Politics and Educational Policy: The Control of the Chicago Public Schools during the Administration of Mayor Anton J. Cermak

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POLITICS AND EDUCATIONAL POLICY: THE CONTROL OF THE CHICAGO PUBLIC SCHOOLS DURING THE ADMINISTRATION OF MAYOR ANTON J. CERMAK

by

Kip Sullivan

A Dissertation Submitted to the Faculty of the Graduate School of Education of Loyola University of Chicago in Partial Fulfillment of the Requirements for the Degree of Doctor of Education

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POLITICS AND EDUCATIONAL POLICY:
THE CONTROL OF THE CHICAGO PUBLIC SCHOOLS DURING THE ADMINISTRATION OF MAYOR ANTON J. CERMAK

Abstract

This investigation was conducted with the purpose of examining the relationship between a political boss and the public school system in a large urban center. Anton J. Cermak, Mayor of Chicago from 1931 to 1933, was selected because of his early experiences and his strength as a political leader in building the ethnically balanced organization called the Democratic Machine. Chicago was used because it possessed all the necessary factors for a metropolitan area: wealthy corporate structure; exploding population; multi-ethnic community; developing labor organizations; strong political influence; and expanding school system. The historical research focused on the development of Chicago and the background of Anton Cermak. Archival materials were examined for the information on Cermak as he grew up and gained political power. Publications of the time of study as well as other more recent writings were used in the study of the city and its various components. In addition the time of Cermak's tenure as mayor was reported as it related to the operation of the public school system. The results indicated a significant amount of direct control by the mayor over the school system through the power of appointment of board members, and the use of
patronage and other politically related favors. In addition the mayor demonstrated much indirect control through the use of citizens' advisory committees and by cooperation from the business and financial leaders of the city. Also an examination of the appointed versus elected school board was considered. A number of conclusions are discussed, and implications for further research are provided.
ACKNOWLEDGMENT

The writer appreciates the assistance, guidance, and tolerance of a number of people during the time spent on the dissertation. Thank you is expressed to the members of the Board of Education of the Reed-Custer School District 255U for the paid educational leave which enabled the author to complete the project. A special thanks is extended to the South Suburban Study Group (SSSG) for their support. Sincere appreciation is given to Dr. Joan Smith, Director of the dissertation committee for her wise counsel and dedication. Gratitude is provided to Dr. Philip Carlin, Dr. Karen Gallagher, and Dr. John Wozniak for their encouragement, suggestions, and understanding. Appreciation is extended to Yoland Wersching and the Loyola University staff at the Water Tower and Lake Shore libraries. The Writer is thankful for the courtesy and assistance of Archie Motley and the staff at the Chicago Historical Society. Lillian Chorvat, of the CSA Fraternal Life, is noted for her special assistance to the author.

A study of this nature cannot be accomplished without the cooperation of many people. As a result appreciation is expressed to: Anthony G. Scariano; the staff at the Fossil Ridge Library in Braidwood; the personnel at the libraries of The University of Chicago; and all the people who helped the writer research the material. Finally, special gratitude to Yvonne Griffith who did all of the typing and compiling of the document. To his wife, Mona, the writer is deeply indebted for her support, patience, sacrifice, and encouragement throughout the doctoral program.
PREFACE

Originally the author became interested in Anton Cermak because of a common bond in Braidwood, Illinois. Cermak lived for several years in the city as a young boy. The author spent eleven years as an administrator in the public schools of the community. Initial research provided little information on the mayor of Chicago who was most popularly remembered as being the official who was shot in Miami, Florida in an attempt to kill Franklin D. Roosevelt. The work of Alex Gottfried on Cermak proved invaluable since it was the only mayor contribution on the life of the man from Kladno, Bohemia. However, Gottfried ignores the mayor's relationship and involvement with the employees of the Chicago Board of Education. This work attempts to fill the void left in Gottfried's research.1

At the time when the concept of the manuscript was being formulated, Chicago experienced a mayoral election which established the first black mayor in its history. The city also suffered through school strife and other difficulties. There seemed to be substantial parallels between the 1980s and the 1930s in Chicago and political scientist Milton Rakove said that such events happened in historical cycles. The 1931 election of Anton Cermak, the city's only foreign-born, non-Anglo-Saxon chief executive upset the political hierarchy at that time. The 1983 mayoral election was no less controversial because the incumbent female mayor was pitted against a black candidate with his own backing and a Jewish Republican entry who received significant Democratic party support.2
In addition Chicago had in place during the Cermak era all of the key players that dramatized public education in a large urban setting today. The city had a large teaching force with its emerging teacher unions, a growing student body, financial burdens, school board-superintendency leadership, and a wealthy corporate structure resenting the tax burdens of public education. By examining this time period the writer hoped to shed light on some of the aspects affecting school policies today.

Many of the social and political factors upon which Cermak relied as he built his organization of an ethnic coalition in politics were threatened in the mid-1980s. It was reported that some observers considered the history of the ethnically balanced ticket, initiated by Cermak to be on the verge of elimination, and his style of ethnic diplomacy near an end. In addition the recent publications on the life of Mayor Richard J. Daley provided parallels between Cermak and Daley in positive terms. They indicated that Daley modeled his political movements from the observations of Cermak and others.

The strife which continued to haunt the Chicago Board of Education in the 1980s was similar to the problems in the schools during Cermak's time. The question of adequate financial support and funding for the schools was prominent in both time periods as were staffing needs, facility requirements, and board relations. The issue of an elected versus an appointed school board surfaced in late 1984 and raised similar concerns as did the cry for a change in 1933 after the drastic reduction in educational programs was approved by the Mayor Kelly school
trustees. As a result a new area of examination developed and added interest to the subject matter.

Chicago in the 1930s provided a most interesting and exciting time for research. Being approximately one hundred years old, the city had grown from a fort settlement to a bustling community, then it burned to the ground and was restored by greater development. It was the leader in the United States for many industrial, agricultural, and business interests, in addition to being a hub of transporation and the movement to each coast. The American labor movement, both in the educational field and the industrial setting, had it beginnings in the city.

Chicago had a large ethnic population which established pockets of little cities within the general confines of the corporate limits and brought together the cultures, beliefs, and values of many groups and backgrounds. As a result of the need for labor in a growing industrial community, the population of the Chicago area grew in drastic fashion. Such development put a strain on the schools and city services in their attempts to meet the needs of the ballooning number of people living in the city.

The construction of schools, office buildings, homes, and other structures was a significant part of the development of the Chicago community and gave it importance in the history of the nation. The lakefront development, the many parks and forest preserves, and the cultural and artistic development of the city provided interest for a look into the background of the Chicago development.

Finally the lack of information about Cermak the man was a strong impetus for the author. Unlike some of the other political and industrial leaders of Chicago, Anton Cermak has not had a great deal of
material written about his accomplishments and even less about his relationship with the Chicago Public Schools.

The research is centered around three sections. The first provides background information on Anton Cermak as a person. It also examines the growth and development of the city of Chicago from its first settlers up to the 1930s. In the second section the research looks into the time of the Cermak administration as mayor of Chicago history when Cermak was the leader of the political operation of the city. Special reference is made to his relationship to the school system of the city and how the political person of the mayor interacts with the various components of the board of education, teachers, and other employees. The third part offers information on the method of operation of Cermak and the use of political processes in his duties as mayor. It is hoped that the reader will gain greater understanding and insight into Cermak and his political dealings with the Chicago schools.
PREFACE NOTES


2 W. Paul Zemitzsck, "Anton Cermak; Familiar Politics," Problem, Chicago Tribune, 20 March 1983, Section 2, 1, 2.
VITA

The investigator, Kip Sullivan, is the son of James P. and Julia Ann Sullivan. He was born on October 11, 1946, in Kansas City, Missouri. He received the Baccalaureate degree in Liberal Arts and Sciences in 1968, the Master in Educational Administration in 1971, and the Specialist in Educational Administration in 1973.

From 1968 to 1972 he was a teacher in the Peoria Public Schools, Peoria, Illinois where he taught Language Arts in junior high school as well as health and physical education in elementary school. In 1972 he was appointed principal of the Yates City, Illinois school district and served as the building administrator.

In 1974 he became principal of the Reed-Custer Township High School in Braidwood, Illinois. During the first year he was instrumental in the successful consolidation of the local school systems into a unit district. As a result, in 1975 he was appointed assistant superintendent and high school principal for the Red-Custer Unit District 255U.

He became superintendent of the Reed-Custer School District in 1978 and has served as the chief administrator through the present time. In 1981, while he was superintendent he began the Doctor of Education program at Loyola. In 1983 he was selected as an Outstanding Young Man of America and has served as a leader for a number of professional and community groups.
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CHAPTER I

BACKGROUND OF ANTON J. CERMAK

INTRODUCTION

In examining the career of Anton J. Cermak, it became apparent that literature about him was minimal. Articles in the newspapers appeared during the fiftieth anniversary of Cermak's death in 1983 but provided little additional information about him. When it comes to background material on his life and career, Cermak managed to live up to his motto: "You don't keep books in politics." He kept no diary, wrote few personal letters, and was the author, with some assistance, of only one manuscript. The sketch that follows, therefore, is based upon biographer Alex Gottfried's careful pulling together of the bits and pieces of Cermak's life. Gottfried managed to provide important insights into the life and upbringing of Chicago's thirty-sixth mayor.¹

CHILDHOOD

Anton Joseph Cermak was born on 9 May 1873 in a two-room cottage in Kladno, Bohemia, a mining village fifty miles from Prague. Now part of Czechoslovakia, this forested, mining area was the home of Cermak's working class father who like his forebears, spent his days digging in the coal pits beyond the village. Anton Joseph, or Tonda, as he would have been called in Bohemia, was the first born of Anton and Catherine Cermak. The Cermaks were physically vigorous people who were inured to work. The senior Cermak was a man of medium height, with a powerful shoulders and back, bull neck, and a thick trunk. His wife was a quiet,
small woman with a kindly disposition. Her maiden name was listed as either Frank or Kolb depending upon the reference, and she bore her husband six children. Besides Anton, there were three other sons and two daughters.  

The Cermak family was a close knit unit as was typical of the Bohemian fashion at that time. Parental discipline was strict and the omission of duties assigned to the children was punishable with a beating. The play of the youngsters consisted of such outdoor activities as fishing, games, hunting, and youth groups. The children were never on an even footing with their parents and, in fact, spent little time in the company of adults. The parents were Hussite Protestants. The preaching of Jan Hus provides insight into the Bohemian preoccupation with liberty, both religious and political. Looked upon by Bohemians as a religious leader, Hus was a central figure in the protest against The Papacy's political domination of the fifteenth century. In the Hussite Wars, the Bohemians faced the organized strength of European Christendom. From that point on, opposition to orthodoxy had been "an important part of Bohemian life." Freethinking was not only a measure of philosophy but an indication of national character. Therefore, when the people of Bohemia reached America it was estimated that nearly one-half of them had given up the Christian faith. A few found the Protestant denominations, but the bulk of the dissenters became Freethinkers or agnostics. Not so with Cermak Sr., as he wanted to escape the economic insecurity of the time in Europe. In the quest for a fuller life, the family sailed for the new world and their son
passed his first birthday in his mother's arms on Ellis Island, almost in the shadow of the Statue of Liberty.3

The family first settled in Pilsen, the major Bohemian center in Chicago at that time. Unfortunately, the city was still suffering from the Panic of Eighteen Seventy-Three and opportunities for work did not abound. Hard pressed for money, Cermak moved his family to Braidwood, a distance of sixty-five miles southwest of Chicago. Founded largely by the Chicago and Wilmington Coal Company, this Illinois mining town provided the father with the same livelihood that he had gladly left in Bohemia. Nevertheless, the selection of Braidwood was not unusual or haphazard. Besides being one of the most important coal mining towns in the region, a section of community - Lower Braidwood - was inhabited almost entirely by Bohemians. Because the family was new to America, friendless, and unable to speak the language of the country, it was natural for the young couple to seek their compatriots in Lower Braidwood. Even though in 1875 it was a primitive and grim place, young Anton was brought with his family to live in that section of town with not only Bohemians but other Slavs, Germans, blacks, and other groups. The working class Irish lived in "Upper Braidwood" also called the Grove. Besides these groups, there also was a substantial population of Italians who lived in the community. There was little wealth in Braidwood and virtually no middle class. The community was set on a marshy, flat prairie, near the main highway to Chicago. The road, later to be called U.S. Route 66, along with the railroad provided the major methods of transportation to and from the city.4

The Cermak family witnessed the 1883 catastrophe when ninety miners died in the flooding of the old Diamond Mine, and other difficulties
associated with the work in the mines. Nevertheless, Braidwood grew to a population of fifteen thousand and became larger and more influential than Joliet. In fact, it was one of the largest towns in Will County and played an important role in county politics. The Cermak house was located on "Seventh Street East of Division Street," about one block from the Whiskey Row. Almost forty of the one hundred saloons which operated in Braidwood at that time were situated in the neighborhood where the family lived.

It was in the saloons of Braidwood, rather than in its scholastically sterile schoolhouse, that young Anton was educated. For the central European immigrant, the saloon was a natural and indispensable institution, free from stigma. It provided not only refreshment after the long shift in the mine, but served as a meeting place, social club, theater, and political forum. Here, (the miner) was offered his only escape from the physically exhausting, depressing, and dangerous work inside the mines and a respite from the otherwise poor and bleak existence. Social status would be achieved by virtue of a man's capacity, his strength, or his wit.

By all accounts, young Cermak attended school in a sporadic manner. When enrolled, his attendance was irregular and most infrequent. Like most of the boys of his time, he dropped out of the Lower Braidwood School by the age of twelve. Cermak's elementary school career, was not an unusual one for the boys of the Braidwood area during the latter part of the eighteen hundreds. These were the humble beginnings of the Bohemian lad who was to grow, somehow, into the visionary man who would organize the disparate ethnic groups of Chicago into a mutually
distrustful but cohesive political organization that would rule a major city for five successive decades.

ADOLESCENCE

During the time that Anton was growing up, there was a saying among the people in Braidwood that their city was the only place in the world where "Irishmen can speak Bohemian." Such a comment provides insight into the ethnic composition of Braidwood in Cermak's youth. The first settlers in Braidwood were the Irish. It was an Irish town when the first Bohemians arrived, and conflicts between the two groups were quite common. "Bohemians [sic] doesn't put their heads out after dark," was the unwritten rule but Anton J. Cermak was one of the few young Bohemians who did not observe this code.8

Cermak, (whose name had been Anglicized from Thunda Yoseph Chairmock to Anton Joseph,) grew up in Braidwood when the Bohemians had numerically grown to constitute the largest ethnic group. In fact, only the Irish had any sizeable number to compare with the Bohemians. Of all the other groups none was of sufficient size to challenge the supremacy of Cermak's heritage. Young Anton, now known as "A.J.," "Tony," or "Lossi," managed to make friends with his Irish neighbors and thus was able to break through the hostility that frequented the gang-aged boys. Among his closest boyhood chums were two MacElroys, a Sullivan, two Cunninghams, a Creighton, and a Muldowney.9

These early friendships continued and eventually Tony became a leader of the Irish boys. By various accounts, Cermak was more than capable of taking care of himself. He resembled his father in stature
and was remembered for his scrappiness. A.J. frequented the saloons when he was growing up, and his friends said he was popular, spirited, and affable. Others indicated he was mean, prone to brawling, and aggressive. The latter tendencies were said to become exaggerated when he "had a little beer." Cermak did not appear to be bothered by consideration or sensitivity toward other people. In a personal interview with a Braidwood contemporary, his biographer reported that

The cop told me he never had to go into a tavern to haul him (Cermak) out. All he had to do was wait by the door, and soon he would be thrown out because he was always making trouble.10

The situation in Braidwood when Tony was growing up provided him with a special orientation to life that would affect his future. Because he grew up in a community where his culture dominated the entire town, he was spared feelings of ethnic inferiority, so often affecting members of less assimilated city groups. The Bohemian culture dominated not only the home and the neighborhood, but was the accepted standard for his entire town. The attitude carried with him when, at the age of twelve, he moved back to Chicago with his family. They settled in what was called Goosetown or the Village of Kolaur. The area was a swampy, squalid community, similar to Braidwood. A.J. soon found work for $2 per week in a sash and door mill. He also quickly became the leader of the local youth gang. When the mill job did not last, the family returned to Braidwood approximately one and one-half years after leaving. Young Cermak found temporary work on the farms in the area and in the Peter Rossi and Sons Macaroni factory in Braidwood. Soon, he
obtained a job in the "I" mine, first tending trap doors for the mules at eighty-five cents a day and later as a mule driver for $1.10 per day. In the 1880s, the Knights of Labor made attempts to organize the miners. The usual activity at that time was a short and violent strike by the local miners for better wages. The militia had to be called a number of times to settle a disturbance. The mine workers in Braidwood were in the forefront of the beginnings of the labor movement. Several leaders of the United Mine Workers of America, including its founder John P. Mitchell, grew up in Braidwood and were friends of Cermak. In the late 1890s, Local #1 of the United Mine Workers was started in the Lower Braidwood Bohemian Hall. Working in the mine, Cermak became a leader of the mule drivers. As a result, they selected him to represent their demands for higher pay. In asserting himself for those he represented, he ended up losing his job. When the sixteen-year-old fledgling labor negotiator approached pit boss John Cherry with the demands he met with little success. "Step into the cage," Cherry said, and soon Tony found himself at the coal dump at the top of the lift. "You've had your raise," said Cherry, "step out; Now you're fired!" Soon Lossi was working at a job on the surface not under Cherry's control. However, when the mine superintendent, named Zoeller, learned that a "labor agitator," had been employed, Cermak was handed another dismissal. Years later, when Cermak returned to Braidwood to attend the annual Homecoming, he once again saw Superintendent Zoeller:

"That was a fine favor you did for me," Cermak laughed, "you started me on the way to the state legislature by firing me."
Shortly afterward, Cermak boarded a boxcar and followed the old drainage canal to Chicago. In 1889 he settled in Pilsen. Living with an aunt, he found employment as a brakeman on the Elgin, Joliet, and Eastern Railroad. After that, he obtained a job with the street railway, or traction company, as a tow boy, where he rode an old white horse to the Blue Island viaduct and pulled rail cars up the grade. For the first time, he was able to save a small part of his income, a practice he continued no matter how meager his income. A.J., soon went into business for himself when he bought the horse he was using, obtained a wagon, and started a hauling and wood operation. He was able to get the waste wood from the McCormick Company, (later called International Harvester) and a local lumber yard and sell it to the people in the neighborhood. His business demanded close personal contact with the customers. He sometimes used a degree of special service such as lighting fires for his Jewish customers on their Sabbath. 13

"A.J. Cermak, Teaming Contractor," prospered. While it is evident that he did not achieve the wide scope of forty teams of men as expressed in his eulogies in 1933, he did well enough to be able to marry after two years, build a new home within four years, and be envied as a man of considerable means by the time he entered the state legislature in 1902. All the while, Tony not only became a member of the local Czech gang, he rose to serve as the leader of the group known as "tough babies." As it was in Braidwood, the gang was centered in its favorite saloon, using it as a headquarters and base of operations. Cermak fit easily into this situation because it was a continuation of his orientation into the social life of his culture which he experienced
in Braidwood. It was in the saloons that young Anton learned to
tackle authority in frequent quarrels with town constables, learned
to pacify his differences with the domineering and feared Irish, . . .
learned to mollify his other ethnic enemies and, even as a young lad,
where he learned the basics of persuading others to do his will. 14

The activities in the Pilsen saloons resembled the activities in
Braidwood. Besides being at ease with the socialization in the taverns,
it was reported that A.J. excelled in two of a youth gang's main
interests—drinking and fighting. Because he was broad-shouldered and
muscle, he was well adapted for brawling. It was said that he enjoyed
combat and had a capacity for alcohol. Later in his career he would use
his ability to hold liquor to his advantage by showing that he was "one
of the boys" yet demonstrate self-possession. His hold on the loyalty
of his gang was to some degree responsible for his initial recognition
by the political party organization in Chicago and his first petty job
with it. He controlled a small group of eligible workers and was
respected by the people of his neighborhood. Why not give this
hard-working young man a basic position in the Democratic organization? 15

Cermak was, therefore, able to enhance his position in the
community because he was "in politics." As he expanded his connections
by meeting people outside of his circle of friends, he was able to add
more prestige to his name. In turn, he could bring the interests of his
followers to those power holders within the party, and thus represent
his people's needs. Since he was expected to represent the party in his
workings with all groups, he was able to mobilize his followers in order
to benefit the interests of the party. Because Cermak was able to
succeed in this multiple capacity role, he gained a reputation with a wider range of people, consequently his place with the party and his gang was strengthened. Still in his late teens, A.J. practiced the things he learned as a youth, and although his course to political greatness was still uncertain, the start of a career in politics was but a short step away. Then, as now, control of a bloc of votes was the "coin of the realm in Chicago," remarked noted Chicago political reporter Len O'Connor. 16

FAMILY MAN

In 1894 Cermak married. This twenty-one year old teaming contractor, wooed eighteen-year-old Mary Horejs, a daughter of one of the Czech neighbors. Also born in Bohemia, she worked as a seamstress/milliner in the community. The new Mrs. Cermak was cut out of the same mold as Tony's mother: Quiet, plain, little educated, and maternally interested. Mary was unassuming and self-conscious and, according to Gottfried, concerned about embarrassing her husband in public as he became more prominent. The Cermak's had three daughters, Lillian, Ella, and Helen. The girls were raised in the Catholic faith, the same as their mother, their father did not have any religious affiliation. 17

Living with the parents of the bride while his business grew, Cermak was able to build a combination house and office in two years. The home was located at 2348 South Millard Avenue in Lawndale, near 25th Street and Marshall Boulevard. The family lived at that address until 1900 when A.J. was elected as an alderman. As a result of his position
in the gang and within the party, the Cermak house became a gathering place for the men of the area. In Lawndale, as he had done when he was new to the Pilsen area, Tony made a point of having some of the older residents take him around to the various places in the neighborhood so that he could become acquainted with the people. He also joined several of the social and fraternal clubs in the area. Some of them included the Masons, the Zoldaks, the Foresters, and the Knights of Pythias. 18

The future "boss" of Chicago politics started a local improvement association to help get such things as sidewalks, sewers, and streets constructed in his part of the city. As he was to say later, "I went into politics because I saw how it would help me in my business because I am a businessman and always have been." After being made secretary of the organization, he became aware that his activities brought his name prominently to the attention of his neighbors. His efforts on behalf of the community also provided him with new customers when the improvements were made. As a result, he benefited both financially and politically from this situation. With his determination to make the right contacts, A.J. also was able to obtain work from the important Democratic party members. He became an aide of "Fatty" Cerveny, the West Side Collector, who was associated with the Carter Harrison faction in the party organization. Once again, he was able to assist his business and political needs through hard work and determination. 19

Cermak gained successive jobs within the precinct, rising from election official, to assistant captain, to precinct captain in a relatively short time. By 1902 he was promoted to chairman of the ward's Democratic organization. Chicago alderman Jacob M. Arvey once
said, "Cermak was one of the most intelligent non-educated men I ever knew in my life. ... He went to fourth grade in grammar school, but was a very practical man and a very able man." Because he decided that the time had come for him to seek an elective office, he expanded his business ventures to the point that he could devote considerable time to the election process. By attending night school, Tony increased his knowledge of English and improved his understanding of American business practices. He became a director of a bank, helped organize the Roman Building and Loan Association, and started a real estate firm known as Cermak and Serhant. In addition, he brought his father and brothers into his business ventures so he felt he was ready for a political move.

Upon receiving the nomination for representative of his district in the Illinois General Assembly, Tony used some crafty planning and with the support of his compatriots was easily elected. In the ten years since he started the Lawndale improvement association, the new State Representative was aware that hard work would pay off in an election. He once was quoted as saying, "In politics, a man has to take his turn and learn how the game is played, from the bottom up, also who the players are, and their characteristics." He served four terms in the state assembly and emerged as one of its most influential leaders, serving as floor leader and chairman of the Democratic steering committee. He remained loyal to the part discipline, followed orders, and worked behind the scenes. Partly because of his lack of education, social graces and forensic skills, A.J. cautiously began his political career by voting the party line.
In 1909 he ran a successful campaign for city council, capturing the position of an unexpired term. When he did not resign from the state legislature, Cermak came under attack because he was serving in two political positions in government. Finally, he resigned his state position in 1910 following the re-election to a full term in the city council. At this time, Tony helped establish the United Societies for Local Government which was a federation of various ethnic groups opposed to the stringent state liquor control legislation and the Sunday closing law. When he was elected the secretary of the United Societies, he became their champion for personal liberty. As far as the Bohemians, Germans, Poles and others of the great melting pot called Chicago were concerned, their "personal liberty" meant nothing more than having the right to sit in their beer gardens over a couple of steins of lager. When the Anti-Saloon Society became a political power, the United Societies countered their influence. Without the United Societies stamp of approval, in some sections of the city, a candidate for office might not even begin his campaign. In other parts of Chicago, a nod from the Anti-Saloon Society assured victory.

The years of face-to-face, grass-roots contact with voters provided A.J. with a solid foundation from which he would use his understanding and knowledge of people for significant political advantage. "More than anything else, I know of," said Cermak, "politics is a game of knowing men and what they want, juggling, giving, and taking." Because of his background, he could not be called an outsider to the local people since he could show them he had learned the hard way, from the bottom up. Cermak realized that he had one path to prestige for himself when he worked his dual role of party regular and
community leader. The political organization would provide the status for his business which would improve his situation in the party. As this round-robin philosophy continued, Tony was able to consolidate and improve both his business and political position, which suited his desires. Throughout his career, Cermak indicated several times that "going into politics was good for business."23

THE POLITICIAN

When A.J. was in the Illinois Legislature, he continued to improve upon his position with his constituents and within the party. As he was able to use his skill in working with people to manipulate a number of bipartisan deals in Springfield, he was only using his ability in group diplomacy required to meet the needs of the Czechs, Poles, Germans, Irish and others he represented. Using this talent when he sought the nomination for the House of Representatives, Cermak practiced and improved his talents during his time in the state legislature. In Cermak's rise in the political arena, a constant series of adaptations can be identified as he met the changing situations necessary while claiming power as a Wet, a Bohemian, and as a party functionary. He continued to keep track of his business ventures, had good attendance in his duties as a legislator, and worked closely with the Democratic organization in his role of ward committeeman. It would seem that most people would find such a predicament quite difficult and would not be able to juggle all of the various requirements on their time, but not A.J. According to Alex Gottfried, "there is ample evidence that Cermak had not only a firm grasp of the broad outlines of each of his
responsibilities but also had an extraordinary mastery of detail. As a result, he approached his activities in an organized directed movement designed to improve his position and control. His various responsibilities were not viewed as a number of separate, unrelated actions because his round robin philosophy, discussed previously, served as his benchmark for progress.24

In 1910, Tony served the party as one of the chief developers of the "Harmony Ticket" for slating candidates. As a result, he was able to bring together the three factions of the Party: The Harrison group, the Sullivan-Brennan following, and the Dunne-O'Connel group. He also served as a campaign manager for the unified ticket during the election. Cermak survived the bitter in-fighting in the party in 1911 and surfaced after the mayoral campaign in better shape. Once again, he used diplomacy to work with the rival groups. Not only did Tony wield considerable influence in the Democratic party, he became a leader in the city council as well. He worked well with the Republican alderman and Mayor Busse, just as he worked with both political party leaders in Springfield. His personality was well suited for the action in the council chambers and he brought a practical vision and a level of headiness which at once made him a conspicuous member. A.J.'s political position was reflected in his various committee appointments, serving on the finance committee and chairing the elections, schools, and the gas, oil, and electricity committees. Once more the rising Czech politician demonstrated a commitment to his obligation by attending almost all of the committee meetings.25
In 1912 Cermak was elected to the office of Baliff of the Municipal Court of Chicago. For his first city-wide position, Tony ran on the Harrison Progressive Democratic ticket. The position offered Cermak his first large scale administrative challenge and allowed him to demonstrate his ability to work efficiently and with thoroughness. Ever conscious of the value of publicity, the new baliff issued reports and announcements concerning the accomplishments of his office. Anton also organized the Baliffs' Benevolent Association which was designed to be a philanthropic organization assisting the needy families and providing benefits to its members. However their purposes were somewhat clouded by charges that all assistant baliffs and deputies were required to become members and that the organization was a front for graft. With the 1914 elections, Cermak once again served as a go-between in settling differences between the Sullivan and Harrison factions.

A rising young man in Cook County Democracy named Anton J. (Tony) Cermak, once a pushcart peddler and later secretary of a salon-keepers' league called the United Societies for Personal Liberty, supported Sullivan for the senate in the Bohemian wards, but reserved the right to back Harrison county candidates, a neat bit of political legerdemain. Chicago would someday learn that Tony Cermak was quite a political magician.

In the 1915 mayoral campaign, however, Cermak was somewhat quiet. Some say this was due to the fact that he secretly worked against the Democratic candidate, Sweitzer, but in any event, the Democratic factions played against one another and William Hale Thompson was elected mayor. Shortly afterward, Cermak had his first of a long series of clashes with "Big Bill." It started when Thompson ordered the Sunday closing laws to be strictly enforced. When the United Societies protested, Cermak acted as the spokesman. Charges were exchanged.
between Thompson and A.J. several times and protests and demonstrations were held. In November of that year, the Societies scheduled a march which Thompson opposed. Finally bowing to pressure, the major approved the permit but stayed away from the parade, thus giving Cermak a symbolic slap in the face. The battle raged as Thompson worked to have Tony removed as baliff and Cermak bellowed "I'll burn him [Thompson] up!" The parade drew approximately 40,000 marchers and close to 500,000 spectators, including a number of dignitaries. Words continued to be heaped upon either side as the war raged into the 1916 primary. At the very least, Cermak emerged from this skirmish more than ever, and more strongly and widely defined as the fearless champion of the Wets. This struggle with Thompson eventually culminated in the 1931 mayoral campaign.27

Cermak's power was on the rise as various groups and organizations rallied behind his leadership. He received the favors of party members as a result of the struggle with "Big Bill" Thompson. There was even a mention of his name as a candidate for the 1919 election for mayor. However, several events de-railed the Cermak train as it rumbled along its path. His illness and subsequent operation for kidney stones caused him to resign from the central committee of the county organization. He also stumbled and made some political moves that were uncharacteristic. For example, his response to charges of corruption and graft in the baliff's office demonstrated that Cermak allowed his emotions to control his behavior. Also the Gemmill Investigation, which came about because Tony demanded a full and complete examination of his office kept his name in the paper for negative reasons. After A.J. confronted Judge
Gemmill, he agreed to drop his charges about Cermak's activities. However, Tony insisted on a thorough hearing on the matter which was eagerly reported in the newspapers. For whatever reason, Tony allowed his adversary to cause his name and situation some embarrassment. It seemed that he became aware of Senator Sorghum's pronouncement that "when you go after vindication there is great danger of prolonging a controversy which merely serves to remind people that you are under suspicion." In any event, Cermak learned from the experience and did not allow himself to become a victim of such a challenge in the future.28

Next, with the Gemmill affair barely behind him, he decided to seek the office of Sheriff of Cook County. In the 1918 race, he lost his bid for the position by less than four thousand votes. It was the first time he ran for office and was not elected. By 1919 he was reelected to the city council and received the endorsement of the Municipal Voters' League. As the majority leader in the council, Tony had to use all of his skills at bipartisan dealing to work with the Thompson administration and other Republican leaders. As a result of his efforts, he sealed his position of dominance through a tremendous quantity of work. As in the past, he was remembered as the most ambitious and hardest working alderman in the council.29

Once again Cermak demonstrated his skill as a leader of men by working behind the scenes and off the floor of the chambers. His aptitude for careful manipulation was backed up with threats. He said that the success of a public administrator was measured in the ability to get matters accomplished in the interest of good public service. Tony was quoted as saying, "to get anything done, the head man has to
pull wires, bring pressure to bear, and use all the tricks that make people shudder."

The committee structure of the city council provided A.J. with ample opportunity to practice his talents. Autocratic in his attitudes, Cermak controlled the situation in committee hearings. He usually was forceful and boisterous in the handling of council members or when listening to testimony from witnesses. Cermak's accomplishments included his determination to continue the Chicago City Plan. He was appointed chairman of the railway terminal committee.

In this post he was responsible in no small degree for the legislation which brought about the two hundred million dollar lake front improvement, electrification of the Illinois Central, the outer drive with its Field Museum, Soldiers Field, Shedd Aquarium, and the Adler Planetarium; the city's great front yard. He also did much to increase and develop the city parks, playgrounds, bridle paths, tourist camps, and golf courses.

Alderman Cermak also expressed the need for economy in government and became acutely interested in expenditure and revenues. As a result, one of Tony's campaign issues in the 1931 mayoral election had its beginning when he was in the city council from 1919 to 1922. In 1922 Cermak was elected President of the Cook County Board of Commissioners, running as a Democratic Regular. The Regulars were the dominant force in the party at that time and had been in control for almost a generation under the leadership of Roger Sullivan. When Sullivan died in 1920 George Brennan, his chief lieutenant, took over as the new party boss. In the struggle for the top spot, several individuals including A.J. were mentioned, however, Brennan prevailed. Both Brennan and Cermak came from Braidwood where the new party leader taught school after being injured in an accident in the mines. The kind of
relationship they had differs with the source examined. The newspapers of the era and several other articles indicated that Brennan was the mentor of Cermak in his rise in politics. Gottfried said, however, that there seemed to be no affection between the two of them for one another.  

In his campaign for County Board President, Cermak ran on a platform of reduced governmental costs, efficiency, care and maintenance, and construction and upbuilding. Tony's wetness became a major issue with his opponents. He had the support of the Hearst papers and the Wets, and appealed to the sports enthusiasts because of his interest in athletic and recreational activities. When he assumed office, he faced the prospect of working with a majority of Republican commissioners as eight of the fifteen positions were held by members of the loyal opposition. Relying on the skills he utilized in the State Legislature and in the city council, Cermak worked with the members of the board and by 1923 had a voting majority loyal to him.

The new county board president inherited a deficit of two million dollars which led him to place the board on a program of retrenchment and fiscal solidification. His regime saw the construction of the Criminal Court and County Jail, the development of trunk highways, additions to the county hospital, and the acquisition of the forest preserves. When accusations were made about the waste of funds in the purchase of land and the awarding of contracts, Cermak responded with control, openness, and co-operation. Unlike his earlier fiasco as baliff, A.J. invited the accusers, the Citizens Association, to inspect all of the records. In addition, he provided them with complete access to all information and pointed out the list of important people who had
been named by him to the advisory committee for the forest preserve. During the remainder of his political office, Cermak continued to use this style and method of reaction to any attack by a group of respected individuals.34

Reelected in 1926 by a wider margin than any other candidate, A.J. faced a board with eleven spots held by Republicans. Through his ability to work with people and the effective manipulation of circumstances, such as the use of patronage jobs, he was able to work his bipartisan magic once again. Brushed aside by Brennan for the mayoral nomination in 1927, an angry Tony Cermak worked, it seemed, not so much for the election of the Republican William H. Thompson but against the Democratic candidate William Dever. Consolidating his relationships with such influential Republican leaders as Hoffman and Crowe, Cermak maintained a control over the country board and its Republican majority.35

In 1928 A.J. wanted the nomination for Governor, but was outmaneuvered by Brennan. Consequently, he settled for the party selection of the U.S. Senate, a position he did not want. Hiding his outrage for the Democratic leadership of Brennan, he staged an energetic race for the seat in Washington. The Hoover landslide, however, cut him out even though he ran quite well in Cook County and Chicago. When Brennan died in 1928, a struggle for control of the party erupted again. There were four factions competing for the leadership: The South Side group lead by E.J. Kelly and M.L. Igoe; the west side group headed by Cermak; the sanitary district faction directed by T.J. Crowe; and the holdovers from the Dunne-O’Connel-Harrison followers. The popular theory was that
Cermak came in and just took control with little difficulty. In reality, Cermak's domination did not become complete until December 1930, a period of two years, and minor spats continued through 1931 when he decided to take the nomination for mayor. Also in 1928 his wife, Mary, died. Although her passing was not sudden or unexpected, it had an effect upon Tony. He again suffered an illness, diagnosed as colitis and gastric complications and was bedridden for three months.\(^\text{36}\)

For the next few years, A.J. concentrated on improving his position and strengthening his forces. His ever present behind-the-scenes efforts, along with excellent selections of candidates brought a stunning victory for the Cermak ticket in 1929, the first big test for the new party boss. Then in the 1930 campaign he picked a slate which was balanced and electable, yet it kept the Irish from staging a sudden increase in power that would challenge his control. That election has been said to be one of the greatest Illinois Democratic victories in over one hundred years. Fresh from what was almost a clean sweep at the polls, Cermak set his sights on the 1930 mayoral nomination. Though his ability to negotiate, A.J. met with the various groups in the Democratic party and systematically locked in their support of his bid for mayor. All of the tactics he learned in life were used in these meetings which were designed to select the Democratic candidate. As a result of his politicking he was virtually unopposed in the primary and thus set his course for the office on the fifth floor of City Hall.\(^\text{37}\)

Cermak had a solid foundation of support: The Democratic regulars; the business elements; some of the underworld syndicate; such prominent individuals as Julius Rosewald, Oscar Mayer, Ernest Buehler, Dr. Graham
Taylor, Jane Addams, Charles E. Merriam, and Harold Ickes; and the majority of the women's and civil groups. The backing of the Chicago Tribune did not hurt his campaign, nor did the unexpected support of the Daily News. Still it was not an easy victory. He was subjected to much personal abuse by Thompson for his foreign birth and ethnic background. The campaign centered on Cermak's strength as a public administrator and businessman. His campaign slogan called him "The Master Executive" who was serious, capable, and successful. He was also trumpeted as the defender of personal liberty and for his humanitarian efforts.38

During speeches he told audiences that he would restore the reputation of the city, drive out the criminals, appoint men and women of devoted civic welfare, deal energetically with unemployment, and instill confidence and the "I Will" spirit in the city. Cermak pledged to reform the Police Department, encourage industry and commerce, and to fight waste in government. A.J. announced just prior to the election, "I am confident that by eliminating graft, waste, and extravagance in the administration of the city departments and the school board, I can effect a material reduction in taxes." As the day for the election drew near, the Cermak-Thompson campaign became one of the hottest in Chicago's history. 39

The election proved to be a landslide for Cermak. By 1931 Chicago was tired of the corrupt Republican administration and the criminal, gangster activity that flourished during prohibition. A.J.'s majority was over one hundred and ninety thousand votes and was the largest margin of victory for a Chicago mayor up to the time. Anton Cermak, the first foreign-born mayor in Chicago, achieved a position that few of his
counterparts ever anticipated. He accomplished this feat through a well planned and effectively organized approach to his political life. But probably the most potent reason for Cermak's rise to power was his understanding of the part nationalities could play in a political organization. By creating and ethnically balanced ticket (something new) he put together the most powerful political machine in Chicago history. His party ticket hand names with o's at the end along side names which began with O's. Cermak had the sense to count up all the Irish votes, then he counted all the Italian, Jews, Germans, Poles, ad Bohemians. Because he recognized the strength available in catering and controlling a combination of the various national groups, rather than only working with the Irish who dominated the Democratic Party, A.J. solidified an unbeatable coalition. 40

Who then was the man now sitting in the mayor's chair? He was a prosperous businessman who had the ability to work virtually around the clock to achieve his goal of increasing his power and prestige. He would now be considered a "work-a-holic" dedicated to his purposes. He was a master of details and was not willing to trust anyone or allow things to happen without his knowledge. His mistrust of others and his suspiciousness toward the motives of others were demonstrated in the intense concentration and his cold, calculating and unemotional approach to his political dealings. Kets de Vries and Miller have characterized this type of behavior as a Paranoid style of executive operation. Czar-like, autocratic, intimidating, ruthless, and concerned with perpetual vigilance, but most of all dedicated to his purpose are comments expressed about him by his contemporaries. In any event "that
Bohunk" from Braidwood was now the accepted leader of Chicago politics. Boss Cermak controlled the Cook County and Chicago Democratic organizations and now known as the "World's Fair Mayor.""41
CHAPTER ONE NOTES


9 CSA Fraternal Life (previously Czechoslovak Society of America) Cermak Collection, Family Scrapbook, Berwyn; See also, Gottfried, Boss Cermak, 10.

10 Gottfried, Boss Cermak, 14.

11 Gottfried, Boss Cermak, 11; See also Donna, Braidwood Story, 106.


21 Cermak, "Business Men Fall," 27.


31 House of Correction, Municipal Reference Library, 11.

32 Gottfried, "Boss Cermak," 123.


35 Gottfried, "Boss Cermak," 147-152.

36 Gottfried, "Boss Cermak," 170, 188.

38 Chicago Tribune, "Cermak's Career Story," 6 March 1933.


The city which elected Anton J. Cermak as its mayor in 1931 had a varied and robust past. A community of four million people with a history of less than a hundred years is seldom found in the annals of municipalities. Situated at the south-west corner of Lake Michigan and at the mouth of the Chicago River, the city had a natural basis for its development as a center for lumber, livestock, grain, industry, transportation, and commerce.\(^1\)

Chicago spreads loosely and irregularly outward from the lake over a shallow alluvial basin. It is bordered on the west by a low moraine watershed divide that separates the drainage of the lake from that of the Mississippi Valley. With its location on this natural portage, the area was attractive to traders and settlers even though the marshy land and swampy sections made development difficult. However, Chicago had a deamon-innovation. Thus, it was able to develop from a water hub and interior land center of the United States during the expansion in the late 1800s to one of the country's most populous cities with one of the world's richest and leading commercial/industrial complexes. Therefore, it is of classic interest as the largest European-implanted city ever to rise in the continental interior of the Western Hemisphere.\(^2\)

EARLY DEVELOPMENT

As a result of its geography, Chicago had been influenced by its
location throughout its development. It got its name from the Algonkian Indian word "Chicagou." The interpretation of its meaning remains somewhat controversial as scholars disagree whether it translates to powerful, strong, skunk, or wild onion. Such variance of opinion is suited for Chicago and was apart of its entire growth history. However, it would be safe to state that many people would describe the city, in its first one hundred years, as a powerful skunk that smelled like a strong, wild onion.  

In the early days, the body of water now called the Chicago River, used its two branches to provide a narrow watershed to the Des Plaines River which drained through the Illinois River to the Mississippi. Being an easy portage from Lake Michigan, fur traders, missionaries, and explorers were lured to the area from the east. In 1673 the French adventurers Louis Joliet and Jacques Marquette followed an Indian portage to the mudflats over which the Y shaped river flowed. As more voyagers used the area in the eighteenth century, its strategic location was realized. In the 1795 Treaty of Greenville the United States obtained a six mile square area above the river mouth.  

About 1772 Jean Baptiste Point du Sable set up a trading post and became the first permanent resident. du Sable sold the post to Jean Lalime in 1800 and it was taken over by John Kinzie in 1804. On 17 August 1803 Captain John Whistler and a company of U.S. Army soldiers arrived to build Fort Dearborn. Established to protect the interests of the merchants, the Fort was destroyed at the beginning of the War of 1812 and almost all of the inhabitants were massacred by the Indians who were allied with the English. In 1816 Captain Hezekiah Bradley along
with one hundred and twelve men, was sent by the government to rebuild the barracks. With the construction of the new fort, settlers again became interested in the area. The population was limited when Illinois became a state in 1818 because most of the families moving westward settled in the central or southern regions of the territory. As late as 1831, besides the garrison at the fort, the community consisted of only twelve families. The fort continued to be operated until 1836 when it was abandoned.5

James Thompson, who worked as a civil engineer for the proposed Illinois and Michigan Canal, filed a survey and plat of the Town of Chicago on 4 August 1830. As indicated on the documents, the original town "was bounded by State Street on the east, Kinzie Street on the north, Desplaines Street on the west and Madison Street on the south." The I & M Canal, authorized in Congress in 1827 was completed by 1848 and linked the Great Lakes and the Mississippi. It also provided Chicago with great importance in the east-west travel during the middle 1800s.6

In 1833 Chicago set up a town government, started construction on a harbor, opened a semi-private school, and had its first newspaper, the Chicago Democrat, published. Continuing to grow, the town was incorporated as a city on 4 March 1837 and William B. Ogden was elected the first mayor. When the railroads rendered the canal obsolete in the 1850s, they found Chicago a convenient terminal point and soon trunk lines ranged from the city east to the Atlantic Coast and west to the Missouri River. Water transportation continued to be important for the growing city as steamboats traveled the Great Lakes as early as 1818 and
the Chicago River served many sailing vessels. During one summer day in 1869, one source indicated that two hundred and twelve ships arrived at the port of Chicago and that more than twelve thousand boats arrived and departed the city within a three-month period.⁷

By 1851 the largest corn market in the country was located in Chicago. In 1854 it boasted the largest wheat center in the U.S., in part due to the organization of the Chicago Board of Trade in 1848. By 1856 the city served as the number one market for lumber. The first convention held in the city was accomplished in 1847 and in 1860 the initial political convention for Chicago resulted in the nomination of Abraham Lincoln for president by the Republican Party. Cyrus Hall McCormick began manufacturing reapers in Chicago in 1848 one year after arriving in the town. In 1862 the Union League Club was started and the city pushed its way into the top spot for pork producers. George Pullman began building sleeping railroad cars in 1864 and one year later the Union Stockyards opened. Also during that decade Potter Palmer began his famous hotel and joined in partnership with Marshall Field and Levi Leiter to start a dry-goods store.⁸

Despite the Panic of 1857, the city continued to prosper. A sprawling metropolis, nearly two-thirds of its buildings were constructed of wood. In addition it had wooden sidewalks and even wood-paved streets. Such was the prelude to disaster which faced Chicago during the excessively dry summer and fall of 1871. Legend had it that a cow belonging to Mrs. Patrick O'Leary kicked over a lamp to begin the Great Chicago Fire. While such had been denied, it was known that the inferno began at 137 De Koven Street. The fire raged from 8
October 1871 until some hours later on 9 October 1871 when it ended in a rain. Besides the Chicago Fire Department's equipment and manpower, twenty-five engine companies from surrounding towns plus the federal troops headquartered in the city fought the blaze. The disaster leveled most of the buildings with property damage estimated at over one hundred ninety million dollars and left ninety thousand people homeless.  

THE CITY REBORN

Since most of the city's infrastructure of water and sewer systems and transportation facilities remained after the fire, Chicago, now of concrete and steel, began rebuilding. The central business district, bounded by the Chicago River to the north and west and by the railroad along the lakeshore, held the major department stores, the larger banks, the Board of Trade, the regional headquarters for the national corporations, and the centers of law, government, and commerce. The first steel-frame skyscraper was constructed in 1885, and by the mid-1890s the city had twenty-one buildings of at least twelve stories in height. In addition the scope of the city's industrial development began to change. As Charles E. Merriam said, "from 1890 on, Chicago entered a livelier phase of manufacturing development which began to take the place of the relatively declining grain, cattle, and lumber market." Heavy industry settled into the city as iron and steel, printing, publishing, clothing, car manufacturing, and other businesses found a home in Chicago.  

Executives, shoppers, and workers were brought into the downtown area by a system of commuter railroads, cable, horse, and electric
railways, and an elevated rapid transit line. When Charles Tyson Yerkes developed the huge rectangle of elevated lines for passenger convenience, "The Loop" was established. Inside that area bounded by Wabash Avenue, Lake, Wells, and Van Buren Streets the commercial center of the city thrived.¹¹

Since 1868 Libby, McNeill, and Libby had been canning meat in Chicago. Philip D. Armour, Gustavus F. Swift, and Gurdon S. Hubbard established companies which pushed the city into the forefront of the meat packing industry. The mail-order business was pioneered in Chicago by the Montgomery Ward and Sears Roebuck companies. Marshall Field's, Carson Pirie Scott, Goldblatt's, and Wieboldt's dominated the retail trade. A Federal Reserved Bank for the seventh district was located in Chicago and the larger Chicago banks were established along LaSalle Street. Chicago became the outstanding railroad terminal of the world in volumes of tonnage and extent of facilities. Plus, in 1934 both the Union Pacific and the Burlington railroads would introduce the diesel locomotive in runs to the Chicago World's Fair. Yet the city would be up front in the newly developed airline industry with the opening of Meigs Field on the lake in 1933 and shortly after with Midway Airport. Since 1859 Brink's Incorporated, founded in the city, provided the nation with armoured vehicles to transport money. When the Illinois Waterway was completed in 1933, Chicago was a major port in the barge route which linked the Great Lakes to the Gulf.¹²

A by-product of Chicago's growth on the frontier of U.S. Industry was its reputation as a raw city in which "anything goes." The city became an international byword for underworld violence during and after
the Prohibition Era of the 1920s and early 1930s. "The unparalleled rapidity of its development," said Counts, "the ease with which great fortunes were made, the ever bright material promise of the future, and the absence of the artificial social distinctions found in older societies, have combined to produce a pushing, daring, turbulent, unconventional, and optimistic population." The city had a rough and tumble reputation which was demonstrated in Upton Sinclair's *The Jungle*, and by Rudyard Kipling and Carl Sandburg. Chicago, to many people, meant brute force and ruthlessness. ¹³

Merriam said that "the structural development of Chicago would reveal three striking periods." First would be the Great Fire, next would be the expansion prior to the 1893 Columbian exposition, and third would be the systematic development of the city after the City Plan of 1907. With its growth in population and commerce, the city, in its first one hundred years, had to first build, then rebuild its physical contents, grapple with its industrial position, and reconcile its expanding maze of racial groups. In addition, Chicago had to establish all of the usual networks of health and safety, communication, culture, and government which were necessary for proper functioning city. Counts said, "The growth of Chicago constitutes a great epic in the industrial history of Chicago." Except for New York City, no other center had to deal with such difficult and complex issues as it grew and expanded. As one source stated," its achievements are distinctly characteristic of the United States, and its problems are the problems of the modern United States; in a sense it may be-as a series of observers had called it-the typical U.S. city." ¹⁴
POPULATION AND ETHNIC DEVELOPMENT

The social composition of Chicago has illustrated striking episodes in the growth of a modern city. From Indian settlements to discovery by the French, to the beginnings of the black settlements, from the underground railroad movements in the mid-nineteenth century, immigration swelled the numbers of citizens in the community. The first settlers in Chicago, after the opening of the Erie Canal in 1825 and after the Black Hawk War in 1832, came primarily from New England and New York state. Those people brought with them their concept of participant town government and other ideals which tended to separate Chicago from the remainder of the state because it was being settled by people from the other regions of the south and east. Later with the push to go west in full swing, large numbers of European immigrants and settlers from the surrounding states came into the city.15

From the time of its discovery and settlement until 1831, Chicago consisted of a garrison of soldiers at Fort Dearborn and a few inhabitants around the area. "In the thirties," said Counts, "Chicago embarked upon a career of expansion that had few, if any, parallels in a period of unparalleled economic development." In 1835 approximately three hundred and fifty people lived in Chicago. When it was incorporated as a city two years later over four thousand people considered Chicago their home. Almost thirty thousand residents lived in the city by 1850, and by the start of the Civil War over one hundred thousand people lived in the community. In 1850 the Irish, who came to build the Illinois and Michigan Canal among other things, numbered about twenty percent of the
population of Chicago. Their main settlement was called "Kilgubbin" which was a collection of shanties near the north branch of the Chicago River. By 1860 the Germans were the largest immigrant group in the city living in the area of Schiller and Gothe streets. During the Civil War years, people from Norway, Denmark, and Sweden arrived, as did displaced southern blacks. Little Italy, near Oak and Cambridge streets, became the place for the transported families from Italy.16

Many of the working families arrived in the second great wave of European immigration; the Russian Jews, Italians, Poles, Serbs, Croations, Bohemians, and other groups from southern and eastern Europe were included in this movement of people from one continent to another. In 1890 there were almost 1.1 million inhabitants and the city had the distinction of being the third largest center of Bohemian population in the world with its Pilsen settlement of the west side. Chicago's first ghetto was located on Polk Street near Blue Island Avenue and had over twenty thousand Russian Jews living in it by 1895, according to one source. With such numbers of new arrivals, the city's populations swelled to 2,185,283 in 1910, and was over 2,700,000 by 1920. During and after World War I the black population exploded in the city. Originally centered on the south side, blacks from the Southern states came to Chicago seeking work in the city's war expansion industries. By 1920 when the Poles represented the largest foreign-born ethnic group in Chicago, Little Poland, along Milwaukee Avenue, allowed the city to claim more first and second generation Polish people than Cracow. According to the 1920 census Chicago had as many Germans as Mannheim, as
many Russians as Kazen, more Irish that in Cork, and a similar number of Italians as Padua, besides the blacks, Swedes, Czechs, Austrians, Slovaks, English, and others. The census revealed that only twenty-five percent of Chicago's inhabitants were of native born parents. The city also had a small number of Chinese, Japanese, and Indians. At the beginning of the 1930s Chicago's population had grown to over three million three hundred thousand. According to the Encyclopedia Britannica, "the increase from 1920 to 1930, partly as a result of annexations, was 674,733 the largest gross gain in the history of the city." 17

Naturally, as a result of the tremendous growth in the population of the city, many changes were made in the size of the community. In order to find space for the rapid expansion of Chicago, vast areas of land were reclaimed from Lake Michigan and the areas on the south, west, and north sides developed. Howatt said that from the time the city was platted, "Chicago was increased either by acts of the legislature, by annexation at elections or by ordinances through fifty-nine separate pieces of real estate which were incorporated as a part of the city of Chicago." This can best be evidenced by the fact that in 1830 the original plat of the town consisted of .4173 square miles, in 1833 the area of the town had doubled. As of 1837 the city totaled 10.64 square miles and had extended to 210.74 square miles by 1930. 18

Such rapid growth of the manufacturing industries in Chicago produced conflicts between management and the workers. As Merriam indicated," inevitably there came...the organization of the employees in various forms." When the Panic of 1873 dragged on toward the end of the
decade, a series of strikes hit the railroads when wages were drastically reduced. Miners working in the coal fields were demanding higher wages and the subsequent riots forced significant numbers of displaced workers to seek new employment in the city. Albert Parsons founded the Socialist Labor Party in the city in 1877 and in the same year they staged a vicious strike at the McCormick Harvesting Machine Company. The job action was finally broken when police, militia, the regular army, and citizens under arms were brought in by the government, but not before equipment was destroyed and people were killed. In 1894 a major labor difficulty developed when George M. Pullman reduced the wages for his workers at his railroad car factory but did not lower the costs of rent and other materials in his company-control community of Pullman. Eugene V. Debs, a pioneer labor organizer in Chicago, led the workers in a series of strikes which only were quelled by the use of federal troops. In addition there were bitter disputes in the steel, packing house, and other industries as large numbers of workers were organized. The Chicago Federation of Labor emerged as the dominant central union agency and helped foster the American Federation of Labor through the leadership of Samuel Gompers. Finally, the Haymarket Square Riot in 1886 was set off when someone tossed a bomb into the crowd of protestors. The action which resulted in the death of a number of citizens and police plus the injuring of scores of people. It had been reported that "this was the first bomb thrown in a labor dispute." 19

By 1900 the teachers in the city were firmly involved in the union movement, with several groups organized in the elementary, high school, and principals ranks. The Teamster's Union had a strong beginning in
Chicago. In time Chicago became known as a "union town" and was the scene of bitter struggles between corporations and unions and between employers and employees. With the population of Chicago divided by occupation, income, and ethnic background, the city became even more contrasted by luxurious wealth and bitter poverty. Such a tremendous difference in living conditions found in the dingy ghettos of the immigrant worker and in the opulent surroundings of the Victorian mansions in the "Gold Coast" contributed to the brawling spirit associated with Chicago's industrial growth and expansion.20

CULTURAL DEVELOPMENT

AND WICKEDNESS

The time period from 1890 until the 1920s had been called Chicago's cultural renaissance. Newspapers flourished and included the Chicago Tribune, the Chicago American, the Herald-Examiner, the Daily News, the Chicago Defender, the Journal, the Evening Post, and a number of foreign language dailies and weeklies. In the early 1890's, with the help of John D. Rockefeller, the University of Chicago opened with its distinctive architecture and red roofs. Loyola and Northwestern Universities had already opened their doors prior to this time. DePaul University was founded in 1898 as was the Chicago Public Library. The Newberry and Crerar Libraries had opened in 1887 and 1897 respectively.21

Theodore Thomas established the Chicago Symphony Orchestra in 1891 and the first opera company opened in 1910. The literary community of the city produced such writers as Sanbury, Dreiser, Norris, Field, Herrick, Fullner, Farrell, and Masters. During this time the Chicago
School of Architecture emerged as it was led by Louis H. Sullivan, William Le Baron Jenney, D.H. Burnham, John W. Root, and Dankmar Adler. Later, Sullivan's pupil, Frank Lloyd Wright and Ludwig Mies van der Rohe dominated the architectural field. In 1893 the Art Institute opened its new building. Finally, to assist the numbers of new arrivals in the city, various social settlement were formed. Some of the more prominent included the Eli Bates Home founded in 1872, the Chicago Commons started by Dr. Graham Taylor in 1894, Mary McDowell's work in the Back of the Yards area also in the same year, and Hull House organized by Jane Addams and Ellen Gates Starr in 1889.

In 1893 the city hosted the Columbian Exposition which honored the four hundredth anniversary of the discovery of America. As a result worldwide attention came to Chicago for the first time in its history. As indicated in the Encyclopedia Americana, the primary aim of the exposition was "to illustrate scientific progress and its application to industry." The Ferris wheel made its initial appearance at the exposition and the concept of the Midway was introduced at the fair. The visitors could enjoy Buffalo Bill's Wild West Show, watch Little Egypt hootchy-kootchy, ride on the first electrical transit system in the country, and marvel at the many different exhibits and buildings. A significant outcome of the 1893 exposition was the development of the Burnham Plan of Chicago. Unveiled in 1907 by architect David H. Burnham, it proposed park areas consisting of beaches, yacht basins, and boulevards along Lake Michigan, a series of forest preserves rimming the area around the city, the widening of arterial streets, a double-decked throughway downtown along the Chicago River, and a civic center.
Sponsored by the Commercial Club the plan introduced municipal art and beauty into the urban existence and formed the basis for further city expansion based in purpose and design rather than on random growth. The Regional Survey of New York said the following about the Burnham Plan, "In this century and on this continent, Burnham's plan of Chicago stands out as a great presentation of a grand architectural conception of city building and expansion." The Chicago Plan, considered by many as a miracle of modern urban progress, established a new direction for the development of the city. No longer was construction allowed to explode in a haphazard fashion but was controlled by conscious design and planning. Zoning and housing regulations were established and provided the city with a change in the total outlook it had toward itself and its future.  

The more colorful and wicked side of Chicago, however, was also given to much boasting. "The Windy City" derived its nickname not so much from the effects of the weather in the area, but from the somewhat inflated claim of its early municipal boosters. In the late 1840s Chicago proudly proclaimed that it had more gambling places than the much larger city of Philadelphia. When a British traveler attending the World's Fair in 1893 discovered the more spicy parts of the city, he published his revelations in a book "complete with maps locating the various houses of prostitution." Ada and Minnie Everleigh opened a club in 1900 which soon became heralded as the most notorious and successful brothels in the world. "Bath House" John Couglin and Michael J. "Hinky Dink" Kenna used the powers of patronage to control and operate their infamous "First Ward."
The city had a number of tragic accidents, the most notable included the capsizing of the excursion boat "Eastland" in 1915 in which eight hundred people lost their lives, and the death of six hundred people in the 1930 Iroquois Theater fire. George E. Cole headed a group of citizens interested in reforming the city council and determined to eliminate the dishonest practices of the aldermen. In the middle 1890s the citizens formed the Municipal Voters League and waged a two year campaign to improve the council. However, with the passage of the Eighteenth Amendment, Chicago discovered the world of the gangland syndicate, the speakeasy, and prohibition. Because of the great numbers of foreign-born residents in Chicago, the city did not support the prohibition of intoxicating liquors as provided by the new law. In three elections, held in 1919, 1922, and 1926, the wet votes far out-distanced those of the drys, with beer being a high priority for the citizens of the city.25

In order to quench the thirsty city, an organization developed which had been called the mob. It was also called the syndicate, the Inner Circle, and the King, but Merriam said that in Chicago, it was called "the Big Fix." With large scale operation and a vast amount of money to be made, the Big Fix took in prosecutors, law officers, politicians, judges, and anyone else it felt was essential for success. Johnny Torrio, Big Jim Colosimo, Al Capone, and Frank Nitti were a few of the more significant men involved in the struggle for the control and domination of the illicit liquor business in the city. As the Columbia Encyclopedia stated, "between World War I and 1933, Chicago earned unenviable renown as the home of gangsters."26
"It is unlikely that any other large city has a government quite as complicated as that of Chicago," according to the Encyclopedia Britannica. Chicago's government had long been handicapped by an unwieldy structure often blamed for inefficient administration. Because of the unique relationship of Chicago to Cook County, some of its functions are important in the county, others had no impact, and still many overlap with the county. It is governed by a mayor and city council as was established by a charter in 1875 and amended several times since that date. According to O'Connor, "By statute, Chicago is defined as a strong-city council-weak mayor form of government." It was the intent of the state legislature to concentrate the authority of operation in the council and not with the mayor. Yet, elected for a four year term, the mayor still managed to appoint the heads of the administrative departments, plus members of a number of advisory and special commissions and agencies, the Board of Education, the Library Board and the Tuberculosis Sanitarium. 

The city council is composed of fifty aldermen who control the budget, confirm the appointments of the mayor, have authority over city contracts, and pass ordinances. An alderman, also called a councilman, represents one of the fifty wards as set up by the 1921 plan of representation, and is elected from his or her home ward. Much of the council work is done in committee. They are usually determined on a non-partisan basis and controlled by a reliable and powerful alderman. Merriam has said that, "The City Council differs from other aldermatic
bodies in the extent of its powers." It may create new departments, grant contracts and franchise, regulate utility rates, make appropriations, and reject mayoral appointments. However, the mayor presides over the sessions of the council which is a significant difference from other governmental bodies. In addition to this authority over the council, the mayor had the power to influence aldermen through public appeal, patronage, direct opposition, various favors and permits, and grass root work in the wards. "There is no question who...holds the power in Chicago," long time city political reporter Len O'Connor has said, "it is the mayor, not the City Council, and he sic controls the council by virtue of controlling the ward committeemen that run the ward organizations that elect a very high proportion of Chicago's Aldermen." 28

The party system is the mechanism used in Chicago to provide for citizen preference in government. In order to focus as the main line of communication for citizen will, the system operated out of each ward. A ward committeehead is elected in each respective ward. This person in turn selects the precinct captains who have the responsibility for carrying out the wishes of the ward committeehead. The number one requirement of a captain is to make sure that enough votes are available in the precinct to carry it for the ward committeehead's candidates and political issues. These ward committeeheads must then deliver the required vote in their wards to satisfy the wishes of the higher command in the party. According to Fairweather, such "may be the central committee of the party—either the county central committee or the city central committee," or could be a leader of the party such as a
assessor, alderman, mayor, or someone outside the structure of the party. Usually, there is a party leader or "boss" who is the head of the organization and the chair of the central committee. The mainstay of the party organizations, therefore, is the precinct captain who is directed by the committeehead. The ward committeehead reports to those in the upper levels of the party, who, in turn, are responsible to the boss. 29

"The Mayor of Chicago is the city's most impressive show-piece," according to political scientist Charles E. Merriam, "and serves the community as the chief personnel agent, city manager, lawmaker, head financier, diplomat, and leader." The power of the office is centered not only in legal authority but by the prestige of the position. Chicago's first mayor, William B. Ogden, used his personal wealth gained from the railroads to pay the debts of the city in 1837. Joseph Medill, who was editor of the Chicago Tribune, was elected on a so-called "Fireproof" ticket in 1871. He was a strong believer in political ethics and the cause of the Union and was the last dry mayor to be knowingly elected to the office. Mayor John Wentworth stood six feet three and weighed three hundred pounds, and Carter H. Harrison I, rode around the city on a white horse ruling with friendship and understanding. When he was assassinated in 1893 at the Columbian Exposition, a great feeling of dispair came over the city. 30

Carter H. Harrison II, a political realist like his father, fought against the machine type of party politics, and functioned with the same type of qualities as his father. Edward F. Dunne was regarded as a reform mayor and ended up as governor in 1907. Fred A. Busse, his
replacement, stayed out of public gatherings and was known by his course personality and rough friends. William Hale Thompson served three terms and build a strong Republican organization. "Big Bill" was at best colorful and a showman, but his time in office was marred by spoils and corruption. A contemporary newspaper during his final term in office stated that his administration was symbolized with "filth, corruption, obscenity, idiocy, and bankruptcy." William Dever who had a fine political record and good administrative qualities, served as chief executive in between Thompson's second and third term. Dever's downfall came when he rigidly enforced the dry law brown as the Eighteenth Amendment. Mayor Thompson was certainly not the model for an effective elected official. To the contrary, the theory of the elective mayor system had been encouraged because it was to provide an element of leadership for the city, "a form of leadership which will be fused with the elements of political organization, legislative dominance, and administrative supremacy," said Professor Merriam. However, this always was a difficult order to fill and finding one person to fill the bill had been even more troublesome. The person serving in the capacity of mayor must be practical, strong, willing to accept responsibility, and hard-nosed in order to administer the complex and complicated system of Chicago's government.

Such were the characteristics of Anton J. Cermak who became mayor in 1931. "Cermak displayed remarkable practical ability," said an editorial in the Chicago Daily Times, "a man seasoned to strenuous action on many fronts." A strong and courageous individual who was in touch with the character of the city, Cermak pressed the issues of his
campaign to the public which he stated were the problems of the city: "unemployment, crime, and taxation," said the Chicago Daily News. The Chicago Tribune indicated "there is no doubt of the energy of the big-shouldered man...who talked of practical matters, the growth of Chicago, the tax problem, and how to run a political organization."

"Chicago...elected as its mayor the most powerful political boss in the country," stated Mauritz Hallgren in The Nation, "the political machine Cermak...perfected...is constructed on a basis of organization." The "Master Executive" had pledged to "appoint to the board of education men and women of high character and of demonstrated devotion to civic welfare," said the Daily News, and to allow the board of education and superintendent of schools the freedom to conduct the schools for the welfare of the children. As such, the employees of the schools and the citizens of the city were encouraged by Cermak's stance toward public education. \(^31\)

The Chicago board of education is by statute a body politic and corporation separate from the City of Chicago. The organization of the board as it is today may be traced from the passage by the 1917 State Legislature of the Otis Law. The law established the present five-year staggered terms and set the membership at eleven, provided for a superintendent, business manager, and attorney each independent of the other, authorized a three member teacher certification board, and provided tenure of office for teachers upon completion of a three year probationary period. The law and its amendments are embodied in Article 34 of the School Code of Illinois which is applicable only to cities
with a population of five hundred thousand or more. Members are appointed for five year terms by the mayor of Chicago and are subject to approval by the city council. The terms are set so that the mayor makes two appointments in each of four years and three appointments in the fifth year. Joseph Pois, a former board member wrote,

It is noteworthy that board members are not subjected to removal by the mayor; the resultant independent status has import for freedom of action and gives this office added appeal for citizens who would be loath to subject themselves to possible dismissal from the office by a mayor to whose wishes they did not accede.

In addition to being separate from the city, the board of education is "also practically independent from the county superintendent," stated Merriam, Parratt, and Lepawsky, "moreover, it is largely independent from the control of the state superintendent of public instruction."32

The Illinois legislature granted the school district of Chicago special powers for determining its own textbooks, setting its standards for teacher certification, and in general administration, control, and policy determination. In fact, said one source, "the Chicago district is much less restricted by state legislation than most of the other school districts in the Region." Serving one-half million students and employing over seventeen thousand teachers and other school personnel, the district is truely in a class by itself when compared to the various suburban systems that surround it. The state assembly provided that the Board may issue bond in its corporate name with the consent of the City Council. A similar procedure is provided for budget adoption and tax levies.33

"The Otis Law did much to clarify and improve the operation of the Chicago schools," stated Harvey Karlen, because prior to its' adoption,
the city and the school system were intertwined in a confused state of regulations developed as the city and the schools grew. In 1833 legislation provided that the legal voters elect either five or seven inspectors to examine teachers, select textbooks, visit schools, and recommend school sites. When the city was incorporated in 1837, the original charter indicated that the control of education was vested in the city council who appointed a board of ten school inspectors. In 1853 the council created the office of the Superintendent of Schools, following the example of New England cities, and John C. Dore from the Boylston Grammar School in Boston was elected to fill the post. Dore brought system into the schools as he developed student classifications and promotions, held teacher institutes, and required teachers to keep a register of pupils. William H. Wells succeeded Dore in 1856. Wells created the high school and was a leader in getting the new city charter of 1857. The new charter of 1857 contained provisions for a more centralized organization for the schools, increased the inspectors to fifteen, and gave them the "nomenclature of Board of Education with new powers of administration," according to researcher Frederica J. Spunar.

With the rapid growth of the city from the mid-1800s through the 1920s, student enrollment in the schools dramatically increased. In 1840 the average daily membership in the Chicago Public Schools was two hundred, but by 1850 it was up to over twelve hundred. 34

Under the new state constitution the legislature enacted new law in 1872 which increased the power of the board and again reorganized it. As Hanna Clark said, "subsequent changes in organization have only increased the power of the Board." The membership was now set at
fifteen and they were appointed by the mayor with the consent of the council. All powers of the board were contained in the legislation which affected only cities with a population over one hundred thousand. In 1891 when George Howland was superintendent, a new act repealed the 1872 law but only changed the number of board members from fifteen to twenty-one. By the time, the first women board member, Mrs. Ellen Mitchell, had been serving since 1889.

As of 1890 the average daily membership had risen to over one hundred and eight thousand and would mushroom to in excess of two hundred and thirteen thousand in ten years. Alberg G. Lane assumed the superintendency in 1891 and suffered the same frustrations as others who occupied the position because, as Mary Herrick said, the superintendent "had no clear authority in any situation." He did, however, welcome assistance from outside groups, expanded the manual training program, and incorporated the kindergarten, which had been operated and financed in the schools since 1888 by the Froebel Association, into the school system. In 1893 the special studies in the curriculum—such as art, music, German, and physical culture—were attacked in what had become called the "fads and frills" war. Some segments of the city felt that too much money was being spent on such non-essential programs instead of the important subjects of reading, writing, and arithmetic. Lane's highest achievement was the advancement of training for teachers he directed which led to the bringing into the system the Cook County Normal School and the methods of Colonel Francis W. Parker in 1896. But, Lane failed to reduce the seating deficit in the schools. When in 1898 Superintendent Lane was demoted (largely for political reasons), E.
Benjamine Andrews replaced him. Coming to Chicago from the presidency of Brown University he was ill-suited for what faced him. Mary Herrick summed up his situation as follows, "the jungle of politics in Chicago was no place for an academician who expected his ideas to be accepted with all due respect for his office and his learning." After two years of turmoil he left for the chancellorship of the University of Nebraska. Edwin J. Cooley replaced Andrews and, as a shrewd student of Chicago politics, used his skill and wit to control the board. 36

Also in the late 1890s Chicago was the scene of the formation of an organization which would eventually alter the entire educational operation and organization throughout the country. On 16 March 1897, a small group of Chicago teachers met at the Central Music Hall to discuss the problems of the pension fund. Out of the discussion came the idea to form an organization to get something done about the problem. Because they were women elementary school teachers who were concerned with their status, when they formed their organization they excluded secondary teachers and principals. The new Chicago Teachers' Federation (CTF) grew from just a few organizers to over two thousand five hundred members in the first year of existence, and eventually became the nation's most militant teacher organization. Although it was not the first educational organization to be established (the National Education Association was founded in 1857) it differed from the many state and national associations because "the federation was a purposive organization which reorganized the material needs of its members." The CTF employed a business manager and financial secretary and under the leadership of Catherine Goggin and Margaret Haley began an aggressive
campaign to "raise the standard of the teaching profession." Such an outlook brought the federation into the city council, the state legislature, the courts, and the political issues of the time in its drive to "protect the economic and legal interests of the teachers."37

In 1898 Mayor Carter H. Harrison appointed eleven men to a committee to study the educational needs of the city. Headed by William Rainey Harper, president of the University of Chicago, the commission brought nationwide attention to Chicago as the country struggled with a direction for public education. Mary Herrick stated that, "the report contained twenty specific recommendations, with reasons to substantiate them, and details for implementation." She also said the report was supported by a wealth of footnotes. The report recommended that the board of education be reduced to eleven members and the board should be a policy making body with the administration of the schools left in the hands of the superintendent and a business manager. It also set down guidelines for teacher certification, curriculum, the use and construction of school buildings, and board operation. However, all of the good which was presented in the report became clouded in the furor which developed over the report's recommendation that the men teachers receive a salary increase. Coupled with its statement that there was, "sure to be a large number of incompetents within the [teaching] force," the Harper Report set itself in conflict with the CTF. Already the female elementary teachers of the federation were concerned with an all male commission. But when the members of the commission implied that many of the teachers were not highly qualified, given the fact that the majority of the teachers in the system were female, the federation
trained its guns on the sexist connotations implied in the report and led a successful fight to have the "Harper Bill" defeated in the General Assembly. As a result of the problems associated with the various provision of the plan, "none of the Harper recommendations which required legislation were put into effect for years, and some...are still not in effect..." 38

In 1901 when Superintendent Coley began a confidential rating system for teachers, a storm of protest was raised by the those employees. Partially as a result of pressure being put on teachers by the superintendent, the CTF voted to affiliate with the organized labor movement in the city by joining the Chicago Federation of Labor and applying for a charter from the American Federation of Labor. Working with CFL organizer John Fitzpatrick, the newly affiliated teacher organization pushed for unity among the classes of working people in the struggle against the corporate organization. "Thus," said writer Robert L. Reid, "the CTF introduced female white-collar unionism into American life." 39

In 1909 Ella Flagg Young was elected as superintendent of the Chicago Schools. Called by Margaret Haley, "the finest Superintendent of Schools the city has ever had and one of the greatest women who has ever been in American public life," she was the first woman to achieve such an office in urban public schools. In addition she became the first female president of the National Education Association when she was elected to the position in 1910. She encouraged educators to be concerned with the total experience of the child reflected in the home, community, and the school. Mrs. Young was praised by educational
innovator John Dewey and used a style in explaining concepts in education which could be understood by non-academics. 

In 1910 more than two hundred and forty-seven thousand pupils were in averaged daily attendance in the schools. While the numbers of students continued to increase in the schools, so did the teacher's attitudes toward organized labor. In 1912 a group of men teachers organized the Chicago Federation of Men Teachers, while two years later the Federation of Women High School Teachers came into being. Both groups received a charter from the AF of L. In addition the principals in the school system had formed the Chicago Principals' Club in 1899 with the combination of the George Howland Club and the Ella Flagg Young Club. The club had become, according to Counts, the second "most powerful of the organizations formed by members of the teaching staff." 

John Shoop, assistant superintendent under Mrs. Young, succeeded her in 1915 and served for three years. Because he was ill for most of the time he held the superintendency, he did not play any part in the "war" between the teachers and the Board of Education over the Loeb rule in 1915 nor in the passage of the Otis Law in 1917. Named for board member Jacob M. Loeb who sponsored the rule, it was designed to destroy the power of the growing teacher unions especially the Chicago Teachers' Federation. The new regulation state that,

Membership by teachers in labor unions or in organizations of teachers affiliated with a trade union or a federation or association of trade unions, as well as teacher' organizations which have officers, business agents, or there representatives who are not members of the teaching force, is inimical to proper discipline, prejudicial to the efficiency of the teaching force, and detrimental to the welfare of the public school system. Therefore, such membership, affiliation, or representation is hereby prohibited
It was officially adopted on 1 September 1915. The resulting excitement caused quite a stir as not only did the CTF have paid employees but so did the Chicago Principals Club and the Illinois State Teachers Association. Loeb, with the support of fellow board member William Rothmann, "went out of his way to say publically that he did not mean to include the Principals Club," said career Chicago educator Mary Herrick and, "ignored the affiliation of the two high-school groups [affiliated] with the Chicago Federation of Labor." Educator George S. Counts, indicated in one of his books that the Loeb Rule, was aimed in general at the Chicago Teachers' Federation, which since 1902 had been affiliated with the Chicago Federation of Labor, and in particular at Miss Margaret Haley, who for years had been the business agent of the Federation and a thorn in the flesh of the board of education.

Pledge cards were sent by the board of education to all teachers indicating they would not join any of the prohibited organizations and superintendent Ella Flagg Young was directed to enforce the rule.

Margaret Haley said of the incident, "It was immediately evident that in order to hold their jobs in the Chicago schools, the teachers who were members of the Chicago Teachers' Federation would have to resign from that body." 42

Fourteen days after the new rule was adopted, a petition for an injunction was filed in Cook County Superior Court by Ida L. M. Fursman, a teacher and member of one of the prohibited groups, and State's Attorney Maclay Hoyne. Nine days later, on 23 September Judge John M. O'Connor issued a temporary writ and said, "the rule was arbitrary, unreasonable, oppressive, illegal, contrary to public policy, and void." On 29 September the board amended the Loeb rule to read, "membership in
some teachers' organizations," but retained the right to determine which

groups were prohibited. However, Herrick believed that the board

"narrowed its rule specifically to [single out] the Federation," a

feeling which George S. Counts shared. Judge Denis E. Sullivan made the

injunction permanent on 29 November saying, "Our Supreme Court has held

many times that the right of labor to organize is a legal one, and that

membership in such organizations is not in violation of law." The

victory for the teachers was gratifying yet it would be short lived, as

a number of factors would combine to attack the very soul of the teacher
union movement. 43

Ella Flagg Young resigned from the superintendency on 11 December

and left town. As a result the teachers lost a friend in the top

position. Her successor, John Shoop had been a principal in the system

for a number of years, but according to Chicago educator Chester C.
Dodge, "was extremely conscientious but found it difficult to make
decisions." Herrick indicated that he was completely ignored by the

Board plus he had to deal with the added responsibilities placed upon

the schools due to the country's involvement in the First World War.

Catherine Groggin was struck down by a truck as she crossed a street on

4 January 1916 and killed. This was a severe blow to the Federation

which resulted in the normal confusion, grief, and lack of direction

suffered by any organization when a great leader is taken. Regaining

from the shock of Groggin's death and ever mindful of the intentions of

the Loeb-Rothmann forces on the board (who were supported by the

Illinois Manufacturing Association), the Federation joined with seven
other teacher unions and formed the American Federation of Teachers in the spring of 1916. As the oldest and largest group affiliated with the AF of L, the Chicago chapter was named Local Number One. Charles Stillman from the Federation for Men Teachers was designated president of the new local, Margaret Haley the national organizer, and Ida Fursman of the CTF became vice-president.44

On 27 June 1916 the Loeb-Rothmann forces on the board played their next card against teachers. Relying on the practice of making teaching appointments from year to year, the board of education failed to reelect sixty-eight teachers, principals, and district superintendents, thirty-eight of whom were members of the CTF. The blatant political action of the board signaled a virtual uprising in the Chicago schools. Protests and rallies were held throughout the city as the teachers provided a united front for the protection of their jobs. In addition two other sources of power came to affect the teachers. First, board member Ralph Otis, who had supported the original Loeb Rule but not the firing of the sixty-eight educators, worked with school board attorney Angus Shannon and drafted a bill for presentation to the state legislature. A group of Chicagoans, including the Federation lawyer Isaiah Greenacre, carefully developed the bill which embodied many of the recommendations of the 1898 Harper Report originally supported by the CTF. The proposed legislation, which came to be known as the Otis Bill, had the backing of the Principals Club, State Superintendent Blair, Senator Baldwin, and Representative Wilson. With the aide of Norman Flagg, chairman of the Education Committee of the House, Chester C. Dodge, of the Chicago Public Schools, and others the final draft went
through the two houses of the assembly and was signed by Governor Lowden on April 20, 1917. Margaret Haley was deliberately quiet and unobtrusive in Springfield during the debate on the legislation because it was felt that the bill should represent a principle not a "defense of any one group." Speaker of the House David E. Shanahan had declared that "if Miss Haley had anything to do with it [the bill] I am against it." Instead she concentrated her efforts in the Chicago City Council's Committee on Schools, Fire, Police, and Civil Service to support legislation to reorganize the school system. The final piece of legislation which reached the governor's desk was a compilation of three separate bills designed to assist the teacher of Chicago as a result of the board action the previous June.

Second, while the teachers were successful in their efforts with legislation, they lost their battle in the courts. While their friends and supporters worked on preparing bills for the General Assembly, the Federation took the Board of Education to court, (again) which resulted in a ten-month struggle that went all the way to the Illinois Supreme Court. One day before the Otis law was to be signed the Court rendered its verdict. The decision called by Ella Flagg Young as the "Dred Scott Decision of Education" basically sustained the action of the board in removing the sixty-eight teachers. Its pronouncement that "The board had the absolute right to decline to employ or reemploy any applicant for any reason whatever or for no reason at all," attracted wide attention at the time. It was left to conjecture the extent to which the governor knew when and how the Court would decide the case brought
by the Federation so he could nullify the decision by signing the new legislation.46

Early in 1917 Herrick said, "there were rumors that Loeb (now board president) had proposed peace with Miss Haley if she would leave her labor affiliations," an accusation "Maggie" always denied. Some reports indicated that such a deal was made to provide for the reinstatement of the dropped teachers, others said that the difference of opinion among union members with respect to the country's involvement in World War I and other matters caused a rift that could not be mended. Still others stated that the financial difficulties in the Federation made it impossible for it to pay its per capita costs and led to withdrawal of the Chicago Teachers' Federation from the American Federation of Teachers on 21 May 1917. In any event, and Dodge said, "The Board accordingly acted to reinstate these (sixty-eight) teachers. Most of them were reinstated during the last week of the school year and the rest in September, with the exception of a few whom the superintendent and his staff declared incompetent."47

When Mayor William Hale Thompson appointed a new eleven member board on 18 June 1917, to comply with the provisions of the Otis law, he selected only two of the previous twenty-one members. The old board, declared a procedural error in their appointment, took the city to court and won reinstatement on 20 June 1918 when the state Supreme Court ruled that "the eleven had not been legally approved by the city council." The old board came back into power and served until 27 May 1919 when Thompson again made appointments. However, he did not include Jacob Loeb on the list even though he had been on the first list of approval and was a carryover from the twenty-one. Loeb sued Thompson indicating
that since he had been declared legally appointed it was his place to serve. The court agreed with Loeb and he was seated, along with the other members, on 20 October 1919. As Counts so well stated, in the city, "for more than two years, or from June 1917 to October 1919, Chicago treated the world to the spectacle of two contending boards, the one supported by the laws of the state and the other by the power of city hall." 48

Charles Chadsey replaced Superintendent Shoop when he died in 1918, being elected while the old board of twenty-one members had been returned to their position by the court. Because Loeb had ignored Thompson in the selection process for a new superintendent, "Big Bill" campaigned to have Chadsey removed during the 1919 mayoral election. When Thompson was reelected, he promptly had his new board of eleven lock out the superintendent, as Counts said, "on the grounds that the law of 1917 under which the superintendent was granted a term of four years, was not in operation at the time." Thompson also wanted the board to demand his resignation and appoint Peter Mortenson to the position. In November of that year the circuit court of Illinois ruled in favor of Chadsey. But the Thompson board promptly transferred to the assistant superintendents the powers of the superintendent and thus attempted to evade the court order. On 29 November Chadsey presented his letter of resignation because he said, "it was obvious that the Board would spare no effort to prevent his rendering any service to the schools of Chicago." The statement further indicated that since he had "incurred the hostility of so powerful a political machine as that which now governs the city," he was resigning with the hope that the citizens
would seek fundamental changes in the observance and enforcement of school laws. It is of interest that neither the teachers who, were suspicious of him because of his support by Loeb, nor the principals, who were not pleased with some of his appointments, did anything to help Chadsey in his difficulty. 49

Mortenson was reappointed in 1919 but was tainted by the Chadsey court proceedings for his part in cooperating with the Thompson "Solid Six" board members. In addition his term started with court imposed fines and jail sentences on the six members for their conspiracy against the former superintendent. Upon returning to their positions after serving their sentences, Counts said, "the way was clear for a raid upon the schools that for boldness and unabashed cupidity has few parallels in the written record of public education in the United States." As a result the new superintendent was in no position to do anything to stop the "Thompson Board in its wild career of looting the schools between 1919 and 1923." New schools were built not because they were needed, but according to Haley, "because their building was part of the political system, benefitting builders, contractors, and others friends of the machine." Supplies were purchased for buildings that did not need new material. Friends of the board were "informed" about proposed school sites in order to buy the land at a low cost and sell it to the board at a high price. In addition, nonexistent companies received large contracts from the board and furniture was taken to board members homes from the schools and replaced at inflated prices. 50

The entire situation finally came to light when several board members informed State's Attorney Robert Crow about the scandalous
activities that were happening. Evidently their actions were not accomplished out of civic duty but because they had been "shut out of the arrangement" in which a number of people profited from the purchase of the Forestville and Wendell Philips school sites. With the backing of the Municipal Voters League, the Women's City Club, and the Daily News, a grand jury investigation into every phase of the school operation was launched in May 1922. Finally after continued pressure from the civic organizations, indictments were handed down on the school attorney, a former board president and vice-president, forty individuals and fourteen employees involved in illegal deals. 51

An indignant Chicago brought in the "reform" mayor William Dever in 1923 who had pledged to free the schools from politics and as Counts stated, "clear up the school situation by the appointment of several new members to the board of education." The new board employed William McAndrew as the superintendent in January 1924. According to his own statement, McAndrew was "brought to Chicago to loose the hold that certain outside agencies and the city hall had on the school system." Counts had written that the outside influences, no doubt, meant the Chicago political organization. He also felt that the inside influences McAndrew later commented on centered around the CTF and Maggie Haley. In any event he was a man of positive character who had a no-nonsense approach to his work, McAndrew clashed with anyone who did not agree with his goals. As a result, he excited violent opposition to his efforts from a number of different sources. Margaret Haley said "he had everyone in the system by the ears," and that McAndrew played the devil in the schools. He set about his work almost immediately upon his
arrival, after dodging reporters in Samuel Insull's Peoples Gas Light and Coke building. He believed in a line and staff system of supervision for teachers, the elimination of the teachers' councils, the establishment of the platoon system for elementary schools, and the establishment of a junior high school system. The two former ideas were designed to weaken the strength of the teachers and gain power for the superintendent, while the two latter proposals were intended to industrialize the schools. 52

One of the outcomes of McAndrew's policies was the most "extensive building program in the history of the school system," being carried out during the period of 1923-36, in order to build and equip the score of new junior high schools for use in his plan of education. No matter what educational value his proposals had, his high handed manner in dealing with people in the school system, his alignment with the anti-labor, anti-taxes, business forces, and his non-diplomatic attitude were rallying forces, especially labors', against him. On top of this, McAndrew refused to obey the board when it rejected his recommendation in October of 1925 and faced the possibility of discharge, according to one source. He also stood against the board in the matter of the status of the school clerks and their dismissal by the board with replacements being provided through civil service lists from the city. With all of these problems facing him, McAndrew proposed a series of salary schedules which required a tax increase for the already financially strapped system. Again he ran into opposition from the federation because of the monetary problems associated with his proposals. 53
Therefore, by the end of the third year as superintendent, William McAndrew, "had alienated almost every group of people with whom he came into contact," said Haley. He was doing quite well in gathering forces of opposition, even hatred, against him, yet he had one more force to contend with in the spring of 1927. William Hale Thompson was back as the candidate for the Republicans for mayor, declaring he would fire McAndrew if elected. Counts stated that Thompson's plan was a "shrewd political maneuver with a double objective," designed to attract voters who were offended by McAndrew and to make him a whipping boy in his appeal to the ethnic population based upon racial prejudice and oppression. After the election, it took Thompson until the end of the summer to obtain a majority on the board. On 29 August 1927 the Thompson board took the unprecedented action of suspending McAndrew and placing him on trial as Counts indicated, "on charges of insubordination and conduct incompatible and inconsistent with, and indirect violation of, his duties as superintendent of schools." For a school system with an average daily attendance of over four hundred and eight thousand in 1925, the trial of its superintendent by the board of education was a media event with worldwide attention centered on every charge. 54

The trial took on an irrelevant aspect as witnesses were brought in to prove that the schools were "menaced by pro-British propaganda" of which McAndrew was accused of fostering. On advice of his attorney, the suspended superintendent stopped attending the hearings. Despite his withdrawal the board kept up the proceedings which served more for the betterment of Thompsonian propaganda than evidence of McAndrew's wrong doings. In January of 1928, his four year term expired, McAndrew left his position in the city and went to work for a text book publishing
company editing history books. Finally in March 1928 the board voted to dismiss him according to Mary Herrick, "two months after his four year term was over, with only Mrs. Helen Hefferan and James Mullenbach dissenting." On 27 June 1928 William Bogan who had been his assistant superintendent and "who acted as Superintendent during the stormy years of 1924-27," according to Howatt, succeeded McAndrew. Bogan, who had a long career in the Chicago Public Schools, assumed leadership of a school organization which had grown from Eliza Chappel's school on Clark Street between Lake and Randolph in 1834, to a multi-hundred facility system with over thirteen thousand teachers and a budget approaching one hundred million dollars in the late 1920s. When the turmoil of the past two generations finally seemed to be settling down with McAndrew's departure, the financial crises in the city, which had been brewing for a number of years burst dramatically to the surface. 55

FINANCIAL DIFFICULTIES

While the city and the public schools were embroiled in the unbelievable series of clashes over control and power in the schools, the financial position of the Chicago schools kept sliding downward for a number of years. Not withstanding the questionable practices used by the board of education throughout its history regarding the sale and lease of school property provided it by "The Ordinance of 1787." several factors were at work which caused a drain on the revenue for the schools. The large tax-dodging corporate structure in the city, the political machinery which had been maintained through a patronage system at public expense, the reassessment of real property and the subsequent
taxpayers' strike were some of the reasons, according to Smith, that "the city's treasury had been going broke for years." In addition, the school population dramatically increased in the years between 1915 and 1925, due not only to the growth of the city, but because of the child labor law, free text books, and the expansion of the high school added to the costs for operating the school system. With the push for the junior high schools by Superintendent McAndrew, building construction literally exploded and added to the student seating shortage. 56

Besides all of such factors the Chicago Schools were now operating on a credit basis because since 1916 the "resources derived from taxes had been insufficient to operate the schools on a cash basis." Since the board was spending more money than it had taken in for almost fifteen years, the school system had borrowed funds in anticipation of the next year's taxes. This long term use of tax anticipation warrants resulted in the board expending almost "eleven years of tax income in ten years time." This was accomplished because the banks who purchased the warrants at seventy-five percent of their real value, collected interest on them until they were paid. This happened when the taxes were collected. Such a procedure was legal but was a questionable practice for the board of education to take considering the fact that some of the banks were "sitting on school lands and paying little or no rent." The Chicago Teachers' Federation, again pushed by Margaret Haley, examined the school revenue situation and discovered, "that the lack of revenue to run the schools of the city was due to the utter lack of equity, uniformity, justice, and fairness, or even common sense and common honesty, in the assessment of property." The federation thus
began a campaign to have a more uniform reassessment made in 1927. They
did not enter the arena with naive hopes because, "Year after year," said Haley, "the teachers of Chicago were being warned that the City, and consequently the Board of Education, faced a deficit, which would result in the lowering of salaries and the possible non-payment of salaries." 57

In January of 1927 the federation convinced Cook County Board President Anton Cermak to do something about the situation, and the Joint Commission of Real Estate Valuation was formed. Herbert D. Simpson indicated that the commission, "was composed of members of the Board of Assessors and Board of Review, other government officials, and representatives of various business and civic organizations. George D. Fairweather, business manager of the University of Chicago, was chosen as chairman." While the commission was going about its job of investigating the situation, William H. Thompson was reelected. He indicated that he was not a reformed candidate and encouraged the 1927 quadrennial assessment to be made without regard to the Joint Commission. As could be expected, when the commission issued its report in July 1927, the fraudulent practices of the 1927 reassessment were made public. At this point, the first real split over proper action to be taken developed among the teachers. While the high school unions wanted to use the traditional CTF tactic to challenge through court action, Haley pushed for the reassessment process and the development of new tax laws. With the high school unions going after the procedure through the courts, Haley worked with the Joint Commission and civic groups to secure legislative action. They pushed Governor Len Small to
appoint a "Legislative Joint Revenue Committee" in May 1928, and as a result of its findings, persuaded the governor to call a special session of the legislature for 18 June 1928. 58

After five days of work, two bills emerged. The first, authorized the State Tax Commission to order a reassessment at any time in the assessment process, while the second, required the publication of quadrennial assessments to include the name and address to each owner of property. On 9 July 1928 the State Tax Commission issued the order for reassessment of Cook County, but as Silas Strawn, Chairman of Montgomery Ward and Company said, "Then followed efforts by politicians to defeat or to delay the execution of the order." The Board of Review said it lacked the money to do the reassessment, injunctions to stop the procedure were filed and as Simpson said, "Every obstacle, legal or otherwise was put in the way of carrying out the order of the State Tax Commission." Finally all barriers were surmounted and the County Board appropriated the funds and Harry S. Cutmore was employed to direct the work of the revaluation. 59

While the reassessment had begun, the efforts to stall and delay its beginning were not without negative consequences. The assessment for 1928, which should have been completed in the fall of the same year, did not get finished until May 1930. The taxes for 1928 were collectable "between February and May 1929," and became deliquent 1 May 1929. However, no taxes could be paid until the assessment was completed, which occurred after the stock market crash in the Fall of 1929. The costs of the assessments and the subsequent legal battles continued to add up. In 1928 taxes collected on the assessment for 1927
suffered heavy losses due to complaints and the litigation. Finally, when the figures for the revaluation were released, Chicago had a decrease in valuation of approximately 14 percent. Since the board of education and the other taxing bodies in the county were living on "anticipated" revenue from increased property value. Because the reassessment and the delay surrounding it took over two years, the Wall Street crash had "an almost immediate effect on Chicago." The great depression only exacerbated the financial plight of the Chicago schools and other governmental units. The Insull utility empire faltered, the boom in construction abruptly ended, and as Raymond indicted, "Almost one hundred and fifty thousand families in Chicago were on relief rolls, the weekly relief expenditures approaches a million and a half dollars, and a great percentage of Chicago banks were closed." 60

Taxpayers, faced "for several years with a demand for a year's taxes in less than twelve months time," when the stock market had crashed, the value of securities fallen, and business nearly paralyzed with many people out of a job, rebelled. Led by Cornelius Teniga and other business men, the Association of Real Estate Taxpayers of Illinois organized a taxpayers strike. As Herrick pointed out, "It was hard enough to eat; taxes could wait." No other city in the U.S. was in a greater financial difficulty as "national attention was focused on Chicago." Given the downward spiral of employment, the mess associated with the reassessment, and the inability of families to meet mortgage and loan deadlines, those banks which remained open were hesitant to provide loans and tax warrants to the schools and other governmental bodies. In fact not one bank in Chicago held any 1929 warrants issued by the board
of education because they were all in eastern banks. This accentuated the hostility between the board and the bankers. From 1930 through the next ten years, the financial condition of many of the taxpayers in the city was such that the payment of their taxes was virtually impossible. "As a consequence," Howatt said, "the delinquent or uncollected taxes in Cook County commenced to accumulate from that date," until it reached a staggering sum in the hundreds of millions of dollars. 61

As the board of education rushed frantically from the banker for additional warrants to the legislators in Springfield and the aldermen in Chicago for higher tax rates, its "great spending orgy" continued unabated. Teacher pay checks were late beginning in 1929 and by Fall of 1930 there seemed to be the possibility of no funds for the operation of the schools when the board had adopted a 1930 budget that for the first time "passed the one hundred million dollar total." By the time Anton Cermak was elected Mayor in the Spring of 1931, teachers had received their pay for the school year on time on only three dates. This was due primarily to the Strawn Committee formed by the Joint Commission on Real Estate Valuation. Organized in January 1930, under the leadership of Silas H. Strawn, the "committee of fifty-eight, representing every interest and point of view," worked to secure emergency loans and reorganize the assessment administration in Cook County to prevent the financial collapse of the local governments. Such were the conditions when Mayor Cermak assumed office. His words were hardly exaggerated when he said, "I knew that the city was in bad shape financially. But I never dreamed that it was entirely broke, flat broke. Hardly a nickel left." 62
CHAPTER TWO NOTES


4 Britannica, 1974, 208.

5 Americana, 426; also see George S. Counts, School and Society in Chicago (New York: Harcourt, Brace and Company, 1928), 18.

6 Britannica, 1972, 481; also see John Howatt, Notes on the First 100 Years of Chicago School History (Chicago: Board of Education Library, 1940), 62.

7 Britannica, 1972, 481.

8 Britannica, 1972, 481, 482.

9 Britannica, 1972, 482.

10 Britannica, 1974, 210; also see Merriam, Urban Chicago, 3.


12 Britannica, 1972, 489; also see Chicago Tribune, "Chicago Claims Credit for 1st Industrial Park," 15 February 1985, Sec 16, 1 & 3.

13 Britannica, 1974, 207; also see Counts, School and Society, 20.

14 Merriam, Urban Politics, 5; Counts, School and Society, 20; also see Britannica, 1974, 19.

15 see Merriam, Urban Politics, 9.

16 Counts, School and Society, 18; also see Britannica, 1972, 485.

17 see Britannica, 1974, 210; also see Britannica, 1972, 485; see also Counts, School and Society, 20.

18 Howatt, 100 Years, 62.

19 Encyclopedia Americana, 1984, 427; Merriam, Urban Politics, 4; also

20 Lewis and Smith, Chicago Reputation, VIII.

21 Americana, 1984, 428; Britannica, 1972, 493.


23 Americana, 1984, 428; also see Merriam, Urban Politics, 6-7, 69-74 for additional information.

24 see William T. Stead, If Christ Came to Chicago (Chicago: Laird and Lee, 1894); also see Lloyd Wendt and Herman Kogan, Bosses in Lusty Chicago (Bloomington: Indiana University Press, 1967), for further information.

25 Merriam, Urban Politics, 45.

26 see Merriam, Urban Politics, 24; also see Columbia Encyclopedia, 528.

27 Britannica, 1972, 486; also see Britannica, 1974, 213; see also Len O'Connor, Clout: Mayor Daley and His City (Chicago: Henry Regnery Company, 1975), 12.

28 Merriam, Urban Politics, 228; see also O'Connor, Clout, 13.


30 Merriam, Urban Politics, 255.

31 Lloyd Wendt and Herman Kogan, Big Bill of Chicago (Indianapolis: The Bobbs-Merrill Company, Inc., 1953), 333; also see Merriam, Urban Politics, 263-264;


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Ralph Fletcher Seymour, 1941), 87-88; also see Paul D. Spear, The Credit
Base of the Board of Education of the City of Chicago (Chicago: H.C.
Speer and Sons Company, 1956), 14; Joseph Pois, The School Board Crisis
(Chicago: Educational Methods, Inc., 1964), 60; also see Charles E.
Merriam, Spencer D. Parratt, and Albert Lepawsky, The Government of the
Metropolitan Region of Chicago (Chicago: University of Chicago Press,
1933), 66.

34 Merriam, Parratt, and Lepawsky, Metropolitan Chicago, 66;

35 Russel L. Wise, "Organization and Administration in Chicago,"
Chicago Schools Journal, 15 (January-June 1933): 71-72, 69-70;
Frederica J. Spunar, "A Study of the Role of the Otis Law in the
University, 1965, 45.

36 Howatt, 100 School Years, 10; see Spunar, Otis Law, 445-52 for
further information; Hanna Belle Clark, The Public Schools of Chicago:
A Sociological Study (Chicago: University of Chicago Press, 1897),
13-14.

37 Herrick, Chicago Schools, 55, 80.

38 Margaret A. Haley, Battleground: The Autobiography of Margaret A.
Haley, ed. Robert L. Reid (Urbana: University of Illinois Press, 1982),
x; also see the Chicago Teacher's Federation Files, Chicago Historical
Society for additional information; Herrick, Chicago Schools, 88, also
see Joan K. Smith, "Progressivism and the Teacher Union Movement:
A Historical Note," Educational Studies 7(Spring 1976), for additional
information.

39 see Counts, School and Society, 36-44; also see Herrick, Chicago
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Educational Commission of the City of Chicago, Appointed by the Mayor,
64.

40 see Herrick, Chicago Schools, 107; Counts, School and Society, for
additional information; also see Haley, Battleground, XII.

41 Haley, Battleground, 152, 174-175; also see Joan K. Smith, Ella
Flagg Young, Portrait of a Leader (Ames: Educational Studies Press,
1979) for additional information; see also Herrick, Chicago Schools,
114-117.

42 Counts, School and Society, 101.

43 Proceedings of the Chicago Board of Education, 1915-16, 734;
Herrick, Chicago Schools, 122; Counts, School and Society, 54; Dodge,
School Master, 83; also see Haley, Battleground, 171.
44 Haley, Battleground, 171-173; Herrick, Chicago Schools, 131.

45 Dodge, School Master, 81; Herrick, Chicago Schools, 131.

46 Haley, Battleground, 174; Herrick, Chicago Schools, 127; Note, both Haley and Herrick indicate that the AFT was formed in April 1916 but Reid states it was organized in May.

47 see Haley, Battleground, 178-179; Herrick, Chicago Schools, 128-129; Dodge, School Master, 84-86; Spunar, Otis Law, 61; Herrick, Chicago Schools, 132.

48 Haley, Battleground, 179; Herrick, Chicago Schools, 129; Counts, Schools and Society, 54-55.

49 Herrick, Chicago Schools, 135; Haley, Battleground, 180-182, xxviii, xxx; Counts, School and Society, 55-56; Dodge, School Master, 88.

50 Herrick, Chicago Schools, 137-138; Counts, School and Society, 251-254, Haley, Battleground, 180-182.

51 Counts, School and Society, 253, 256-257; Herrick, Chicago Schools, 138-139.

52 Counts, School and Society 259; Herrick, Chicago Schools, 141-142; Haley, Battleground, 189-190; Howatt, 100 School Years, 43-44.

53 Howatt, 100 School Years, 43-44, 45; Herrick, Chicago Schools, 142; Counts, School and Society, 260-263.

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56 Haley, Battleground, 222; Counts, School and Society, 274-275, 276; Herrick, Chicago Schools, 166; Howatt, 100 School Years, 47; Wise, Chicago Schools Journal, January-June, 1933, 70.

57 Counts, School and Society, 277, 280; Herrick, Chicago Schools, 169; Howatt, 100 School Years, 6.

58 see Haley, Battleground, 100-101, 114-120, 195-196; Herrick, Chicago Schools, 47-48, 75-77, 104-105; Merriam, Urban Politics, 126-137; Counts, School and Society, 58-60; also see Joan K. Smith, "Social Reconstructionism and Teacher Unionism: Chicagos Response to the Great Depression," 1982, 4; Herrick, Chicago Schools, 177-179.

59 Howatt, 100 School Years, 48; Herrick, Chicago Schools, 179; Smith,


62 Howatt, 100 School Years, 48-49; also see "Cook County's Revenue Problem," The Association of Real Estate Taxpayers of Illinois, University of Chicago Library, 1931; Herrick, Chicago Schools, 187, 189, 190; also see Simpson, Tax Racket, 184-193; see also Strawn, Chicago Tax Lesson, 30-32, 94 for additional information; H.K. Barnard, Anton, The Martyr, (Chicago: Marion Publishing Co., 1933) 55.
CHAPTER III

MAYOR CERMAK IN 1931

INTRODUCTION

The following three chapters provide a detailed description of the accounts of the Cermak administration. It is important to realize his political savvy while examining the record of A.J.'s two years as mayor of Chicago. His skill in the political arena was derived from his ability to control the situations which developed so that he could gain the most from the results. Cermak had to utilize all of his talents during his tenure as mayor given the financial conditions of the city when he stepped into office. In relations with the schools, one notices how Cermak always showed up as being the champion for all sides and the one catalyst for achieving success. Whether it is getting a pay day for teachers, forcing reductions in the budget, placing blame on the school board, or cajoling the bankers to loan money, the results always favor Cermak the politician and invariably strengthen his image as a master executive. By remaining separate, publically, from all groups, Cermak retained the advantage he desired. He would chastize the bankers disagree with the citizens' committee, hound the school trustees, and support the needs of the teachers. Yet he never became trapped in the political corner of total alignment with a specific organization. He always seems to be the positive force for change but never the brunt of criticism. For example, he handled the board members and the teachers while working with the business community and bankers. While the record of his administration speaks for itself, it is important to keep in mind
how Cermak walked the political tight wire with classic efficiency and
amazing effectiveness.

This chapter considers how Cermak handled the school board
selection process, his attitude toward the trustees appointed by the
previous mayor, and the change of position he made toward the election
of Lewis Myers as president. A.J. used the advisory committee for his
political advantage and he always was in the center of any attempt to
obtain tax reform whether it was speaking to the legislature or
pressuring large taxpayers. Finally Cermak worked his relationship with
the teachers so that he never loses their support. What follows is the
record of the these events.

Candidate Cermak

The image of Anton Cermak during the 1931 mayoral election campaign
emphasized his being a public service man. He was portrayed as "The
Master Executive," a humanitarian, and a defender of personal liberty.
Because he was not an individual with personal warmth or glamour, his
family was used to add such an element to his strategy. Cermak's
granddaughter, Vivian Graham, who was twelve years old, campaigned for
her grandfather in speeches to groups and on the radio. The Cermak
election project was fashioned after the "Great Engineer" campaign of
the Hoover presidential portrait in 1928. Throughout the campaign he
responded to the personal attacks from Thompson in a manner which
stressed his personal dignity.¹

With the support of the leading bankers, industrialists,
physicians, social workers, and educators in the city, the backing of
the women's clubs and other similar organizations, and the benefit of
the *Tribune* and *Daily News*, the Cermak political machine swept through the city. Fed by the corruption in government and the criminal activity which flourished under the Thompson administration, Chicago rallied to "Get rid of Thompsonism." A group of nonpartisan business organizations put out a pamphlet which stating that Cermak had, "repeatedly demonstrated his ability to translate his knowledge into practical plans," and that his "experience as businessman and as a public servant had fitted him...to be Chicago's mayor."²

The teachers in Chicago took an active role in the election of Cermak. The Chicago Teachers' Federation (CTF) endorsed Cermak as the only hope and salvation for the public school system. Mary Herrick said that A.J. talked sense to teachers, and Margaret Haley indicated that Cermak could see around a corner about as well as any man who ever sat in the mayor's chair. Haley also felt that Tony had a sense of closeness to the people whom he represented. The teacher had every reason to believe the Democratic candidate when he promised them that they would be treated like city employees and politics would be taken out of the schools. In a speech before a group of two thousand women at a democratic organization luncheon just prior to the election Cermak said:

I intend to stick to that promise and to appoint as members of the board of education men and women who can be depended on to ignore politics when it comes to the management of the public schools. The teaching forces are overtaxed, and if the personality of children is to be respected, the number of pupils to a teacher must be reduced. Our present system of large schools leads to a sort of irresponsibility on the part of pupils and we cannot develop good citizens when we do not develop a sense of responsibility in children.
Haley also stated that Cermak opened "his doors to the representatives of the teacher organizations and to the civic organizations concerned with the deterioration of instruction in the public schools." Dr. Graham Taylor, in a series of articles written during the campaign said that:

Cermak is no less explicit as to the protection of the public schools from the outrageous exploitation they have suffered at the rough hand of Mayor Thompson himself and the unscrupulous dealing of most of his trustees. By contrast, Cermak speaks for himself and whoever he appoints: "I pledge myself to appoint to the Board of Education men and women of high character and of demonstrated devotion to civic welfare, to defend the public school system from political influence, to have the Board of Education and the superintendent of schools free to conduct the schools solely for the welfare of the children of Chicago; to give all possible support to measurers designed to secure adequate revenue for the schools; to use my influence to secure the proper and efficient operation of the Otis Laws in its application to the administration of the public schools of Chicago." 4

The Daily News reported that Cermak would strive to raise the schools "to a standard of other large cities in pupil class membership, in teachers salaries, and in increased seating facilities." Cermak told the City Club that the new Board of Education, would be composed of men and women of proven devotion to the schools and the pupil's welfare. In the latter part of March, Helen Hefferan, a member of the board of education sent letters to her friends stated that Cermak was an able and conscientious executive familiar with municipal and governmental affairs, and that under his leadership politics would not find a way into the schools. Mrs. Hefferan also indicated that A.J. was known as an energetic laborer for public good in public office and that the schools needed to be safeguarded by a man of his type. 5

When the election results of 7 April 1931 were tallied, Anton Cermak had received an overwhelming victory. Elected with a plurality
of over one hundred and ninety thousand, he became the first foreign-born non-Celtic (or non-Anglo-Saxon) mayor of the city. With such a mandate Cermak held control of the political organization he developed over the years. Mauritz Hallgren, writing for The Nation said of his victory, "the people of Chicago, by electing Tony Cermak, have made him the most powerful political boss in the United States today." He continued by stating that the political machine perfected by Cermak would be difficult to dislodge because it was "in operation in virtually every ward in the city" and was "closely woven into the very fabric of the municipal and county governments, into the life of the city itself." Chicago political writer and educator Milton Rakove said, "Like no other politician, Cermak began the reign of the Democratic machine and fathered the ethnic coalitions that have held Chicago together." He was the ultimate politician, according to Len O'Connor, "He made all the rules, dealt all the cards," and destroyed undeserving organization ward operators.6

Cermak, said one source, was a dictator who refused to tolerate the ward feudalism which had characterized Chicago politics. According to Mathewson, A.J. "quickly established himself as the most powerful boss the city had ever known." Cermak believed in a rigid organization designed from the top of the party down to the lowest ranks, "with all final authority vested in Tony Cermak." The New York Times told its readers that Cermak "had built up one of the most powerful political machines." The Encyclopedia Britannica stated that the foundations of the present-day "Organization" in Chicago were "laid during the brief term (1931-33) of Anton Cermak." It was, as political analyst Len
O'Connor said, "a firmly-founded brother hood able to work together for its common good." As stated in Our Fair City, Cermak had gathered a following and built up his political influence in his two previous posts as head of the forest preserve district and president of the Cook County board. Victory in the mayoral election gave the Democrats and Cermak undisputed control over both the city and the county. The combination of the Cermak machine, those who supported him but were not part of the political organization, and the vote of the individuals who just wanted to end Thompsonism, placed A.J. on top of the political pile in Chicago. With the results finalized he was no longer running for the job of mayor, he had become the head of the city. His attitude and restrain on election night indicated he was aware of what he faced. As his biographer said, "His words of thanks to the electorate and his entire demeanor showed that he was cognizant of the heavy task he was about to shoulder." 7

The Beginning

As Mayor Cermak prepared his inaugural address, he could hardly have been aware of the factors that had developed over the past months which would have direct bearing on his start as chief executive of the city. First of all, the schools had just survived the attempts of Mayor Thompson to use the school children to promote a personal scheme in the name of prosperity. This had far reaching ramifications that subsequently led Superintendent William J. Bogan to appoint an Advisory Council made up of lawyers, doctors, university professors, heads of civic organizations, and business men. This council gathered information on the conditions in the school system and advised the
superintendent on various matters. Unfortunately, the Board of Education felt isolated and detached from the superintendent and as a result a power separation developed in the system. Therefore the board began formulating most of its plans without consulting Bogan, who was powerless to influence the members. 8

Second, the growing tax problems which faced the city and school district continued to become worse. Corporate magnate Silas Strawn wrote an article in the February Nation's Business which described the Chicago situation. He summed up the problem by indicating it was time to consolidate taxing units; to put the tax machinery on a scientific-nonpolitical basis; to carefully prepare and observe budgets; to incur only necessary obligations; and to initiate rigid measures of economy. Strawn felt that the solution to municipal finance could "not be left to the politician, the reformer, or the theorist," but demanded the best constructive thought of experienced business leaders and wise financiers." 9

In March Lewis E. Myers, President of the Board of Education told the members of the Superintendent's Advisory Council that the school treasury would be without funds after the first of April, and only a miracle could provide a new source of money. Meanwhile members of the Strawn Committee pushed for tax reform for Cook County and appeared before the state legislature. Melvin A. Traylor, Chairman of the First National Bank of Chicago, urged the members of the General Assembly to approve changes in the tax machinery of the county. "The Chicago schools couldn't meet their payrolls today," he said and "Before people
can be induced to buy more tax warrants they have got to know when assessments are going to be made and collected." 10

Cermak Takes Office

Upon his return from a short vacation in Florida after his election, Mayor Cermak addressed the matters at hand. He indicated that his first priority was to curb expenses and his ultimate goal was to reduce taxes. Cermak also announced plans to appoint a fiscal commission of "representative citizens of experience and ability in business and financial matters" to make an investigation of city government. The first sign of difficulty between the mayor and the board of education surfaced when Cermak announced he would seek to replace those employees who received appointments because they were supporters of the Thompson administration. Board President Myers stated that he and the board refused to support Mayor Cermak in his campaign, and would continue to oppose his efforts to remove such individuals. However, he said that in order to "prevent conflict between the board of education and the mayor," he would set-up a special committee of three trustees to supervise future appointments. In addition, the board told a senate committee that a bill which required seventy-five percent of the education fund be guaranteed for teacher salaries attacked the discretionary powers of the board and therefore should not be passed. James Hemingway stated that the board resented any efforts on the part of the teachers to curb its power, but school trustee Mrs. W.S. Hefferan said that the bill was a just protective measure for the teachers. 11

In his inaugural message on 27 April 1931, the mayor said he wanted the new "Advisory Council" he proposed to make recommendations for: (1) the consolidation of thirty-two departments in the city; (2) the
revision of municipal contract specifications and central purchasing; (3) reclassification of civil service positions and restrictions on temporary appointments; (4) installation of labor saving devices in office work; (5) the simplification of reporting on city activities and functions; and (6) the continuous supervision of appropriations and expenditures including bond proposals. Cermak started on the board of education with a promise to investigate the purchasing department of the schools. He said:

The Board of Education went to the Legislature and said it was going to give every child a seat and have finer accommodations for them. The legislators fell for it and let them increase their tax rate 50 cents. Then they proceeded to make more unnecessary jobs for their political henchmen.

Cermak further warned that school trustees should go along with the retrenchment program and said that in order to accomplish his goals, the membership of the board might be increased or decreased. 12

Cermak and Trustees at Odds

The Mayor called board members Walter Brandenburg and H. Wallace Caldwell to his office and told them of his intent to seek the removal of the present trustees along with their business managers, agents, and other spenders because the public wanted Thompsonism out of the schools. While he indicated he would not meddle with the teaching end of the schools, Cermak said he would adopt such a policy with regard to the business affairs of the board. The mayor told the two trustees that he felt it was "unfair to the electorate to allow officials of the defunct administration to practice policies repudiated at the polls." When the two board members told him they opposed his action because it was only a political move to replace Republicans with Democrats, Cermak instructed
Corporation counsel Francis X. Busch to prepare legislation to oust the board.13

_Cermak School Board Appointments_

In the first part of May, Cermak asked Charles E. Merriam, head of the political science department of the University of Chicago, to serve on the board of education. Cermak said, "I want Professor Merriam as head of the school board," and indicated he would wait for Merriam's answer before making any further decisions on his plan to remove certain members and begin an economic survey of the school administration. Also during this time, he centered his efforts on finishing his cabinet appointments and listened to suggestions on how to operate the city. Because A.J. desired to have his finger on every pulse, believed that no one was as trustworthy as himself, and demanded access to information, he kept his doors open to all callers. In making appointments he often recommended individuals who had worked with him on previous committees "so that effective liaison could be maintained." One source indicated that no mayor ever surpassed Cermak in the detailed knowledge of the intricacies of administration or being familiar with the jobs of the top level officers and the lowest ministerial employees. Gottfried said Cermak made it his business to know people and demonstrated considerable shrewdness in judging men and women. He used his power of office and "did not hesitate to use his prestige, his patronage, and his complete control of the party to effect his desires."14

_Cermak the Politician_

The mayor continued his assault on the board of education in his
first meeting with the members of his advisory commission by asking them to induce the school board to resign as he requested. He told the commission he was charged with the responsibility for the actions of the school board but had nothing to say about how its affairs were run. Indicating that in 1919, when he was in the city council, he had been the alderman who made the motion to support the trustees of the city administration. At that time the council and Mayor Thompson were at odds over school board appointments and the aldermen held up confirmation procedures because of the pending mayoral election. When Thompson was returned to office, Cermak led the campaign for the approval of the mayor's appointments. A.J. said that the present situation was similar in that once more the voters had spoken. Therefore, since he was elected the Thompson trustees should resign from office. In addition he stated that even though he was personally acquainted with some of the trustees, he should be allowed to appoint trustees for the school board. 15

Cermak suffered a set back when Professor Merriam declined the school trustee appointment because of pressure from other obligations. Merriam said he would be of most service to the mayor by working on the advisory committee. A.J. also could not have been pleased when the school board ignored his demands to resign even though they did discuss school construction economies. Cermak responded by turning to his advisory committee for suggestions on effective methods for cutting school expenditures. His first school board appointments finally came in May when he selected Robert Carr, former University of Illinois trustee and president of the Dearborn Chemical Company, to fill a
vacancy. A.J. also reappointed Mrs. Helen Hefferan, former organizer of the Illinois Congress of Parents and Teachers. Carr's political affiliation was not listed but Mrs. Hefferan, who had originally been placed on the board by Mayor Dever in 1923, had been active in the Democratic party. 16

The Mayor asked the board to postpone its election of officers until the relationship between the city administration and the trustees of the board of education was clarified. In a statement made prior to a meeting with Cermak, Board President Myers told reporters he would resign his position if the mayor asked for it. However, when other members were asked about resigning, their answers were less compliant, as H. Wallace Caldwell said he would not quit even if "Mayor Cermak asked for it on bended knees." All the while, Cermak kept after the members saying that if they decided to "go along by themselves without consideration for the aims of the administration," they would be met with stiff opposition, i.e., the board would not get any money to operate and the legislature would not grant them any more funds. A.J. continued that he did not care who made up the board of education, only that the individuals were capable and in harmony with his policy of economy but there had been no real proof of that kind of harmony up to the present time. However, three weeks later, the mayor supported Myers in his reelection as president saying that he was more interested in bringing about economy in the operation of the schools than in obtaining control of the board. Cermak, aware that he did not have the votes to keep Myers from the post, held several meetings with power company official where agreement was reached on several important issues. As a result,
Myers retained his post and Cermak had a big businessman elected to the presidency while he obtained good political advantage with the action. President Myers indicated after his reelection that he would "cooperate with Mayor Cermak in every way for the good of the school children." Myers, who was active in public utilities, also indicated that the board would consider examining ways to reduce school costs. 17

While this jockeying for position was developing between the mayor and the school board, the President of the National Education Association called the Chicago public schools "the nucleus around which the American system of education" was being built. In addition Superintendent William Bogan wrote about "Progressive Education in Chicago" in a national magazine. As such virtues of the school system were being told to the world, the Herald and Examiner carried an editorial stating that Chicago had fallen behind in its public school program and encouraged additional school buildings plus more and better paid teachers. 18

Because the Chicago banks refused to purchase any tax warrants until the assessment situation was improved, the city went looking for fiscal assistance. On 5 June 1931 it was announced that New York financial houses would loan the city up to ten million dollars after they had conferred with Mayor Cermak. At the same time, Cermak continued his efforts to get legislation passed to place the city on a more substantial financial basis. He appeared before the house revenue committee, held meetings with civic organizations, and denounced tax-dodgers, who payed "$20,000 for an imported car but only $50 personal property tax." In addition, the paychecks due the school
employees were held up because of a lack of funds. H. Wallace Caldwell, former president of the school board, indicated the board was considering a scrip plan to pay teachers. The program which was used two years before, centered around issuance of a certificate of indebtedness bearing a six percent interest. This would be turned over to a loop bank which served as a trustee of the fund. Then participation shares, or scrip, would be issued in small denominations to employees and creditors. CTF leader, Margaret Haley said, the teachers had "to hawk the warrants to find a purchaser" and take the price the purchaser would pay. The bank was to collect the interest on the warrants until the 1931 taxes were paid. School employees who accepted the scrip could not assume that the certificate would bring its face value and had to bargain with whomever would agree to purchase the certificate. When the idea of scrip was attempted in 1929, under Caldwell's presidency, the employees in general and the Chicago Teachers' Federation in particular raised such objections that the board stopped the plan and paid cash for their obligations.19

As the teachers and other school employees faced payless paydays and the possibility of scrip, the board discussed money. First they weighed the need for a fifty million dollar bond issue for the election of public school buildings. Don C. Rogers, director of Research and Building Survey for the board of education, told the City Club's Education Committee that it was difficult to get proper school construction during times of economic depression and any economies made now which would interfere with the proper function of the school curriculum would be later regretted. Next, they examined the results of
the audit done by the Cleveland Audit Company on its investigation of school finances. The company, which was regarded as "a firm less than distinguished in its field," recommended saving over $1,400,000 dollars outright plus an additional $650,000 dollars provisionally by increasing the number of students in the classrooms and shortening the school year. The report stated that the salaries for teachers were higher than the average for cities with a population over one hundred thousand. However, it said, Chicago's cost per pupil was at the top of the list. In addition operating expenses had the highest percentage of total cost while the average number of pupils in a class was greater than the national average. The board was favorable to the report, but Cermak criticized it for not recommending greater savings and called it a whitewash which only scratched the surface. The teachers charged the auditors with unfairness and discrimination. James A. Meade, President of the Men Teachers Federation, told the board to get the money for the unpaid teachers or to resign. Meade continued that the mayor had no jurisdiction over the school board and could do nothing to help the teachers with their pay. However, he said, if the trustee resigned, then perhaps something might be accomplished.20

Mrs. W.S. Hefferan introduced a resolution which called for a survey of school finance by the mayor's advisory commission along the lines indicated in Cermak's inaugural address, but the measure was defeated when only Hefferan, Carr, and President Myers voted for its passage. Thus, the board of education became the only public body to refuse to cooperate with Cermak's plan for fiscal examination. The board went ahead with the scrip proposal as part of a plan for financial
relief. However, the General Assembly killed the building bond bill for Chicago. During the last week of the month both Superintendent Bogan and school contractors refused to accept scrip. The Tribune took issue with the trustees in an editorial when it told its readers that the mayor had made a start at saving money in city government but it was significant that the board of education refused to let the mayor's advisory committee study the school budget. The article supported the advisory committee appointed by the mayor in its study of financial efficiency in government and said that until school costs came down there would be no tax relief in Chicago. Mayor Cermak was a guest at the Union League Club where he was introduced by Fred W. Sargent, President of the Northwestern Railroad and prominent member of a group of business leaders who supported the mayor in his election. Cermak told the members he did not believe the businessmen of the city realized the serious condition of the community government. 21

When Governor Emmerson's Tax Conference came to Chicago in July, over five thousand teachers marched to demand payment for their services and Mayor Cermak outlined a plan for tax relief. At the same time, in a meeting of the American Federation of Teachers, James Meade told the audience that Chicago teachers had "absolute confidence in the Mayor and the board of education," and that teachers would continue to work. Mayor Cermak stated that the trouble was the board's own making and suggested that it lay off the engineers in the summer to save some money for teacher salaries. The teachers suggested that the Governor sell enough state tax anticipated warrants to provide the board of education with funds owed to it by the state. However, the state was
stopped when the bond firm of Chapman and Cutler issued an opinion that it was not legal for "the state to issue tax anticipation warrants against the school distribution fund". One educational journal told the nation that Chicago teachers had "received no salaries since April 2, and "that there was no prospect for money insight. The Chicago Tribune said the teacher organizations were partially responsible for the crisis because they became associated with a radical wing of labor and were victims of some of the worst scallawag politicians ever known in the city. The next day, the same paper lauded Mayor Cermak's progress in reducing the expenditures of fire and police departments.  

**Summer and Scrip**

In early July, two important actions which affected the schools were announced on the same day. First, corporation counsel William H. Sexton ruled that Cermak and City Comptroller Szymczak could legally sign over five million dollars in tax anticipation warrants for use as a trust for scrip. Sexton said that the board could issue tax anticipation warrants but had no authority to issue certificates of indebtedness. They, he said, could be repudiated if held illegal by the courts. Both Cermak and Szymczak indicated they would not sign the warrants but would refer the subject to the advisory commission. On the other hand, President Myers said he would explain the procedure to the commission and hoped that it would permit the board to proceed. Second, the board of education announced that it intended to cut over two million dollars in operating expenses by following the lines of economy recommended in the survey conducted by the Cleveland Audit Company. As previously indicated, the majority of the cuts were involving in the
The resulting activity brought about a flood of protests against the board of education. The Mayor's advisory committee blasted the scrip plan as unwise because it was certain to cause financial losses to the teachers and "would be a menace to the credit of the city". In a letter to the mayor, the chairman of the committee, Sewell Avery, said while Cermak was technically obligated to sign tax anticipation warrants, it was publically known that the warrants were not to be sold, but to be used as a basis for scrip. Also, teachers and civic leaders attacked the economy plan of the board and said the cuts in the educational program hurt educators and school children.

The teacher unions adopted a similar resolution at a mass meeting called to discuss the board reductions protesting the school board's proposed economy program. As the teachers worked to change the plan for reduced costs, Mayor Cermak and the school trustees continued on separate paths on the issue of scrip. In a letter to board secretary Charles Gilbert, Cermak said the city was aware of the board's consideration of the scrip plan and warned the members to take such action only after the most exhaustive investigation of all legal questions was taken. He told Gilbert that the tax warrants were signed only in a "ministerial capacity," and he did not accept any further responsibility for them after they were delivered to the board of education. However, on 14 July, the board put the scrip plan into effect.
As the month progressed, more objections to the school board reduction program surfaced. The Tribune noted that "rather than injure a discredited political faction," by reducing costs and positions in the patronage rich custodial services, the board chose to injure the children with cuts in the educational program. Cermak countered when he said the majority of the holdover board was chiefly concerned with saving itself and its friends. James Meade lamented that "the board had not made any substantial progress" in finding a solution to the financial difficulties.26

Meanwhile, the revenue commission appointed by Governor Emmerson held a series of meetings with the board of education and concluded that the schools were wasting millions of dollars. Chairman Joseph K. Brittain told those in attendance that the committee considered itself to be the representative of the aroused and revolting taxpayers who had lost confidence in governments because of enormous expenditures. In response to a question from tax committee member Fred Sargent, board President Myers said there was "a strained relationship between the city administration and the board of education," but Myers told the commission members that he would work to develop a proposal to reduce expenditures in the schools. As the board struggled with attempts to bring about the cuts, individual members argued with one another about the merits of the investigation. Trustee James Henmingway blasted the commission and said it was trying to "confuse the taxpayers and let the mayor gain control of the school board." Finally, on a motion by Robert Carr, the board adopted a resolution to order "estimated savings" of
over two million dollars by providing the donation of one week's service by teachers, the extension of custodial vacations, and the discharge of a number of assistant engineers.27

All the while, the teachers, led by Margaret Haley, continued a campaign against scrip in the schools, the city, and in the courts. The CTF canvassed banks and businesses and found few of them interested in accepting the scrip. It also urged the board to drop the plan and to pay employees in tax anticipation warrants. But a problem developed with the concept when several of the other teacher organization opposed the Federation's efforts to keep merchants from accepting scrip. Some of the teachers in the most dire of circumstances collected the scrip. But only about 3 percent of those employees accepted the certificates. The situation continued throughout the summer. When the schools opened in September, the employees still had not been paid for work done in May and June. The board had no money on hand to meet the September payrolls nor did the prospect for finances for paychecks look promising. The Chicago Teachers' Federation filed suit in the circuit court to enjoin the board of education from issuing further participation certificates. In discussing school expenditures Philip Kinsley, a writer for the Tribune, said there had been few economies voted by the school board and their tendency had been for more revenue to meet the needs of the school system not for retrenchment. The Tribune editorialized that substantial retrenchments were unavoidable and the trustees failed to put its affairs in order because of ignorance and a desire to use the schools for political advantage.28
When the board presented its plan for financial relief to the Governor's Commission, it proposed a 125,000,000 dollar bond issue. Fifty million dollars would be for school construction and the remainder would be used to "replenish the board's working cash fund to pay overdue salaries and bills." The board requested that the various teacher groups support both issues but provided an ominous warning in a statement by trustee Savage. He told the teachers if they did not let the building bond issue go through he would not be interested in the passage of the seventy-five million dollar bond issue for salaries. Speaking before the Governor's Commission, Aaron Kline, Chairman of the Chicago Principals' Club Finance Committee, said in order to find a solution to the Chicago school problem there had to be: 1) A reorganization of the tax assessing and tax collecting machinery; 2) An equitable spread of the tax burden over intangible wealth to secure additional revenue and to lighten the burden now unfairly placed on real property; 3) New sources of revenue to accomplish the objectives in (2) above; and 4) Increased state support for public education.

The Court Steps In

In October Judge Philip Finnegan issued a temporary restraining order barring the use of participation certifications and said that tax anticipation warrants should not be issued and delivered except for cash. Eventually Judge Finnegan had to call in President Myers before the board stopped issuing the scrip. Haley said that Myers gave up the scrip idea reluctantly. It was also reported that the utility companies, the railroads, and the large department stores were taking scrip. Once again, the Tribune assailed the school trustees for the stupidity they attempted to cultivate on the public. The Chicago
Principals' Club began a drive to petition the governor to call a special session of the legislature to obtain funds for school relief. With the help of the teachers over 927,000 signatures were obtained.

As mayor Cermak continued his assault on the Thompson board members by saying that the Board of Education refused to cooperate with him in his request for a survey of school finances, he again suggested that the holdover members work with him or resign so he could appoint others to carry on a harmonious relationship with city officials.30

A.J. said if the board did not economize, the public would "have no confidence in the effort of the mayor to bring about a reduction in the cost of government." Cermak described Lewis Myers as "honest but without any backbone," because he did not keep his promises made at the time of his reelection as president. Cermak continued that in his opinion the board of education was discredited in the eyes of the public and felt the board had the teachers in a mood similar to that of the unfed children. Finally, he said that if the board had taken steps six months ago to reduce expenditures, the "financial interests of the city would be in a much better frame of mind toward the purchase of securities." The Tribune agreed with the mayor and announced on its editorial page that while the majority of the board refused to resign, as far as their usefulness was concerned they had resigned. While Cermak, ever the politician, pressed the school board, he worked to obtain money to pay the teachers and board employees. Toward the end of the month, the local newspapers talked about a plan to provide funds for school personnel. The mayor appointed a special committee to meet with the heads of the four largest loop banks to develop a workable proposal.
Cermak told the city council, as it discussed the problems of obtaining adequate financing, that some of the criticism of the bankers was "unjust," because they had already purchased $228,000,000 dollars of warrants and had no new customers to buy the anticipation votes. A.J. scolded the council and said, "Don't do things to antagonize those whom we wanted to help us." As a result, a plan for the city to purchase board of education tax anticipation warrants was hammered out. By the end of October school employees received their pay for the month of September. 31

The board of education announced that a complete survey of the school system would be accomplished under the direction of Dr. George D. Strayer. The Division of Field Studies of the Institute of Educational Research, Columbia University, was authorized to complete an exhaustive study of the business and educational departments. In his statement to the board, Myers said while the mayor complained that the board did not cooperate with him, it should be pointed out that under the law the only relationship between the City of Chicago and the Board of Education was for the city treasurer to serve as the ex-officio treasurer and the mayor to sign tax warrants. Myers also said there was no mention of "any authority over or control of the Board of Education by the city." The Chicago teacher organizations were busy informing people of the financial situation and the Chicago Principals' Club printed in full the recommended reductions presented by trustee Robert Carr. Dorothy Weil, President of the Federation of Women High School Teachers, wrote an article in the American Teacher in which she discussed the "raids on the Education Fund" during the past summer. The Joint Conference of
Principals and Teachers released a platform for financial relief which called for a special session of the state legislature. Finally, Attorney Herman Reiling, in an article in the *Illinois Teacher*, discussed the present tax situation in Illinois and emphasized the point that education was a state duty and responsibility. He stated that the tax burden could be made more equitable if school reorganization was included in the adoption "of a new tax system."32

In November, after receiving the recommendations from his Tax Commission, Governor Emmerson called a special session of the legislature. In a WCFL radio speech, Mary Herrick outlined the provisions of the commission which concerned the schools: (1) restore public credit to allow for the sale of government securities; (2) lift the tax burden from real estate through a graduated income tax, a tobacco tax, and license fees; and (3) equalize property assessment by the use of a multiplier. In an attempt to demonstrate some unity, both the city council and the school board approved resolutions which requested that four "public-spirited citizens and taxpayers," form a group to induce large taxpayers to purchase school tax warrants so that teachers and board of education employees could be paid. Samuel Insull, D.F. Kelly, Melvin A. Traylor, and Henry A. Scandrett (President of the Milwaukee Railroad Co.) were asked by Mayor Cermak to head to financial rescue project. Yet, the city council attacked the school trustees for not solving their financial problems. Alderman Jacob M. Arvey stated that the board of education had not done anything "to help the teachers except to formulate a scheme [the scrip plan] which everyone told them was illegal." The board responded defensively to the charges. The
members noted that it was the popular thing to attack the school board. They said there had been "too much loose criticism" of the trustees for their efforts. 33

Soon after the announcement of the request for the financial relief group of four citizens to organize, the Chicago Surface Lines bought almost two million dollars of tax warrants. In a letter to all department heads of the city, Mayor Cermak told them that the financial crisis made it mandatory for appropriations and expenditures to be greatly reduced from those provided during the last several years. Superintendent Bogan made a strong appeal to the business leaders "to save the fair name" of the city with a loan for the schools. Helen Taggert told teachers across the country that their Chicago counterparts awaited (rather grimly) the final deliberation of the Governors' Commission and the special session of the legislature. Finally, Dr. Strayer's survey of the schools began on the 16th with a team of twenty-six experts divided into four different groups. 34

Holiday Appeals For School Funds

As the Christmas season neared, a number of prominent Chicago individuals went to Springfield to address the special legislative session on financial relief. There was much discussion about the proposals recommended by the Tax Committee, especially the income tax and Cook County tax machinery considerations. Such people as Donald Sutherland of Civic Federation and Melvin A. Traylor, President of the First National Bank of Chicago urged the adoption of a graduated income tax. Others including Mayor Cermak recommended a change in the tax system for Chicagoland to streamline and improve the assessment process.
The fight for reform and the desire to retain control of what was already in place caused the General Assembly to stall and lengthened the session. However no decision was obtained on legislation. In Chicago the Mayor had more success as several large taxpayers, such as Commonwealth Edison, Armour and Company, and others, purchased tax warrants. Cermak proclaimed a "Liberty Loan Drive" and asked taxpayers to buy the 1930 tax anticipation warrants so that public employees would receive their salaries. He said such was in order to release the city "from its temporarily embarrassed position." The Tribune lamented the city's position when it said that instead of the taxpayers providing funds to operate government, what was actually happening was "the banks [were paying] the city and the taxpayers [were repaying] the banks".35

As the pledges continued to mount, D.F. Kelly, chairman of the mayor's commission of businessmen announced he was glad to see the business people of the city were responding to the call for support. As a result, just prior to Christmas, City Controller Szymczak indicated the city had obtained enough money to cover a two week payroll for teachers and other school employees. Near the end of December, after a conference between Cermak, Emmerson, key legislators, and Chicago businessmen, the proposal, known as "the Kelly plan," was announced. Named for the chairman of the mayor's tax warrant selling committee who called the meeting, it provided for the replacement of the two tax boards with one appointed assessor named jointly by the governor and the president of the county board, and two appointed reviewers, one appointed by the governor and the other by the county board president. Then in 1934 all three positions would become elected. But leaders of
both political parties in Springfield, such as Michael Igoe and Elmer J. Schnackenberg, were split on the plan. Their divisions signaled that the proposal would face opposition in the state assembly.\textsuperscript{36}

With the political processes being used to seek new laws and financial relief for the schools, the board of education discussed a number of ways to save money. Suggestions included the closing of the Normal College and Crane Junior College for one year as President Myers said extreme economy was necessary and all nonessentials had to be cut. The trustees considered eliminating "fads and frills" with each member providing recommendations for cuts. A plan to increase class size and drop over one thousand teachers was brought forth as was a proposal to reduce the appropriation for repairs and replacements. The teacher groups debated the idea of closing the schools and hosting a "school relief day" in January. In addition, other educators in the city had different thoughts on the best course for the schools. Professor Charles Judd supported Superintendent Bogan's recommendation for closing the schools one month early, while Dr. Henry C. Morrison told the board to keep the schools open by "trimming out the less essential functions" in the school system. J.E. Armstrong wrote an article which responded to a Tribune story blaming the teachers for part of the financial difficulties.\textsuperscript{37}

In the December issue of the School Board Journal Lewis Myers was highlighted for his knowledge of finance, commerce, and industry, in addition to his widespread acquaintance among the financiers of Chicago. Myers was lauded for providing "his personal note for four million dollars for the December payroll for the teachers." In the same issue,
the journal stated that "probably no chapter in the history of city school administration [was] more singular and at the same time more distressing" than what had been written about Chicago. It continued by saying part of the problem in Chicago was attributable to the defective method of administrative machinery which created the board "on a basis of political expendiency subservient to the whims and caprices" of the political party leaders. Joseph K. Brittain, chair of the Governor's Tax Conference told the members of the Union League Club about the work of the commission. Brittain expressed the need for the legislature to adopt its proposal for tax reform so that the storm and stress through which all citizens and governments had suffered would disappear. In an article for the *Illinois Journal of Commerce*, Professor Simpson of Northwestern University said that the essential elements for tax relief included the honest administration of taxes and economy and honesty in revenue expenditures. Simpson said while Mayor Cermak's attempt to reduce expenditures would earn the gratitude of the taxpayers, the program was based on an assumption of the continuance of the present general governmental and political set-up. Dr. Fred Engelhardt, from the University of Minnesota, indicated that during an economic depression, schools had to remain open. Dr. Engelhardt said schools supplied a service that must be continued and that they helped keep children in school. He also stated that it was not an easy task to reduce taxes through economies in the educational program. He also said that it was necessary "to acquaint the public with the burdens" carried by the schools. 38
In what was a unique bit of timing, considering the statements of the Minnesota educator, the *Journal of Education* ran a feature section in its issue of 7 December 1931 on over sixty "high spots" in the Chicago schools. Also the University of Chicago's Education Department publications supported the Columbia University survey of the city school system, saying Mayor Cermak's lack of confidence in the school board was probably "nothing more than politics." However, any possible hope for a better new year (in many of the minds of the teachers and others) was dashed when Judge John Jarecki ruled, on 31 December 1931, that the entire 1928 and 1929 assessment of property was illegal. As a result, tax collection, what little there was, came to a grinding halt because the decision encouraged "non-payment" of taxes for those years.39
CHAPTER THREE NOTES


2 Mauritz A. Hallgren, "Chicago Goes Tammany," The Nation 132(22 April 1943): 446-448; "Beyond The Skyline," a pamphlet produced by the Non-Partisan Businessmen's Association and the Independent Women's Organization, 1931, Cermak Collection, CSA Fraternal Life, Berwyn, 13, 14, (Note, Fred Sargent and Melvin Taylor were two of the leaders of this group).


4 Haley, Battleground, 242; Graham Taylor Articles, Cermak Collection, CSA Fraternal Life, (Note, additional information on Dr. Graham Taylor is available at the Newberry Library in Chicago and at the Chicago Historical Society);


8 "Superintendent Bogan Defends Chicago Schools," NEA Journal 20(January 1931): 44; also see "Statement of the Education Committee,"
City Club of Chicago, CTU Files, Box 20, Folder 6, 19 December 1930, Chicago Historical Society; Lipkin, Payless Paydays," 8, 9;


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14"Professor Merriam Asked To Head School Board," Chicago Tribune, 1 May 1931, 1; "Calls On Merriam To Head Schools In War For Economy," Chicago Herald and Examiner, 3 May 1931, 1, 4; Gottfried, Boss Cermak, 239, 240, 244, 245.


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1931): 1, 2, for information on the city at the time.


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27 Lipkin, "Payless Paydays," 14, 15, 12; Chicago Tribune, 18 August 1931, 4;


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5; Lipkin, "Payless Paydays," 18; "Mayor Appeals To Public For City Pay Funds," Chicago Tribune, 3 December 1931, 3; "The Bankers Terms To Chicago," Chicago Tribune, 3 December 1931, 12.

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CHAPTER IV

POLITICIAN CERMAK IN 1932

INTRODUCTION

Mayor Cermak, having been in office almost nine months, passed the honeymoon period and now faced his greatest dilemma. While keeping in mind his ability to juggle situations to his benefit, one can see the way he acted and reacted with the Citizens' Committee on Public Expenditures. It was his political astuteness which allowed him to control the governance of the committee yet never be publicly attacked by the teachers and other pro education groups. Once more he headlined a rally for teachers and pushed for all his proposals in Springfield and in Washington, D.C. Yet he supported the bankers and the business community in their stance on governmental expenditures. Then too, he made the best of a potentially damaging situation when after working against the nomination of Franklin D. Roosevelt at the Democratic Convention, he carried the state for Roosevelt in the November election and insured a complete Democratic victory. The year 1932 provided the opportunity to watch the amazing political skills of Cermak in action.

Unhappy New Year

As the city governments faced the dilemma of no tax collections due to the Jarecki decision, the teachers, at least, had the work to prepare for the mass meeting scheduled for 4 January 1932 to occupy their thoughts. With the help of the Daily News, the teacher organizations rented the Chicago Stadium and gathered an impressive list of speakers,
including Mayor Cermak, Superintendent Bogan, James Mullenbach (a member of the Dever board), and others. On the day of the rally, Bogan announced a number of recommendations which would provide savings of over five million dollars in the education department. All of his measures would result in salary cuts and other reductions in teacher income. That evening over 26,000 people crowded into the stadium. They were first told that Governor Emmerson would not attend and they booed the announcement. Superintendent Bogan called the meeting, "the first united effort made by the teaching organizations in years". Irvin Wilson, President of the Principals' Club presented a resolution for the General Assembly to take immediate action to keep the schools open.¹

Mayor Cermak received prolonged applause when he told the audience he would go to Springfield the next day to fight for a tax machinery reform program. He also told those assembled that he had no control over the schools as a result of the Otis law and that he could only appoint board members. If he had the power to remove trustees, A.J. continued, he felt the board "might have followed the example of the city" in saving money. Cermak also stated that the plight of the teachers was a humiliation and the most serious problem which ever faced the people of the city. Near the end of the meeting it was announced that over 927,000 signatures had been collected in support of the need to keep the Chicago schools open through emergency relief. In January, representatives of the teachers presented the petitions, delivered in fourteen trucks, to the General Assembly.²

The Kelly plan (as it was called) for the revision of the Cook County tax machinery passed the Senate but became stalled in the House.
A deadlock developed between the city legislators and the downstate representatives concerning the income tax and the Cook County revision. While the legislature struggled with the passage of measures to assist the city's schools, the board of education pounded away at cutting its expenses. Using Bogan's recommendations as a base, the board tried a number of ways to further reduce the costs in the operation of the school system. The seriousness of the school revenue situation was brought to light when the district's auditor, H.H. Brackett, showed the trustees that at the start of 1932 the educational fund had a debt of over 90 million dollars. It was reported that many property owners had not paid their 1928 and 1929 taxes nor had the 1930 taxes been placed in collection. In addition, the debt was directly traceable, according to the Tribune, to the board's assumption that property values would be greater in 1931 than they were in 1928.3

The Citizens' Tax Commission Chairman, D.F. Kelly, told the board of education later in the month of January, that it had to "either reduce expenditures or obtain no cash" to pay overdue employee salaries. It was reported by one source that the bankers in the city supported Kelly's recommendations for the reduction of several million dollars from the 1932 school budget. However, he said trustees responded to his suggestions by indicating to Kelly that they had made a proper effort in trimming their costs. While the board delayed the adopting of a budget for 1932, it heard protests on the proposed budget from the teachers. Charles Stillman told the members the waste in schools was "not in the amount spent for instructional salaries," while the Women's High School
Federation presented a list of eight "objections" to the recommended budget. 4

**The Mayor Gets Another Pay For Schools**

The Principals' Club protested that the provision for the three co-equal heads of the superintendent, business managers, and attorney, established by the Otis Law of 1917, was a factor in the school difficulty. The organization suggested that the business and education departments be placed in the hands of one person. The School Review editorialized that the Crane Junior College should not be closed because the city, which was one of the wealthiest in the world, "should not balk at providing any part of the full gamut of basic education from kindergarten through the extended secondary schools." Just before the end of the month, Mayor Cermak announced that the city had purchased $2,500,000 worth of board tax warrants from the city's aggregate of funds so that school employees would receive another payday. 5

**The Banks and the Board**

In February, George S. Counts told the educational community of the United States that the schools had to develop a new social order based upon the American democratic tradition and the emergence of the industrial civilization. Meanwhile, the situation in Chicago stagnated through continued arguments between the board of education and the business/banking views for the reduction of costs for public education. The school trustees indicated they were ready to authorize a 1932 budget of $83,320,140, but D.F. Kelly, head of the Fair-Store and the Public Affairs Committee of the Union League Club, led by Francis X. Busch, recommended that any action be delayed to allow for further examination and cuts. The board members fought any suggestions of reduction by
saying further considerations of economy were not factual. 6

Businessmen said that since the businesses in the city were operating on 1924 levels, the board should develop a budget that was "based on 1922 and 1924 expenditures rather than upon 1929 taxes." Kelly, head of the mayor's tax warrant sales committee, was backed by the businessmen and the Tribune. Also fifty-eight firms informed the board of education that they would not honor any further orders until past bills were paid. The Tribune slapped both the board and teachers when it said that the trustees had not heard of Chicago's tax difficulties. The paper indicated the employees encouraged folly by board members when they opposed every suggestion that was proposed to eliminate expensive and unnecessary items from the budget. However, armed with the approval of the superintendent and with the increased enrollment figures, the trustees said the Kelly cuts were impractical. 7

As the month came to a close, the board members debated the possibility of following trustee Robert Carr's idea to operate a decent system as long as possible, then close the schools. Such a notion was echoed by Mayor Cermak and a number of teacher leaders after a meeting in city hall informed the educators that no pay would be available until taxes were collected. The issue was further complicated when the board received conflicting estimates for the tax base for 1932 from George Fairweather, Judge Jarecki, and Charles Fox, the chief assessor. Teachers continued to attend City Council and board of education meetings to press for salary payments, but they were divided on the issue of accepting tax warrants. The Chicago Teachers' Federation was opposed to their issuance, but the AFT locals indicated they preferred
them over anything else except money. Cermak recommended that when school employees were paid, they should only deal with those businesses who were "even with their tax bills." In response to the demands for school cuts in expenditures, the Chicago Principals' Club issued a comprehensive report of the support of public education in twenty-five cities in 1924, 1927, and 1929. It concluded that while economies should be practiced, drastic retrenchments would certainly bring the schools far below other large cities in educational programs.8

A Citizens' Committee Challenges the School Board

March began with the teachers and school employees being paid for their work in December by anticipation warrants and with the 1930 tax bills mailed to the citizens of the city. Also a showdown between the board of education and the Kelly-Sargent-Union League Club committee came to a head when the trustees adopted the 1932 budget at approximately $90 million as opposed to the businessmens' recommended $60 million. In a series of statements made prior to the adoption, most of the trustees indicated their reasons for voting on the budget. The disagreements between the board members and the Kelly committee did little to help the situation and, in fact, contributed to the hostility surrounding the approval for the document. Kelly wanted the board to hold off on adoption so that the budget could be examined further for reductions. The school trustees indicated that the schools could not further reduce expenditures.9

When the vote on the budget was taken, only President Myers and trustees McJunkin and Carr voted against it. The action caused the Tribune, the mayor, and the business community to denounce the decision.
As the newspaper printed a series of negative editorials aimed at the board, Cermak called the action a detriment to his attempt to find funds for the employees of the board. The mayor said that since the board adopted the $90 million budget, the city banks had refused to advance money for teachers' payrolls, although they agreed to do so for city employees. He continued that the banks did not want the school warrants because they did not want to work with those taxing bodies who would not live within their means. Yet, Cermak said he would not accept help for city employees unless the school teachers were included. By the end of the month it was reported that the mayor had made progress in finding purchasers for 1930 tax warrants so that employees would receive another payday. Also, Cermak had requested that the CTF parade scheduled for 9 April 1932 not be held because it interfered with "plans for getting money from the banks." 10

During the month, the Principals' Club printed the names, addresses, and occupations of the members of the Mayor's Advisory Commission hoping to reveal the heavy influence of businessmen on the committee. The American School Board Journal carried a story about the concept of "school versus war costs" and discussed how educators had to get the facts to the citizens concerning the expenses of schooling. The New Republic, in an editorial, proclaimed that it was up to Anton J. Cermak to shore up the finances of Chicago from a heap of smoldering ruins. In addition, Nelson Henry discussed two major aspects of Chicago school financing. Dr. Henry said that it was important to provide the necessary funds for the educational needs of the young people and for administrative organization and practices related to the management of
funds in schools. The Herald and Examiner offered the comment that Mayor Cermak was doing the "things he was elected to do," and the city should be more vocal in its support for his efforts.11

The Sargent Committee

However, the most significant development of the month was marked by the establishment of a "new committee on public expenditures." D.F. Kelly set the stage for change when he wrote to L.E. Myers and said the tax committee composed of citizens recruited by the local governments, had diligently worked to obtain funds for the operation of the schools over the past four months. During that time, Kelly continued, the board was faced with great apathy on the part of investors and was told that in order for the banks and large taxpayers to consider the purchase of school tax anticipation warrants, the school budget had to be reduced to the 1929 level of cash receipts. However, he said, the trustees passed a budget of $90,000,000 for 1932 and, as a result, assumed the full responsibility for securing the funds it needed to meet its budget demands. Furthermore, Kelly continued, the citizens group headed by him considered it useless to help the school board finance its obligations. The next week, at a meeting of 100 business and professional leaders at the Union League Club, the committee "for the expression of public sentiment" was organized. Northwestern Railroad President, Fred W. Sargent was elected chairman of the group. Eventually it which became known as "The Sargent Committee." A number of the members of previous advisory and real estate committees were included on the committee as was D.F. Kelly. The Tribune said that all of the information on "budgets, expenditures, and debts" of local governments, which had been
collected by the Kelly committee, had been turned over to the new group. Sargent announced that businessmen had to be "united and coordinated in a militant drive" to reduce governmental expenditures and to balance budgets. Although the board of education's 1932 budget included a school year shortened by two weeks, increased class size, salary cuts or teachers, plus the reduction or elimination of many benefits and programs, Sargent denounced the school budget as an example of what was the "complete failure of some administrative bodies to realize the full extent of the economic depression." The Herald and Examiner indicated that the new committee wanted the reduction of public service salary scales from 10 to 20 percent. The Hearst publication said the group had received promises of cooperation from every major local government except the board of education. The committee's chairman also criticized the disparity of salaries for school engineers and other workers saying engineers received more money than did principals or railroad engineers. It was reported by one source that the Sargent Committee was a citizens movement to restore business principles to political government.12

In early April, the mayor announced the anniversary of his first year in office with a press conference. At the meeting Cermack showed that he had saved over eleven million dollars from the previous year as a result of reduced payrolls and savings on supplies and in various funds. Cermak also stated that, he had provided the board "with a total of $25 million" for salaries to the teachers and other employees of the schools. A positive development happened when the Illinois Supreme Court ruled that 1928 and 1929 were valid and reversed Judge Jarecki's decision. Mayor Cermak declared that the "back of the taxpayers' strike
was broken," as those who had not paid their 1930 taxes pending the decision of the court had until 1 May to pay without penalty.13

The teachers, as well as the Public Affairs Committee of the Union League Club, (also called the Sargent Committee) were still fighting the decision of the board not to cut expenses in the plant and maintenance departments and both groups pushed the trustees for such economies. The mayor, after receiving letters from teachers protesting his failure to keep promises regarding their pay, invited sixty-eight of the educators to his office to hear the facts regarding the city's financial condition. He said they did not understand the situation and had based their complaints upon misinformation. Cermak continued that he had not promised to have them paid, but said school employees "would be paid every time city employees" received a payroll. At the meeting, Mayor Cermak outlined the reasons for the difficulty saying the board refused the retrenchments demanded by the bankers. Cermak said the trustees failed to resign and would not allow his advisory committee to make a study for saving expenditures as he did in city hall. He also criticized the teachers for the tone of the letter they sent to him stating that it was an insulting document considering he had helped to get them all of the money they received in recent months. When they left his office, one teacher commented that the meeting was not a war. Instead she said, "It was a picnic," since they came to the gathering in an angry mood expecting the worst, but were warmly greeted by the mayor who discussed all of the aspects of the school situation and listened to the concerns of the teachers.14
As a result of money received from the state distribution fund, teachers obtained three paydays in cash during the month. Yet their plight was depicted in *The American Teacher* as the result of four related causes: (1) The tax muddle; (2) The depression; (3) The taxpayers' strike; and (4) The attempt of wealth interests to force a retrenchment in all governmental expenditures and a real effort on the part of (those) interests to destroy the American public school system, using the above (1, 2, and 3) situations and excuses. *School and Society* told of the plan of the New York teachers to provide Chicago educators with a loan fund to help them during their financial difficulties. The *Christian Science Monitor* indicated that the tax tangle in Chicago ranked with the worst problems of municipal planning and government. The Chicago Principals' Club listed the occupations, addresses, and names of the main advisors on the Committee on Public Expenditures, headed by Fred Sargent and also showed which members also served on the Mayor's Advisory Commission appointed in 1931. The Club stated that the Committee was taking advantage of the depression to "force ruthless and unwarranted reductions in public school costs." In a separate article, the Principals' organization released the results of a questionnaire to Chicago teachers concerning their fiscal situation. It showed, among other things, the "startling figures on suspension of payment of premiums on life insurance policies" by the educators.\(^\text{15}\)

It was announced that salaries for May and June would be paid in tax warrants to those who desired them and that scrip was being exchanged for warrants during the last half of the month. In addition, Dr. Robert M. Haig from Columbia University wrote an article based upon the question of financing schools which would operate satisfactorily
even under conditions which existed in Chicago. He continued that a combination of circumstances had brought about a "situation in which the ultimate control of the city's finances" had been withdrawn from the political authorities and vested in a group of bankers. Haig called such action political bankruptcy.16

May began with the announcement that Mayor Cermak had appointed two new people to the board of education to replace trustees Walter Brandenburg and Oscar Durante when their terms expired on 30 April 1932. Cermak named two attorneys, Orville J. Taylor and Ernest Buehler to the positions, thus giving him "technically" four of the eleven members as a result of his appointments. The newspapers speculated that with trustees Carr and Hefferan, and with some of the holdover members who favored a cut in expenses, the mayor would obtain sufficient votes to make substantial reductions in the school expenditures. After the city council approved the two new school trustees, the mayor said he had "appointed the two best men available." Cermak said he was also certain they were in harmony with his desire to cut the cost of government.17

Next the mayor played another card when he was able to stop the approval of the school tax levy for 1932 in the city council. Thus the board was unable to sell its warrants because the banks refused to purchase them until the budget was lowered. With the bankers supporting his position on the need for further school board reductions, Cermak had the trustees against a financial brick wall. With such a maneuver blocking their efforts, the board requested information from Dr. George Strayer regarding a budget of $60, $70, $80, and $90 million. However, several days later when Strayer released a report that $15 million could
be cut from the 1932 budget and that the trustees should close the schools to force property owners to pay taxes, a new round of conflict surfaced between the mayor and school officials and teachers. Cermak blasted the concept of closing the schools and said he was "unalterably opposed" to the idea. Several board members agreed with his position and the debate raged on with other trustees and teacher representatives supporting the shut down. The mayor did indicate agreement with the reductions in the budget saying the cut in the budget would have a "further beneficial effect on the board's outstanding warrants."18

As the debate over the school situation continued, the <i>Herald and Examiner</i>, mounted a campaign, through a series of articles and interviews, which demanded the schools remain open. Trustees discussed measures to reduce the budget and concluded that the best way to achieve the reductions would be to cut teacher salaries. However, school attorney Sullivan, informed the board that they would be liable for teachers' salaries even if the schools were closed or the term was shortened. Throughout the entire process, President Myers and trustee Joseph Savage, usually took the same side that Cermak supported when it came to reductions in the budget. While Myers invited the mayor's citizens' committee to sit with the board as it considered the Strayer report, Cermak continued his attack on the high cost of the school budget. He told the Association of Commerce, that "If the city of Chicago had not come to the rescue, the schools would have been closed."19

While the city council continuing to defer the approval of the 1932 board of education tax levy until drastic economies were provided, the trustees examined possible cuts in the "maintenance of plant
The Herald and Examiner announced that the department was long known as a "plotting ground of politics," and it had been branded as a center of much extravagance. Alderman John Clark charged the board bad management and suggested that since Dr. Strayer had recommended a decrease in expenditures the board ought to cut expenses by $15,000,000 before the passage of the levy. The board members fought back saying those individuals who attacked the board and praised the city were speaking for the interests opposed to the payment of personal property taxes. Trustee Savage said, the mayor had done nothing to keep the schools open, but had done "a great deal to wreck the morale of the system." As the board members argued back and forth, trustee Taylor stated that, "The citizens' committee [had] estimated $68,000,000" for school expenditures as compared to the board's budget of $90 million, and recommended an examination of a 25 percent reduction in costs. Taylor also announced that the schools would not be closed, building construction costs would be curtailed, and Chicago taxpayers would get "$1 in value for every $1 expended."20

With the battle for reduced school costs being carried on in the city council, the board of education office, and in the local press, the teachers and other school personnel struggled with the salary needs. One significant problem developed when the bond firm of Chapman and Cutler rendered an opinion about the effect of the passage of Senate Bill 152. The legislation, which was signed by Governor Emmerson, provided that taxes for the educational funds of the Chicago School Board and other school districts [could] be paid with checks marked "not sufficient funds." Chapman and Cutler said it could not, therefore,
approve the sale of more tax warrants under the circumstances and that educational financing of schools would have to be carried out by the "issuance of teachers' orders." The opinion caught teacher unions by surprise because they thought the bill applied only to downstate districts, and caused a further complication in the payroll situation for Chicago.21

Mayor Cermak seized upon this opportunity to demonstrate that the excessive school costs were not the result of teacher salaries. He told teachers that he was "opposed to any reductions in the salaries of school teachers." Cermak used the figures of the Principals' Club and the Cleveland Audit Company to indicate that the high cost of the schools was not caused by "the increase in the number of teachers nor their salaries." The mayor used tables and charts to demonstrate that the operational cost of the system had risen two to three times as fast as that of instruction. He also said the teachers need not be "molested if the school trustees [would] get back to normal" in the operation of the schools. The Herald and Examiner helped the mayor in his efforts by continued daily articles demanding that the teachers be paid and the schools kept open. Superintendent Bogan provided a plan to reduce costs in the educational department by reorganizing classes and pupil assignments. The review of the expenditures for textbooks revealed the needless over purchase of books from 1923 through 1931.22

Another Conflict Over The Election of School Board Officers

Later in the month, when Lewis Myers was reelected as president, Cermak charged the six holdover trustees, who voted for Myers, did so only protect themselves. He further said, "the same old Thompson gang"
was trying to control the school system. The mayor also stated that the board had allowed "waste, excessive profits, and extravagance" in the construction of two junior high schools. Cermak said the problem had been discovered as a result of an investigation of school costs conducted by his advisory committee. The mayor continued his attack against the board by saying that the excess profit in the construction of the junior high schools resulted in a large number of vacant rooms in elementary schools near those junior high schools while tens of thousands of pupils were in half-day sessions in rented and portable facilities. True to the history of the Cermak-trustees' battles, the board hurled charges of graft and payroll padding back at the mayor. The members said he had tried to use the board of education for political purposes and that Myers was elected president to prevent "a Tammany Hall in Chicago." Myers said the charges by Cermak did not apply to him and he would to "dignify Mr. Cermak" by getting into a controversy with the mayor. However, there was no formal reaction by the trustees to the charge of high expense in the construction of the junior high schools.23

The board of education did react to the pressure from the Herald and Examiner, the mayor, and community feeling when it approved a resolution not to shorten the school term. They agreed also not to cut teacher salaries further, and to seek funds to provide back pay for employees. Teacher leaders were pleased with the decision. As Agnes Clohesy, President of the Elementary Teachers' Union said, teachers would not be forgotten in the drive for economy because their interests would be protected. Similar opinions were expressed by James Meade of
the Mens' Union, Margaret Haley of the CTF, Irvin Wilson from the Principals' Club, and Superintendent William Bogan. 24

The Hearst newspapers announced that the stand for open schools and teacher pay by Mayor Cermak reflected great credit upon the integrity of his service to the city. They also asked for a moratorium on teacher taxes until the school personnel received their pay. The mayor immediately responded to the request and asked Judge Jarecki to grant such a moratorium because it was "neither just nor equitable" for the teachers to forfeit holdings when deprived of income. The Herald and Examiner continued its series of stories on the difficulties in the school system with information on teacher salaries, theft of equipment, debt service, and other matters. 25

The plight of the educational community in Chicago was also kept before the public by the teachers through a series of radio addresses and publications. The teacher organizations used an effective method to keep the conscience of Chicago focused on the very grave and dangerous situation involved with the public schools and distributed school facts bulletins to the citizens. In addition, Dr. Robert Hutchins, President of the University of Chicago, told the City Club that frills in the schools could not be determined through the press. Dr. Hutchins said, the board should place the entire responsibility of administration for the schools on the superintendent. With the Strayer report scheduled to be presented to the school board in early June, the School Review applauded the inclusion of a study of the methods used to reduce school budgets in the Department of Interior's National Survey of School Finance, directed by Dr. Paul R. Mort. Also the Chicago papers
speculated on the findings of Dr. Stayer's group and they wondered if the results would support the mayor's charges.26

The two main issues which utilized the city and the school system during June were the results of the Strayer Report and the attempt by Chicago officials to obtain a loan from the Reconstruction Finance Corporation in Washington D.C. On the first of June Dr. Strayer provided the school board with the official report on the survey of the Chicago schools. It was embodied in a twelve-volume document which consisted of 1,900 pages and involved over eighty staff people. The general recommendations included: (1) the elimination of the standing committees of the board and the centralization of the administration of the schools to the authority of the superintendent; (2) subordinate to the chief executive officer would be a deputy superintendent, five assistant superintendents, and fourteen district superintendents, in which the business manager and attorney would be classified; (3) the establishment of definite business policy; (4) the reduction of the 1932 budget by approximately fifteen million dollars; (5) specific changes in the curriculum to provide more supervision in the elementary schools and expansion of the Normal College and Crane Junior College. The final report was so massive that it took several months for the information included in the volumes to be comprehended. The reaction was quite mixed with commentary falling into two groups, for and against its recommendations. The Herald and Examiner called the survey a profitable investment which showed that Chicago had a high standard of education, plus devoted and invincible teachers. But the Tribune indicated the most important aspect of the Strayer study was its $100,000 cost and
that it was not worth the money. With respect to the teachers, Strayer told the board members that the people of Chicago owed a debt to the teachers that could never be repaid. Dr. Strayer said he had known of no more heroic sacrifice that had ever been made by any group in public service. 27

Events in South Carolina, however, brought to the attention of the city by the Herald and Examiner, caused the teachers and city officials to look to Washington, D.C. for the possible solution to the financial crisis in Chicago. It was reported by the president of the Charleston, South Carolina State Bank that he obtained funds from the Reconstruction Finance Corporation (RFC) to pay teachers' salaries. As a result, Cermak made direct application, both locally and in Washington for federal aid to help the city out of its fiscal emergency. He also pressed the local bankers to investigate the South Carolina plan. In a telegram to the editor of the Herald and Examiner, Julian Mitchell told that on appeal from the South Carolina state treasurer, the RFC loaned $3,400,000 to the South Carolina State Bank for the purpose of providing loans to teachers. What shocked the teachers so much about this plan was that they had spend considerable time in Washington trying to get Congress to change the RFC regulations so that states could receive loans from the federal agency. When the Herald and Examiner provided transportation, a group of teachers went to the nation's capital and sought a change in the legislation to allow municipalities the legal authority to receive federal loans. 28

Cermak led the effort in Chicago to obtain a loan from the RFC but did not miss an opportunity to hammer, one more, at the six Thompson
board members about resigning from office. He said he felt if the Solid Six would resign, the bankers would step in and pay the teachers. D.F. Kelly, of the citizens' committee, made an application for $10,305,000 to pay employees of the city, county, and the school board to the Chicago bankers under a plan made by Mayor Cermak in conjunction with the appeal to the Reconstruction Finance Corporation. In an attempt to get the provisions of the Wagner bill amended, a group of representatives from Chicago prepared to leave for Washington. Included in the assembly were Mayor Cermak, Fred Sargent, Lewis Myers, D.F. Kelly, Ernest Graham, and representatives from the teachers' organizations, the state legislature, the city council, and the board of education. 29

On 18 June 1932, a mass meeting of over 2,000 teachers gathered in Grant Park to dramatize their financial situation. Later in the day several hundred began a march to city hall to demand their salary. When the teachers arrived at the mayor's office, Cermak met with them and listened to their concerns. He then told them they were "in the wrong church," as they should be at the school board offices. He further explained, he had only a minority on the board of education and was told by the board to mind his own business. Yet, he continued, when the bankers told him they would not give the school board any more funds until it reduced its budget, he said it had to be for all organizations. The mayor further stated that the city had loaned the school board $28 million, obtained on city credit, for school salaries and he had communicated with Congress, the president, his secretaries, and with anyone else which might help the city obtain assistance. The Tribune
reported that at the conclusion of the meeting the teachers cheered the mayor and left in a happier state after Cermak told them of his plan to seek RFC loans. 30

A Trip to Washington, D.C.

Leaving for the East ahead of the Chicago delegation, Cermak appealed to President Hoover for funds to pay the teachers and to keep the schools and local government in operation. He also announced that the presentation to Congress would consist of a "united front" comprised of five parts. The first would be the Chicago committee of Cermak, Lewis Myers, D.F. Kelly, Ernest R. Graham, Fred Sargent, Alderman John Clark, M.S. Szymczak, and treasurer James Kearns. Next would be the representatives of the teachers unions including Charles Stillman, Agnes Clohesy, Kate Kraule of the playground union, Irvin Wilson, and C.L. Vestal. The third group included the board of education representatives besides President Myers. Then Senators James Hamilton Lewis and Otis H. Glenn would speak along with Representative Fred Britten and other members of the Illinois delegation in Washington. Finally members of the Congress who had been apprised of the Chicago situation at the recent presentation of teachers funded by the Hearst newspapers would make their appeals. The mayor indicated that the delegation of the citizens' committee, bankers, heads of local governments, and representatives of employees would determine how much of a loan would be requested. He also said he would advocate the program that had been decided. 31

A.J. then left for New York to meet with Democratic officials prior to a national convention set for Chicago during the summer. The major
thrust of the appeal to Congress centered on obtaining two amendments to the Wagner Bill. The first amendment would allow federal loans directly to cities and municipalities. The second revision would provide for relief based upon unemployment instead of population. With those two goals in mind, the Chicago group addressed the House Banking and Currency committee in the morning and the finance corporation in the afternoon. The Chicago speakers presented testimony which favored their requests and was based upon the fact that in exchange for a federal loan the city offered sound securities. They also said that the city had reduced its budget and was operating within its means. The delegation said the small taxpayers could not meet their obligations but the main tax deliquents were those paying over $5,000. In addition, they informed the members that the situation was so desparate that only as a last recourse was it necessary to save the financial collapse of the nation's second city. 32

As speaker after speaker made his or her presentation about the situation in Chicago, it was evident that their proposals were not accepted with enthusiasm by the RFC board or the legislators. In the hearing before the Reconstruction Finance Corporation, Cermak and his delegation was informed that it had "never refused to advance funds to Chicago banks on good collateral." But the board indicated it was resentful that Chicago bankers had not appeared with the delegation. However, the members said they would be willing to make loans to Chicago banks if the bankers put up their own security and accepted tax anticipation warrants from the city. Before the House committee, the mayor and the other speakers faced the hostility of many of the
Congressional members who asked questions about the history of the city's fiscal problems. They also wondered why the bankers were not helping the city as they should and if the local government would get after the tax dodgers. In addition, it was learned that the President was not in favor of a direct loan to the city, because he was concerned that the money "would never reach the school teachers and the police," given Chicago's history of gangland activity. Representative James Strong told the group from Chicago that the trouble in the city was from the hoarding of eligible paper by the Chicago banks and suggested that the banks loan the money to Chicago with tax warrants as collateral. In reply both Cermak and Fred Sargent said that the bankers had done all they could do because the banks had to protect themselves by not tying up their assets in too many tax warrants. Several speakers echoed Representative Britten's statement that it would be "cheaper for the federal government to make a loan to Chicago," than to be forced to send troops into the city in August when all relief funds would be depleted. Even though the representatives received less than favorable treatment, by the end of the day the members of the delegation expressed optimism for the chances of obtaining the goals for the trip.33

Cermak's Local Effort

Upon his return to Chicago from Washington, Cermak began an effort to obtain cash from local banks in order to pay some to the overdue salaries for city and school employees. He said he wanted to know why the banks would not take more city tax warrants. A.J. said he believed the banks could afford to invest in more of the warrants since their stock of them was much lower than it had been in previous years.
Marcella Neil of the Federation of Women High School Teachers commented that many of the teachers felt that the banks were "on strike like many taxpayers." But, she said, the recent bank failures had changed some of the teachers' attitude toward the financial institutions. While the bank presidents indicated their support to help the city obtain money, Cermak announced a two-week salary payday made possible by the payment of back taxes by large property owners for 1928, 1929, and 1930. The mayor stated that if further payrolls were to be released, a "united and concerted effort" had to be made by school teachers and other municipal employees to help get back taxes paid. Cermak said the only solution to the salary problem was the payment of taxes because the city "had no hope of getting money from Congress." He continued that while everyone in Washington was playing the good old game of politics, the Congress was fiddling as Rome burned. A.J. also said the representatives were more interested in party success than in relief for the public.

Although Cermak said he was expecting no help from Washington or the RFC, the willingness of large taxpayers to pay their back taxes and the favorable replies from the bankers made for a more optimistic situation. On the eve of the Democratic Convention in Chicago the Herald and Examiner published an "open letter" to the delegates which outlined the difficulties surrounding the fiscal shortfall in the city. The editorial said that Chicago was justified in its application to the Reconstruction Finance Corporation just as the farmer was justified in borrowing until the crops were harvested. The paper also asked the visitors to inform the Congress of Chicago's need.34

William Bogan was reelected to the superintendency on 29 June,
providing some stability to the system during the crisis. Bogan was cited by the board for having taken the utmost pains to maintain intimate acquaintances with public opinion, to have met with groups of parents and other citizens, and to have provided open access and approach for employees and community members. The *American School Board Journal*, commenting on the Chicago school situation, said the outstanding lesson for school operation contributed by Chicago was that a "board of education must serve the schools rather than the political fortunes" of politicians. It further indicated support of the actions of Mayor Cermak to keep the schools open and in the appointment of board members who had high character and standing and who enjoyed the confidence of the public. L. Leland Dudley, from the Graduate School of Education at Harvard University, discussed the adjustments needed in school budgets. He pointed out that there were two methods for lowering expenditures during difficult economic times. The first Dr. Dudley said, was to eliminate" certain elements of the school offering" which had recently been introduced or were not required, and the second was to keep the established program and "spend the necessary economies over the entire set-up." Dudley said that while efforts toward governmental economy were currently the vogue, the continuous education of children, unlike roads, public buildings, and public improvements, was an activity "upon which the existence of the democratic society depends."

**The Sargent Committee with the Board**

After the 4th of July, the board of education announced it would meet nightly for approximately ten days in an effort to reopen the schools in September and to reestablish the credit of the schools. The
board invited members of the committee on public expenditures, plus representatives from the bank and employee organizations to attend the sessions. On the eve of the meetings it was reported that the bankers indicated they would not lend money to the schools until the "not sufficient funds" pay legislation was corrected. They also said they could do nothing with the Reconstruction Finance Corporation about loans until a larger proportion of taxes were paid. While the teachers held a mass meeting in Grant Park to plan a campaign for obtaining the collection of delinquent taxes, the school board discussed the $15,000,000 possibility of reducing its tax levy. Fred Sargent and architect Ernest Graham informed the school trustees that they would find it impossible to finance the operation of the board unless the reduction in the levy was made. They said if the trustees reduced the levy, the Committee on Public Expenditures would use "its best efforts" to secure money for the board but could not guarantee the adequate availability of funds to allow the schools to operate.

Mayor Cermak was not actively involved in the school situation during most of July for two reasons: First he was busy with the Democratic convention, and Second, he became ill shortly after the close of the national meeting. During his illness, Cermak appointed a group of city officials to run the affairs of the city. The mayor's summer cabinet consisted of Commissioner of Public Works A.A. Sprague, Comptroller M.S. Szymczak, Corporation Counsel William Sexton, and Alderman Henry Sonneschein. As the mayor recuperated at his home in Antioch, the city leaders announced that Chicago employees would receive a payday but not board of education personnel. The Chicago officials
said that because the bankers would not lend money to the school board in its present financial condition, the city could not borrow enough money to meet the corporate and school needs. When lawyers for the teachers pleaded with Colonel Sprague to get the board's tax levy approved so school warrants could be sold, the cabinet recommended its passage.37

The Tribune, in an editorial of 22 July 1932 continued its attack on the schools. It said that the city had made its anticipation warrants acceptable at the banks, but, said the board had not. The paper blamed the school employees for being influenced by a school board notorious for mischief and by radical elements in school leadership which believed that citizens had shirked their duties to the school system. The Herald Examiner commented that while the teachers still had not received their back pay and would not get a federal loan, a Chicago bank had recently obtained $80 million from the RFC to meet its obligations. The next day Mayor Cermak, announced he would meet with the bankers to persuade them to supply two weeks pay pending the adjustment of the school budget and a decision of the Supreme Court on the not sufficient funds law suit for school checks. Two days later, on the 26th, it was reported that Cermak had accomplished his goal. On the same day as he was scheduled to leave for a European vacation, Cermak said he had arranged for $2 million for school employees upon assurances that the school board would reduce its budget for a total of $15 million as recommended by the Sargent citizen's committee. He also urged the City Council to pass the school tax levy and instructed his Summer Cabinet to seek funds to pay all city employees.38
While the school board debated the reduction of the levy, the Illinois Supreme Court, saying the Not Sufficient Funds checks were a proper method of paying employees, upheld the validity of the NSF checks lawsuit, filed by the Chicago Teachers' Federation. Ruling on the Mathews' case, the court said the NSF checks should have no interference with the issuance of tax anticipation warrants and ordered the board to offer them to school employees. The teacher groups were divided on the ruling. The CTF indicated it was pleased with the decision while the Elementary Teachers' Union said the ruling only complicated the school financial situation. 39

The Board Backs Down

Toward the end of the month the board of education reduced its 1932 tax levies by an even $15 million, bringing the total amount down from $76,163,364 to $61,163,364. In a seven to three vote, the trustees cut thirteen million dollars from the building fund levy and two million dollars from the various other funds. With the mayor on his way to Europe, and Controller Szymczak in New Yok attempting to find a market for school tax warrants, the City Council passed the reduced school tax levy for 1932. The third part to the agreement Mayor Cermak worked out prior to his departure was stalled as the payday for school employees was held up. Deputy Controller Victor Petterson said the Not Sufficient Funds decision by the court had not been adequately analyzed by the law department to determine if the city's tax warrants would be placed in jeopardy. Harry E. Cutler, of Chapman and Cutler, indicated that the decision to uphold the payment of school employees with 'NSF' checks created a hazard for tax anticipation warrants of the school board's
education fund. July passed into August with little prospect of pay for teachers. It was reported that the only hope for a payday soon would be for the trustees to borrow enough money from the city's aggregate of funds because the thought of a special session of the legislature for school salaries did not appear promising. The Herald and Examiner lamented the plight of the teachers and asked why the banks could not "under all circumstances accept the NSF checks." 

Chicago's mayor told Nation's Business that the city faced "its most serious crisis since the fire of 1871," and the teachers felt the full thrust of the difficulty while they waited for some indication of a salary payment. The trustees discussed the possibility of issuing a tax warrant payday and the teachers said they would accept "the board's paper." But the educators disagreed on the appropriate action to be taken with respect to the "Mathews" case decision. The joint board of teachers' unions suggested that all parties meet and "ascertain the attitude of the banks toward the Not Sufficient Funds check law" before taking any action on a request for a special legislative session.

Finally on 3 August 1932 it was announced that Mayor Cermak's pledge would be fulfilled because the loop banks agreed to purchase $2 million of "school board educational fund 1932 tax anticipation warrants held in the city's aggregate of funds." The four large loop banks, headed by Melvin A. Traylor of the First National Bank, said they had established a limit of $50 million worth of tax anticipation warrants that they would purchase. Since they had obtained more than $40 million already, the banks would purchase "ten or twelve million dollars worth
of tax anticipation warrants and no more." However, the bankers told the school trustees that their "deal would not go through until the petition" filed by the board of a hearing on the "NSF" checks ruling was withdrawn. The rationale behind the bankers' position was based upon the appeal of the NSF ruling by the Supreme Court of Illinois. Chapman and Cutler, bond experts said that in their opinion the Mathews case was limited to the payment of 1932 taxes. They stated that if a rehearing was granted the court could extend the decision to 1931 taxes thereby impairing the payments of the 1931 warrants to the banks.\(^42\)

**Some Hope But Little Progress**

On 9 August 1932, the City Controller, M.S. Szymczak, announced he had "succeeded in selling a block of warrants to a group of bankers" in the East at a discount of approximately 18 percent below par. Such was the school employees' only glimmer of hope for future paydays after they received a paycheck on the sixth of the month. When Samuel Insull's Middle West Utilities "publicly collapsed" on 11 August, the banks fell into a desperate state as they had invested heavily in Insull stock. The school trustees issued over one million dollars in 1931 tax anticipation warrants "in lieu of cash" to teachers and school employees. Such a large issuance of tax warrants at a time when there were very few buyers of anticipation notes produced a decline in the value of the warrants from par to approximately 10 percent below par. Mayor Cermak authorized, by proxy, the issuance of $6,750,000 in tax warrants held in the scrip trust which was being dissolved according to the court order.\(^43\)
On the thirtieth of the month, Cermak talked for some time with Samuel Insull in Paris. Insull was traveling in Europe avoiding extradition back to the United States for his part in the alleged watering of stock in the Insull utilities corporations. At the time Cermak was still in western Europe building up the World's Fair in Chicago. In a speech the next day at the American club, Cermak told the audience that Chicago school teachers were not a "different and separate body from the city." He said that in April he hope to take control of the school board. He also stated that because the city had loaned the school board forty million dollars to pay the teachers and other board employees, Chicago had sacrificed some of its own financial security. 44

The Schools Open With No Pay

In September a new proposal to obtain cash for back salaries was presented by Senator James Hamilton Lewis. In his plan was a provision for the school board to mortgage some of its school fund property so that it would be able to qualify under the Reconstruction Finance Corporation's self-liquidating projects loan act. Of all of the land owned by the board of education, the most prominent parcel was the land "bounded by Madison, State, Monroe, and Dearborn Streets." However, school attorneys said such a concept was highly questionable, thereby dashing the hopes for a payday. When the schools reopened on 12 September 1932, the board of education was five months behind in paying its personnel. The excessive expenditures of the board was stated as the chief reason for the nonpayment to teachers. The banks indicated that the board had little credit because it had been spending more money than it could collect in taxes. In order to remove another obstacle blocking payment for employees, the law department of the board of
education recommended that the school trustees request, in the special session of the legislature, for the repeal of provision for the payment of teachers by Not Sufficient Funds checks in order to satisfy the demands of the bankers. After the mayor returned from his vacation he met with the bankers and lobbied the RFC in Washington. Yet nothing developed which provided a payday for the school teachers and the educational employees. 45

Cermak announced that a special grand jury should investigate the activities of persons who had advised citizens not to pay their taxes. Always aware of the political situation, he said that there would be a reduction tax bills for those who had not yet paid over his "dead body" because it was necessary to protect those who had already paid. The teachers continued to work for some relief during the month. The High School Association sent a communication to all bankers, city officials, and legislators asking why cash could not be provided instantly to meet the needs of the teachers and other school employees. In addition, the Federation of Women High School Teachers stated, in a proposal, that if the 1931 tax warrants in the city's aggregate of funds and the first third of the 1932 warrants were sold, there would be enough pay for all of 1932. Finally, the Principals' Club, in a radio address discussed the tax levy reductions in Chicago. Speaking for the club, Aaron Kline said that in a time of greatly increased enrollment in the schools, the board of education was forced to make reductions in its levies which were one and one half times as much as the levies of the city. Kline also questioned the demand of the Citizens' Committee for the schools to bear an unnecessary share of the retrenchment in Chicago expenditures. 46
In October of 1932 the situation remained the same. The banks insisted that while they would not buy board of education tax anticipation warrants they would purchase city warrants. When Mayor Cermak was informed that no further purchases of city warrants would be made until the 1931 tax levy was reduced, he angrily called a conference of the committee on public expenditures and the loop bankers. While the meeting was being held, the teachers were active on three fronts. One group called upon board President Lewis E. Myers and demanded an explanation why the bankers and citizens' committee had forgotten the teachers after their demands for a reduced budget from the school trustees had been met with compliance. A second group circulated petitions in all schools asking that the schools be closed immediately. A third group launched a drive to seek a special session of the legislature to protect the teachers' jobs in the event of a strike. The Men Teachers union stated that the teachers and other school board employees were not only "the victims of the financial and power purposes of a small, powerful, and ruthless group", but there appeared to be an intentional effort on the part of the citizens' committee to gradually ruin and abolish a considerable part of tax supported education.47

In the special legislative session, the section of the "NSF" law which made such warrants payable for school taxes was repealed. Thus the bankers objection to the Mathews ruling was removed. On the sixth of October, it was announced that the banks had agreed to purchase approximately four million eight hundred thousand dollars worth of tax anticipation warrants to finance a two weeks' payday for city, school board, and county employees. It would be accomplished according to one
source, as a result of the banks purchasing 1931 city tax warrants and sufficient 1931 school tax warrants held in the city treasury to meet the salaries for two weeks. In a hearing before the city council finance committee, Fred Sargent and deputy controller Petterson told the members that the board of education had no chance to redeem its outstanding 1928 and 1929 tax warrants as a result of tax collections for those two years. Petterson indicated that the banks would not grant further credit to the school system until the school teachers took a 21 percent salary cut like the city workers did at the beginning of the year. It was explained that the 1928 and 1929 budgets for the school system were "made up while the reassessment was in progress" thus the assessments had to be estimated. Unfortunately, the estimates were too high. In addition, they said the long delay in the collection of taxes and the tax strikes which prevented the collection of sizeable percentages of the tax levies allowed the interest on the warrants to "roll up." As a result, Petterson said there wasn't enough cash to pay off the debts even if all delinquent taxes were paid. Because of that situation the school district was able to issue and sell tax anticipation warrants in excess of the amounts it would be able to levy. Sargent told the committee members there was little likelihood of collecting more taxes in the 1931 bills unless they could be reduced. "Otherwise," he said, the city would "invite more tax rebellions". 48

A Drive to Close the Schools

In the middle of the month over six hundred teachers presented the board of education with petitions requesting the schools to be closed until taxes were paid. In response the trustees told them their first
responsibility was to the children of the city and if the teachers "disliked their situations they should resign." The next day when a group of representatives from the parent-teacher associations met with Mayor Cermak about the pay for school employees, he told them he was "unalterably opposed" to having the schools closed. Cermak insisted that he would not let the schools close unless every other service of the city was closed. In his statement the mayor "pleaded for tax payment as a means of keeping the schools open." He told the representatives that the banks should advance sufficient funds to keep the city in operation. Such a move by Cermak was typical of his ability to manipulate the circumstances of a situation. The teachers, concerned about their duty and need for payment, were divided on the issue of closing the schools. Ever the politician A.J. said the right words to satisfy all sides. In this case he pleased those who wanted the schools kept open yet pledged to get funds for salaries even though it was not his responsibility. The Herald and Examiner ran an editorial asking the citizens of Chicago to pay their taxes so that the teachers would receive their salaries.49

Toward the end of the month, trustee Orville J. Taylor introduced a proposal to set up a special trustee who would hold school tax warrants and negotiate loans which would be less restrictive than if the board attempted to sell the warrants. Under the plan a committee of board members, the superintendent, and the business manager was selected to confer with the loop bankers to determine their reaction to the proposal. Cermak also indicated that he met with the bankers about the possibility of selling warrants in sufficient amount to provide a two
week payroll for school personnel. Agnes Clohesy, President of the Elementary Teachers Union stated that teachers were opposed to the Taylor plan of pooled warrants because they felt it was an attempt to cut basic salary schedules when the 1933 budget was prepared. The Chicago Principals' Club interviewed President Myers and asked him about the validity of the recently issued tax warrants. He replied that all proceeding with respect to the issuance of warrants, as well as the warrants themselves, had been approved by the Chapman and Cutler securities authority and no teachers would be left with worthless paper on their hands. 50

As if designed to help Chicago deal with its school problem, several articles were written on the subject of educational needs during the financial depression throughout the country. Arthur Moehlman wrote it was virtually essential that the fiscal requirements of the school budget be within the ability of the community to pay. Moehlman also said it was necessary to maintain an internal balance between instruction and the several facilitating activities in schools such as proper environment, maintenance, etc. He stated one of the responsibilities of leadership entrusted to the profession of education was to keep the public schools intact during the crisis. Charles Judd stated that schools were not "institutions detached from the world." Dr. Judd said when communities attempted to cut down expenses they looked to the schools. He said such happened since schools costed a great deal and were easy to economize just by lowering the costs of education. W.G. Carr wrote that taxes became high because people wanted services which used taxes and recommended "increased state funds for
school support." He suggested the more general use of the indirect
taxes to supplement the tax on personal property.51

A.M. McCullough, School Superintendent in Wellington Kansas, stated
that the schools were constantly confronted with pressure from business
to reduce costs because businessmen had the attitude that education was
a drain on the resources and activities of business. In addition,
George O. Fairweather told the farmers of the Midwest that the school
tax burden invited the most serious consideration because school costs
constituted "the largest single item of public expense." He also said
that the school program had steadily grown by accretion, the school
plant approached proportions of a community club, and the system had, in
some places, "fallen under the job and contract-loading practices of
political machines,". As a result, Fairweather stated that many places
could not afford schools at their present costs. Finally, Charles
Stillman wrote of the attack on the Chicago schools as a concentrated
drive for the reduction in the costs of education and educational
facilities. In discussing the efforts of the committee on public
expenditures, which he called The Committee of One Hundred, Stillman
noted that when "any volunteer extra-legal super-government of that kind
succeed [ed] in imposing its private, personal judgment as to the
proper allocation of funds on community," such a movement was the
equivalent of a revolution.52

As the General Election of November came near, Cermak as the leader
of the Democratic party spent a considerable amount of time campaigning.
The result was a overwhelming victory for the Democrats. Roosevelt
accrued a majority of almost 500,000 votes while Henry Horner's total in
the race for Governor was even higher. The election also gave Cermak's party the control of both houses of the state legislature. On 4 November at a mass meeting of the teachers of Chicago, Charles Stillman opened the gathering by stating most educators had come to the conclusion that the concentrated attack upon public education, centered in Chicago, was "part of a national campaign." In addition, he said society had made "the banks practically the sole depository for public as well as private purposes." Stillman stated that the two year delay in the collection of taxes due to the reassessment, the tax strikes, and the depression had "placed in the hands of the bankers enormous power over the conduct and continuance of public functions." Stillman continued that the bankers had delegated in considerable measure to the Citizens' Committee. The Chicago educator said the committee could become an agency for the contribution of high minded, patriotic citizens or an "open fascist conspiracy or dictatorship," determined to eliminate waste and extravagance with little regard to the needs of the masses of people or their children. 53

The Board Works on the 1933 Budget

One week later the loop banks agreed to buy over four million dollars worth of city and school tax warrants so that the employees would receive another two weeks pay. To accomplish the payment a complicated maneuver was developed. According to the plan the school board would deliver its 1932 tax warrants to the city treasurer. Then the treasurer would exchange them for 1931 city warrants which would go to the bankers. On 14 November the board of education announced it
would exchange them for 1931 tax anticipation warrants available to school board employees for balances due them on 1931 salaries. Later in the month the board discussed the possibility of issuing over 19 million dollars in "1932 tax warrants" to the employees for their overdue salaries for the current school term. The members also debated an appropriation of 4,100,000 dollars to finance the completion of four new school buildings.

As the board of education began its work on the 1933 school budget, Mayor Cermak declined the trustee's invitation to serve in advisory capacity to the board during the sessions. He replied that several months before he urged the board to retrench but was told to mind his own business. As a result he said the trustees "wrecked the whole school machinery," but now wanted the city to help set it up once more. A group of teachers went to the mayor's office to seek his help in getting immediate pay. Cermak told them he had several plans under consideration including one to protect unpaid teachers from eviction for nonpayment of rent. Again Mayor Cermak satisfied the teachers and indicated he was doing what he would to help them while blaming their problems on the Thompson school board members. At the same time the committee on public expenditures announced that twenty-eight junior high schools in the city should be turned into senior high schools. Architect Ernest Graham recommended that no new junior high schools be built. This was in direct contrast to the Strayer Report which suggested increasing the number of junior high schools when the board was financially able to do so. 54

Several publications provided articles of special relevance to the
Chicago financial situation and the school teachers. Edgar Johnston wrote it was inevitable and appropriate that schools would share in the reduction of expenditures during the depression. Dr. Frank also said it was essential for the economies to be planned to "minimize the resultant injury to pupils in the schools and to the society." Glenn Frank, President of the University of Wisconsin, indicated that a sword which hung over education and other social enterprises of government was "the sword of imperative retrenchment forged in the fires of an irrational depression." Ford said that the utmost of statesmanlike cooperation between the leadership of schools and the leadership of society was needed to keep both safe from the peril of the unwielded sword. "The only valid reason Mr. Average Taxpayer" could have for a tax reduction was to eliminate waste, stated Robert Handy. He continued that because large taxpayers were few in number, financially powerful, and had an organizational incentive, they presented a danger equal to the rise in governmental costs. Handy said the big taxpayers blind demand for a reduction in tax rates, and their influence for decreased assessments resulted in downtown buildings continually having "their assessments decreased on one pretext or another." In addition Handy said the big taxpayer had to realize that of all the taxes the greatest direct return came from the school taxes. He continued that his own self interest demanded him to seek for his schools the highest taxes his community would permit.55

F.K. Berrien reported the "present economic crisis and the tendency of cities, municipalities, and states to cut their appropriations for educational purposes," required school administrators to resell modern
education to the American taxpaying public. The Ohio State University educator said it was paradoxical that much of the opposition to the school budgets came from people who received great benefits from the school. He further indicated that while businesses and corporations were among the loudest in their complaints, they benefited by public education to no small extent. Finally in a discussion on school finance, Raymond A. Kent said people had to be guided by reason instead of being impelling by emotion and hysteria in the examination of extravagance in school funding. The President of the University of Louisville provided several constructive suggestions on the problem. He indicated that the public schools were an "integral part of our civilization and our social fabric." He stated it was fatuous to believe that financial economies could be permitted without impairment to educational service. Kent believed there was a weakness of the whole system of taxation and the inevitable insecurity of support for those public institutions dependent upon it. Finally he said that school people should do all in their power to get the tax system on a more sound economic basis and in certain places materially curtail for a limited time building programs already projected.56

As December came to pass the state tax commission reported a "decrease of 12 percent in the total valuation of all property" for 1932. Due to adverse teacher reaction the school board postponed action on the payment of employees with 1932 tax anticipation warrants. The teacher leaders said that such a program would block payment in cash. Also they said, teachers might have to sell the warrants at a 40 percent discount. It was also pointed out that the Chicago banks were
negotiating with New York bankers on the formation of a pool to obtain a considerable quantity of the warrants so that success meant a cash payday while the board's proposal added another obstacle to relief. The tentative tax levies for 1933 were unveiled on 2 December and had a figure of over $80 million. Again battlelines were drawn because the Citizens' Committee had allocated only $48 million to the school board for all its 1933 levies, exclusive of bond principle and interest payment."

The next week the trustees began work on the 1933 budget to trim the $80 million figure and to stay within the anticipated revenue for the next year. With the Sargent Committee indicating the total budget for the school board could be only $61,000,000 dollars, most of the trustees agreed that the tentative budget had to be reduced. However the board members were divided on how to accomplish the reduction. Trustee Savage was for "retrenchment to the last dime," while member English indicated he was "absolutely opposed to any salary cuts." After the Citizens' Committee on Public Expenditures announced it would make critical surveys of every elementary school and high school for overcrowded and physical conditions, the board of education voted to stay within the tax levies proposed by the citizens' committee. After the seven-to-two vote board member Taylor said there were two avenues left open to reduce the expenditures and keep them within the anticipated revenues. The first he said, was to eliminate certain departments in the system and the second was to "lower the salary and wage scales." Teachers, however, demanded that the board trim the 1933 appropriations for textbooks and new buildings before it cut their
salaries. With the action of the board to lower its 1933 tax levies in compliance with the wishes of the Sargent Committee, the loop banks announced they would advance money for the $23 million 489,190 in bond and interest maturities of the city and school system which was due on 1 January. They also said they intended to buy enough tax warrants to give every city and school employee a Christmas pay check.58

The City Almost Defaults on its Obligations

With Mayor Cermak back in the city after meeting with the New York bankers, he and Fred Sargent outlined the proposal for the bailout of the bond and interest obligations and the payment of employees. Sargent said they believed the money would be forthcoming but that taxes must be collected. He announced there had to be a drive to sell 1932 warrants in order to finance the public bodies until next April. Meanwhile the school trustees declared that the average base salary for Chicago teachers would be cut 10 percent in order to stay within the tax levies already adopted. Agnes Clohesy, president of the Elementary Teachers' Union told board members that teachers, prominent educators, and parents in Chicago were mobilizing to fight the pay cuts. The board in turn indicated a better picture would be determined after meeting with the superintendent and the business manager. Yet the trustees continued to indicate that salaries and other expenditures must be reduced in order to keep the schools open.59

The Herald and Examiner offered a new plan to provide cash for the school teachers. In an editorial the Hearst publication recommended that the school employees select an individual to serve as a "depository for tax warrants." The paper suggested a person such as Henry Horner or
Robert Maynard Hutchins be selected. Then it was said, a direct application be made to the Reconstruction Finance Corporation. While the custodians indicated they would take a salary cut along with teachers and other employees in order to keep the schools open, many of the teachers said they would rather work several weeks without compensation than have their basic salary reduced. James Armstrong of the Principals' Club reported "if the basic schedules were revised downward it would take at least ten years to bring them up again." The south side teachers argued about whether to go to the mayor or the school board for help. They made a motion to send a committee to Mayor Cermak to seek his influence against pay cuts. But Robert Keenan said they would get little enough support from the mayor and even less assistance from the school board. The Committee on Public Expenditures wrote a letter to all taxing bodies in the county and outlined what the committee and banks were willing to do to aid local governments in meeting their financial difficulties. They required the taxing bodies to follow the economies prescribed by the committee upon the 1933 tax levies. The committee also insisted that the school board issue warrants at 50 percent of their real value, rather than the 75 percent allowed by law.

The president of the University of Chicago told a gathering at the Union League Club that the value of Chicago taxpayers' property was based in part on the kind and degree of fire and police protection and the kind of school system the city provided. Dr. Robert M. Hutchins said he would like to see taxes reduced in the present emergency by the elimination of bad, stupid, dishonest, and wasteful government, not at
the expense of honest and faithful public servants. In addition, the teachers in the Chicago schools challenged the authority of the citizens' committee and told the board of education it should not be bound by the guess of a voluntary extralegal group which had a special interest in obtaining a reduction of the tax bills for themselves and for their corporations. The teachers were antagonized by Sargent's frank admission that the committee had taken charge of the affairs of the people. They also feared that the cadre of big businessmen would replace elected authority. However, school trustee Orville Taylor replied that the Citizens' Committee was composed of the highest type of men in the city who were fighting to bring the schools and other city bodies out of their desperate straits. 

A Christmas Bonus

Mayor Cermak announced on 18 December that city employees would have a pre-Christmas payday, because of the assurance from a leading banker that a financial syndicate would purchase sufficient tax warrants to cover two weeks' pay. The banker (who was not named) said the group would await the approval of Fred Sargent, chairman of the Citizens' Committee on Public Expenditures, before they advanced the money. Sargent he said, promised to use his influence with banking interests if four tax-spending bodies—the city, board of education, county board, and sanitary district gave assurances they would keep their 1933 within limits satisfactory to his committee. He also stated that the banks offered their assistance in persuading the holders of maturing bonds to accept refunding bonds in order to make the 1 January date payments. Several days later the school board approved a resolution which
requested that the city purchase three million seven hundred thousand dollars worth of school board tax warrants. It also passed a motion to reduce the interest rate by approximately one million dollars worth for 1931 tax warrants held by Commonwealth Edison Company, People's Gas Light and Coke Company, and Public Service Company of Northern Illinois. This was accomplished by lowering the interest rate charged the companies and enabled the board to avoid a "default" on the bond and interest payments due on 1 January and 1 February 1933. The next day the trustees cut one half million dollars from the 1933 budget mainly from the consolidation of the school administrative offices in the Builders' building the previous spring and by measures adopted since last summer. 62

In fact the budget demonstrated the effect of the tax strike and reassessment in Chicago by the increase in the cost of debt service for the school system. The figures provided by the school auditor Harry Brackett showed a total of 20,875,074 dollars or an increase of over one million dollars from the 1932 budget. Toward the end of the month when Brackett asked for appropriations which totaled 79,819,170 dollars, he informed the board his figures were based upon a collection of 90 percent of the taxes from the previous levies even though the 1930 taxes had been collected at only 56 percent. In addition Lewis Myers, on a trip to Atlanta, Georgia, stated he had proposed a plan to abolish the scale of salaries for teachers. He said he planned to replace it with a graduated scale reflecting a salary reduction from 1 percent up to 10 percent depending on the salaries of teachers. On the last day of the year, the banking syndicates' bid was accepted by the city controller.
The plan which was worked out by the banks, the Sargent Committee, and public officials, provided for the banks to buy the refunding bonds of over fifteen million dollars for only a few days. During that time the holders of the maturing bonds (mostly insurance and trust companies) would be persuaded to accept the refunding bonds instead of cash for their maturing bonds. Then the banks would receive those bonds which would be refunded. They would then turn them into the city treasury and get back a large proportion of the money they had advanced. In addition, the new bonds would carry an interest rate of six percent whereas the maturing bonds had an interest of four to five percent.

Also, the Sargent committee discussed the possibility of the formation of a group to secure operation funds for city governments.63

**The Educators Fight Back**

Educators continued their rebuttal of the drastic reductions in school expenditures. Robert M. Hutchins told the Rotary Club of Chicago that he was willing to concede that while the total sum spent by a community for education might have to be reduced, he did not mean to imply that a temporary reduction in educational expenditures was a good thing. Dr. Hutchins said the easiest way to save money was to reduce salaries, but he said such an action was stupid and most short-sighted. He also stated that as long as the general property tax was the chief source of local revenues, educators would be unable to meet the demands placed on the schools by civilization. In addition, the Chicago Principals' Club published a special section in its December issue which was dedicated specifically to the Chicago financial situation. George Anspaugh said that the net result of the tax strike was that as of 10
December only about 80 percent of 1928 taxes; 70 percent of 1929 taxes; and 56 percent of 1930 taxes had been paid. He continued that the teachers and other public employees had gone unpaid. Anspaugh indicated the corporate bodies had been placed helpless before the self-appointed Citizens' Committee who had only to crack their financial whip to cause many of the elected or appointed representatives to jump to do their bidding. 

Charles Stillman reported the Citizens' Committee made an arbitrary demand for a slash in the school levies from seventy-two million to forty-eight million, or one-third, and a slash in the city's levies from sixty million to fifty million, or one-sixth. He stated that instead of accepting statements of the Citizens' Committee or newspaper reports, the board should question the leading bankers in control of the credit situation to determine whether the banks would refuse to assist in avoiding defaults. Next he argued, the trustees should find out exactly what amount of budget reduction the bankers would require in order to provide the schools with funds for salaries and thus avoid the disastrous wrecking of the organization under which the schools had to function during the past year.

According to Irvin Wilson, there was a readiness of those individuals in control of the finances of Chicago to sacrifice the education of the students in order to rectify the practices and mistakes of business and politics. He further said that many of the business leaders who had much to say about the excessive costs of education during the past few critical years, had shown themselves wholly incapable and entirely inefficient in meeting the great financial
problems of their own businesses. Wilson commented that the same individuals sent their children to expensive private educational institutions where the per capita cost of education was much higher than in any public schools. Wilson continued his attack on the citizens' committee and said it was composed exclusively of men who represented the big financial interests of the city. "In place of the butcher, the baker, and the candle-stick maker," he said the committee consisted of "the banker, the big businessman, and the capitalist." The school principal further said that Sargent's railroad, the Chicago and Northwestern, had obtained a loan from the Reconstruction Finance Corporation of $26,000,000, which was more than enough to make up the unpaid salaries of the employees of the board of education.\textsuperscript{65}

A sinister feature of the Citizens' Committee said principal W.T. McCoy, was the fact that "for the first time in American history in a peaceful and well organized community it marked the advent of arbitrary force deliberately exerted by an intelligent group in opposition to lawful authority." In addition, the Club published a complete list of the main board of directors of the Citizens' Committee and included facts about their business connections and educational history. One striking feature indicated that all of the members of the committee were associated in one way or another with big business. Another fact showed that several of them were on the Board of Directors of one or another of the four largest loop banks which purchased the tax warrants of the city and school board.\textsuperscript{66}

The public expenditures committee presented its purpose and intent in a report to the Commercial Club of Chicago. Chairman Fred Sargent
told the members the purpose of the Committee was to bring about a reasonable reduction in expenditures and taxes through a reduction of public expenditures. He also said the Citizen's Committee had endeavored to secure a reduction in public expenditures through lowered tax levies by actual and drastic reductions in expenditures and by the collection of taxes. He concluded by saying the Committee was "well organized and [was] functioning effectively within the limitations of facilities and time available for influencing the various factors involved in the total annual tax bill."
CHAPTER FOUR NOTES


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CHAPTER V
MARTYRED MAYOR IN 1933
INTRODUCTION

In the beginning of 1933, Cermak commanded tremendous power and was at the height of his political strength. At the Democratic convention he did not support Franklin Roosevelt. With his usual finesse Cermak made up for a potentially damaging situation by delivering Illinois for FDR in a record majority in the November election. Cermak also brought in a win for the Governor and most elected officials. As a result his political machine was admired by Roosevelt and studied by his strategist, James Farley. When two Thompson board members resigned in January, Cermak made no move to appoint replacements. Speculation was that he had no one in mind for the positions, but in fact he was in no hurry to make any selection. He was interested in getting his choice for president, Orville Taylor, elected to the post. He also would lose the political position of not having control of the board when he made the appointments, so he waited for the proper time. As he worked on the national front for help from the new Democratic administration in Washington, he continued to juggle the different factions in the city. Once more he used citizens committees to do the budget cutting. Cermak also expertly redirected the teachers efforts so that he was not their target of disdain. Even at the time of his death he demonstrated his concern for the unpaid city and school employees.

 Budget Work

The month of January found the board of education working
diligently to balance its 1933 finances by 1 February 1933. The date was significant so that the budget would be adopted without the necessity of including an appropriation for a repayment of a Working Cash Fund loan of over six million dollars. Professor Nelson Henry reminded that the school board that in its work to trim the budget in compliance with the citizen's committee level of forty-eight million dollars, it was obligated to fund eleven million for teachers' pension fund payments, tax anticipation warrant interest, and for the loss and cost of tax collection. Dr. Nelson cautioned the trustees to be sure the interests of the public were protected by the proper consideration of the effect of such economy measures as arbitrary recommendations and decisions on tax levy reductions. The Principals' Club wrote each board member and told them an analysis of the Sargent Committee figures confirmed the teachers' contention that the Citizens' Committee had discriminated against the schools in the allocation of the $200,000,000 dollars provided for Chicago taxing bodies for 1933.¹

In addition, the Chicago Federation of Labor informed the board that even though it was not "unmindful of the very difficult position" in which the board had been placed by the Citizens' Committee, it was "of humiliating sinister significance that the volunteer, extra-legal, self-styled Citizens' Committee rather than the lawfully constituted board of education," was the dominant factor in the fiscal situation. Finally, Robert C. Moore said that the officers and boards elected by the people no longer functioned independently of the dictation of a small, self-appointed oligarchy. Moore said the committee, inter-locked and in cooperation with the bankers, determined the amounts the boards
could levy and exerted pressure to require the boards to submit to its demands.2

Only the teacher organizations voiced opposition to the proposed budget cuts as the board president stated salaries of teachers and other employees of the school system had to be reduced in order to balance the budget. Myers voiced his support for a plan of "pay reductions on the basis of the salary and wage scales of 1931." Other ideas included the shortening of the school term another two weeks and a reduction in the appropriations for school plant supplies. While the school board struggled with the budget, the citizens' committee on public expenditures announced a drive to sell $40,000,000 dollars worth of 1932 tax anticipation warrants and to assure funds for municipal expenses until taxes were collected. Headed by Charles S. Dewey, Vice President of the Palmolive Peet Company, the committee of fifteen officials and leading Chicagoans planned to appeal to large taxpayers to purchase the warrants which would be applicable on tax bills. As the budget reduction process continued, the Herald and Examiner indicated the Board of Education was making a genuine effort to reduce expenses without cutting salaries of the teachers. Later in the month, it was reported that secret meetings between the school board and the Sargent Committee were conducted in order to trim the budget, "one of which was held in the mayor's office."3

Further Cuts For The Schools

On the advice of John O. Rees, technical adviser to the public expenditure committee, the school board members agreed to limit the issuance of 1933 tax warrants to a maximum of 50 percent of the school
tax levy for 1932. Rees said the action was necessary in order to retain the value of the warrants at par or better. Mayor Cermak announced that he would seek "permission to use city tax warrants as collateral for a loan of approximately seventeen million dollars from the Reconstruction Finance Corporation" to pay the four and one-half months of back salaries due to the city employees. In addition, the American Federation of Teachers launched a nationwide campaign to support federal legislation allowing loans to states, counties, municipalities, and school districts. It was announced late in the month that the Metropolitan Trust Company had agreed to act as a medium in seeking the RFC loan. Under the plan the company would buy school tax warrants at par and use the board's paper as collateral to obtain a loan from the government. Also the Hearst Chicago paper said, if laws needed to be changed in order to pay the teachers, then it should be done just as "Mr. Insull always managed to change laws or regulations that stood in his way." 

The Board Changes Leadership

At the same time the Dewey Committee announced initial subscriptions totalling $3,500,000 for the sale of the new tax warrants, school trustee president, Lewis Myers, shocked the board members by submitted his resignation to be effective when the 1933 budget was adopted. The press of his business was the reason for the decision, asserted Mr. Myers. The mayor declined any comment on the resignation, but it was reported that even though Myers had consistently been an advocate of Cermak's economy in school finances, a personal bitterness between the two persisted from their early differences over problems of
school policy. It was also reported that when Cermak appointed a replacement, he would be one short of a majority of eleven trustees. The mayor, it was said, would gain control of the board through the appointment of three additional trustees in May when the terms of Caldwell, Hemingway, and English ended. The Tribune reported that Cermak had appointed trustees Carr, Taylor, Buehler, and Hefferan since he assumed office plus board member McJunkin had voted with the Cermak members for the last few months.5

The results of the national survey of school finance, headed by Dr. Paul Mort, indicated the United States had to enter a new era of school finance in which education costs would be born "by the state as a whole rather than by individual communities." On the same day that the Mort study was released by the Department of Interior, school board trustee, Carter Blatchford announced his resignation. He said his health would not permit him to continue with his business and school efforts. When he received Blatchford's letter, the mayor said he had no one immediately in mind for the appointment. Then the Tribune stated that Cermak would, as a result, have seven members with three more places available to him later in the year. Yet there was a record that the teachers did not know this. Haley later reported that Cermak appointed only one board member, Robert Carr. It was also stated that Blatchford had remained on the board only in case his Republican vote was needed on a party fight. A Chicago newspaper said the last meeting he attended was on 25 May 1932, when he voted to reelect Lewis Myers for president over trustee Carr.6

Toward the end of the month it was announced that a meeting was
held at the office of Lewis Myers in the Civic Opera House which involved board members, department heads, and members of the Citizens' Committee. After the session it was reported that salaries of school employees would be cut 15 percent below their basic rates, after an exemption of $1000 dollars was applied to each person. Myers said the plan was developed so that lower salaried employees would suffer the least. Agnes Clohesy of the Elementary Teachers' Union led a delegation which protested to Mayor Cermak against the plan to reduce the pay of teachers. Being the ever adept politician, the mayor referred them to the school board saying he did not have control over their actions.  

It was reported that police, firemen, health inspectors and other city employees, under the jurisdiction of Mayor Cermak, would receive a paycheck for a two-week period but the teachers would not share in the pay. Cermak said there was "only enough cash for the corporate employees." He also stated there was no good cause served by not paying one group of employees only because everyone could not be given money. The teacher groups protested the reductions in the school board budget but found the board unresponsive as the members indicated that any surplus would be used to forward the construction of new school buildings. When the budget was finally adopted on 31 January, it was balanced by the inclusion of a "paper surplus" of approximately nine million dollars for uncollected taxes from prior years. With the adoption of the budget, President Myers resignation became official, and he stepped down from office.  

The teachers continued their efforts to receive their pay and The Federation of Women High School Teachers sent Cermak a letter. The
communication said he had been able "to evade, but not elude full responsibility" for the board of education, but would within a few days assume complete control of the membership. Further, the letter said, there had been progress in the solution of pay for county and city workers, but the school situation remained "completely black." In addition, the Women's Federation produced a document about the 1933 budget. It stated that the board had not used the resources made available to it in the preparation of the reduced figures and encouraged citizens and taxpayers of Chicago to protest against the budget to the mayor and the board members. Superintendent Bogan told a WCFL radio audience there was the growing suspicion of teachers that they and their work were not appreciated. He said that the "troubles due to the stock market crash, the closing of banks, and the real estate debacle," had resulted in an almost intolerable situation in Chicago. Russel Wise reported that teacher groups found themselves in the position of fighting for the integrity of public education and an equitable distribution of tax load in support of public education.\(^9\)

Fred Sargent and the Saturday Evening Post Attack the Teachers

One new medium of attack against public expenditures for the school came from the Saturday Evening Post. Besides publishing an article by Fred Sargent on the citizens' committee efforts in Chicago, it ran two other stories that had a negative focus toward the schools. In an editorial the magazine said: (1) people had far too long been "at the mercy of the supereducators and their craze for novelties," and (2) many schools had become transformed into "palatial edifices furnished with tennis courts, playing fields, baths, locker rooms, athletic instructors
and most of the facilities of country clubs." A later edition of the magazine carried a story by Edwin Lefvre in which he said the school-teacher had to be associated with one of the most apparent of all governmental extravagances. Lefvre also said the educational system could be made not only less expensive but more useful to the nation if school boards would conceive improvements "that did not entail still greater expenditures." The Sargent article told readers that Chicago had achieved a "sharp reduction in the operating costs of its government through the cooperation of its various officials with an extralegal body," of which he was the general chairman. Sargent, whose two previous publications boldly stated that railroads were "the backbone of transportation in this country," and that "there ought to be as little regulation as possible," said taxpayers should not give schools as much as they had been getting unless the educational dollars were made to buy more than in the immediate past. The President of the Chicago and Northwestern Railroad also said the businessmen in Chicago had learned their lesson and would not let the mechanism of government again run wild.10

The Atlanta Constitution reported in an early January issue that Chicago led the country in planning for less costly and more efficient government. The paper also stated that it was not "until the present mayor, Anton Cermak, came into power--dynamic, schooled in practical politics, ambitious to win the praise of his community--that resourceful citizenship began to get willing and effective co-operation from city hall." The teachers of Chicago responded with a letter writing campaign to the editor of the Post, George H. Lorimer. They wrote that the
editorial and the articles had statements which were untrue or open to severe criticism. The letters also said to shift criticism to public education, just as the country brought about reorganization in every branch of government, commerce, and industry had drawn attention away from the important issues which were in need of immediate attention.  

In February, Mayor Cermak prepared to travel to Miami, Florida to meet with Democratic officials and President-elect Franklin D. Roosevelt. At the same time the citizens' committee on public expenditures released the results of its survey of classrooms in the public schools. The report showed that the number of vacant rooms was four times as many as school officials based upon a class ratio of forty-five pupils to a room. The committee also stated that since 1924, the board of education had overbuilt the school system and erected buildings "with little regard for proper location or cost."

Superintendent Bogan issued a statement in reply to the citizens' survey and said the Sargent Committee "had counted 307 one room, movable, stove heated, tin portables as suitable classrooms." Also, Fred Sargent indicated that the school finance issue was "greatly complicated because of a number of uncompleted contracts for expensive junior and senior high schools left in the last half of 1930 and in 1931, when there were no means of financing in sight." The committee also denied it had discussed the organization of a "Cook County Finance Corporation," designed to be a local reconstruction finance corporation. Frank Gordon of the First National Bank said no one had explained who "would purchase its bonds" if such a plan was developed.

Meanwhile, a delegation of teachers and civil service employees,
made another plea to Cermak for aid. They told the mayor they were convinced that a complete breakdown of the Chicago schools was imminent unless relief for board of education personnel was provided. At the conference, Cermak "promised his cooperation in providing school relief," and instructed the deputy controller, Victor Petterson, to get the approval of the Dewey committee to meet school payrolls. The next day, Mayor Cermak announced "two plans for a payday for teachers and other school employees." The first plan, to pay employees in cash, proposed that board warrants held in the city's aggregated of funds "be broken into small denominations and distributed to school employees." Those securities would then be replaced by the city with 1932 and 1933 warrants. The second idea, presented by the mayor, provided that Cermak would "appoint a committee to meet with the city controller and corporation counsel to study the possibilities for a payday in warrants." A.J. told the teachers he was for anything that would help the teachers and would hasten the execution of any feasible plan.13

At the same time, school trustees met with the Chicago representative of the RFC, H.B. Preston, to discuss the plan previously offered by the Metropolitan Trust Company for a loan from the government to pay back salaries. At the conclusion of the conference, Preston told school board members he would "take the matter under advisement." Superintendent, William Bogan told a gathering of principals to be prepared to face the worst as the 1933 budget of seventy-one million dollars might have to be reduced in the future. He told the administrators that many people told him taxes would not come in so the schools had to make due with the money they had. Yet, the mayor
publically announced that he was trying to arrange a pay for employees of the board of education and the city "in anticipation of cash to be derived from the sale of city and school tax warrants by the committee headed by Charles Dewey." The Citizens' Committee, in a statement released by John O. Rees, said school trustees could "hardly expect the taxpayers to pay for additional buildings to relieve crowded senior high schools until the type of educational system was adjusted to provide for a more complete utilization of the existing building facilities. The committee said the junior high school was "a specialized type of education," and recommended that seventh and eighth grade students be returned to the elementary schools while converting the junior high schools into senior units.14

After a meeting with banking and business houses, the Sargent Committee announced a plan to sell forty-two million dollars in tax warrants to enable city and school personnel to be paid. But Chapman and Cutler, security experts, held to the opinion that until a new president was elected by the board of education, it could not enter into any agreement to provide salaries for teachers. When the City Council passed a resolution which endorsed the citizens' committee on public expenditure's idea to convert Hirsch Junior High School into a senior facility, C.L. Vestal, president of the Men Teachers Union, wrote to the mayor and expressed the displeasure of the action. As with the teachers earlier, Cermak responded by saying that Vestal should not appeal to him on the proposal, but should contact the school board since the trustees had "sole charge of school affairs." Shortly later that, Cermak left Chicago for a southern trip "to converse with James A. Farley, chairman
of the Democratic national committee, and to spend a vacation of several weeks."

A Shooting in Miami

The mayor went to Biscayne Park in Miami, Florida, to visit with Franklin Roosevelt as the President-elect returned from a fishing trip aboard Vincent Astor's yacht "Nourmahal." But Cermak was severely wounded by Giuseppe Zangara, an anarchist gunman, who had attempted to assassinate Roosevelt. Chicago's mayor was taken in Roosevelt's car to Jackson Memorial Hospital and listed as in "dangerous, but not immediately critical" condition. With the family of the wounded city official on their way to Miami, the board of education elected Orville J. Taylor as its president. Then voted "to pay the fourteen-thousand teachers and four thousand other school employees a month's wages." The payment would be made in 1931 tax warrants as soon as the certificates could be printed, signed, and authenticated. Among the daily bulletins and press reports given about the condition of Mayor Cermak was the story about a discussion at the hospital between Cermak and Roosevelt. The mayor, it was reported, told the next president he wanted to talk to him "about the school teachers'" salaries in Chicago which [had] been unpaid for so long." The story also indicated that Cermak had hoped that when the Democratic regime took control of the government, Cermak could obtain a loan from RFC sufficient to pay the teachers' back salaries.

When over two hundred teachers heard of Cermaks' efforts during a meeting at the Auditorium theater, they adopted a resolution of confidence in the mayor and said they were appreciative of the tragedy
that was another burden added to those Chicago had to bear. It was also stated that "it was doubtful whether physicians would allow the mayor to examine and authorize any public documents for several days," which could cause the possible delay in the distribution of the tax warrants as pay for employees. The Tribune reported that Cermak had tried 'with all the abilities of a very able man to meet the emergencies' of the city in an intelligent and honest manner. The doctors in Florida said they were concerned about the danger of infection and pneumonia as possible circumstances which put the mayor's life in jeopardy. 17

Cermak Struggles to Survive

On 19 February, Judge Edmund K. Jarecki, signed a blanket order which overturned all objections filed "against 1928, 1929, and 1930 real estate taxes." Thus he officially ending the tax strike sponsored by various taxpayer organizations started in 1928. When Governor Henry Horner came from the Illinois capital to be with the mayor, it was reported that Cermak had Chicago's "financial plight continually on his mind." During a meeting between Horner and Cermak, the Governor stated that the mayor "wanted to talk about ways and means of getting money to pay the city employees and school teachers." Later in an interview granted to John Dienhart, from the Herald and Examiner, Cermak said he had been very pleased just prior to the shooting because he received Roosevelt's 'promise to help [him] get sufficient loans from the government to pay the back salaries of the school teachers, policemen, firemen, and other brave employees.' Dienhart also said the mayor was cheered by the resolution action of the teachers for his recovery. It was reported that Cermak also said he was ready to die if he must, but
that he had much to do. In addition, the mayor said he was "beginning to see the light after the two years" he had struggled with financial problem for the city's employees. A.J. indicated that James Farley had promised his help after the new administration had taken office and that the families who were owed money would be happy when they were paid. Using his political savvy, he also said that with the loan there would be millions of dollars placed in circulation to help "our business people."  

As the month came to a close, the mayor suffered great pain and high temperature because of an intestinal disturbance complicated by a partially collapsed lung. He developed a severe setback but then found strength and courage enough to affix his signature to a document which made it possible for the early release of tax warrants to the teachers. After Cermak appointed George Dahlmann as "his proxy to sign tax anticipation warrants," his intestinal symptoms flared up during the night. He was unofficially quite near death around midnight. This caused additional concern for city and school workers because the mayor's proxy would have no authority unless the signing of the tax warrants was accomplished while Cermak was alive. It was reported that after Cermak's proxy signed the warrants, the teachers would be paid for the last fifteen days of work in May 1931 and the first seven days of June 1931. In addition, the city and county workers would receive a half months pay. A handwriting expert and member of the crime detection laboratory staff at Northwestern University compared the mayor's signature on his proxy order to his regular written name. Jay Fordyce Wood stated "it was quite evident that the mayor signed his name upon pure nerve and strength of will." In order to provide for the pay to
teachers, proxy Dahlmann signed the eighty thousand warrants at full speed because the life of Mayor Cermak was so unstable.\textsuperscript{19}

During the last few days of February "the most drastic measures of medical science were employed in an effort to aid Mayor Cermak of Chicago in his battle with death." Controller, Szymczak indicated another pay for city employees would be made within a week. He said teachers would have to await the efforts of the Dewey Committee to sell city and board of education warrants for 1932. Szymczak also told a meeting of the members of the Union League Club that Chicago needed two developments for the ultimate restoration of the fiscal normalcy of the City of Chicago. First, the comptroller said, was the development of "the four-fold legislative program in preparation by the Citizens' Committee on Public Expenditures". The plan, he said, provided for: Central budgetary control for all governments in Cook County consolidation of taxing bodies, uniform accounting for all local governments with Cook County, and improved methods for collection taxes. The second development Szymczak said, was the progressive reduction in expenditures by the city corporate structure for the years 1931, 1932, and 1933. He continued that the Chicago corporate fund was far from broke; that the board of education overestimated its revenue and issued more tax warrants than it could redeem; and the Sargent committee should be praised "for their cooperation in finding ways to solve the city's fiscal problems."\textsuperscript{20}

**Educators Assail The Sargent Committee**

The committee on public expenditures did not receive favorable press from every group. The *Elementary School Journal* compared the
Chicago committee with the "Citizens Conference on the Crisis in Education," called by President Hoover in January 1933. The University of Chicago's educational publication indicated the Washington, D.C. conference group was composed of citizens who represented the most diverse interests in American life, including "outstanding educational leaders, publishers, bankers, lawyers, and representatives of labor, agriculture, business, and industry." In contrast the Chicago committee on public expenditures, it said, was "composed almost entirely, if not exclusively, of representatives of the large business interests and the large taxpayers of the city." It continued that the active work of the committee was being done by a group of about thirty members whose business affiliations showed the banking interests of the city were well represented. In addition, it said there was no attempt "to include in the membership of the committee representatives of labor, education, the welfare agencies, municipal government, or any of the other varied interests of the city." The vigorous task to reduce public expenditures by the Chicago committee, remarked the Journal, was a matter of no slight importance, since it had "dictated without hesitation the maximum income which the several government agencies of the community may derive from taxation." The editorial continued that in comparison with municipal government, the Chicago Board of Education had been required to take a disproportionate reduction in its budget when the citizen's committee budget reductions for 1933 for the two agencies were examined. The article stated that while it forced the board of education to reduce its tax levies, the citizens' group determined the relative values of important public services in Chicago," even though the committee did not
seem to have developed any intelligent understanding of the many problems which were facing the schools. Finally, the story stated that while it was entirely appropriate for citizens which represented different interests in a city to express their views on the public expenditure of funds, it was an entirely different situation when the committee of such a council of citizens was "an exclusive group representing only the large business interests of the community."21

Professor Thomas Briggs, of Teachers College Columbia University wrote that in the clamor for economy and for the cutting of programs and activities to any extent, critics wanted reductions in activities "which they were not accustomed when they were in school." Robert M. Hutchins stated that the movement to exterminate educational organizations, would result in reductions which would be of two kinds: Those which limited the opportunities of the pupil, and those that depressed the rewards of the teacher. The American Teacher produced several articles which centered on the theme that the country was virtually in a dictatorship of the bankers. Charles Hendley wrote that a self-appointed citizens' budget commission in New York was in a strategic position since the members could "pose as exemplars of civic virtue and exploit the embarrassment of the Tammany politicians." Therefore, he said, it could also monopolize credit, dictate terms to an improvident city administration, and force higher rates of interest while demanding the reduction of wages and salaries for workers.22

William Bogan stated that parents should be taught that any reduction of efficiency in the schools would mean a loss to the children. Superintendent Bogan remarked that the elimination of waste
and extravagance must not be used as an excuse to destroy the ideal of American citizenship, (the rights of the common man.) Chicago educator said the citizens "should take every possible and proper step to discharge in full and at the earliest possible moment the financial obligations" owed to the city employees. William Carr continued that the schools were pinched between the two opposing pressures of increased responsibilities and decreased resources. Carr said as the city school system had an increase in enrollment in 1930 and 1931 which nearly doubled that of the figures of the two previous prosperity years. He continued that the archaic tax system which characterized Illinois threatened to "breakdown entirely under the severe pressure of bad business conditions." Carr also said parents should insist that no reduction be permitted in necessary school expenditures until everything possible had been done to: (1) reduce inefficient and wasteful expenditures in other branches of government; (2) distribute the cost of education fairly over the entire tax paying ability of the state; and (3) postpone expenditures for those governmental services which could wait. 23

John Frey stated that the banks had been responsible for the inflation in prices. He said the bankers caused overcapitalization when they floated unsound loans, made loans which were not justified, and made profits from the commission they received for floating bonds and making loans. At the same time, the Phi Delta Kappan stated that the Chicago teachers feared a far more sinister evil than the city's reputation for gangsters. The editorial said because the committee of "One Hundred Big Taxpayers" had wrested control from the constituted
authorities and established an economic dictatorship. The article further said such an economic "coup d'etat" might not remain in the Chicago area as Fred W. Sargent had invited other cities to take similar steps in his recent article in The Saturday Evening Post. The story said the majority of the twenty-nine members of the committees' executive committee resided "in a narrow strip two blocks wide and half a mile long known as the Gold Coast" and none of the members' children attended the public schools in Chicago. It further said the group represented the "Loop bankers" who collected $6,000,000 interest a year on school loans at the rate of 6 percent. The Sargent committee it said did not represent the army of small taxpayers, the views of leading American citizens who said education had to come first, the thoughts of public-spirited Chicago citizens who denounced the program of the committee, nor the mothers and fathers of Chicago, who could leave no legacy for their children except an education. Finally School and Society quoted the Illinois Teacher and said Cook County had a revolution in which the Citizens' Committee had superseded the elected officials. The article said the committee was not sympathetic with but antagonistic to the development or even the existence of the public schools. 24

The Final Battle Ends

The first days of March were filled with the continued reports of the condition of Mayor Cermak from the hospital in Miami. In a speech by William McAndrew at a meeting of the NEA's department of superintendence, he urged delegates to fight political involvement in the schools. In the early hours of the morning of 6 March Anton J.
Cermak died after "he had been in a coma for hours and had scarcely recognized his family." The family of the mayor approved a three day tribute. It began with the special train arriving in Chicago from Florida carrying the body of the mayor. There it was met by dignitaries and escorted to Cermak's home in Lawndale. While "great crowds passed his bier", it was announced that governmental aid for school employees became a distinct possibility as the result of meetings between the Reconstruction Finance Corporation and the Chicago citizens' committee. The plan would establish a "Century Trust Company" which would negotiate a loan and place tax anticipation warrants for collateral.25

Cermak's body then went to the city hall where it was "in state" for one day. Then it proceeded to the Chicago Stadium for final services. After that the mayor was taken to the Bohemian National Cemetery for burial. It was reported that the service was "the most spectacular funeral demonstration in Chicago history:" Thousands of people viewed the mayor's body at his home, seventy-six thousand came to the city hall arrangement, twenty-three thousand individuals packed the Stadium for the funeral service, and over fifty thousand attended the interment. Superintendent Bogan announced that the schools would be closed on the day of the funeral. With city officials wondering who would "succeed Anton J. Cermak as Mayor of Chicago," the city took part in the final arrangements for the mayor and learned of the "chronology" of his last struggle.26

Much press was given to the statement made by Cermak to Roosevelt after being shot. It was indicated Cermak said "I am glad it was me instead of you." The media reported many statements from associates and
tributes from individuals around the country on the life and work of Anton Cermak. They included the statement from FDR which said the President had a very warm friendship and a very high respect for Mayor Cermak's ability and loyalty. Fred W. Sargent called for a "moratorium of politics and all selfish political ambitions" by the next city administration. He said the city lost a great leader who had labored unceasingly to restore the credit of Chicago. Sargent also said the city should not permit an election at that time to interfere with the plans to place the city on a sound financial basis, because "a political campaign would make it harder to sell tax warrants." The Christian Century reported that tributes to the dead executive were sincere. A source said Cermak's passing raised "apprehension over the political results which could develop in Chicago.27

Among the many people who paid their respects to the fallen city official was Cermak's aunt, "Mrs. Martin Fuxa of Braidwood," with whom he lived for some time when he was a young boy. The list of pallbearers included Melvin Traylor, Fred Sargent, Lewis Myers, Charles G. Dawes, and E.O. Griffenhagen. While the politicians were publicly mourning the death of Anton Cermak, they were involved in a bitter fight for the control of the power in the Democratic party and the determination of the next mayor. When the smoke had cleared Patrick Nash had been selected as the new leader of the party in Cook County, and Alderman Frank J. Corr had been elected acting mayor. The city council pushed for legislation in Springfield to grant full powers to the acting mayor and to provide for the appointment of a replacement for Cermak by the aldermen. At the same time Professor Charles E. Merriam told the
Chicago Association of Commerce about his plan "for a board of budgetary control of governments in Chicago." He said the plan had been approved by Mayor Cermak. The Merriam proposal consisted of a three member panel made up of the mayor of Chicago, the president of the county board, and a local finance expert appointed by the two other members. The panel, he said, would coordinate all financial aspects of the governments and thus reduce the cost to the taxpayers.28

The Next Steps

Near the end of the month Governor Henry Horner went to Washington, D.C. to confirm with the RFC on future loans. Fred Sargent announced that two teachers had been "appointed" to the citizens' committee. The chairman of the committee on public expenditures indicated that Harry L. Tate, principal of Whitney Elementary school, and John Fewkes, instructor at Tilden High School had been placed on the committee after a gathering of over two hundred teachers met with Sargent and discussed the possible RFC loans for $15 million. On the last day of the month it was reported that Dr. Karl Myers, chief surgeon at Cook County Hospital indicated an "ulcerative colitis condition was the direct cause of the mayor's death." He said the bullet wound contributed to the inflammation of the intestines. Dr. Myers continued there was no gangrene in the lungs and Cermak's general rundown condition helped to lessen his chances for recovery.29

During March the City Club urged the adoption of Senate Bill 262. The legislation abolished the business manager and attorney positions in the board of education and provided that the superintendent had executive control of the entire public school system. Dr. Nelson Henry,
of the University of Chicago, told a radio audience that teacher paydays for the past three years showed that "since December 1929 only nine monthly paychecks [had] been provided on the day they were due." Also the Indiana Teacher held a symposium in which it was reported that the schools were worth far more than they cost. The panel said that a period of a depression it was "precisely the time to increase educational opportunities."30

After Cermak

On the eve of April 1933, the political and educational situation in Chicago was in turmoil. The leader of government had passed away. As a result of Cermak's selection of personnel, there was no Cermak assistant "qualified to step into his shoes." With the appointment of a "de jure" mayor and the efforts to get the Graham Bill for the selection of a permanent replacement passed in Springfield, the local operation of the public services functioned at only a basic level. On 30 March, the legislation was approved and a special group of aldermen departed for "Hot Springs to select a Mayor acceptable to the Sargent Committee, the backers of the Fair-to-be, the politicians, and the lesser gangsters."

The banks in the loop announced they would finance a payroll for the last two weeks of June as soon as legislation validated the signature of acting Mayor Corr on the tax warrants. The two vacancies on the board of education remained open and would not be able to be filled until a new mayor was selected. The events which transpired over the next several months, while not directly related to Mayor Cermak since his death, were somewhat linked to the absence of Boss Cermak. Therefore, it would be remiss to avoid any examination of the actions of the school
board, teachers, city officials, banks, and businessmen after Anton Cermak died and left such a void in the mayor's office.31
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18 "Judge Jarecki Outlaws Cook County Tax Strike," Chicago Tribune, 19 February 1933, 5; "Doctors Worry As Mayor Had Restless Night," Chicago Tribune, 20 February 1933, 1, 2; John Dienhart, "Cermak Tells His Own Story! Sure I Can Carry On He Says," Chicago Herald and Examiner, 21 February 1933, Cermak Biography Files, Chicago Historical Society.


20 "Drastic Effort Fails To Bring Improvement," Chicago Tribune, 26 February 1933, 1, 2; "Second Pay Day Promised For City This Week," Chicago Tribune, 26 February 1933, 5; M.S. Szymczak, "Restoring Chicago's Financial Normalcy," Union League Club Bulletin 10(February 1933): 2, 3; also see George Anspaugh, "The Legislatative Situations," Chicago Principals' Club Reporter 23 (February, 1933): 10, 11 for additional information on the financial condition of Chicago.


23 William J. Bogan, "The Danger To Free Public Education," The American Teacher 17(February 1933): 7, 8; William Carr, "Childhood Versus the Depression," The American Teacher 17(February 1933): 8, 9.


25 "School Boards Often Crooked, McAndrew Says," Chicago Tribune, 1 March 1933, 14; Gottfried, Boss Cermak, 328; "Cermak Family Approves Plans For Three Day Rites," Chicago Tribune, 8 March 1933, 5; "Loan From RFC Likely To Pay Teachers," Chicago Tribune, 8 March 1933, 5.

26 "Hold Cermak Rites Friday In Stadium," Chicago Daily Times, 6 March 1933, 3; "Cermak's Successor Worry To Politicians," Chicago Daily Times 6 March 1933, 3; "Leaders Split Over Choice of Acting Mayor, Chicago Tribune 6 March 1933, 10; "Here's Chronology of Tragic Battle," Chicago Daily News, 6 March 1933, 2.


CHAPTER VI
THE AFTERMATH
INTRODUCTION

During the two years he was in the mayor's office, Anton Cermak was the center of power. With his death the political situation was in a confused and disoriented condition. Cermak's friends and foes, both Democratic and Republican, were not prepared for his departure, thus uncertainty prevailed. The strong, dominant ruler was not there to hold the political wheel together. Until a new leader or leaders emerged, factions vied for the controlling position. To help understand what the loss of Cermak meant to Chicago in 1933, an examination of the Committee on Public Expenditures, headed by Fred Sargent is in order. In addition a look at the Fads and Frills movement will provide insight into the actions of the Sargent Committee. The chapter will conclude with an overview and reassessment of Cermak the man and the politician.

The Sargent Committee

The Committee on Public Expenditures remained in the forefront of the financial situation and the teachers continued to be its main voice of opposition. The School Review reported that the Citizens' Committee was composed mostly of the "representatives of the large business interests and large taxpayers of the city." It continued that despite the Committees' expressed intent to stabilize the credit of the city by assisting in the bond issue in December 1932, bonds were actually refunded at the higher rate by a full half over the original bonds. The Review said, the banks which handled the refunding were
"represented in the membership of the Committee." As a result, it said, the citizens on the Committee posed as models of civic Righteousness, yet also derived "profit, as controllers of credit, from the embarrassment of the city administration."1

About the same time the chairman of the Citizens' Committee addressed the Union League Club on the motives and purposes of the group. Fred Sargent said in order to meet the tax burden problem in Chicago there had to be continued reduction in public expenditures. He said every citizen must pay his or her taxes promptly to the fullest possible extent. He continued that the "credo of the Committee" provided that the group was opposed to tax-eaters and tax-strikers and it believed that the cornerstones of democracy were "the home, our system of common schools, and our churches." Sargent further said the public expenditures committee attempted to reduce the burden on the taxpayers to a point where the people would pay taxes and support the essentials of a modern educational system. Dr. Charles Judd commented that it was high-time that the representatives of the banks, insurance companies and their great concerns, turned away from their special interests and put an end to the impossible taxing system which had to be revised.2

In the meantime, Fred Sargent left for Washington to see the President about school loans. However, when it was reported that Sargent obtained an 8 million dollar loan from the Reconstruction Finance Corporation for the Northwestern Railroad, teachers remarked that of the $426,300.00 total funded indebtedness for Sargent's railroad, "thirty-two million dollars was previously loaned by the RFC."
They also complained that Sargent was the same person who as head of the Citizens' Committee demanded more economy in the schools. The educators stated that the Committee, made up of bank presidents, railroad presidents, packers, and directors generally of wealth, was the enemy of the schools, since it dictated educational retrenchment. Also the teachers took offense to the five-point plan of the Sargent Committee and the sinister implication it had for the common schools. The Sargent five-point program provided:

1) all back taxes prior to 1931, aggregating $219,000,000, be spread over a period of eight to ten years;
2) current taxes be spread out to catch up at the end of such a period;
3) a definite limitation of not more than 1.5 percent to be levied on the full fair and cash value of real property;
4) creation of a Board of Municipal Estimate and Tax Conservation to co-ordinate the expenditures and estimates of revenues of at least the largest tax-spending municipalities; and
5) legislation of an emergency character authorizing the County Court to pass upon questions of judgment and errors or fact occurring in the vast number of cases that went to the County Court prior to 1931, but were never heard by the old Board of Review. 3

The Fight Continues

Professor John Dewey stated that both New York and Chicago had witnessed the spectacle of extra-legal bodies arrogating to themselves such responsibility as the dictation of civic policies (including the
public schools). Dewey continued, teachers had to make it clear that "public education was not a business carried on for pecuniary profit" and as such could not be measured by the standards which the bankers and real estate men and the big industrialists sought for their personal gain and success. Dr. Dewey also said the funds provided for education were an investment in the future moral, economic, physical and intellectual well-being of the nation.4

Charles Stillman indicated that Chicago was involved in an emergency, in part, because of private and public extravagance, waste and graft. He further said that the Citizens' Committee instead of giving the city intelligent, devoted service, seized the opportunity of the depression to wipe out waste and extravagance. He said it ruthlessly and undiscriminatingly slashed selected public services in the interest of big taxpayers with little regard for the needs of the masses of the public and their children. Saying that the Sargent Committee found its power in the genuine eagerness of most city officials to cooperate with the group, Stillman indicated the banks had decided the Committee's judgment could be trusted. Because the American people had permitted private banks to become practically the sole custodian of credit for public as well as private purposes, he said Sargent claimed that the Committee on Public Expenditures exercised a veto power over the financing of public functions by the banks.5

Another teacher announced that the strategy of the bankers and big businessmen of Chicago was to starve the teachers and other school employees into submission by "attempts to cripple and destroy" the school system. James Meade reported that if the Public Expenditure
Committee really wanted to help the people it would assist in getting lower rates for gas, electricity, telephone, and transportation. He said while such large taxpayers and bankers could not run their own private enterprises without receiving doles from the treasury of the United States, the same individuals had the presumption to "dictate the policies of the legally chosen governments of Cook County." Florence Curtis Hanson said that the representatives of wealth and privilege had set themselves up to tell the people and their regularly elected representatives how much money would be spent on schools in all forms of government. She continued that true economy required additional, high quality schools. Hanson also said high taxes had not caused the troubles in education, but the problems were the result of the "evasion of taxes in high places." Robert Moore provided a perspective on the Sargent committee's efforts. In an article Moore said Illinois could fall under the domination of a big-business fascism which had adopted the most ruthless methods in attacks upon public education. 6

The chairman of the Citizens' Committee responded to the "Dictatorship of Big Business" article in the School Review when he wrote to the editor and said the schools had no better friends than the businessmen, the Committee on Public Expenditures and himself in the City of Chicago or elsewhere. Sargent further stated that the taxpayers of Chicago, through the Committee, had helped the community maintain its credit and thereby kept the schools open without any attempt to destroy the educational institutions in the city. An article in the Chicago Principals' Club Reporter said while it was not new for the large property owners to object to being taxed, particularly for
services which benefitted all the people equally, it questioned the qualifications of the committee to take charge of the people's affairs because the members lacked sympathy with the public schools.  

J. W. Crabtree asked who was running the country? He questioned if it was the financiers who needed the help of the government or the group of wealthy people who distrusted common people and organized self-appointed committees to force the mayor and Board of Education to do their bidding. Finally, Dr. Graham Taylor said the Citizens' Committee members, instead of taking an opportunity to help make real economies without impairing the whole school system, failed to challenge what had been done and only demanded that the schools balance the budget. He stated that the "interest and counsel of such privileged and influential men" could have been helpful to Chicago's sickened school system. But he said because the committee members limited their action to demanding the balancing of the budget with no suggestion of conserving the schooling of half-a-million children, they placed themselves under the suspicion of a class-conscious motive to reduce the taxes of those most heavily assessed. 

The battle lines became more determined when the Chicago Federation of Labor announced it considered Fred W. Sargent to be "Public Enemy No. 1," and several of the teacher unions indicated their support for the CFL's action. The American Teacher indicated that the Committees' desire to control public expenditures was a example of "racketeering." because the wealthy citizens of the community used their financial power to increase the rates charged the governments for loans and force salary cuts for employees in a much more disastrous way than Al Capone.
Margaret Haley said while the Citizens' Committee was supposed to be the financial savior of the City, in fact it proved to be "one of the most insidious sappers of genuine civic spirit." Haley continued that the group "represented big business with two capital B's," and for a time had power far and away greater than that of any elected body in the City of Chicago. It was reported when Edward Kelly became mayor of Chicago, (after he received the vote of the City Council) one of the first visitors to see him was Fred Sargent. Stephen London also stated that after the school board was reorganized, as a result of the new appointments by Mayor Kelly, the Sargent Committee no longer had to influence the school board to reduce expenditures, because the new board President James B. McCahey, declared he was an "advocate of the strictest economies." As of the summer of 1933 all of the governmental organizations in the city and county walked to the tune of the Sargent's music. Thus the Citizen's Committee did not need to stay in the forefront of the financial picture in Chicago. It remained active, however, until the middle of the decade when it "dissolved in 1937 and gave its papers to the Civic Federation." 

Fads, Frills, and the Wrecking of the Schools

While the Board of Education continued to inform the Senate Committee on Education that it was opposed to the provisions of Senate Bill 262, which revised the Otis Law, a delegation of teachers left for Washington, to once again request federal aid. But they were informed by RFC Chairman, Jesse Jones, that they had to return to Chicago and make arrangements through the Chicago banks for the loans needed to pay
back salaries. Individuals such as Vernon Bowyer, wrote that those who suggested the reduction of the tax burden by cutting expenditures for public schools had to examine the influence which a low level of education had on the economic development of the community. Another source said the problems which developed in Chicago from the shrinkage or stoppage of school revenue were as acute as anywhere else when the banks refused to loan the money to the Board of Education to enable the school employees to receive their back salaries.11

The financial powers in Chicago regarded teachers salaries as a community standard which determined other salaries, said Margaret Haley. Therefore, she said, they did not want to provide the school employees with their past due funds, but desired to have the teachers' salaries lowered. As a result, the teachers organized a series of demonstrations and meetings in April. They crowded the halls of the city building and demanded back payments, stormed the school Board meetings, and attended the City Council sessions. When the teachers pressed the Board of Education to rescind its own 50 percent limitation, Melvin Traylor, of the First National Bank, responded and said the banks would sever all connections with the school system if it issued warrants in excess of 50 percent of the number permitted by the Budget. Students walked out on a one-day strike and teachers held a huge parade which halted traffic in the loop for part of a Saturday.12

On 24 April, the teachers marched "en masse" to the city's five leading banks. While they were greeted with courtesy at some of the institutions, when the group reached the City National Bank the crowd shouted "We want Dawes!" Upset because the former Vice President of the
United States, Charles G. "General" Dawes had obtained a $90,000,000 loan from the RFC, following his technically illegal loans to numerous Insull companies, the teachers confronted the Chairman of the Board about his bank's refusal to purchase school tax warrants. When the former RFC chairman asked them to have patience, the group of several thousand continued to heckle him. Dawes, in frustration then yelled to the marchers, "To hell with the troublemakers!" 13

An American Teacher editorial said, the responsibility for the plight of Chicago's schools was upon the financial leaders, since the banks "financed the blue sky undertakings of the Insulls and bought bonds in tottering European governments," but refused to purchase the obligations of the school system. The protests continued for another week as the teachers went to the homes of outstanding tax dodgers. The bankers, the financial houses, and city hall continued to tell the school employees that it would take time for the new mayor to work out a payment plan. Yet, Kelly announced that any further demonstrations would be considered illegal because the teachers were creating bad press for the city on the eve of its Century of Progress Fair. 14

The Teachers Fight School Fund Cuts

While educators were literally fighting for their just pay, they also were engaged in a struggle against the movement to cut school expenditures and reduce educational programs. William T. Foster wrote in the Harvard Teachers Record that a few years before there was agreement that in the next period of business depression, it would be sound economic policy to increase expenditures for public works as a means of preventing further retrenchment in business. The Director of
the Pollak Foundation for Economic Research told educators that it was no time for teachers to retreat. The Rotarian published a series of articles on the value of "School Frills," which addressed the debate being considered throughout the country. In May of 1933, Mayor Kelly announced his school board appointments as hard-headed businessmen who were pledged to an economy program. Kelly said the people were selected because they were business experts who were close to the people. With the appointment of five trustees, Kelly established complete control of the school board with Democratic members. Their work began in earnest even though several days earlier Board President Taylor said the budget for 1933 would have to be cut by over $19 million in order to stay within expected income. 15

During this time, the Elementary School Journal noted the school board's reluctance to support the pending changes in the Otis Law. It wrote that the bill which provided for a unified administrative control of the schools should be approved by the legislature on the basis of principles for good management. House Bill 1051, which was supported by the trustees, was introduced in Springfield to allow the Board to issue $40 million worth of 5 percent bonds or other paper to pay for any obligations of the Board between May 15, 1933 and January 1, 1934. As the schools closed for the summer the teachers had no idea when they would be paid. But they had continued uneasiness about the atmosphere for reductions. 16

As a result of the positive comments Kelly gave teacher leaders that he and the board of education had a plan for relieving the distress of the schools, the Volunteer Emergency Committee, organized to
publicize the plight of the teachers, called off further demonstrations pending the release of the "Kelly School Plan." Yet, the teachers were concerned by the rumors about the cutting of services and the simplification of the curriculum. The educators had seen the publication of the U.S. Chamber of Commerce which suggested "Possible Fields of Economy in School Retrenchment." The teachers concluded that they could not completely trust the pleadings of the city administration and the voices of the school board. William Bogan said while tremendous reductions had been forced upon the public schools the taxes had remained unpaid. He further said the maintenance of government and the existence of the schools was imperiled. 17

Late in the month of June, Mary Herrick warned that the school board was talking about heavy cuts in the educational department to solve the financial difficulties. C.L. Vestal told the City Club that the plan announced by board member Orville Taylor to "lop off $10,000,000 from the next school budget was unsound." The National Education Association telegraphed Charles G. Dawes and Melvin Traylor. It informed the bankers that unless they did something immediately to make possible the payment of Chicago's teachers, the association would hold its annual convention in another city rather than in Chicago. Soon the five largest loop banks agreed to purchase $12,627,000 in school board warrants to provide for the payment of salaries for teachers for October, November, and December of 1932. 18

The School Wrecking Plan

The Committee on Public Expenditures said that the board of education would have educational fund debts at the close of 1933 of at
least $35,000,000 in excess of all of the resources and assets available for the payment of the debts plus the school system owed large sums from its other funds. In addition, the Herald and Examiner carried a story in its 10 July edition, that a total of $6 million was to be reduced from the 1933 budget. The Kelly School Plan was announced at a meeting of the board of education on 12 July 1933. The crowd grew as the trustees met in closed session. In the audience was board member, Helen Hefferan, who had not been invited to meet with the other board members. Finally, President James McCahey and the other trustees came out and the "long motion which was immediately passed by ten votes" was read. As Margaret Haley wrote, the program,

removed from the service of the Chicago public schools all of the teachers of manual arts, household arts, and manual training, and physical education. It eliminated all the kindergarten teachers, half the principals, and all of the junior high school teachers except those who had high school certificates that could be placed in the high schools. All of the junior high school teachers lacking either high school or elementary school certificates were to be sent to the Normal school. Thirteen hundred teachers were put out of their positions.19

In addition, the Parental School and the Crane Junior College were discontinued, plus there were reductions in the number of District and Assistant Superintendents. Under the direction of the Sargent Committee, the board of education, whose majority had been appointed only a short time before, passed the so-called economy measure for the elimination of fads and frills, without the consultation of Superintendent Bogan. Although, at first the audience at the board meeting was stunned by the decision, the teachers organized protests against the Kelly Plan. One teacher at the board meeting said the action by the trustees was the second step in a program designed to
wreck public education while the first part was to starve the educators into submission. The School Review wrote that the Chicago school board was "disemboweling the city's school system," as the board's action was the pinnacle of stupidity. "Prominent Americans like Jane Addams, Robert Aynard Hutchins, Harold Ickes, and Clarence Darrow, and educational journals, magazines, and newspapers across the country excoriated the School Board in a single cry of outrage and anger," wrote Lipkin. Clyde Miller of Columbia University said, the situation in Chicago symbolized conflict in America between a privileged minority and the masses of our people. The New Republic said that the Roman Catholic Church and the bankers of Chicago were under suspicion for pulling strings on Mayor Kelly, to get the economy budget approved. Fred Engelhardt said the public education system was "faced with a dictatorship control through the leading banking institutions." Others said the action was in direct conflict to the policies of the National Recovery Act, since it added to the unemployment of over one thousand people.20

A newly formed group, the "Citizens Save Our Schools Committee," organized a mass meeting at the Chicago Stadium to hear speeches and sign petitions. Robert M. Hutchins told the audience of over twenty-five thousand that the "board of education had been motivated by political rather than by education motives." Charles Judd said there was no reason for the reductions because there was no deficit in board funds. Over 350,000 signatures were collected on petitions within two weeks. They requested that the school board rescind its motion of 12 July, but the board ignored the petition of a third-of-a-million names
at its meeting on the twenty-sixth of the month. The protest movement gained momentum and citizens and educators from Maine to California, condemned to the action of the school board. Later, Margaret Haley wrote that the "ten million dollar deficit in the 1933 educational fund," which became the apparent lever for the wrecking program approved in July, had been discussed by Fred Sargent with a group of teachers in a meeting on 11 April 1933. In addition, the leader of the Chicago Teachers' Federation indicated that Dr. Judd was correct in his speech about the lack of a deficit in the school budget. She said special legislation had been approved in Springfield to stagger the school deficit over a period of six years. Haley said the deficiency found in the education fund was for the reimbursement of funds loaned from the working cash fund. The amendment to the law was signed by Governor Henry Horner on 11 July 1933. Thus, Haley said, by the "12 of July 1933, there was no deficit in the educational fund of the city of Chicago.\(^2\)

The leaders of the teachers organizations also realized that they were being punished for past deeds by the financial lords. They understood the publicity the teachers raised over the leasing of school property at ludicrously low rates to banks or other large concerns caused problems. They knew their attempts to get equitable taxation for city property, of which the banks were owners, was also causes for the bankers action. Just prior to the opening of school, the teacher organizations offered the school board a proposal to work for no pay "to the extent of any deficit found in the 1933 educational budget." But they offered, in return the trustees had to agree to an official audit
of the board books, at the expense of the teacher groups, to determine if there was a deficit. When Mrs. Hefferan presented the plan, the other trustees became angered. One member said the teachers should show proper respect for the School Board. Trustee Savage, a long time foe of the teachers, shouted that he would be the first one to vote to dismiss anyone, whether it be superintendent, principal, or anyone else, who did not see that the boards' program for the benefit of the children was carried out.22

Teachers also attempted to gain relief through the legal channels during the summer. First, a petition was circulated to obtain assistance through legislation to cure the situation that had been raised for an excuse by the Board of Education. Over 950,000 names were obtained. The effort did much to bring the differing organizations within the school into harmony as a common cause was established.

Second, court action was started when various interests filed law suits. But the ten different suits renewed the "lack of unification" in the educational community, allowed the opposition to pick apart the suits, and defeat of most of the actions. Late in the fall, the board of education produced a pamphlet entitled, "Our Public Schools Must Not Close," which supported its decisions for the cuts in the program in July. It also said the investigation demonstrated that the school system in Chicago "had accumulated many of the so-called fads and frills or extracurricula activities and embellishments." In addition, it said the program set forth should result in an annual saving of close to $10,000,000 in current operating and administrative expense. Finally, the publication stated that at last all teachers were required to do a
full day's work, because of the reduction in the personnel of the teaching staff. In response The Elementary School Journal, said the school board publication revealed "the same pleading, the same lack of frankness and the same board generalizations unsupported by evidence," which characterized all of the former statements of the trustees. It also said the board had the effrontery to contend that its program would result in a more effective and a more democratic school system.23

The Fads and Frills Debate

The School Review commented on the school boards' fads and frills statement in this pamphlet when it said an article by Mrs. Arvis D. Carlson in Harpers Magazine was an illuminating and constructive treatment of the situation. It said her writing was in "conspicuous contrast to the cynicism and iconoclasm of Henry L. Mencken." School trustee Helen M. Hefferan wrote that when the Citizens' Committee offered to help the local governments out of the financial difficulties, it was apparent that the committee planned to carry out a movement "directed specifically at public education in Chicago." She also said the Chicago Tribune, which for years had been loud in denunciation of fads and frills, was the strong supporter of the Committee's program. Hefferman further stated, that once again the teachers asked why the schools had to make a far greater sacrifice than other public functions of government. She also said, teachers wondered why inside the school system the "instruction of children and not the less essential expenditures" bore the brunt of the unexampled reduction in the school budget.24
By the fall the teacher union attorneys had devised a plan to collectively sell the tax warrants at par or at least 80 percent of par. Others such as Randolph Hearst and Willoughby Walling of the Personal Loan Company, sought an acceptable means of collateral for a federal loan. The Committee of Public Expenditures surfaced for the first time since July 1933, and denounced any measures to restore salary and other cuts in the educational program. The teachers once again made another trip to Washington, D.C. to meet with the Reconstruction Finance Corporation in January of 1934. However, this time they offered more than $35,000,000 in non-educational property of the school board as security for a loan.25

A Federal Loan For The Schools

Again, a unification factor of a common interest brought the teacher organizations in the city together under the leadership of the Illinois State Teachers Association. The ISTA was generally considered the largest teacher group in Illinois and was the state branch of the National Education Association. Because the Association had previous experience in lobbying, it had much expertise and used it when it contacted legislators and the RFC. The work of Robert Keenan, a teacher representative who had been part of the committee of Chicago people who came to Washington in 1933, helped bring about an amendment to the Loans to Industry bill. It authorized the Reconstruction Finance Corporation "to loan up to seventy-five million dollars to public school districts upon adequate security." With property such as the entire block in the Loop, bounded by Madison, Monroe, State, and Dearborn Streets, frontage of the First National Bank and the Boston Store, and the site of the
municipal airport, (now called Midway) the board of education property was well suited as security, because it was worth millions of dollars.\textsuperscript{26}

Supported by a letter writing campaign, which enlisted nearly all the Chicago teachers, the senators and congressmen were deluged. In one week over forty-six thousand letters arrived in the capital city in support of the loan program for Chicago. When the amendment passed the Congress in May of 1934, the restrictions of the bill provided that "only Chicago, with its school land holdings could qualify" for the RFC loans. On 20 June 1934, President Franklin D. Roosevelt signed the law. The new legislation authorized the Chicago Board of Education "to issue bonds on the security of school fund land leases in order to pay the back salaries of the teachers for the time they had been withheld.\textsuperscript{27}

A close examination of the law revealed that it was strikingly similar to the provisions of House Bill 1051, passed by the Illinois legislature in 1933. However, H.B. 1051 had never been acted upon as Mayor Kelly never brought forth a resolution in the City Council to authorize the issuance of bonds. The aldermen passed the enabling act after the federal loan was assured as did the State Legislature and the Chicago school board. The banks, not surprisingly, hesitated to take up the bonds, and challenged the bonding power limitations and authority of the schools. On 31 July 1934, the Illinois Supreme Court ruled in the case of "The Board of Education of The City of Chicago vs. Upham." The Court said, each municipal corporation had its own constitutional limit of indebtedness, that the Board of Education of Chicago could create indebtedness for a working cash fund without regard to city's
constitutional limit, and the board of education could mortgage school lands. 28

The court justices based much of their findings on the education decision in the Mathews case, which was concerned with the "Not Sufficient Funds" checks issue. They said the board of education had bonding power under legislation and had "its own limit of indebtedness under the constitution, which [was] not affected by the indebtedness of the city of Chicago." The court also stated, that the proceeds of the bond would not provide for an unnecessary accumulation of funds. The court also ruled that the board, under legislative sanction, could authorize the sale, lease, or encumbrance of any school lands not used or necessary for school buildings or playground purposes. 29

With the decision of the justices, all roadblocks were withdrawn and the loan went through. The RFC bought bonds based on the rental of school board properties and resold them to the banks of Chicago. The First National Bank, which stood on school land, was "made trustee to collect [the] rents." Under the plan if the lessees failed to meet the payments, the land could be forfeited. Thus, it was possible for the First National Bank, which was one of the lessees, to fail to pay its own rent and foreclose on the land it rented. Such was the prize, which resulted in the final negotiations for the loan between the banks and the governmental corporation. Finally on 27 August 1934, the teachers and other "school employees lined up in front of the windows at one hundred thirty North Wells Street and waited for hours to receive their seven-and-one-half months back pay in cash." 30
Portrait of William Bogan

During much of the examination of the school situation, little reference had been made to the Superintendent of Schools, William J. Bogan. This was done not out of disrespect or ineptness, but because he was not a major factor in the events. Mary Herrick said, "One of the greatest tragedies of the decade between 1926 and 1936, was the complete frustration of one of the most creative and potentially useful leaders the Chicago school system had ever seen in its hundred years of existence." Bogan was not an isolated educator, he had been the President of the Illinois State Teachers Association and active in the Civic Club. In addition, he understood school finance and knew beyond a shadow of a doubt how the figures presented by the Kelly Board were being rigged. Yet, President McCahey, had publicly stated that he would not be guided by the superintendent in school matters. He was considered by the teachers to be friendly toward them and he was a frequent speaker in the Principals' Club and the teachers groups. But he had strained relations with the Chicago Teachers' Federation.31

Dodge said, there were two significant contributions made by Bogan. The first, was the advisory council he created. It drew specialists in health, welfare, psychology, and social problems into the schools and established close relations with the community. The second, was the leadership in the institution of the Montefiore and Mosely Schools for delinquent and truant boys. When he died in 1936, a scholarship fund was set up in his memory by the Citizens Schools Committee and the teacher organizations. The board of education, true to this contrary efforts toward Bogan, selected William H. Johnson as his successor. Bogan did
not respect or trust Johnson and did not recommend his appointment to the position of assistant superintendent in 1935. 32

Lessons of the Wrecking Program

The episode in the history of the Chicago schools in which the teachers and school employees worked for little or no pay came to a close with the federal loan. However, the teachers realized two important yet discouraging lessons from the experience. First, was the value of the concerned citizen who tried to influence the elected authorities. While there was popular response to the plight of the teachers, enlightened public opinion did little to stop the more blatant malfeasance of governmental and civic duty. Second, was the realization of a "widespread willingness on the part of municipal and business leaders to sacrifice education before any other municipal service to the demands of retrenchment." Herrick said, "the size of salary cuts and reductions in services of the local governments were dictated in inverse ratio to the usefulness of employees and services in catering to partisan political interest." 33

As a result, other municipal agencies such as the Sanitary District and the Park District, as well as the city employees and the school maintenance and custodial workers never suffered the pay cuts or irregular pay days to the extent the teachers endured. While it had been said there most likely was not any national conspiracy of the upper classes against the lower during the 1920s and 1930, it did appear the teachers were correct in their feelings. They felt that the bankers were their enemies, the politicians were interested in votes and power, and both the "lords of business and City Hall had little regard for
education." As the concern for a corporate dictatorship spread throughout the country, the public learned that big business graft was not isolated to Chicago and its gangland operations. It was such feelings which contributed to the conversion of the teacher locals and the American Federation of Teachers "to the values of social reconstruction in a post-depression, pre-World War II America." It also paved the way for a strong united Chicago teacher's union.34

Cermak Revisited

Anton J. Cermak, built one of the most powerful political machines in the history of Chicago. He is usually given credit for creating and organizing the Chicago democratic machine. He convinced supporters and followers that they were better off not fighting each other in their endless and pointless neighborhood ethnic wars, but working against Big Bill Thompson and the Irish leadership of the Democratic party. Cermak sewed up the raw fabric of the white have-nots who dominated the city in numbers but had been "politically powerless," and put together an ethnic coalition which won elections and made him the mayor of Chicago in 1931. A.J. received the votes of the Polish, Czech, Scandinavian, German, Jewish, and some of the Irish. He also had the support of the "six Chicago Teachers' organization to which almost all of the city's public school teachers belonged." He carried forty-five of the fifty wards in the mayoral election.35

Cermak, gained control of the political organization "by working on the most practical basis with privilege-seeking business interests while maintaining an iron discipline in the party ranks." He used his political genius and gathered the ethnic and racial strands of the
Democratic part in Chicago into a cohesive organization. He gave orders to alderman and police captains, maintained alliances with the underworld syndicate, and engaged in bi-partisan deals with Republicans as his organization grew in force. For example, Cermak proselytized William Dawson, one of the two black aldermen in the City Council at that time to change party allegiance to the Democrats. As a result, just before his death A.J. had more power and wielded greater political influence than anyone else in the history of Illinois. He was considered the "absolute boss" of Chicago and the State of Illinois in January 1933. 36

A.J. was a power seeker who dedicated his life to a political career and fought for position, control, prestige, and responsibility. In his only published article he said, politics was a "game of knowing men and what they want, juggling, giving and taking." He also said politics as it was played was good fun. Those who were his enemies in the political arena conceded that Cermak was a skillful negotiator who had few soft spots. He was also considered a master of "group diplomacy." Tony Cermak was a closed-mouthed individual who had only a few personal friends and kept no diary and hardly any records. Instead, he relied on the memory bank of his head for his information. He was suspicious of people, trusted no one and was not inclined to delegate responsibilities. Cermak had a tremendous level of energy frequently working "sixteen hours and more a day." He also found satisfaction in the deference people of power and social prestige were eager to show him. 37

Cermak was never "personally involved in scandals related to sex."
Once entering public life, he was essentially a sober man who was secretive about his own affairs. Cermak respected culture only if it was supported by wealth. He also was so concerned with the thought of a force attempting to wrestle power from him that he hired espionage agents and did a "prodigious amount of checking and overseeing." He seemed to have a genuine feeling for those who were less fortunate and always worked for charitable activities for the deserving poor. Yet, many times he was described as "ruthless", "czar-like" "uncompassionate," and "autocratic" by friends and foes. 38

The Cermak Power Base

The mayor was known for his political word as he had a reputation for "scrupulous payments of political debts." He always used the technique of appointing a citizens' advisory committee of important and distinguished people which went "through the motions of public consultation and power sharing." However, they were always controlled by Cermak by the use of carefully picked key members, controlled agendas and full-time experts. He had a desire to have his "finger on every pulse" and believed that no one was as trustworthy as he. Because he had an "insatiable demand" for information he kept his door open to all who wanted to see him. He insisted on administering over every meeting of the city council and was considered a decisive presiding officer. 39

The Federation News reported that Cermak's sponsor was Melvin A. Traylor, President of the First National Bank. Thus Traylor, it was said, was the "power behind the mayor's chair." Cermak respected individuals such as Traylor because of their wealth and power. As a result when he decided to run for mayor "the bankers supported his
candidacy and applauded his promise to work with the banks and business to reduce government spending." William Stuart wrote about the relationship between Cermak and Traylor. He said when "bankers and other big businessmen met to discuss political affairs," Traylor always was at the head of the table since he was the bankers political boss. Stuart continued that once a decision was made by the group that the city should take a particular course of action, Traylor invariably said, "I'll see the mayor and have him do it." Stuart indicated that in matters such as those, Traylor was Cermak's "boss."40

A.J.'s relationship with Fred Sargent could be described as similar to that of Taylor's, since he was rich, powerful, and was identified with "the civic and social welfare" of the Middle West. Sargent was called the railway executive who had great "prestige among the leaders in the community as well as the common man." A closer examination of the backgrounds of the individuals with whom Cermak associated himself (but who were not directly connected with him politically) showed a common thread of affluence and banking. Cermak was a politician and a successful businessman who had banking interests. It was not surprising to find that those who were appointed to his Citizens' Committees had similar traits. Boss Cermak was friendly toward the businessman and the banker. They helped get A.J. elected mayor on the issue of "municipal corruption" and at the Democratic Convention in Chicago in 1932. Cermak "supported Melvin Traylor for President."41

The Cermak Plan

Banfield and Wilson described a process in which the business elite influenced the political process not in a direct manner, but through the
political boss (usually the mayor) of the dominant party. They call such an action "differential centralization." Such an alliance could explain why the school system of Chicago was the mayor thrust of the economy program pushed by the citizens' groups in general, the Sargent Committee in particular and Mayor Cermak. In 1931 when Cermak came into office, he was faced with a political dilemma. He had to keep his campaign promises to reduce expenditures and cut taxes so the administration had to act to cut expenditures. Yet his newly formed political organization, fresh from its first major victory, could not be damaged or kept from the rewards for winning. The school system thus appeared to be the "logical choice for direct economies" because Cermak could gain sufficient control of the leadership of the board to initiate reductions in local government, but he would not adversely affect his patronage system which was a backbone of his power base. The results of the Sargent Committee's efforts indicated that with the support of City Hall it was able to reduce expenditures all of the local governments. But only in the school system did such cuts "necessitate the dismissal of personnel." In fact, at the same time that over 1,000 teachers were dismissed from their positions in 1933, the same year an "estimate 700 political appointees" were placed on the payroll of the city.

During the summer of 1932, the Sargent Committee and the board of education held a series of nightly meetings, which also demonstrated the "close relationship between the committee and the mayor." At the meetings, Fred Sargent told the trustees if they agreed to fifteen million dollars cut in the budget as recommended by his committee, the group would "use its best efforts to secure sufficient cash" for the
operation of the schools for the remainder of the year. Then later in the same month of July, Cermak announced to Sargent and the bankers that he had obtained approximately two million dollars for teacher salaries based upon the assurance from the board of education it would reduce the budget by the amount suggested by the committee on public expenditures. A.J. further stated that if the reductions were not made then the responsibility for failure to secure more funds later would rest directly and entirely upon the school board.43

Cermak And The Board of Education

Cermak was particularly concerned about the actions of the school board and worked to force them into submission because he could not fully control the decision-making process of the trustees. Even though he believed that cuts had to be made in the school budget, he did not have the regulatory power to mandate such reductions for the schools as he did with the city government. Thus he had to resort to other means to insure compliance. Herrick said, that Cermak's major contribution to the school system during his two years as mayor was: (1) To criticize the Thompson appointees still on the Board for being unwilling to make the cuts suggested by the business community for the restoration of credit; and (2) To complain that the holdover board members would not resign so he could appoint new trustees favorable to his plans. He pushed for the resignations of the Thompson members because his main source of control in order to effect changes in the operation of the schools was with the legal responsibility of appointment of trustees.44

Since the membership of the board was a creation of mayoral action, the board members tended to reflect the goals and norms of the city
administrator who made the appointments. In Cermak's case, such a move was also good politically since the city had swept Thompsonism out of power. Thus the only remaining bastion of the former administration was the school board. Because the mayor favored the retrenchment program he demonstrated anger at the Republican board members appointed by "Big Bill" for their opposition to the reduction of school expenditures, hence he called them "the Solid Six." A.J. continually said that if the Thompson board members resigned he would be able to improve the school situation with the appointment of capable men and women of high character and of demonstrated devotion to civic welfare. 

The Teachers And The Mayor

When the teacher groups realized the efforts to cut educational expenses were not only designed to reduce taxes, but to weaken a public service of no personal value or low esteem to the bankers and the expenditures committee, they lead the opposition to the school reductions. They complained that workers in politically sponsored positions, both in the school system and other governmental bodies suffered much less financial dislocation than did the teachers. The educators also pointed out how the Sargent Committee made disproportionately greater extractions from the board of education budgets in comparison to the demands made upon the various other governmental agencies in the city and throughout the county. However, the teachers and supporters of their position lacked any political influence in their effort to oppose the economy measures for the schools. As a result Mayor Cermak was able to intervene in the school issue to a greater degree.
Cermak's biographer said, he did not show much respect for "individual employees although he professed deep sympathy when they went payless." Since he demonstrated a lack of regard when he reduced salaries and benefits for city workers it was not surprising that he supported efforts to do the same in the school system. Cermak used a bullwhip style of administration in which authority and coercion were used to manipulate people and situations to his benefit. Lyle said, "Tony was a serious, emotional, impulsive man who easily could get worked up about a right or wrong as he saw it." As a result the rank and file of the employees feared and in some cases hated him. Gottfried said, Cermak did not fit the human relations type of administrator as professed by Elton Mayo nor did he apply Simon's style of administrative behavior. His personnel style would fit him on the 9,1 Authority-Obedience Administration, placement of the Blake-Mouton Academic Administrator Grid, and would most definitely reflect McGregor's Theory X manager.47
CHAPTER SIX NOTES


program; Haley, Battleground. 250 251. 255;

22Haley, Battleground. 249; Lipkin "Payless Paydays." 51; see Herrick, Chicago Schools. 104. 105; "Spasmodic Diary." Atlantic Monthly. 525, 526.

23Haley, Battleground. 255, 256; Our Public Schools Must Not Close. Chicago Board of Education (Chicago: Municipal Reference Library, City Hall, 1933), it is also available at the Chicago Board of Education Library; Herrick, Chicago Schools. 212. 213; "The Chicago Board of Education Defends Itself," The Elementary School Journal 34 (December 1933): 245-250; also see "School Conditions In 1933 Required Extraordinary Measures," Chicago's Report To The People, 1933-1946 (Chicago: Municipal Reference Library, City Hall), 319-321.


27Lipkin. "Payless Paydays " 43; Smith "Social Reconstruction " 12; Haley Battleground. 259.


29Board V. Upham. Illinois Reports. 263-269;

30Haley, Battleground 260; Smith "Chicago Teachers Are Paid " 323; Herrick. Chicago Schools. 220; also see "Fiscal Outlook For Chicago s Schools," Citizens Schools Committee Files, Box 1, Folder 6, Chicago Historical Society, 21 June 1933.

32. Chester C. Dodge, Reminiscences of A School Master (Chicago: Ralph Fletcher Seymour, 1941), 113, 115; Herrick, Chicago Schools, 226, 227.


38. O'Connor, Clout, 38; Gottfried, Boss Cermak, 370-372.

39. Gottfried, Boss Cermak, 239, 301, 349; Smith, "Thompson/Cermak Boards," 11, 12; also see Cermak, "Why Business Men Fall," 26; Barnard. Anton, Martyr, 64; O'Connor, Clout, 44.


42 Edward Banfield and James Wilson, City Politics (Cambridge: Harvard University Press, 1963); 273.


CHAPTER VII

A POLITICAL POSTMORTEM

The Chicago Financial Situation

When the depression hit in 1929, the entire nation suffered from the prolonged effect caused by unemployment, reduced income, and economic paralysis. However, in Chicago several additional factors forced the city to be more deeply engulfed in fiscal difficulty than other communities. One of the conditions was the reassessment of real property which was begun in 1928. The reevaluation deferred the presentation of tax bills for two years and started a chain of circumstances which resulted in the loss of tax revenue for local governmental units in Cook County during those two years. The school system in Chicago suffered greatly from the absence of tax revenue because it had to rely almost entirely on taxes as the primary source of funds for the operation of the schools. As a result, the board of education was forced to borrow money with the use of tax anticipation warrants pledged against its tax levies.¹

The purchase of the "interest-bearing warrants by the banks and corporations, and the acceptance of them for service rendered by teachers and others, were retarded and at times ceased because they could not be disposed of except at heavy discount," said Graham Taylor. While the demand for reduced expenditures and retrenchment by local governments was raised, the organized taxpayers strike in Chicago accentuated the fiscal problems. In addition, when the reassessment was finally accomplished the value of property was lower than previous
figures and was greatly declined from the anticipated level set by the schools and other units. In the case of the board of education, such property devaluation provided that even if all the taxes had been collected on time the board would have still suffered an absolute loss of $640,000,000 in revenue for which the tax anticipation warrants had already been sold. In addition, the large investors of school warrants were caught holding substantial amounts of virtually worthless school board paper. The major financial institutions had difficulty handling this loss because they had "invested heavily in the depreciated real estate and in companies such as Insulls' Midwest Utilities." The Insull empire, centered in Chicago wreaked further financial havoc on the city when it collapsed during the depression. Thus it provided a second condition of uniqueness in Chicago's fiscal difficulties. 2

The Insull Empire

Samuel Insull built a utility conglomerate which played a significant role in the history of Chicago and was called by Edgar Lee Masters a greater enemy to Chicago than Al Capone. He was born in London, came to America to work with Thomas Edison and by 1907 was the head of Commonwealth Edison Company. Insull expanded from the utility business in the city to control the Public Service Company of Northern Illinois and the Middle Western Utilities Corporation. He was a builder and a pioneer of the use of a multitude of small stockholders owning shares of a large corporation. He organized "hundreds of public utilities into holding companies and shared the benefits with six hundred thousand stockholders." Before he was through Insull supplied not only electricity but gas, water, ice, and heat to over four thousand
towns from Maine to Texas. He also headed Peoples Gas, Light, and Coke Company in Chicago, and was financially involved in the city's elevated railway.  

When Wall Street fell apart in 1929, Insull continued to press onward. Caught in a spiral, he attempted to keep his businesses afloat through continued expansion. Yet not until his empire crashed around him did he give up his optimism. The bankers and other investors stayed loyal to him, but the affects of debt financing, pyramiding, watered stock, and other actions finally brought down the house of Insull. As Gosnell said, "His fall was all the greater because he tried to hang on too long" and thus aggravated the economic problems for the people in Chicago and the Midwest. Insull's major mistakes were the formation of the Corporation Securities Company (called the Corp) and the Insull Utility Investments Incorporated. These trusts purchased great blocks of stock in the Insull operating companies at the peak of the market prices. When the market went down, a squeeze was placed on the market value of the stocks which caused the catastrophe and wiped out his personal fortune estimated to be over $100,000,000. However, when his empire collapsed, Insull took with him the large investors such as the bankers and captains of industry plus many small investors such as chauffeurs, cooks, and other workers. The politicians who had accepted huge campaign contributions for the utility magnate "left him relatively unmolested to pursue his economic ends." As a result they demonstrated that the government was "not geared to prevent businessmen from making mistakes which brought disaster to many innocent persons."  

The entire situation culminated in a trial in which the Federal
Government indicated Insull for scheming to induce people to buy "common stock in the Corporation Securities Company by false and fraudulent means." Under cross examination Insull bellowed his famous words, "I'd do it again, sir! I'm a believer in that method of accounting," and was quickly acquitted by the jury. Yet, no matter what was the end result of the trial or the type of business procedures brought to light, the practices revealed during the court action did not help the "hundreds of thousands of people who were literally ruined by the flotation of Corp and other Insull enterprises."5

Long before the public became aware of the destruction of the Insull empire the bankers knew what had happened. The teachers wondered about the failure of the Chicago banks to purchase the tax anticipation warrants of the board of education so that the school employees could be paid. But the financial houses were left with "enormous piles of the best securities in Chicago" which were worth nothing. Thus they were in danger of total bankruptcy. Because of their foreknowledge of the Insull failure, the banks would not use their minimal reserves of cash to purchase warrants which could not be redeemed for at least two years. Cermak also must have known about the situation. The New York Times reported that during the inventory of the mayor's estate it was "disclosed that Mr. Cermak lost heavily in the collapse of Samuel Insull's utility organizations." The Times said he held over 1,000 shares of Middle West Utilities and Insull Utility Investment Incorporated stocks.6

The banking institutions were concerned with their own survival and with obtaining help for themselves from the Reconstruction Finance
Corporation. They were not interested in helping the teachers or the board of education. One source said that such an attitude was reinforced by the fact that teachers were less aggressively organized than other public employees. Also it reported the board of education was not a political risk. Another writer indicated that teachers were temperamentally complacent. In any event, with the banks unwilling to take any risks for local government, the antiquated revenue system, and a chaotic governmental set up in Chicago unable to cope with the financial emergency, the only hope for recovery was in the hands of the national government. Finally, the federal relief program, the public works program, the works progress program, the RFC loans to Chicago banks, the loans to homeowners, and the loan to the board of education enabled the citizens to weather the severest of storms and solved the economic crisis in the Chicago region. 7

In addition steps were being made to secure greater efficiency in local governments throughout Cook County. Paul Clayton, of the Illinois Chamber of Commerce, told the Union League Club that if the 438 taxing bodies within the county were consolidated into 132 units, the estimated savings "from such a consolidation" would be approximately "$56,000,000 per year." In addition, E.O. Griffenhagen, introduced a plan for the simplification of the local governmental structure for city and county units. The head of Griffenhagen and Associates proposed reallocation of functions among the existing services in the Chicago area. The proposal included the unification of the administration of the schools under a single executive and the establishment of the school organization as a city department. 8
Concern for School Finances

Other voices were raised in the area of school financial reform as the debate over funding of public education continued throughout the area and the country. John K. Norton, Professor of Education at Columbia University, said as a result of the restriction on expenditures brought on by the depression and the inefficient system for the financing of education in the United States, a radical reconstruction of educational finance was necessary. Dr. Norton recommended the abolition of existing school districts and the replacement of them with smaller local districts, adequate in size, both in territory and population. He also called for the States to assume the responsibility for funding schools. Norton suggested that money should be raised largely through income, inheritance, business, and other taxes, levied according to the principal of ability to pay. Norton said the federal government had to have an interest in the maintenance of a defensible level of educational support in every State.

The American School Board Journal stated, in an editorial, that the undue dependence upon the outworn instrument known as the property tax had to be stopped. The School Board Association publication said "any reform of public service," which would be dependable and stable for the public schools had to begin with reforms in taxation. The editors said the answer for such a program was in "the income-tax system." Robert M. Hutchins, told the National Education Association that the entire tax system needed to be overhauled. Hutchins said, school boards had to be reconstructed or exterminated and schools had to be taken out of politics. In addition, he said the relationship among the local, state,
and federal government to education needed to be more adequately defined. The President of the University of Chicago also wrote that he advocated the use of federal funds to promote public education in the states and favored the creation of a Department of Education with a Secretary in the Cabinet. 10

School Finances in the 1980s

While there had been some changes and new developments in the financial support for the public schools, still in 1985 the primary source of revenue for the Chicago school system was the property tax. In addition the "municipal overburden, the high unemployment, and the declining tax base have all contributed to an erosion of resources that does not allow the Chicago School System to work." Another financial crisis during the 1979-80 school term established the "Chicago School Finance Authority" by the Illinois General Assembly. The control board was "empowered to exercise oversight and control with respect to the financial affairs of the Board, and to furnish the Board with necessary working capital." It was specifically created to address the severe financial problems of the Chicago Board of Education. Unfortunately, many of the financial problems which plagued the board of education of Chicago during 1930s, have continued to remain a significant area of concern until the present time. While many suggestions, plans, and concepts had been offered few, if any, were put into action. 11

City Hall And The School Board

Even though the school district is lawfully an independent municipal corporation, such independence has been limited in the management of fiscal matters. The state constitution set basic limits
within which school revenues must be raised and the limits beyond which the Chicago Board of Education may not incur indebtedness. The General Assembly on the other hand determined the outline of the administrative structure, established the "system of funds" it used for business transactions, and voted for appropriations of state aid to the system. Vieg said, of the general limitations placed upon the Chicago school district by the Illinois constitution, the one that cramped it most severely was the "one that prevents it from taxing net incomes." After the school board adopts the budget, the appropriation must, by school law, be certified by the City Council, but it does not need council approval for the approval of the levy. The mayor and aldermen may temporize their consideration of the school tax levy, as was done in 1931. Then Mayor Cermak's council "delayed its enactment of the tax levy ordinance while pressure was being applied to force the board of education to reduce its appropriation estimates from approximately $100,000,000 to $70,000,000." In addition, during the summer of 1933 "under pressure from the mayor" the school trustees approved the retrenchment action known commonly, as the school wrecking program. Such action further demonstrated how the "independent school system continued to be subjected to outside pressure during the budgetary considerations."12

Henry and Kerwin said, when a school system was subjected to political interference at the hands of municipal authorities, the effect of the action would be more severe when such city officials had no legal responsibility for the consequences of their acts. They continued and said when politicians were able to use the schools for patronage
purposes to obstruct the professional aims of school management without being liable for the damage which resulted. The chance that interested citizens would be able to prevent those kinds of raids was significantly lessened. John Vieg wrote, that the smallest change that could be made in the relationship of the Board to the Council in order to guarantee a real improvement over the present situation would be a simple transfer from the former to the latter body of the power to levy the taxes and borrow the money needed for the schools. Students of school finance continued to analyze the reconstruction of fiscal revenues for new sources and usually settled on a tax that rested on the ability to pay. They said, the personal income tax represented the principle of a school system built on a democratic tax structure much better than any other form of tax levy. It was a sad commentary that fifty years later, the Chicago area, as well as the State of Illinois had continued to discuss, talk, and argue the ability to pay concept, but had not inacted any significant improvement in the funding of the public schools. 13

The Chicago Board of Education, Elected, Appointed, or Abolished

Because the members of the board of education played a significant part in the drama of the schools during the time of the Cermak administration, it is important to examine the makeup of the trustees and to consider the particular characteristics of the Chicago board of education. In 1938, Nelson B. Henry and Jerome G. Kerwin published a report of a study they did on school and municipal relationships in cities with a population of over fifty thousands people. The study will be used for comparison to the Chicago situation. In the University of Chicago publication, of the 191 cities which were classified as having
over fifty thousand population, school board members were chosen by popular election in 139 cities. Also a total of 141 of the cities required the school authorities to submit their budget estimates to some other governmental agency. In addition, the selection method for board members, whether it was appointment by the mayor or through the election process, did not automatically determine the quality of the membership of the school board, said Henry and Kerwin.\textsuperscript{14}

A more extensive study of school boards was conducted by George S. Counts on the social control of public education. Counts discovered that in cities over 100,000 population, the median number of board members was 9.1. He found that of the 507 city school boards examined, almost three-fourths of the members were elected at large, and the appointment of board members by a mayor did not result in greater permanence of tenure in office in comparison to elected trustees. Counts also indicated that in 86 percent of the cities in his survey, the board members served without compensation. The median age of the school board members was 48.3 years. However, he found that board presidents averaged an age two years older, while only one of every seven board members in the cities was a woman. 75 percent of the female members were in the occupation of housekeeping and homemaking. Counts stated that the occupations of the male members were mostly proprietors, professional service, and managerial service individuals. As a result, bankers, manufacturers, and owners of enterprises, doctors, lawyers, and engineers, plus contractors and managers dominated the urban school boards. In addition, almost one-half of the members of city boards had some college experience as part of their formal education, while large
city boards show the membership of the school board with higher education had been over 65 percent. He said that such information advanced a proposition that the larger the population area involved, the less likely the school board would reflect the characteristics of the masses of the people.15

Further information showed that 72 percent of mayoral appointments to city boards came from the proprietors and professional service group and capitalistic and professional classes seemed to dominate the school board situation in the largest communities. With respect to the public schools Counts reported, the percentage of parents on the board declined with the increase in the size of the city. In the survey group, 59 percent of board members in cities over 100,000 population did not have children in the public schools. Therefore, Counts stated that based upon his research, the typical city board of education in the United States was composed of: Six members, elected at large; the one woman on the board was a housewife, while the five male member occupations included one merchant, one lawyer, one physician, a banker or businessman, and a salesman or laborer; three of the six members had university education; they had an age range from thirty-seven to sixty-three years; and they received no compensation for the time on the board.16

The Board During Cermak's Term

In comparison, the Chicago Board of Education, composed of eleven members appointed by the mayor, consisted of ten men and one woman during Cermak's administration. Mrs. Helen Hefferan was a wife of a lawyer and active in politics and the Illinois Congress of Parents and
Teachers. The male members of the board were associated with the practice of law or business. Mayor Cermak, appointed four board members during his time in office. In May of 1931, he filled a vacancy which had not been appointed by Mayor Thompson with Robert F. Carr, President of the Dearborn Chemical Company, and a director of the Continental Illinois Trust Bank. He also reappointed Helen Hefferan. In May 1932, Cermak appointed two lawyers, Ernest Buehler and Orville J. Taylor, who replaced Walter Brandenberg and Oscar Durante.17

In January 1933, when Lewis E. Myers, announced his resignation when the 1933 budget was approved, Cermak made no move to replace him and had not appointed anyone to the position when he went to Florida in February. The mayor also indicated he had no one in mind when Carter Blatchford announced his resignation for health reasons in January. His position had not been filled when Cermak left for Miami. In addition he had given no indication whom he would appoint in May when three more trustees completed their terms. As a result, there was no record of who might replace H. Wallace Caldwell, James Hemingway, and John English, when their terms expired. The death of Anton Cermak left the selection of the five positions to his successor Mayor Kelly. Kelly then appointed "two coal company presidents, one head of a machinist union, one realtor, and a neighborhood bank president." In the other areas of comparison, the Chicago board showed no significant difference from the Counts study. The holdover appointees on the board from the Mayor Thompson administration, were primarily powerful business and utility heads, or lawyers. Also, the board of education trustees lived either in the fashionable hotels in the downtown area or in the affluent
upperclass neighborhoods mostly on the north side of the city. In addition all of the trustees were of the white race.\textsuperscript{18}

**Portrait of a Board Member**

In 1985, the National School Board Association released information on the typical board member. The survey indicated that the average school board representative was a white male between forty-one and fifty years of age, a college graduate working in a professional or managerial position, and was married with children in the public schools. The survey reported that almost 60 percent of the board members were in managerial or professional positions while approximately 17 percent were homemakers. In addition, the yearly analysis showed that 56 percent reported an income over $40,000, 38 percent were women, and almost 65 percent of the presidents of local boards were male. In the nationwide picture of local school board members, the NSBA survey showed that 9.5 percent of board members represented a minority race, while over 94 percent were married. Almost two-thirds (65.4 percent) had children in the public schools. Even though 94 percent of the individuals said they had no previous school board experience, over 50 percent had been members of a parent/teacher organization or had served as school volunteers.\textsuperscript{19}

With respect to selection of board members the vast majority of school boards, 96 percent, were elected with about 600 of the nation's 15,300 school boards currently appointed rather than elected. In 1963, 75 percent of the boards were elected throughout the country, but more than 3,000 appointed school boards had changed to the elected process by 1985. Twenty-one of the largest twenty-five cities had an elected board
while only New York, Philadelphia, and Baltimore joined with Chicago in having an appointed school board. In addition, Pittsburgh and Buffalo switched during the 1970s from appointed to elected procedures. In late 1984, Baltimore rejected a referendum for an elected school board. The State of Virginia was the only one of the fifty states which had only appointed school boards. Eighteen states had provisions for either appointed or elected school board members depending upon local determination or other special characteristics. For example, the City of New York had an appointed school board. However, the local community school boards within the city were elected. Also in Wisconsin the city boards of education had the option of being elected or appointed. Of the 1,004 school boards in Illinois, only two—Chicago's and the elementary school board in north suburban Lake Forest were appointed. Also the State Board of Education members were appointed. 20

Ideas for School Board Restructuring

In the mid 1930s and especially after the school wrecking program was announced, there was a public outcry for a change in the set-up of the Chicago Board of Education. In particular, there was raised the question of the need for a school board. Dr. Charles Judd wrote, that the Chicago Board of Education should be abolished and that the mayor should appoint the superintendent to manage the schools and be responsible for what occurred in the system. Dr. Judd said, such a change would take the schools out of the hands of people who knew about the responsibilities of lawyers and the organization of business, but who had "revealed lamentable ignorance of all that goes to make schools efficient." He continued that such a proposal was in line with the best
principles of modern business, and was justified by more than a generation of shameful mismanagement of the public schools in Chicago. He went on to state it had been admitted during the past two years that the school board was the last hold on government retained by a political group which was for years in control of the city. Judd also said, it was indicated that in May 1933, the political group now in control of the city (would) be in control of the schools. The University of Chicago educator further stated that in the discussion of school affairs in the city over the last two years, the mayor and others had pointed out that school board was "entirely independent of the city officials." He said, the controversies in the school system were the result of the trustees attempting to operate the schools by interfering with the managers at every turn, seeking "advantages for their friends" at the expense of the schools, and continually reversing their policies. 21

The Elementary School Journal wrote, in an editorial, that the existing mechanisms for the administration of local government in this country were never designed to function in complex urban communities. The Journal said such old forms of local administration would at some point be substantially modified. It recommended three different types of school administrative reorganization. The first plan provided for the school district to remain a "quasi-corporation" separated from the municipality, but the school board abolished and the superintendent the sole official responsible for the administration for the schools. Once appointed by the mayor, the superintendent, under this plan, would be in complete control of the schools except as restricted by legal enactment. In the second concept, the municipal authority would appoint the
superintendent plus determine the school budget. The third organizational type would "consolidate all the local governmental agencies in a given area and place them under the control of a single governing body."22

In addition, the Journal continued its campaign for a change in the Chicago school structure. It said that the commission form of city government used in Chattanooga, Tennessee was a viable alternative to the concept used in Chicago. Under the plan, the department of education was established as one of the governmental units of the city. It was administered by a commissioner of education. Professor Nelson Henry wrote, that under the Commissioner type of school organizational plan the responsibility for any administrative mismanagement would be definitely fixed upon one individual rather than distributed among several when the schools were run by a school board. He also said, since a school board member was likely to have some particular interest in the school system which could lead the individual to attempt some measure of control over some given phase of the school work, the commissioner plan would provide an easier regulation by the community of control over the schools.23

Yet, the idea of direct control of the schools by city hall was not seen as a positive situation. As the Elementary School Journal said, the educational history of Chicago had demonstrated that the efficient management of the schools would not be "promoted by increasing the degree of control over the schools exercised by the mayor or the city council." In addition, it said because the board of education was subservient to, and dominated by, the political forces which controlled
the municipal administration of Chicago, the policies of the school board were a "material impairment of the efficiency of the schools." Besides, it continued, the trustees refused to be influenced either by enlightened public opinion or by the advice of competent educational leadership. Another source said that the "expediency and merits of the appointive system rest wholly upon the wisdom, judgment, and honesty of those who wield the power of appointment."24

The American School Board Journal also said, while the success of the appointive system rested upon the judgment and integrity of the official who had the appointment power, such a plan had merit in that it brought into the public service a class of men and women who would not expose themselves to the turmoil and embarrassments which sometime attended the elective system. It also supported the concept of representation at large, rather than ward or district representation since the school board member would be more useful and the guardian of an entire district instead of a fractional area of the school system. In addition the magazine stated that experience had demonstrated the board of education functioned more efficiently when it was absolutely free from city council or mayoralty domination. William McAndrew, former Chicago school superintendent, wrote that the idea of running a school system to please a mayor or a common council was abhorrent, and recommended the city hall ties be cut. McAndrew suggested, the establishment of an independent school fund capable of paying teachers and a five member school board elected on a non-partisan ticket at a time other than when the parties vote.25

James Mullebach, a former Chicago school trustee, said a weakness
of the Chicago appointment plan was that alderman did not recognize the
great responsibility upon them in the review of the nominations by the
mayor. He stated that while various devices had been suggested to
secure a competent and independent board of education, any of the plans
would be successful if an alert and informed citizenship was organized
to watch and guard the operation and conduct of the board. Fred
Engelhardt stated, that the experience of the nation indicated any
control of the schools by a mayor tended to be "detrimental to education
and not necessarily conducive to greater economy." He said it was
contradictory to say that education was a function of the state while
the only solution to school problems was to entrust the schools to the
local political winds which elected the mayor. The University of
Minnesota professor indicated it was difficult to comprehend how greater
economy could be fostered by having no school board and by having the
mayor or city manager select the superintendent. He stated there was a
place for the legislative board in the management of any enterprise.
Further he said, it was a mistake to "assume that a superintendent of
schools, directly responsible to people or to the mayor, could happily
and freely perform his [sic] tasks." Professor Engelhardt said there
was sufficient precedent in the history of city government and schools
which indicated undesirable outcomes from a situation in which the
school chief was directly responsible to the mayor. 26

The Courts Study

George S. Counts found from his investigation into the Chicago
school situation that popular mandates on the conduct of public
education tended to reach the governing body indirectly through the
mayor and the city council. He said that in only a general manner could the public determine policies through elections, because educational issues were rarely clear-cut or understood by any large fraction of the voting public. In addition Counts stated, that the concept of a public school system and the board of education being left to their own devices during the interval between elections had no foundation in reality, since the schools could not sever social contact and exist in comparative isolation. He continued with the contention that the situation in Chicago would be appreciably improved by the separation of the schools from city hall. He said the major problems presented by industrial society would persist if the school board members were elected at large rather than appointed by the mayor. Counts also noted, that an important task was to insulate the "school from corrupt political influences" and it was fatuous to insist that politics must be kept out of the schools. Responding to a feeling that some scholars conceded that all administration was somehow political. Counts continued that it was appropriate to assume the real business of politics was to provide the channels through which the living energies of society would flow. Thus he said, such would make the schools responsive to the more fundamental social realities, yet keep the system on tract during the conflict of divergent attitudes.  

Another source stated, the usual avenue for political intrusion into the schools was through the mayor's selection of board members. It was said that the notion of educational leadership free from outside pressure in Chicago had been reduced to the status of a myth. In addition Hazlett stated, the thought that there was politics in the
Chicago Public School system was as true as there was water in Lake Michigan. The Maryland School Board Association reprinted an editorial from the Baltimore Sun which stated, the trend toward elected school boards carried with it obvious dangers, because for the most part appointed boards were protected from political pressures. A member of the Virginia house of Delegates wrote that the appointed system provided the local government with the opportunity to review the philosophy and fiscal policies of school board members prior to their appointment. It said such a plan ensured that the local government would retain reasonable input into the actions of the school board.28

However, another member of the Virginia legislature concluded that in some areas a beneficial, fruitful relationship between the people and the schools could best be achieved through elections of school boards. An additional source stated, the issue should not be elected versus appointed board of education but whether or not the community had an appropriate mechanism to get qualified candidates on the board. The debate continued with an article by Mark Hurwitz. It reported that people took more interest in the schools when educational issues were dramatized in most school board elections. He said the elected method was more democratic than the appointed concept, since elected board members were "directly responsible to the taxpayers for their actions." On the other hand, Hurwitz said leading citizens would accept a position on the board if appointed, but would not submit themselves to the harassments inherent in the free election process. However he said the appointing authority must be held fully responsible to the people for the action of the board.29
One of the main contentions for the elected board centered around the theory that elections insured the government accountability and responsiveness to its citizens. Kapel and Pink supported this concept in their article which concluded that random selection of board members was a viable technique. They said it provided a "representative sample of the community without resorting to political procedures or traditional vested interests or spoiled approaches." Recently, Thomas Shannon, Executive Director of the National School Boards Association, said that in the American system of government, the public does not place political trust in professional employees, despite their competence or integrity. He also said, such professional employees lacked political credibility because the public wanted "to deal, directly or indirectly, with lay school board members who were answerable to the electorate." Shannon further stated, that school boards had a political but usually not partisan leadership role since they were engaged in the review of the operation of the entire school system. Finally, he said the idea that the elements of local control could be carried out at some state level by professional employees were "hopelessly naive and unrealistic." 30

The Present Board of Education Situation

In late 1984 and into 1985 a campaign to change the Chicago school board from an appointed to an elected group surfaced. It was the result of the dissatisfaction with "bitter employee strikes in two years, the disruptive firing of the Superintendent Ruth Love, poor student performance and annual fiscal crises". The last time such an idea came to light was in 1971, but the Urban League, the PTA and the League of
Women Voters, along with the support of Mayor Richard Daley, defeated the referendum by a three-to-one margin. At present, a coalition of twenty-one civic, community, and school interest groups, have headed the opposition to the elected plan. Supporters of the concept are backed by State Representative, Ellis Levin (D., Chicago). He has sponsored legislation to create a fifteen member board. The members would be elected from single-member districts beginning in 1986. In addition, Aldermen Clifford Kelly and Roman Pucinski have begun to push their own plan for an elected board of education in the city council. Their proposal would include a map designed by Kelly which divides the city into fifteen districts. The proponents of the elected board cite the fact that taxpayers have no control over the board. They said with a decentralized school board, the bureaucracy would be dismantled and the system would be more accountable to local concerns. Ted Comstock of the National Association of School Boards said citizen control of schools is important and most people prefer elected boards. A former Chicago school trustee has stated that the elected plan was a bad idea whose time has come.

The "Council Wars" feuding between the city council and the mayor has entered the debate. Alderman Edward Vrdolyak and the Democratic regulars lined up behind the proposal for a elected school board and Mayor Harold Washington announced he preferred the status quo. Opponents to the new plan have said that candidates could go to political parties, especially the Democratic machine, or the Chicago Teachers Union for campaign money. They also said "parochialism" among members would result because they would place the best interests of the
school system as a whole second to the needs of their own particular area. James Compton of the Urban League said an elected board could cause graft, corruption and patronage in the operation of the schools. Others who are against the change in the selection process have indicated the concept might encourage "opportunists to seek board seats and bring corrupt politics into the school system." Such groups argue that the present system with the use of the "Commission on School Board Nominations," ensures that only qualified candidates with educational interests are presented to the mayor for appointment. (The commission, established in 1946, is an extra-legal, twenty-five member, multiracial group which screens individuals and recommends nominations for the school board to the mayor.) In addition, black and Hispanic groups have voiced concern over any changes because they fear the loss of representation in the way the voting districts would be established under the Kelly map. It is assumed that any plan approved by the City Council would face a long legal test to determine if the council's home-rule powers included the ability to alter the school board selection process. The idea to elect board members on a citywide basis could also be challenged since some federal courts had ruled that at large elections unconstitutionally deprived minorities of proper representation.32

The whole discussion of the school board assumes a political independence, which does not usually exist in a large metropolitan setting. In a city such as Chicago, the city council and the mayor can wield influence and control over public education even if not legally authorized to do so. For example a mayor, of the stature of Cermak.
could use his political power to hold up approval of the school tax levies by the city council. The mayor could also harass the board of education with the involvement of city inspectors building permits and other services which could make things more difficult for the schools. In addition, the authority of the mayor in the awarding of patronage and other political rewards could be used for the benefit of the party and the mayor not for the school system and board members.

Conclusion

Anton Cermak considered politics to be a profession which was only for specialists just as for law, business, medicine, or other occupations. As a result, he dedicated his life to politics and constantly worked to carry through his determination to advance and increase his power, prestige, and control. While others used business connections as a basis for political clout, Cermak made the most of his political career to enhance his business ventures. A.J.'s insistence for information and his other personality traits, provided him with vast amounts of data which he used to plot and determine his position and political moves. He did not make haphazard decisions which would prove embarrassing to his career. Cermak used his ability to judge people, to manipulate situations, and his strength of presence to control and dictate his actions. With respect to the schools he was able to walk the fine line and satisfy (to a great extent) all sides. He was never severely criticized by the teachers for his efforts as they felt he was concerned for their plight and always was available to listen to their concerns. Yet, he was firmly ensconced with the bankers of the loop institutions and with the business leaders of the community. A.J.
associated with the Insulls, Traylor, Spragues and other "silk stockings" of the city.

A.J. was influential in school matters in an indirect way. When he took office he had only two of the eleven members. The next year he appointed two more trustees and had the sympathy of a third member. As was his political style he used this situation to his advantage during the two years he was in office in a most effective manner. Whatever he wanted to accomplish, be it budget reductions, pay for teachers, or the resignation of the Thompson trustees, Cermak worked the public arena for his benefit. He knew in May of 1933, he would lose that trump card when he would appoint three additional board members achieve control of the school board. It would also be safe to assume that he was not surprised by the resignation of Lewis Myers in January of the same year. His wish to not give up the indirect control could be seen in the fact that he did not appoint a replacement for either Myers or Blatchford prior to his trip to Florida. It was not so much that he did not have anyone in mind to assume the positions, but his sense of proper timing that kept the two slots open. Cermak knew he had to make a significant effort with the new selections and he worked to get all the factors in line before the May deadline. As a result, he pushed for his choice for President and was able to have Orville Taylor elected to the position after Myers left the board. Since the members who were retiring were Thompson men, he was in no hurry to replace them until he was certain of the results of his efforts.

It would be a proper assumption to believe that Cermak was close to a federal loan for Chicago at the time of his shooting because of his
power within the Democratic party. Since he was able to obtain a position on the federal reserve board for M.S. Szymczak, it would not be difficult to believe that through his negotiations skill and his political position he would not have succeeded. As a result, it would have been most unlikely that the drastic program of reduction placed upon the Chicago schools in July of 1933 by the Kelly backed school trustees would have been carried through by Cermak if he had lived. A.J. had too much to lose from such a program and would most likely not have wanted to turn away from the good will of his history of support for the teachers and the schools by allowing the wrecking plan to go ahead. Cermak had clout with the bankers and support with the Roosevelt administration. His death removed any obstacle for the efficient destruction of the educational offerings by those who were in the public expenditures committee. In addition, the new mayor was not elected by the people, but appointed by the City Council and would not face a popular vote for two years.

After the pomp and circumstance of the ceremonies surrounding his funeral, Tony's presence was quickly dismantled. He had a street named for him and a section of the Forest Preserve changed to Cermak Woods. But few reminders are left which pay tribute to the man who built the ethnic political organization in Chicago. If it were not for the efforts of the Cermak Memorial Association, headed by his Czecho-Slovak friends and family members, the memorial plaque in Bayfront Park in Miami would most certainly not have been established.

Cermak, ever the politician, was pleased with the movement to give the mayor more control over the board of education. While he made the
most of the fact that he could not force the trustees to do his bidding, he also would have preferred to have the direct authority of his office on the school board. In that way he would be able to utilize his strengths of manipulation and power to even greater proportions. Since A.J. used patronage as a significant weapon, the absolute control of the board of education membership would enhance his situation. Equally a city council under a weak majority can have the same level of power and control today.

Afterward

The following are comments based upon the thoughts of the writer as a result of the research into the administration of Mayor Anton J. Cermak and his political relationship with the Chicago Board of Education. They are intended to raise discussion and further development. However, such considerations would be important to the further clarification of the role associated with the city school system and the chief executive officer for the government of Chicago. The events of 1985, bear strikingly similar resemblance to the situation in the 1930s, when the research examined Chicago. The lessons of the past should be investigated for their possible benefit for solutions to the needs of modern times.

The city of Chicago operates more efficiently when the mayor is strong and holds control of the political organization. The machine which Cermak formulated functioned more than forty years and was at its best when the mayor was in control. The writings which indicated the similarities between Cermak and Richard H. Daley, showed that it was no haphazard development that a strong, tough individual would rule the
machine. A.J. built the organization, around his ideas and political needs. It may have been called the Democratic organization but the machine was not designed to be run in a democratic manner.

With respect to the board of education, it was apparent that there was a need for direct accountability for school trustees. In the 1930s, as well as in the mid-1980s, such a provision would be an improvement in the school situation. As a result, at first blush it would seem most efficient and economical to reconsider the concept for school reform proposed during the Cermak era. The plan called for the elimination of the members of the board and the restructuring of the administration of the schools under the leadership of the superintendent of schools who would be appointed by the mayor. However such an idea would cause concern that politics would be directly involved in the operation of the school system. Yet such a fact has always been accepted or at least acknowledged as happening within the system for years. This method would bring the city government into accountability for the functioning of the schools and would eliminate the luxury of everyone, board, aldermen, etc., passing the educational buck. Such a plan would reduce the area of unaccountability and force the political and educational institutions to work for a common goal in order to survive.

A second possibility for improved responsibility would be to provide the mayor with recall privileges for the removal of trustees. In looking at a city which has such great tradition of political involvement as does Chicago, it is naive to assume that the educational system of the city would be free from politics just because the Otis Law was designed to separate the board from city hall. The school system
and the city government are entwined in many ways. Therefore, the best possible results must be made from the situation. Elimination of the "gray areas" in the relationship between responsibility for action and selection of policymakers must be addressed.

It would seem that energy should be centered on improving the present system for selection and evaluation of board members. Legislation should be designed to mandate the statutory sanction of the Commission on School Board Nominations as an effective method for obtaining highly qualified applicants for the school board. The commission should also be given some authority in the removal process of a member. The wheel has already been invented, Chicago need not attempt to redesign an entirely new procedure. The city would profit from the improvement of the resources and practices already established in the drive to determine the issue of school board member selection.

Finally, it has been unfortunately that history has almost completely ignored the study of Anton Cermak as a political strategist. While he served as mayor for only two years, he spent an entire life associated with politics. His legacies are the ethnic coalitions, which formed the reign of the Democratic machine and the repeal of Prohibition for which he was a leader. During the critical time of the early 1930s when Chicago was in a horrible financial mess, A.J. Cermak took hold of the leadership of the city and made a definite impact upon the schools and the other municipal units of government. It can easily be said that he lived up to the title of "Master Executive," because he was an effective politician who worked at his profession constantly and methodically every minute of his days. Regarding his interaction with
the schools and the teachers, the educational community was better off with Tony Cermak at city hall. The educators lost his political wisdom and sense of purpose when he died. As a result, the schools suffered much more after he had gone than they would have if he lived and served his full term.

For a better understanding of this examination into the political-educational relationship of Chicago in the 1930s, it is important to remember there is a common belief that things in the present are not as good as they were in the past. As a result, there is a feeling that in order to improve something what needs to be done is a return to the former methods. Such a concept was not relevant to a large urban center school system as metropolitan schools were quite different from their rural counterparts.

For example, while country schools were supported by the local farmers, merchants, and other land owners, the city schools relied on the corporate structure to pay the bulk of the taxes for schools. The business community and the dominant middle class living in the city supported the educational programs. However, with economic hard times such as the Great Depression, plus the exodus of the middle class to the suburbs, the vital cog in the support of schools was damaged.

With the industrial-corporate structure unwilling to support the financing of urban schools, public education looked to the federal government for financial help. Washington offered a variety of programs for the schools. The federal influence started with the recovery plans in the 1930s, and continued with the Elementary and Secondary Acts and Public Law 94-142. With such assistance, metropolitan school systems
managed to survive financially because of the intervention of federal funds for categorical programs at a time when the local and state sources of money were dwindling. In the 1980s, with an advent of de-regulation and less federal control the basis of support has fallen heavily on state governments and the local cities. Since in most cases the states have never been in the financial condition to adequately fund schools a dilemma has developed: The federal government indicates the responsibility for education is on the states; state officials, indicate they cannot fund schools by themselves; and local systems are strapped by unwielding electorates or inadequate resources. Generally speaking large city school systems, such as Chicago, have always had a history of a lack of adequate funding. The examination of the educational and political relationship formulated in the early 1930s offers insight into possible solutions to present day concerns. The urban school system must be judged as a unique entity. Its function in the highly political environment of a metropolitan city requires special consideration. The presence of a highly structured political organization offers special consideration for the examination of the needs of the urban school organization.
CHAPTER SEVEN NOTES

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14 Henry and Kerwin, School and City Government, 11-33.


16 Counts, Social Composition of Boards, 64, 70, 76, 78, 79, 81.


22"Should School Boards Be Abolished?" The Elementary School Journal 33(March 1933): 481-483;


31 Philip Lentz, "All Forces Joining Drive For Elected School Board, Chicago Tribune 10 February 1985, Section 2, 3, Banas, "Chicago Edges Closer," Tribune, 2, 4. also see "Report #5," Citizens Schools Committee (Chicago: Board of Education Library), March 1971; Chicago Tribune, 30 November 1984, 2; and Chicago Tribune, 4 December 1984, 1, for additional information.

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