

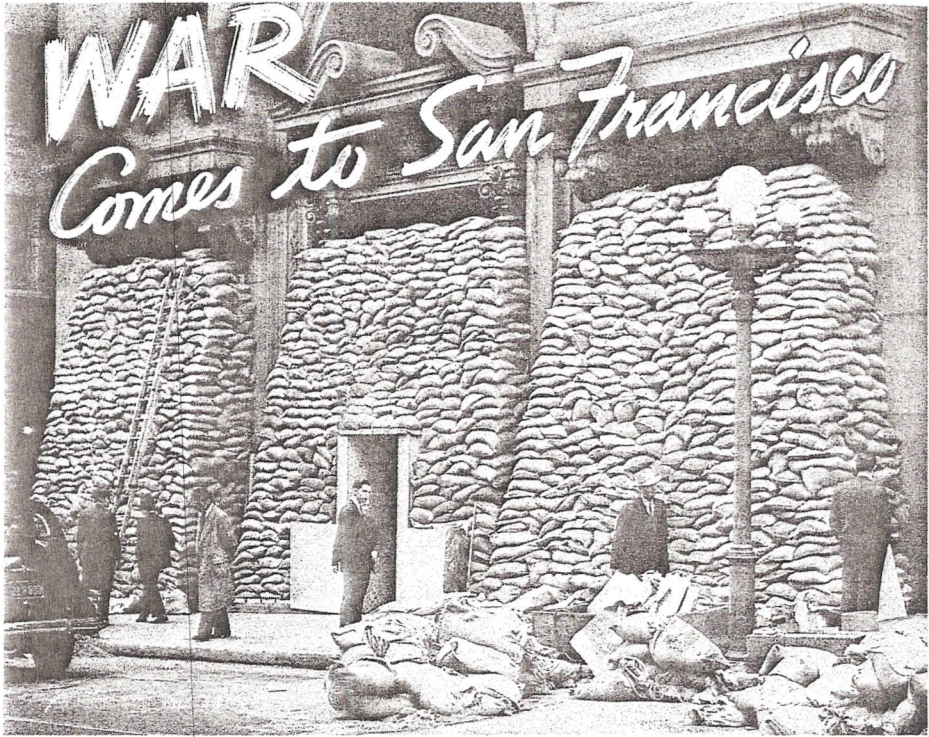
Wartime Growth and Problems

From 1919 to 1941, the strongest feeling of the majority of Americans toward world affairs was their determination that the United States must never be involved in another world war. Senator Hiram Johnson of California was in the forefront of those who were called "isolationists" in this sense. But the raid on Pearl Harbor on December 7, 1941, left the American people no further choice. The Japanese attack, which came without warning and destroyed or crippled most of the American Pacific fleet with bombs and aerial torpedoes, immediately produced more support for an all-out military and industrial effort than Americans had shown in any previous war.

The Impact of Federal Spending

In the period including the fiscal years from 1940 to 1946, the federal government spent \$360 billion within the continental United States. Of this sum, it spent about \$35 billion in the state of California. It would be almost impossible to exaggerate and it is difficult even to comprehend the full effects of these unprecedented expenditures in stimulating economic expansion. Every previous element in the state's economic history was dwarfed in comparison. In the fiscal year ending June 30, 1930, the federal government's total expenditures had been less than \$3 billion, of which it had spent only \$191 million in California. In fiscal 1940 federal spending in the state had risen to \$728 million, much of it for relief and old-age pensions. But in the single wartime fiscal year 1945, the federal government spent more than \$8.5 billion in California.

When Germany began the war with its invasion of Poland in September 1939, neither California nor the rest of the country had fully recovered from the depression that had begun with the crash nearly 10 full years before. The state's population had



Fear of enemy bombardment prompted the sandbagging of this building on Grant Avenue in San Francisco, 1941. The words were painted on by a newspaper artist when the photo first ran. (Courtesy of the San Francisco Chronicle.)

of California in 1939 barely exceeded the 1930 figure of \$5 billion, which meant that per capita income in 1939 had not yet climbed back to the level of 1930.

In 1945, however, the personal income of Californians was \$15 billion. In other words, the war and the increase in federal spending raised total personal income in California to more than *three times* its prewar figure. This meant an enormous increase in per capita wealth, even allowing for inflation and for a state population growth of 30 percent between 1940 and 1945.

Federally financed activities took many forms, of which the most obvious were new or expanded military installations and new defense industries. In 1930 there had been only a handful of military installations in California, including the San Francisco Presidio, Fort Ord, the Mare Island Naval Shipyard, some naval facilities at San Diego, and March Field. By the end of the war all of these had been enormously expanded, and the list had grown to include camps Beale, Cooke, Pendleton, Roberts, and Stoneman; the Oakland Army Base and the Oakland Naval Supply Center; the Alameda Naval Air Station, the San Francisco Naval Shipyard, and the Treasure Island Naval Station; and several major Air Force bases—Castle, McClellan, Parks, and Travis.

Government money poured into the state to build