COLUMBIA

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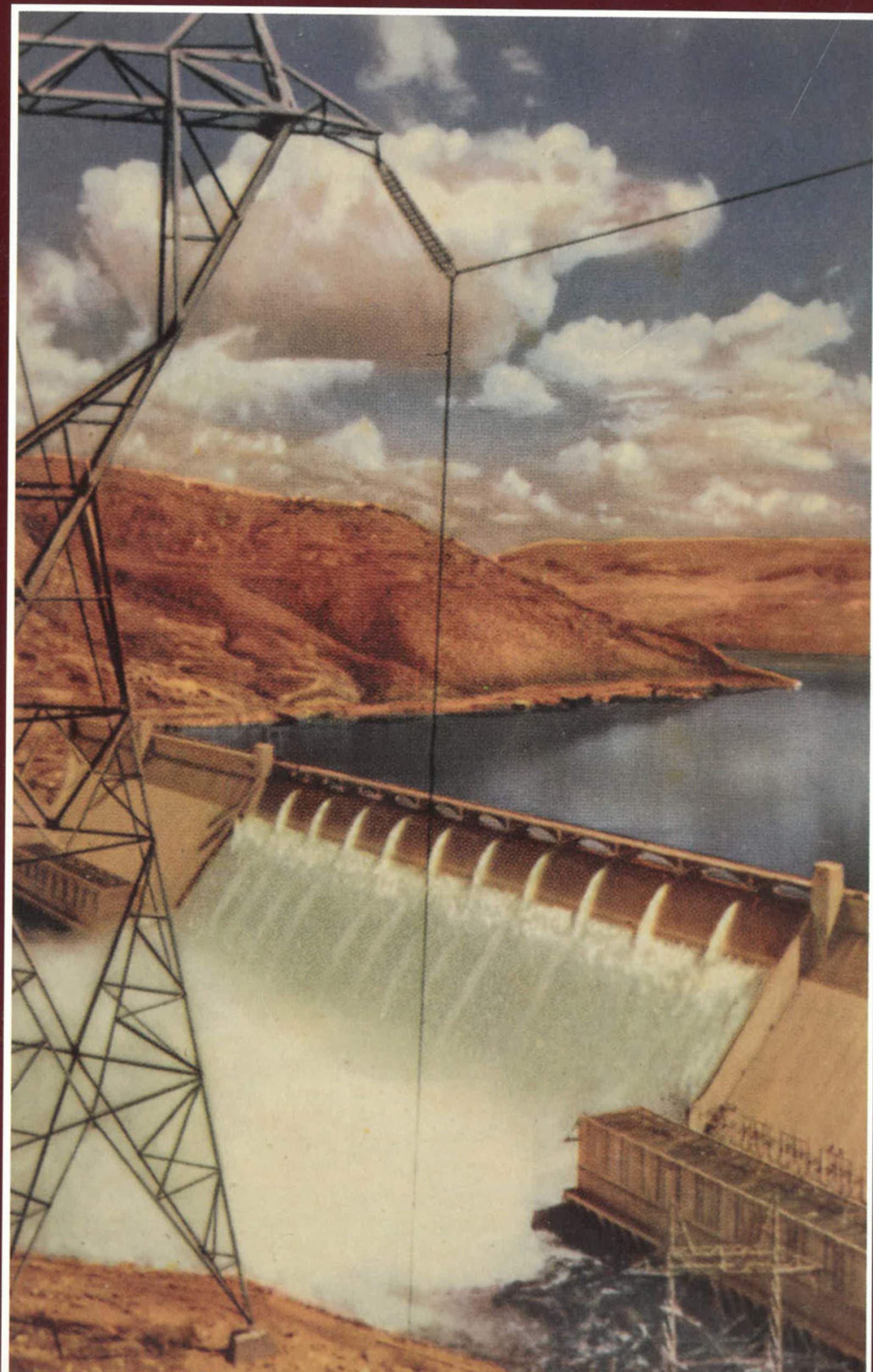

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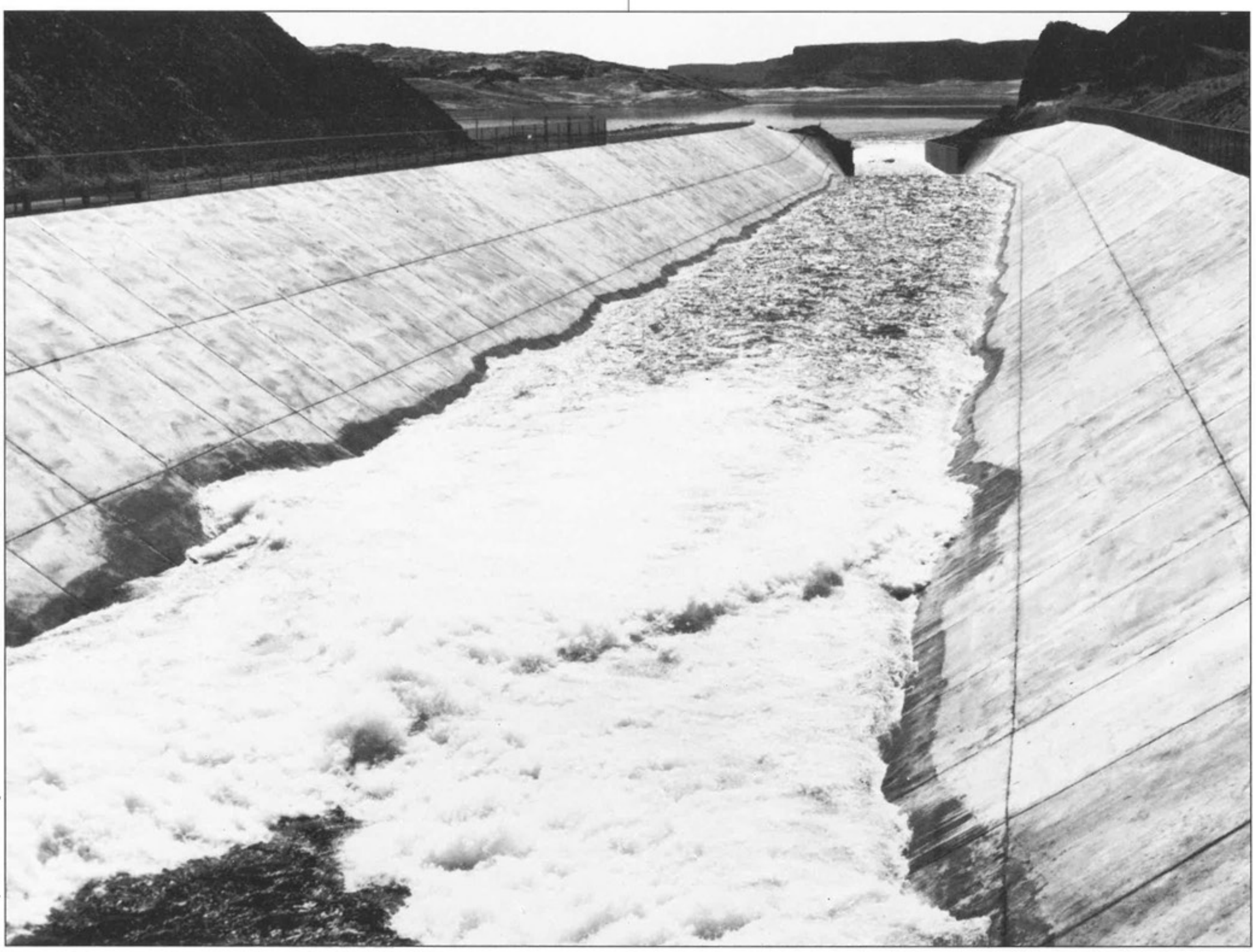
The Columbia B[asin]
FARMERS

It was another battle in the ongoing conflict between farmers and irrigation water providers that erupted occasionally in the arid West during the 20th century. In this case, on one side there was Floyd Elgin Dominy. Of all the men who served as commissioner for the Bureau of Reclamation during the 20th century, he was unquestionably the most colorful and flamboyant. Journalist-historian Marc Reisner described him as a "two-fisted drinker" and gambler with a "scabrous vocabulary," "a self-destructive impulse, a violent temper, and a compulsion to tempt fate." He rose rapidly through the ranks in the Bureau of Reclamation, reaching the top by unseating the popular Wilbur A. Dexheimer. Dominy manipulated Congress, held grudges, and gave rather than took orders. Where Floyd Dominy presided, he was in charge and few dared challenge him.

On the other side stood the farmers of eastern Washington's Columbia Basin Project. They depended on the irrigation water provided by the Bureau of Reclamation, and collectively they had committed themselves to pay thousands of dollars for that water over a number of decades. Historian Donald Worster, following the theme of Karl Wittfogel's *Oriental Despotism*, argued that "large-scale irrigation was possible only in a tightly ordered and hierarchical society whose members surrendered control of their labor, and much of their political and personal freedom, to a centralized authority." In other words, farmers on large federally-built and regulated irrigation projects, such as the Columbia Basin Project, would be so indebted to and dependent on the government agency that provided their water that in return for that water they sacrificed their political power and independence. Such, however, was clearly not the case with the Columbia Basin farmers.



Courtesy of the U.S. Department of the Interior, Bureau of Reclamation

By Paul C. Pitzer

asin Project

They Called Floyd Dominy a "Four-Flusher"

Courtesy of the U.S. Department of the Interior, Bureau of Reclamation

ABOVE: Bureau of Reclamation Commissioner Floyd E. Dominy (left) shakes hands with Senator Warren G. Magnuson. Both were key players on the Columbia Basin Project when this picture was taken in 1964.

OPPOSITE PAGE: Water in the main feeder canal leaves the Banks Lake Equalizing Reservoir in the Grand Coulee and begins its journey toward the irrigation project. The picture looks east.

In his recent book, *The Great Thirst*, historian Norris Hundley comments that "Wittfogel's theory does not seem to find support in the experiences of California's aboriginal irrigationists." He could have added that the considerably more contemporary farmers of the Columbia Basin Irrigation Project, a truly large-scale development, also do not fit the Wittfogel-Worster model. They eloquently demonstrated that fact one February 1960 night in Pasco when 200 of them, angry and resolute about their relationship with the Bureau or Reclamation, shouted at Floyd Dominy. Some added the charge that the commissioner was nothing more than a "four-flusher" (a term for a poker player who is bluffing with only four cards of a five-card flush). It was not abuse that Dominy suffered easily, but that night he took it. It brought to a climax a problem that had escalated since the early 1950s when irrigation began on the large project.

Envisioned in the late 19th century, and quickened by food shortages during World War I, the scheme was viewed by promoters of the Columbia Basin Project—men like *Wenatchee Daily World* editor Rufus Woods and Spokane Chamber of Commerce members Roy Gill and Fred Adams—as a way to put water onto the arid land of the Big Bend. Enthusiasts like James O'Sullivan, who proposed what became Grand Coulee Dam as the best way to do the job, incessantly promised that selling electricity would pay all the bills and that the water would be free to the farmers who used it. In 1930 Rufus Woods had stated that power would pay for the entire project. In 1932 he claimed that the project would pay itself off in 30 years through power revenues. The Bureau of Reclamation undertook the project during the halcyon days of the New Deal, and it emerged as the largest single irrigation project in the nation.

Landowners within project boundaries showed their independence immediately. When the Bureau of Reclamation demanded that they form one large irrigation district they refused and created three independent entities. In the wake of land ownership limitations they withdrew over 300,000 of the 1,029,000-acre total, almost a third of the project, mostly on the east side where sufficient rainfall can usually support dry-land wheat farming. Remembering the promises that the water would be free, the farmers belabored negotiations over the required government repayment contract for five years. Finally, in 1945, they agreed to reimburse $85 per acre over forty years, after a free ten-year adjustment period.

In 1952 the Bureau of Reclamation delivered the first water from behind Grand Coulee Dam. Over the next decade it enlarged the project, but unexpected drainage problems left thousands of acres soggy and unusable. Costs soared as the bureau struggled to deliver water and remove it at the same time. Farmers complained that they had to pay increasingly higher operation and maintenance charges while their incomes dropped due to agricultural overproduction and falling prices. And the 40-year repayment period had not yet started.

In 1953, one year after the first water delivery, the manager of the Columbia Basin Project submitted a statement to the three irrigation boards proposing upward revision of the repayment contracts. Those proposals, based on estimates that drainage would eventually cost not the allocated $8 million but perhaps $40 million or more, also included increases in the repayment fees that farmers would later pay. But project farmers showed no enthusiasm for the discussions, especially those not yet receiving water, and they flatly rejected any contract changes.

The repayment contracts of 1945 had formalized the idea that farmers would return to the government fixed amounts and not a set percentage of project costs. In 1945 the $85 per acre charge would have covered only about 25 percent of the estimated project cost, down from 50 percent in 1935. By 1952 inflation had further reduced that to around 16 percent, and by 1959 some said it was as low as 11 percent. Ignoring this, settlers instead focused on loosening or removing the limits on land ownership. While they saw no problem with changing the rules to allow themselves more acreage, they bitterly opposed increasing their financial obligation.

When discussions turned to the mounting drainage costs, the farmers argued that they should not have to pay for Bureau miscalculations. They pointed to dry drainage ditches in some areas while hundreds of acres stood ruined by rising water tables elsewhere, citing this situation as evidence that the bureau used money unwisely and charging that it had done so deliberately to provide itself with a stronger negotiating position. Farmers argued that they had already paid all they could. Reclamation precedent mandated that charges to water users be based on their financial standing and not on the costs of the project. But in 1958 a study requested by the bureau and conducted by the Farmer's Home Administration indicated that average income on the project had risen nearly $2,000 per farm between 1955 and 1957. The farmers replied that crop returns in 1958 were only 60 percent of those in 1952, and so their ability to repay had actually declined.

A second study, done directly by the bureau and finished late in January 1959, reported that the farmers' ability to repay had increased by three dollars an acre annually when compared to conditions in 1945. Consequently, when negotiations began that January, the Bureau of Reclamation refused to discuss Grand Coulee power revenues and Harold Nelson, the bureau's regional director, stated that the talks had to center entirely on the water users' "reasonable ability to pay." Both sides used statistics to their advantage. The $85 repayment cost was based on 1940 dollars, and had that cost been adjusted for inflation, something not allowed in the contract, the farmers would have been obligated to pay considerably more per acre. Without higher repayments, the bureau announced, project expansion would stop in 1963. At the same time, the irrigation district boards approached the Columbia Basin Commission and asked it to support their contention that the project should be finished without any change in the current contracts. The commission agreed.

In May 1959, to break the deadlock, the bureau submitted three formulas to the irrigation district boards. They ranged from charges of $133.50 per acre over 50 years to $125 per acre over 50 years with limits on expenditures for drainage. The three boards recommended $125 per acre over 50 years, allowing $44,500,000 for drainage works. While reclamation officials would not guarantee that this would be enough, both sides were reasonably comfortable with the figure.

On July 29 the East-Columbia Basin Irrigation District, the first of the three districts to vote, turned down the new contract by 897 to 327. In an editorial on the defeat, the *Tri-City Herald* commented:

> *In our opinion renegotiation isn't really dead because it never was alive. When you looked into the subject you discovered two worlds—one the hazy world of the Bureau of Reclamation and the Irrigation District commissioners, and the other the grim world of the farmer.*
>
> *How the feelings of the farmers could have been so badly misjudged is . . . beyond us. It was even circulated that opposition to the new contract was confined to a "small vocal group in the South District." That myth was exploded yesterday.*

Caught off guard by the overwhelming rejection and seeing that it had misjudged the farmers, the bureau canceled the other elections.

Immediately after the East District rejected the new contract, the Bureau of Reclamation took action that further soured relations with the districts. Operation and management charges, estimated by the bureau at around $2.60 an acre in 1953, already averaged $5.75 in 1957. This, added to quadrupled state and federal tax increases over the first ten years of water delivery, outraged project farmers. Now the bureau projected an additional $1.65 per acre in 1960. The farmers saw this as direct intimidation. They met with Senator Warren Magnuson, who backed their decision to organize a "water users' strike," and they resolved not to pay the higher operation and maintenance charges. The Bureau of Reclamation announced that if the farmers withheld payments, no water would be delivered during the 1960 irrigation season.

In December 1959, 125 water users met in Othello and demanded that power revenues pay the drainage assessment. They insisted that they would not pay the fees, and they asked Congress to investigate the project. From February 9 to 11, 1960, Commissioner Dominy traveled across the Columbia Basin, meeting in Pasco, Mesa, Warden and Quincy with the district boards and farmers. In a three-hour meeting in Pasco, with about 200 present, Dominy responded to angry questions. When one farmer shouted, "Don't try to get money out of us because we haven't got it," the others cheered. Withstanding a level of abuse that he seldom tolerated, the commissioner remained pleasant despite the repeated cries of "four-flusher" and in the end calmly told the farmers to take their case directly to Congress.

Over 300 farmers attended the Mesa meeting. They kept Dominy until almost midnight, and during that time none of the farmers spoke kindly about the Bureau of Reclamation. One settler called the project "an extortion game." Again remaining remarkably restrained, Dominy told them, "If the contract I'm offering you is worse than the one you got, I'm a monkey's uncle." He complained later that the farmers had closed minds and that they were unwilling to listen to facts.

As Dominy suggested, the farmers approached their congressmen. On February 15, 1960, Senators Henry Jackson and Warren Magnuson introduced a resolution asking

Special Collections, Washington State Historical Society

Map showing the Columbia Basin Irrigation Project. The view is from the northeast.

Congress to grant a two-year moratorium on Columbia Basin Project annual drainage charges and to establish a board to investigate all phases of the project, reporting back in one year. With the farmers refusing to pay the assessed fees and the bureau threatening to cut off water delivery, the senators commented, "In effect, the Bureau of Reclamation has set a time-bomb to go off in the Columbia Basin Project this spring." The bill, if passed, would "defuse this bomb" and establish an "armistice period."

As the Senate Committee on Interior and Insular Affairs conducted a comprehensive review of the repayment problem, Jackson and Magnuson amended their bill so that it guaranteed water deliveries in 1960 and 1961. The Senate Interior Subcommittee on Irrigation and Reclamation approved the bill as amended, despite objections from the Bureau of Reclamation. Everything went smoothly as the bill passed the Senate. But the House of Representatives cut the 1961 Columbia Basin Project appropriation to its lowest level since the war, and Representative Walter E. Rogers, a Democrat from Texas, announced that he was in no hurry to conduct hearings on the Magnuson-Jackson moratorium bill.

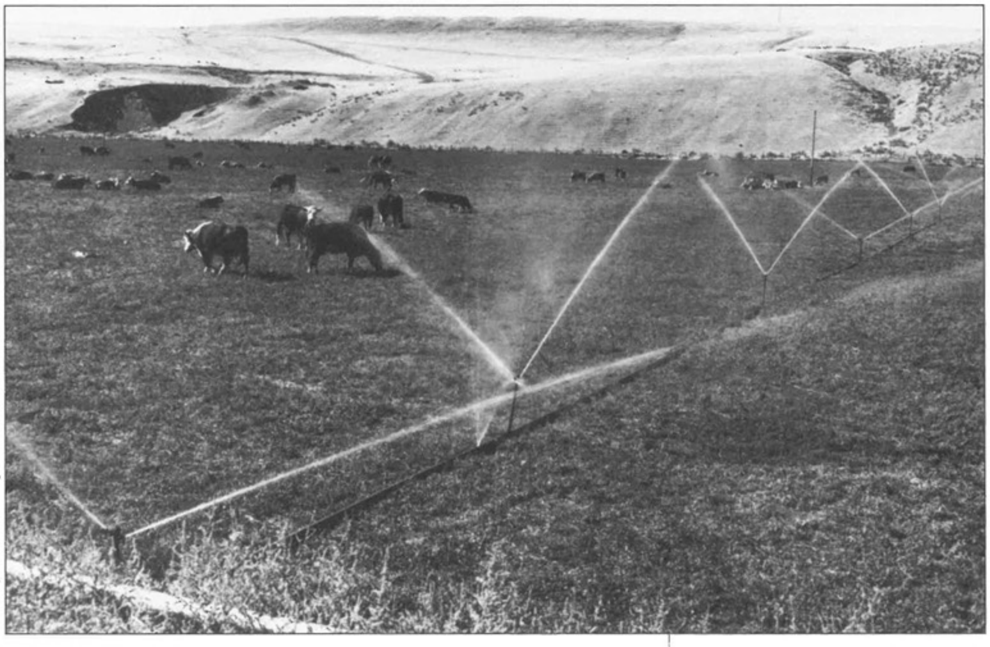
A new repayment capacity study, done partly by the Department of Agricultural Economics at Washington State University, pictured project farmers in a more favorable economic position than they themselves indicated. Buoyed by this development, the Bureau of Reclamation hardened its position. Dominy demanded that the districts either pay the drainage assessments or at least guarantee the money and that they do so before a May 1 deadline. On May 1, 1960, all three irrigation districts together placed $620,000 in escrow accounts at various local banks. Then they waited to see what the House of Representatives would do.

In mid May the House Interior and Insular Affairs Committee held hearings on the Magnuson-Jackson bill. From the outset the exchanges lacked a conciliatory tone. Committee members commented that the extensive use of power revenues to offset irrigation charges was unprecedented on reclamation projects and that drainage was traditionally not the government's responsibility, generally being left entirely to the irrigation districts. Farmer spokesman Walter Le Page detailed the cost-price squeeze and Earl Weber of Quincy pointed out that operation costs on the project had doubled over just a few years. "Veterans are going broke," Weber complained. The Bureau of Reclamation sent officials who testified against the bill. Up from the $125 per acre figure, the men explained that the government would now seek $133.50 per acre over 50 years as terms of any new contract.

On the final day of the hearings things went from bad to worse for members of the Columbia Basin Water Users Association. Republican Representative John Phillips Saylor of Pennsylvania responded to Walter Le Page's statement that the "process of negotiation stinks," by stating that such comments reflected on the committee's integrity. At the conclusion the legislators told the farmers to "go home and work out your problems with the Bureau of Reclamation." The House Appropriations Committee simultaneously withdrew funding from the project, stopping any new construction.

Walter Le Page wrote to Magnuson a few days later:

Maybe some of the static was justified, but not all of it. We have been criticizing the Bureau of Reclamation and maybe this



Taken on one of the main irrigation blocks of the Columbia Basin Project, this photograph contrasts an irrigated area in the foreground with dry land in the background.

was one way for the Republicans to get even with us. . . . Floyd Dominy told me that you and Sen. Jackson undercut the Bureau of Reclamation when you asked for the Senate hearing. He may not appreciate your action, but the farmers do.

On July 18, 1960, Commissioner Dominy accompanied members of the House of Representatives subcommittee on a three-day tour of the project followed by a meeting in Moses Lake. Over 300 farmers attended, and the hot weather did nothing to cool tempers on either side. In response to unfriendly shouting from the audience one of the congressmen retorted that they were angry too; they had traveled to Washington state to help and had done so at personal expense and inconvenience. Most of the 30 people who testified did so calmly, and the exchanges were civil until Harold E. Soden, an Ephrata farmer, told Representative J. T. Rutherford, Democrat of Texas, that power revenues from Grand Coulee Dam were as important to the Columbia Basin Project as offshore oil was to his state. Rutherford exploded, "I told you what you'd get—nothing. Don't start throwing barbs at me, buddy boy." When the four congressmen departed the next day, two declared against the drainage moratorium bill, one said that he favored it, and one remained undecided.

The House and Senate conference returned some funding to the project. Then on September 1 Congress adjourned without passing the bill. When the three irrigation districts had placed their drainage assessments in escrow, they had agreed to yield those funds to the Bureau of Reclamation if Congress failed to act. When the bill died the districts released the money without protest.

The next blow fell a few weeks later. The Bureau of Reclamation announced that it had held the drainage charge increase to $1.65 per acre in 1960 but that in 1961 the assessment would rise to $2.30 per acre. This, added to the normal operation and maintenance cost of $6.38, would bring the total to an average of $8.68 per acre. Horrified, the three district boards considered their next step.

The presidential election that fall offered hope. On November 4 Democratic candidate John F. Kennedy wrote to Washington Governor Albert D. Rosellini, "It would be the goal of my administration, if I am elected president, to seek an equitable solution to the drainage and repayment problem. We must carry forward the program and ideals established by the administrations of Franklin D. Roosevelt and Harry S. Truman for the development of Grand Coulee Dam and the great Columbia Basin Irrigation Project." Negotiations stopped for the election.

On November 8, 1960, Republican contender Richard M. Nixon carried all of North Central Washington. In Grant County, the heart of the Columbia Basin Project, Nixon, with 6,785 votes, defeated Kennedy, who drew 6,554 votes. Kennedy, however, narrowly won the election nationally. Within a few weeks, irrigation district officials began calling on him to fulfill his promise. "Some Republican farmers are saying now, 'Let's see what the Democrats can do,'" Walter Le Page wrote in December to Senator Magnuson.

Kennedy turned the matter over to his new Secretary of the Interior, Stewart L. Udall, who in turn passed it on to Undersecretary James K. Carr. Carr appointed a board of three consultants. William R. Gianelli, former assistant to the California director of the Water Resources Department, was selected as chairman. He was assisted by LaSelle E. Coles, manager of the Ochoco Irrigation District, Prineville, Oregon, and president of the National Reclamation Association; and Dr. Roy E. Huffman, dean of Agriculture and director of the experimental station at Montana State University.

Carr instructed them to recommend an equitable solution. They found that not only were the three districts at odds with the Bureau of Reclamation, they also disagreed with each other and the directors did not always speak for the farmers. They recommended retaining the $85 per acre charge and adding $46.60 over a new 10-year period to cover drainage. That period would follow the original 40-year repayment period, thus lengthening the total commitment of farmers from 40 to 50 years and from $85 to $131.60 per acre.

Further, the report urged loosening land ownership limitations and removing anti-speculation restraints so that the project would resemble other federal reclamation efforts.

In the meantime Senators Jackson and Magnuson reintroduced their drainage payment moratorium bill. By the end of August both houses had approved it, and on August 30 President Kennedy signed the measure.

By the middle of September the Bureau of Reclamation and the three irrigation districts opened new preliminary talks aimed at a renegotiated contract. When farmers saw that the repayment costs in the first ten years of the new contract would drop from $2.12 per acre to $1.00 and that $300,000 in overpayments made by farmers in 1961 would reduce operation and maintenance charges in 1962, the atmosphere warmed appreciably. Government representatives added that they would back a bill in Congress to loosen land ownership limitations. This was significant. Operation and maintenance charges were divided among farmers depending on the amount of land they owned and the quality of that land. The more land farmed, the more acres paying the fees but the greater the farmer's after-costs profits. The bureau would also recommend eliminating leasing restrictions and removing other requirements that remained from the anti-speculation legislation of New Deal days.

Out of the discussions two contracts emerged for each district: a lengthy, detailed document and an abbreviated version, or "short form." The long version had all the new benefits spelled out, which meant that rejection by Congress would negate the entire effort. The short form established a contract but allowed Congress to bestow or deny individual benefits. On February 14, 1962, the Quincy District overwhelmingly approved the document by 2,263 to 297. The South and East districts opted for and accepted the long form.

When Secretary Udall sent Congress a bill to amend the contracts, including all the agreed-upon benefits, Jackson and Magnuson backed it wholeheartedly. They realized the limits they faced and were irritated at the farmers who failed to understand the constraints under which they labored. The squabble had continued far too long, and Magnuson and Jackson were eager to see resolution, as was the Bureau of Reclamation. With their backing and with administration support, the House and then the Senate passed the measure. President Kennedy signed it on October 1, 1962.

During the ten-year debate over drainage and contract renegotiation, farmers on the project showed little appreciation for the value of the subsidy they received from power rate payers or the considerably higher cost of irrigation water on adjacent land not within the project. Although the 1945 contracts set a fixed price for water user repayment, unanticipated economic changes dramatically altered conditions. Had farmers been required to repay the same percentage of the cost of the project in 1960 that they had agreed to repay in 1945, the charges would have dwarfed anything ever mentioned by the bureau. A study in 1973 done under the direction of Ralph Nader claimed that while the Bureau of Reclamation frequently proclaims high returns from its reclamation projects, the figures hide enormous subsidies. As for the farmers, they simply concluded that hydroelectric power purchasers should pay the bills regardless of how high they might climb. While the Bureau of Reclamation tried to develop the project and solve its financial problems, the irrigators created considerable adverse publicity and thereby embarrassed their already frustrated benefactor. Further, the farmers undoubtedly exaggerated the economic hardships they faced.

The record of early public and private irrigation projects through the late 1890s and early 1900s shows a pattern that might well have presaged some of what happened later in the Columbia Basin during the 1950s. Farmers then frequently disagreed with officials over repayment of construction costs. The 1890 census reported that relations between corporations owning irrigation facilities and the water users were not always friendly. On early federal projects between 1902 and World War I the farmers often accused the government of "paternalistic tyranny," alleging that it had duped them into believing that their repayments would be much lower than the later reality. Some charged that their ultimate repayment obligation reached twice the original estimates and they portrayed the federal reclamation program as a devious hoax. Officials, for their part, charged the settlers with fraud and political harassment. It was not uncommon, especially in the 1920s, for farmers on reclamation projects simply to default on their repayment obligations. Apparently the Columbia Basin Project farmers are only one group among many that do not neatly fit the Wittfogel-Worster model depicting the Bureau of Reclamation as an all-powerful tyrant intimidating politically helpless farmers.

Once adopted by the government, most projects proceeded without problems until it came time for the farmers to pay the bill. Then harmonious relations between irrigator and water provider often deteriorated rapidly. In the case of the Columbia Basin Project, the trouble started during the ten-year experimental period, before repayment actually began, when unexpected drainage problems and the rapidly changing postwar economy precipitated a conflict. In this respect only, the Columbia Basin Project was unique.

But from the start the landowners of the Columbia Basin showed their independence. Because of their refusal to bow to government mandates, the Bureau of Reclamation had to negotiate with the farmers it served and it has since turned project operation over to the farmers themselves. Hardly a leviathan, the hand of the government has actually withered during the project's development—and all of this due to irrigators brave enough to call their chief benefactor, the bureau's commissioner, a "four-flusher."

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FRONT COVER: Postcard view of Grand Coulee Dam. Though early proponents of the dam promised that irrigation water for the Columbia Basin Project would cost the farmers nothing, the federal government eventually required disgruntled growers to contribute financial support. See related story beginning on page 6. BACK COVER: Edward Curtis photographed this Wishram woman on the rocks above The Dalles in 1910. True to his ethnographic vision, he removed the background and retouched the lines of her dress, bringing the focus of the photograph to the subject's features and clothing. See related story beginning on page 17. (Special Collections, Washington State Historical Society)