplied, resulting in frequent strikes. By 1935 union recognition was the main reason for strikes throughout the country.

The workers at the Willys-Overland Company were one of the first groups to organize. They joined the American Federation of Labor as the United Automobile Workers Federal Union No. 18384. Workers in the smaller parts plants joined them. In February 1934, they struck the Spicer Manufacturing Company, the Bingham Stamping Company, the Logan Gear Company, and the Electric Auto-Lite Company demanding wage increases and union recognition.

They returned to work in March, only to strike again in April when the Electric Auto-Lite Company management refused to recognize the union and fired union workers. The company hired strike breakers to operate the plant. Hundreds of Toledoans joined the mass picketing during May, and finally, the Ohio National Guard was called to restore order at the Auto-Lite plant on Champlain Street in North Toledo. On May 24, 1934, two Toledo men were killed during a battle between National Guard troops and striking workers. The strike was settled within days of the fatal riot. The Auto-Lite strike and a strike by the same union against the Chevrolet Motor Company in April and May 1935, led to the formation of the powerful United Automobile Workers International Union.

Hundreds of employees struck dozens of establishments in Toledo between 1934 and 1937. Twenty-two strikes involved 13,181 workers during 1934 and 1935 alone. Tugboat crewmen struck in 1934. Grocery clerks, FERA employees, waitresses at the Grace Smith Cafeteria, and workers at the City Auto Stamping Company and the four metal wheel companies

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The Brand Whitlock Homes, 1938



The Electric Auto-Lite Company Strike, 1934

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picketed their places of employment in 1935. Strikes against the Myers Regulator Company, the Toledo Edison Company, and the Ohio Cloverleaf Dairy in 1935 became violent, with riots and property damage. In 1936 gas company employees, Toledo Ship Building Company employees, and workers at the Closure Service Company of the Owens-Illinois Glass Company walked off their jobs. The 1936 strike against the city's dry cleaning establishments became especially violent. In 1937 Libbey-Owens-Ford Company workers, Western Union messenger boys, taxi drivers, furniture movers, and workers at the Textileather Company, the Federal Creosoting Company, the Spicer Manufacturing Company, the Toledo Glove Company, and the City Cleaning and Laundry Company went out on strike against their employers.

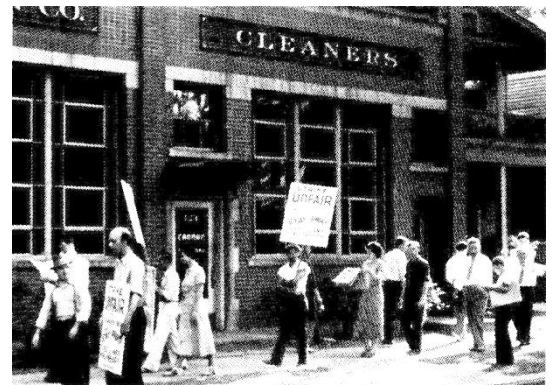
Toledo's industrial recovery from the Depression depended upon a solution to the strikes which cost companies working hours and production time. Edward F. McGrady, Assistant United States Secretary of Labor, who had come to Toledo to arbitrate two of the strikes, believed that misunderstandings between employees and employer caused the majority of the labor problems. He proposed that a committee be formed with an equal number of representatives from labor and management. The committee would be called in to arbitrate and try to avert strikes in cases where workers' negotiations with management had failed.



The Grace Smith Cafeteria Strike, 1935

The Toledo Industrial Peace Board first met on July 5, 1935. Eight members appointed from the general public later joined the original five labor and five management representatives. In 1938 the Board took credit for having settled 74 labor disputes involving 12,363 workers during 1938, and 212 disputes involving 35,735 workers since its beginning three years earlier.

The large layoffs at Willys-Overland in 1929 failed to solve the company's financial problems. In 1925 the firm's \$27,000,000 payroll amounted to 41 percent of Toledo's total payroll. In its peak production year, 1928, Willys-Overland built 314,437 cars. By 1932, when John N. Willys, who had retired in 1929 to become United States ambassador to Poland, returned to Toledo, the company was nearly bankrupt. Though Willys-Overland introduced a new model car, and secured a contract to produce half-ton, six-cylinder trucks for the International Harvester Company, John Willys could not avoid bankruptcy. The firm went into federal receivership in February 1933. During the next three years, the company built 70,000 cars.



The Strike Against Toledo's Dry Cleaner's, 1936

John N. Willys died on August 26, 1935. In the reorganization that followed, Ward M. Canaday became chairman of the board of the Willys-Overland Motor Company.

A new model car, introduced late in 1936, became a great success. In 1937 the company made and sold 66,000 of the new cars, with net earnings of \$473,028, and a payroll of \$6,308,400.

While the Willys-Overland Company struggled to survive the Depression years, Toledo's glass companies expanded steadily. The Libbey-Owens Sheet Glass Company announced plans in 1929 for a \$4 million building, which would double the capacity of its East Broadway plant. The company built another large addition in 1930, the same year the Libbey-Owens Sheet Glass Company and the Edward Ford Plate Glass Company merged to form the Libbey-Owens-Ford Glass Company. The new company would be the largest manufacturer of sheet glass and one of the largest producers of plate glass in the world. In 1935 the Libbey-Owens-Ford Glass Company purchased the Vitrolite Company of Chicago. The firm expanded its plant again in 1936. By 1939, increased home construction and larger windows in automobiles had nearly doubled the demand for Libbey-Owens-Ford glass.

When William E. Levis became president of the Owens-Illinois Glass Company in 1929, it was already the largest company producing glass bottles. During the next three years Owens-Illinois purchased other bottle making concerns, with plants in Pennsylvania, New York, Indiana, and California. The ending of Prohibition in the spring of 1933 brought large orders for beer bottles, which contributed to the company's growth. However, milk bottles and containers for foods and medicines accounted for 80 percent of its production.

By 1932 the market for fine cut-glass had declined, and the Libbey Glass Company had turned to making inexpensive, machine-blown tumblers. The Purity Dairy Company purchased some of these tumblers, which they then sold as reusable containers packed with their own cottage cheese. The experiment was a great success for both companies. As Libbey Glass expanded its container tumbler output, the company sought the help of Owens-Illinois in marketing the new products. In 1935 the Owens-Illinois Glass Company purchased the Libbey Glass Company for \$5 million. The older company continued operations as the Libbey Glass Division of Owens-Illinois.

Throughout the Depression the Owens-Illinois Glass Company and the Corning Glass Works, of Corning, New York, experimented with drawing and spinning glass fibers. They created a new product, called fiber glass, and a new industry. In November 1938 Owens-Illinois announced that it had joined with the Corning Glass Works in forming a new company, to be known as the Owens-Corning-Fiberglas Company. The new company was financed jointly by the two older companies, but it would operate as an independent corporation.

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Harold Boeschstein resigned as vice-president and general manager of Owens-Illinois to become president of Owens-Corning-Fiberglas, with headquarters in the Second National Bank Building. In January 1939, in its first expansion, Owens-Corning-Fiberglas opened sales offices in six additional cities.

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Toledo first added to its area in 1853, annexing more than two thousand acres. By the end of the century the city had more than doubled its original 5,440 acres. As the newly platted neighborhoods demanded such city services as water, sewers, and transportation, many more annexations followed. During the 1930s some of the residents of Point Place, then part of Washington Township, asked that their community become part of Toledo. Others opposed annexation. After more than three years of discussion and controversy, city council voted on May 11, 1936, to annex Point Place, effective January 1, 1937. A group of Point Place businessmen called a special election, hoping to block the annexation by voting to incorporate Point Place as a village, but voters rejected incorporation, 819 to 521. Toledo annexed Point Place in January, but the 4,651 residents waited for city services until April 1937, when the court of appeals decided for Toledo and against a Point Place resident who had filed a suit contending that the annexation was illegal. The Ohio Supreme Court upheld that decision in June 1937.



Point Place, 1936

- 92** As Toledo's area increased, the Toledo Public Library served the new neighborhoods with new branch libraries. The Birmingham Branch opened in September 1925, and the Toledo Heights Branch in 1935, both in new buildings. The West Toledo Branch moved into a new building at Sylvania Avenue and Willys Parkway in 1930. In 1934 the Library purchased the Lagrange Street branch of the bankrupt Ohio Savings Bank and Trust Company. The remodeled building became the Lagrange-Central Branch Library. On September 4, 1940, the Toledo Public Library dedicated its new building on the site of the old Toledo High School on Michigan Street. The \$2 million structure, financed in part by the Public Works Administration, featured extensive use of Vitrolite glass, made by the Libbey-Owens-Ford Glass Company. The glass murals surrounding the main court and the children's rooms continue to attract visitors.

The Fassett Street Bridge reopened in December 1938, more than three years after a two hundred-foot section had fallen into the Maumee River on September 30, 1935. A controversy had developed around the question of whether to repair the bridge or abandon it, but reconstruction was finally completed with money and labor from the Works Progress Administration. With Public Works Administration assistance, the city began work on a new \$9 million water supply system in 1939. The new system would bring purer and softer water from



The Toledo Public Library



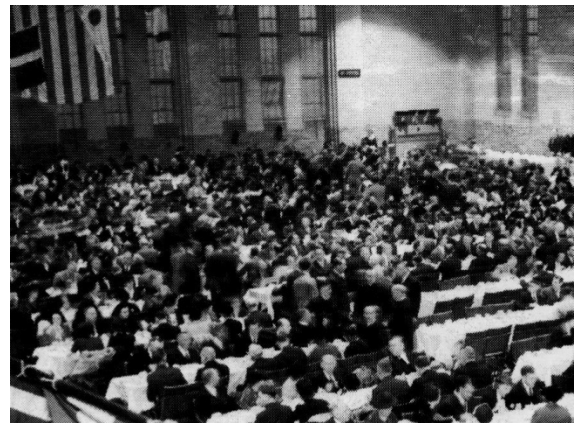
*The Children's Story Room Murals
in the Toledo Public Library*



The Toledo Centennial Parade, 1937

94 Lake Erie to replace the Maumee River water then in use.

In 1937, with the worst days of the Depression over, Toledo celebrated its own one hundredth birthday with a gala festival. The anniversary of Toledo's incorporation as a city fell on January 7, 1937, but the city waited until September for its formal celebration. Thousands of Toledoans attended the opening dinner in the Naval Armory on September 17, 1937, which was followed by ten days of continuous programs, including religious services, parades, street dancing, historical pageantry, song festivals, water carnivals, fireworks, and an air show dedicating the enlarged Municipal Airport. In the greatest civic celebration in the city's history, Toledo commemorated the ending of its first century and the beginning of its second.



The Toledo Centennial Dinner, 1937