

AN ORDINARY MAN AMONG TITANS: THE LIFE OF WALTER P. SPRECKELS

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Walter P. Spreckels was no extraordinary man. Born into great wealth, he was later forced to make his own living. His father was imprisoned for one of the most spectacular fraud cases in Germany at the turn of the twentieth century, and the family's consequent loss of its wealth left young Walter to fend for himself. As a teenager, Spreckels emigrated to the United States to become a clerk in his cousin's sugar factory in Yonkers, New York. He started a family and made a fine career as a sugar business executive. World War I interrupted this steady improvement when Spreckels was deemed an "alien enemy" and barred from his position. Spreckels became a U.S. citizen shortly afterwards and was an engaged, well-known, and broadly accepted citizen in his hometown, Yonkers. He eventually rose to become president of the Syrup Products Company, a subsidiary of his former employer, the Federal Sugar Refining Company. However, Prohibition and the world economic crisis hit him hard. Indicted for selling denatured alcohol to bootleggers, he had to reestablish himself in business once again. After years of financial insecurity, the New Deal offered him a new opportunity as a National Recovery Agency government representative. He eventually moved to California to act as a negotiator and mediator between companies and unions. In 1941, he resigned from the government and became a private industrial relations consultant. His small firm allowed him to make a middle-class living, which he enjoyed into his old age.

Walter Spreckels never made history, but he was shaken by history. The framework for his life between Germany and the United States of America was set by the perils of early twentieth century history and by others, namely the titans of his own family in Germany, New York, and California: his grandfather, banker and investor Peter Spreckels; his great-uncle, "sugar king" Claus Spreckels; and his two cousins, sugar manufacturer Claus Augustus Spreckels and banker and progressive reformer Rudolph Spreckels. His career was not unique but similar to the lives of tens of thousands of executives and smaller (immigrant) entrepreneurs who built the backbone of American business. Walter P. Spreckels was an ordinary man; as such, his life and his career were "significant."



Figure 1: Walter P. Spreckels passport photo, 1919. National Archives, U.S. Passport Applications, 1906–1925, series M1490. Courtesy of the National Archives.

An Ordinary Man from an Extraordinary Family — Family Background

Walter P. Spreckels was born as Walter Peter Heinrich Hahn in Dresden, Saxony, on February 4, 1888.¹ His parents were Minna Hahn, née Spreckels, and Victor Hahn, later a leading banker and investor in Saxony and elsewhere. They had married in 1887.

The family's wealth was predominantly based on the successful career of Walter's grandfather, the brewer, banker, and sugar producer Peter Spreckels (1839–1922). He was a younger brother of San Francisco "sugar king" Claus Spreckels (1828–1908), likely the richest German-American immigrant entrepreneur of the late nineteenth century.² Peter, however, became a millionaire in his own right. Born in the rural village of Lamstedt, Kingdom of Hanover, he emigrated to the United States in May 1856 and was naturalized in Yuba, California on October 31, 1860.³ Following his elder brothers to San Francisco, he started his career as a clerk in the grocery and liquor business.⁴ He became involved in San Francisco's Albany Brewery, established together with Claus Spreckels and his brother-in-law Claus Mangels in 1857, but he sold his interest after a few years.⁵ Together with Anna Lisette "Elizabeth" Grosse (1844–1912), a Westphalian woman he married in 1861, Peter Spreckels had four children who survived childhood: Agnes (1861), Walter's mother Minna (1868), Martha (1870), and Alfred (1872). The sugar business brought wealth to the young family. Peter was — again together with Claus Mangels and Claus Spreckels — involved in the establishment of the Bay Sugar Refinery in 1863 and, in 1867, the California Sugar Refinery, capitalized at \$300,000 (or \$4.56 million in 2010 dollars).⁶ He also diversified into the real estate business.⁷ In that year, he was already among San Francisco's "rich men," with an annual taxable income of \$61,899 (or \$13,100,000 in 2010 dollars).⁸ Peter Spreckels, who was active in the German-American community of San Francisco and acted as one of the directors of the 1869 California Immigrant Union,

1 NARA M1085 Investigative Reports of the Bureau of Investigation 1908–1922, Old German Files, 1909–21, Case Number 8000-350432 Application for Exception from the Classification of Alien Enemy (in the following: NARA M1085).

2 Uwe Spiekermann, "Claus Spreckels: Robber Baron and Sugar King," in *IE*.

3 NARA U.S. Passport Applications, January 2, 1906–March 31, 1925, Collection Number ARC Identifier 483830 / MLR Number A1 534, Series M1490, Roll 229.

4 *San Francisco Directory* (San Francisco, 1858), 256; *San Francisco Directory* (San Francisco, 1859), 267.

5 Jimmie Don Conway, "Spreckels Sugar Company: The First Fifty Years." M.A. thesis, San Jose State University, 1999, 6–7.

6 *United States of America, Petitioner, against the American Sugar Refining Company, et al., Defendants, Petitioner's Exhibits*, vol. 1 (New York, 1913), 29–30. The 2010 values are calculated using the purchasing power calculator given in Samuel H. Williamson, "Seven Ways to Compute the

Relative Value of a U.S. Dollar Amount, 1774 to present," *MeasuringWorth*, 2015, <http://www.measuringworth.com/uscompare/> (accessed March 4, 2015). An alternative method would be to measure investments according to the relative share of GDP, property based on the

purchasing power calculator, and income/wages based on production worker compensation.

7 *Sacramento Daily Union*, June 22, 1869, 2.

8 Robert von Schlagintweit, *Die Pacific-Eisenbahn in Nordamerika* (New York, 1870), 169n.

was a Lutheran, a freemason, and a regular traveler to Germany.⁹ He became a director, among other organizations, of San Francisco's German Savings and Loan Society.¹⁰

Having made his fortune in the United States, Peter Spreckels left California in 1885 and settled his family in Dresden.¹¹ Although still active in San Francisco's real estate business, he became more and more involved in Saxony's financial sector, partnering with his new son-in-law, Victor Hahn (1860–1929), Walter's father. The son of Dr. Heinrich August Hahn, school inspector of the Dresden district (*Amtshauptmannschaft*), Victor Hahn married Minna Spreckels on May 3, 1887, and the couple had three children: Walter, born in 1888; Elisabeth, born in 1890; and Martha, born in 1898.¹² Peter Spreckels, who remained a U.S. citizen, made large profits as the primary owner of the Dresden-based banking house Eduard Rocksch Nachf., a leading financial institution in Saxony in the late 1890s, when his wealth was reported as being as much as \$15 million (or approximately \$2.92 billion in 2010 dollars).¹³

Such a fortune seemed to offer a bright future for Walter, perhaps as successful as the careers of Claus Spreckels' sons, who all became titans of American business: John D. and Adolph B. in San Francisco and San Diego, and Claus A. and Rudolph in California and New York. The latter two in particular helped to shape Walter's career. For more than a decade, Walter's father, Victor Hahn, seemed to be a figure of similar status. He came from a solid bourgeois background, but with his father-in-law's financial backing he became head of Eduard Rocksch Nachf. Hahn's business strategy, which was akin to that of modern-day private equity firms, was simple and efficient: he invested in failed or endangered private businesses, added capital, and re-organized the firms for a better and more profitable future. Hahn and his father-in-law made dozens of deals in the brewing, photography, textile, and armaments industry.¹⁴ After a downturn in the U.S. stock market, in 1901–1902, one of the Rocksch firm's most important investments, the Vereinigte Electricitätswerke AG,

9 *All about California and the Inducements to Settle There* (San Francisco, 1875), 6.

10 "The Western Savings and Trust Company," *Sacramento Daily Union*, May 12, 1873, 2; "What the Bulletin Said About

the Burst of Bank Affairs," *San Francisco News Letter* 26, Jan. 6, 1877, 12; *San Francisco Real Estate Circular* 9, no. 4, Feb., 1875; *Sacramento Daily Union*, Nov. 11, 1874.

11 The Baltimore newspaper *Der Deutsche*

Correspondent reported (Sep. 23, 1885, 4) that Peter Spreckels left the United States after losing, together with his brother Claus, \$5,000,000 in speculation, but there is no evidence to support this claim.

12 Stadtarchiv Dresden, marriage register, sequence 22, reference 3.2, certificate no. 255; *Staatshandbuch für das Königreich Sachsen. 1877* (Dresden, 1876), 438.

13 "Why Peter Spreckels Failed," *Hawaiian Star*, August 16, 1902, 1. "Nachf.," short for "Nachfolger," means "and successors"; its meaning is akin to the use of "& Co." in Anglo-Saxon firm names.

14 An impression of the industrial conglomerate controlled by Hahn and Peter Spreckels is given in *Die Sächsischen Actien-Gesellschaften*, ed. Richard Börner, 7th ed. (Berlin, 1897); *Jahrbuch der Berliner Börse 1900/1901*, 22nd ed. (Leipzig, 1899).

stumbled, harming its stability.¹⁵ The final blow to the firm came from the severe losses of the Sebnitzer Papierfabrik in 1902, which caused a liquidity crisis. Eduard Rocksch Nachf. was no longer able to pay its outstanding debts and stopped payments on August 1, 1902 “with assets nominally 10,000,000 marks and liabilities of 3,000,000 marks” (that is, \$375 million and \$71.5 million, respectively, in 2010 dollars).¹⁶

Peter Spreckels, before and after the failure, tried in vain to gain support from his San Francisco relatives.¹⁷ There were many rumors in the American press that Claus Spreckels or his sons might help Peter Spreckels and his son-in-law.¹⁸ Shortly afterwards, however, it became clear than Hahn had tried to avoid bankruptcy with tricks and fraud, including embezzlement. Victor Hahn was arrested in July 1903: “The arrest . . . came as a great surprise, as it was never suspected that the failure of the firm was caused through anything but lack of foresight of its members, far less that Mr. Hahn, who has always enjoyed an excellent reputation, had committed any criminal act.”¹⁹ Peter Spreckels was also investigated, but there was no evidence he had committed any crime.²⁰ Victor Hahn was prosecuted in fall 1904 for embezzlement and found guilty. He was sentenced to four years of imprisonment in Bautzen and fined 1,000 marks (or \$36,500 in 2010 dollars). With this, the respectable banker became a criminal. This came as an immense surprise: Hahn had attained a variety of prestigious positions over the course of his business career. He was a favorite of the Saxon court, and the honorable titles “Geheimrat” and “Kommerzienrat” had been bestowed on him along with many other decorations.²¹ He had also positioned himself as a patron of modern arts and served as treasurer of the important German Art Exhibition (*Deutsche Kunstausstellung*) of 1899 in Dresden.²²

The banker who had been a member of more than thirty boards of directors was now a *persona non grata*.²³ For Walter, this white-collar crime broke up his family. His parents divorced and Minna Spreckels returned to using her maiden name.²⁴ Walter P. Hahn thereafter also

15 *Zeitschrift für Elektrotechnik* 20 (1902): 388.

16 *Salt Lake Telegram*, August 5, 1902, 7. This calculation is based on a mark-to-dollar ratio of 4.198 in 1902 and adjustment of 1902 dollars to 2010 dollars using the Purchasing Power Calculator. See Harold Marcuse, “Historical Dollar-to-Marks Currency Conversion Page,” <http://www.history.ucsb.edu/faculty/marcuse/projects/currency.htm>, and Samuel H. Williamson, “Seven Ways to Compute the Relative Value of a U.S. Dollar Amount, 1774 to present,” *MeasuringWorth*, 2015, <http://www.measuringworth.com/uscompare/> (accessed March 4, 2015).

17 “Peter Spreckels Fails,” *Los Angeles Herald*, August 5, 1902, 1. When Claus Spreckels died in 1908, his estate still included a debt of \$197,900 from Peter Spreckels (“\$10,000,000 in Spreckels Estate,” *Oakland Tribune*, August 31, 1909, 14). However, it is not clear that this resulted from any support in 1902.

18 “Banker Goes Wrong,” *Morning Oregonian*, August 1, 1903, 2.

19 “Begged Uncle Spreckels in Vain,” *Cincinnati Enquirer*, August 1, 1903, 9.

20 “Sensations-Prozess gegen Viktor Hahn,” *Der Deutsche Correspondent*, Sep. 16, 1904, 1.

21 Juvenal, “Hahn,” *Das neue Magazin für Literatur, Kunst und soziales Leben* 73 (1904): 341–346, here 345.

22 *Kunstchronik* NS 9 (1897/98), col. 171.

23 A list of Victor Hahn’s business connections was

published by the *Vossische Zeitung* and was reprinted in *Correspondenzblatt der Generalkommission der Gewerkschaften Deutschlands* 12 (1902): 581–82.

24 “Frau Hahn Gets a Divorce,” *Chicago*

Daily Tribune, Sep. 10, 1905, B1; “Sachsen,” *Der Deutsche Correspondent*, Sep. 29, 1905, 3. The change of the last name became official in June 1911 (Stadtarchiv Dresden, birth register, sequence 63, reference 2.2, certificate 2304).

adopted the name Walter P. Spreckels. His father had destroyed the fortune and, more importantly, the honor of the family. While Minna Spreckels received solidarity and support — Henry Horstmann, a California banker, vice-president of the German Savings and Loan Society, and a former trustee of the Spreckels' California Sugar Refinery bequeathed her \$5,000 in February 1905 (\$696,000 in 2010 dollars) — the family's funds were severely depleted.²⁵ At the age of eighteen, Walter was sent to the United States of America, where his cousins Claus Augustus Spreckels and Louis Spreckels were ready to offer him a job in the sugar business.

In 1905, Claus Augustus “Gus” Spreckels (1858–1946), the son of the “sugar king” Claus Spreckels, owned the largest independent sugar refinery in the United States. The American market was dominated by the plants of the American Sugar Refining Company (the “sugar trust”) in the East and the “Spreckels interests” in the West, who cooperated with one another. More than a decade earlier, in the early 1890s, Gus Spreckels had split from his father after a disagreement over whether the family should cooperate with or compete against the “sugar trust.” Claus' two older sons, John D. (1853–1926) and Adolph B. (1857–1924), had sided with their father, and from then on Gus challenged his relatives whenever he could. Together with his younger brother Rudolph (1871–1958), Gus managed to make a fortune by acquiring control over the Hawaiian Commercial & Sugar Co., owner of Hawaii's largest sugar plantation, in 1894 after a harsh public lawsuit against his father. Gus and Rudolph improved the plantation's efficiency and sold it with a profit of “a couple million dollars” in 1898 to the Hawaiian company Baldwin & Alexander.²⁶

Gus Spreckels then used this capital to establish a new refinery in Yonkers, New York, in 1902, based on a new sugar-refining technology.²⁷ The industrial town, located just north of New York City, had advanced railroad and shipping facilities, was close to major centers of consumption, and had a strong community of skilled German immigrants, useful for sugar manufacturing. In addition, Claus Augustus could leave behind the quite hostile atmosphere in San Francisco and his wife could try to become part of New York City's smart set.

The Federal Sugar Refining Company was first organized in New Jersey with sales offices in New York City and in 1907 reorganized in New York City.²⁸ It was a highly profitable business venture, with profits of, for instance, \$3,227,463.80 in 1916–17 (or \$267 million

25 “Remembers All in his Will,” *San Francisco Chronicle*, Feb. 25, 1905, 27.

26 More on Gus's version of these deals can be found in U.S. House of Representatives, *Hearings Held Before the Special Committee on the Investigation of the American Sugar Refining Co. and Others* (Washington, 1911), 3:2209–16; quotation, 2216.

27 “To Build Big Sugar Refinery,” *Chicago Daily Tribune*, July 3, 1902, 11; “A New Process for Refining Sugar,” *Northern Star*, August 27, 1902, 3.

28 *The Manual of Statistics: Stock Exchange Hand-Book* 1917, 39th ed. (New York, 1916), 546; *Moody's Analyses of Investments, Part II: Public Utilities and Industrials* (New York, 1917), 1314.



Figure 2: Federal Sugar Refining Company building, seen from Hawthorne Avenue, Yonkers, 2013. Photograph by and courtesy of Uwe Spiekermann.

in 2010 dollars).²⁹ Gus Spreckels was the principal owner of the company, its public face, and the main decision-maker. However, he spent half of his time either in Paris, at his mansion on the French Riviera or, during the war, in California. For Walter, it was not his cousin Gus, but rather another cousin, Louis, who oversaw his training and promoted his career.

Louis Spreckels, the son of Hinrich “Henry” Spreckels (1842–1877), a brother of Claus and Peter Spreckels, was born in San Francisco on February 7, 1870. Louis began his career at the age of sixteen as a laborer and then a clerk at the California Sugar Refinery.³⁰ He followed the Spreckels family to Philadelphia, where in the late 1880s Claus Spreckels built up a huge sugar refinery, the Spreckels Sugar Refining Company, to fight the sugar trust on the East Coast. Louis was one of the directors of this company, incorporated on May 14, 1890.³¹ He acted as an assistant general manager of the refinery but switched to the independent McCahan Sugar Refining Company in Philadelphia in 1893, after Spreckels’s Philadelphia refinery was sold to the sugar trust.³² In 1892, Louis Spreckels married Elizabeth D. Daley (1870–1936), the daughter of two non-German Philadelphia residents.³³ The couple was childless, and Walter may well have served as a surrogate son to the couple.

29 “Purses of Sugar Barons are Filled by ‘War Greed’ at Expense of the Poor,” *New York Evening World*, City Edition, July 13, 1917, 3.

30 *Langley’s San Francisco Directory for the Year Commencing May, 1887* (San Francisco, 1887), 1104; *Oakland, Alameda and Berkeley City Directory* (San Francisco, 1888), 891.

31 For additional details see Uwe Spiekermann, “Claus Spreckels: A Biographical Case Study of Nineteenth-Century American Immigrant Entrepreneurship,” *Business and Economic History On-Line* 8 (2010): 7–9 (<http://www.thebhc.org/publications/>

BEHonline/2010/spiekermann.pdf); *United States of America, Petitioner, against the American Sugar Refining Company, et al., Defendants, Petitioner’s Exhibits*, vol. 1 (New York, 1913), 15–17. Louis Spreckels subscribed one share, Claus

Spreckels 49,996 (of 50,000).

32 *Boston Daily Adviser*, Oct. 7, 1893, 2.

33 U.S. Census, 1900, Philadelphia, Ward 15, Philadelphia, Pennsylvania, enumeration district 0258, roll 1457, page 5B, FHL microfilm 1241457.

When the Federal Sugar Refining Company of Yonkers started business, Claus Augustus Spreckels offered his cousin Louis a position as superintendent. Later Louis was to become a general manager, director, and then vice-president of the company. He died of a heart attack in June 1929 as a respected businessman and Yonkers citizen.³⁴ By then, Federal Sugar had become the second-largest refinery in the United States. Walter, together with his cousin's widow and his own wife, was one of the leading mourners, expressing his respect for the cousin who had taken him under his wing.³⁵

Personal Life and Business Development

Born on February 4, 1888 in Dresden, Saxony, Walter P. Spreckels grew up in an upper-class milieu. He attended a private school, the Vitzthumsche Gymnasium in Dresden, at that time one of the most prestigious schools for boys in Saxony, until the age of seventeen.³⁶ Educated in a humanistic tradition — the school's motto was Goethe's phrase "Ältestes bewahrt mit Treue, freundlich aufgefasstes Neue" (Old traditions well respected, innovations not rejected) — he learned not only Latin and Greek but also English. He arrived in the U.S. on April 12, 1906, "because I had to make a living as my mother was divorced and I felt I ought to work and not depend upon her." He worked as a clerk in the Federal Sugar Refining Company of Yonkers and applied for naturalization in 1908, but was unable to complete the application process. He later explained he was "working hard those days and it was difficult to go over from Yonkers to White Plains," where the Westchester County courthouse that oversaw naturalizations was located. In 1911, he was reunited with his sister Elisabeth when she came to the United States to study for a graduate degree at Bryn Mawr College.³⁷

» was one of the leading representatives of Protestant opinion in discussion of social issues in Germany. See Christine Kuller, "Stiefkinder der Gesellschaft' oder 'Trägerin der Erneuerung'? Familien und Familienpolitik in Bayern 1945 bis 1974," in *Gesellschaft im Wandel, 1949-1973*, ed. Thomas Schlemmer and Hans Woller (Munich, 2001), 269–345, here 270. For more details, see Meyer-Spreckels' 1946 speech "Marriage and Family in the Constitution to the Bavarian Constitutional Assembly," documented and translated on the GHI's German History in Documents and Images website (http://germanhistorydocs.ghi-dc.org/sub_document.cfm?document_id=4480).

34 "Heart Spell Kills Sugar Plant Head," *Yonkers Statesman*, June 28, 1929, 1-2; "Louis Spreckels, 62, Sugar Refiner, Dies," *New York Times*, June 29, 1929; "Louis Spreckels," *Boston Herald*, June 29, 1929, 13.

35 "Throng Attends Last Rites for Refinery Head," *Yonkers Statesman*, July 2, 1929, 4.

36 This information and the following quotes and de-

tails are, if not backed by other sources, from Spreckels' 1919 case file at the U.S. Bureau of Investigation. See "Application for Exception from the Classification of Alien Enemy," case number 8000-350432, Old German Files (1909-1921), Investigative Reports of the Bureau of Investigation (1908-1922), reel 781, NARA publication M1085.

37 Walter's sister, who became known as Elisabeth

Meyer-Spreckels (1890-1974), eventually obtained a Ph.D. in chemistry in Germany. She cut short her academic career when she married, in 1922, but after World War II began a second career as a political activist, becoming instrumental in securing the inclusion of gender equality in Bavaria's constitution and founding the women's organization of the Christian Democratic Party in Germany. Throughout the 1950s and 1960s she »

38 U.S. Social Security Death Index, 1935–2014, Number 555-21-7103, Issue State California, Issue Date 1973; New York, New York, Marriage Indexes 1866–1937, Certificate Number 27666.

39 NARA 1900 United States Federal Census, Census Place: Manhattan, New York, New York, Roll 1105, Page 7A, Enumeration District 0518, FHL microfilm 1241105. Together with her mother and her older sister Jenny “Jone,” Gertrude visited Holstein in 1895 (Staatsarchiv Hamburg, Hamburger Passagierlisten 373-7 I, VIII A 1 Vol. 091, Page 0, Microfilm K_1753). Her two siblings died in childhood.

40 *Richmond’s Thirteenth Annual Directory of Yonkers, 1912* (Yonkers, 1912), 731; *Richmond’s Fourteenth Annual Directory of Yonkers, 1913* (Yonkers, 1913), 736.

41 *Crocker-Langley San Francisco Directory for the Year Ending October 1908* (San Francisco, 1908), 1662; *Turner’s Nineteenth Annual Directory of Yonkers 1910* (Yonkers, 1910), 726; entries for “Spreckels” in *Richmond’s Annual Directory of Yonkers* (Yonkers, 1916–1918).

42 For another example, compare the history of the Uihlein family of Milwaukee.

43 New York State Population Census Schedules, 1915; Census Place: Election District 03; Assembly District 01, Yonkers Ward 04, Westchester, 05.

44 NARA U.S. World War I Draft Cards, 1917–1918, Registration State New York, Registration County Westchester, Roll 1819399, Draft Board 1.

45 See also Marilyn E. Weingold and the Yonkers Historical Society, *Yonkers in the Twentieth Century* (Albany, 2014), 49; Arnold Krammer, *Undue Process: The Untold Story of America’s German Alien Internees* (Lanham, 1997).

On November 20, 1912, Walter married Gertrude Stubberfeld (1885–1991) in Manhattan.³⁸ She was born as Gertrude Alice Stubberfeld in New York as the daughter of the English immigrant and butler Walter Stubberfeld and his wife Mary “Marie” Stubberfeld, born in Oldenberg, Schleswig-Holstein, Germany.³⁹ She attended Hunter College in New York and lived with her parents until her marriage to Walter. The young couple settled in Yonkers and lived in a series of apartment buildings located less than half a mile from the Federal Sugar establishment, in a neighborhood densely inhabited by German immigrants.⁴⁰

On January 1, 1914, Walter became assistant superintendent of the Federal Sugar Refining Industry Co., Yonkers, a rank also held by his cousin Henry Peter Spreckels (1877–1958), a younger brother of Louis, who had previously worked as a draftsman in San Francisco.⁴¹ Though the Spreckels family was sometimes shaken by internal quarrels, its members acted like many other immigrant families in providing jobs, when available, to other relatives.⁴²

The improved financial situation allowed Walter and his wife to rent a house at 19 Cedar Place, Yonkers.⁴³ Walter was discharged from his German military service requirement and released from his German citizenship. Being stateless, on November 6, 1916, he applied a second time for naturalization. He was registered for the U.S. draft on June 5, 1917 and did not attempt to claim an exemption.⁴⁴ On February 9, 1918, however, he was registered as an “alien enemy” in Yonkers, like more than 250,000 other Germans living in the United States.⁴⁵

In an interrogation by the U.S. Bureau of Investigation (later the FBI) in April 1919 Walter proclaimed that he had “lost all sympathy with Germany after the sinking of the Lusitania.” Formally stateless, he insisted that he was fully loyal to his new homeland, declaring that of his \$5,000 salary (or \$63,000 in 2010 dollars) he had spent \$360 (\$4,540 in 2010 dollars) to purchase Liberty Loan bonds and other war securities and that, owing to his monthly rent and the “advanced” cost of living, “I did not think I could afford to buy any more.” The agent who spoke with Spreckels reported that, in his opinion, “applicant’s wife knows nothing about house-keeping and is naturally extravagant.” In his application for exception from the alien enemy classification, Walter gave further details about his family’s continuous support of the U.S. war effort: “My wife knitted for the Red Cross, she belongs to the Gamma Tau Kappa fraternity of Hunter College and made dresses for the Belgian children in connection with her fraternity. She collected for the Red Cross Drive as a worker. We are both members of the Red

Cross — \$5.00 members. I was also a Red Cross Captain in the Federal Sugar works. I assisted . . . to sell Liberty Bonds at night, canvassing restaurants. We had a singer with us and covered lower New York City around Greenwich Village.” Spreckels added that he and his wife had given on other opportunities, as well.

World War I had reconfigured the international sugar market and made the company react publically to events. The Federal Sugar Refining Company of Yonkers, which produced 10,000 barrels of sugar a day and controlled approximately ten percent of the U.S. sugar refining business, and was owned and run by U.S.-born and naturalized citizens (although of German descent), made similar public efforts to associate itself with the surge of American patriotism. Superintendent Louis Spreckels “has been intensely active in the Third Liberty Loan drive,” the *New York Evening World* reported, “and last night headed the 1,500 employees of the factory in a Liberty Loan parade. His forbears have always been among the most patriotic men and women of the country.”⁴⁶

This was of no help — at least not for Walter. When the war zone of New York’s port was extended up the Hudson River to Yonkers in late April 1918, an estimated 10,000 persons had to obtain permits to remain within the area. Walter was “barred” from Federal Sugar’s factory by the decree.⁴⁷ After being notified of the situation by the police on April 30, he went to work at the general offices of the company in Wall Street, Manhattan.⁴⁸ Although Spreckels’ case was similar to that of many other Germans in the United States, the prominence of the Spreckels family, still one of the richest and influential in the country, caused Walter’s case to receive broad public attention. The “alien enemy” was inaccurately described as a nephew of the elder Claus Spreckels.⁴⁹ Newspapers called him the “general manager” who was forbidden to enter “his plant.”⁵⁰ Another headline was: “Sugar King Walter Spreckles [sic] Declared to Be Enemy Alien.”⁵¹ Dozens of newspapers reported that he had “lived here 30 years and never been naturalized.”⁵² Sometimes, editorialists made jokes: “Maybe a mistake has been made in Walter’s case. Any Spreckels with his hands in our sugar that long likes America well enough to be safe.”⁵³

For Walter it was less than funny that he remained excluded from his workspace and had to deal with bureaucrats to regain his former status. He told them what they wanted to hear, even if this was very unlikely: “I learned English at home in Dresden,” he told the Bureau of Investigation. “We always spoke it, mother would not permit us

46 “Spreckels Barred from Refinery as an Alien Enemy,” *New York Evening World*, May 1, 1918, final edition, 6; “Sugar Famine Laid to Hoover,” *Salt Lake Telegram*, Dec. 14, 1917, 1.

47 “W.P. Spreckels Barred From Big Sugar Plant,” *New York Times*, May 1, 1918, 11.

48 “Spreckels Barred as Alien Enemy from Own Plant,” *Salt Lake Telegram*, May 1, 1918, 5. It has to be added that the U.S. officials were able to make exceptions. See, for instance, Christina A. Ziegler-McPherson’s biography of Wilhelm J.D. Keuffel online in *IE*.

49 “Bar Spreckels as Alien at Own Sugar Factory,” *Chicago Daily Tribune*, May 1, 1918, 1.

50 *Wall Street Journal*, May 2, 1918, 2. Other journalists made him a “general manager for 16 years” (“Walter Spreckels Denied Entrance to Sugar Plant,” *Tulsa Daily World*, May 2, 1918, 2).

51 *Daily Ardmoreite*, May 1, 1918, 4.

52 “Tough on Walter,” *Sheboygan Press*, May 4, 1918, 2. Others informed their reader that he “has been in this country for 20 years” (“Walter Spreckels Said to Be Enemy Alien,” [Marshall] *Evening Chronicle*, May 1, 1918, 1).

53 “Tough on Walter,” *Bismarck Tribune*, May 6, 1918, 4.

to use German in the house. I read the ‘Times,’ ‘Globe,’ ‘World’ and ‘Commercial Journal’ but no German papers. I belonged to the Pleasure Club in Yonkers, for some years; this is a social organization of Americans. I never associated with Germans at all here. I never knew any of the German representatives in this country.” His distance from Germany or German affiliations was confirmed by several witnesses, and even the official agent found Spreckels “a perfect type of young American in appearance. Ther [sic!] was absolutely nothing German about his manners, thought or any other way.” The wages of fear was his naturalization on November 28, 1919 at the Supreme Court of White Plains, New York.⁵⁴

His first moment of public notoriety had disgraced Walter, but at work he was promoted. His position was renamed to “assistant general manager,” essentially a vice-president. Walter was now listed among the top executives of the Federal Sugar Refining Company.⁵⁵ The 5 foot, 10.5 inch [179 cm] tall man with blue eyes, medium forehead, nose, and mouth, dark brown hair, a normal chin, a fair complexion, and an oval face, was sent on a longer business trip to the Netherlands. From May until October 1920, he traveled “because of sugar.”⁵⁶ The tumult caused by the war appeared over and great success seemed imminent.

In 1920, after eight years of marriage, Gertrude A. Spreckels gave birth to Walter P., Jr., followed by daughter Barbara in 1924.⁵⁷ The young family had already moved to a better home at 83 Highland Avenue, still very close to the sugar refinery, where they probably remained until 1929.⁵⁸ In the mid-1920s, Walter not only managed the company, but also contributed to the improvement of its internal production process. The company’s technological lead had shrunk by the early 1920s. In 1922 Spreckels received a patent for a new method of packaging cube sugar.⁵⁹ His use of a vacuum to accelerate the labor-intensive packaging procedure focused on one of the costly weaknesses of sugar business. Strong consumer brands like the sugar trust’s “Domino Sugar” were exceptions, and many companies still depended on retailers to downsize bags and barrels of sugar.⁶⁰ In April 1928, Walter filed a second patent claim, resulting in a 1932 patent. This time he focused on the already mechanized process of washing and concentrating raw sugar and syrup.⁶¹

Such patents illustrate the technological modernization of the sugar industry in the 1920s. One crucial change was the more efficient use of by-products and so-called “waste.” A new internal department, later spun off as a subsidiary called the Syrup Products Co. of Yonkers,

54 List of United States Citizens, 1920, October 6: Noordam.

55 Allen Ray Kahn, *Sugar: A Popular Treatise* (Los Angeles, 1921), 64.

56 NARA, Passport Applications, January 2, 1906-Mar 31, 1925, Series 1490, Roll 1206. Comp. NARA Passenger Lists of Vessels Arriving at New York, New York, 1820-1897, Year 1920, Arrival New York, New York, Microfilm Publication T715, 1897-1957, Microfilm Roll 2848, Line 12, Page 151.

57 NARA 1930 United States Federal Census, Place: Summit, Union, New Jersey; Roll 1389; Page 6B; Enumeration District 0153; Image 878.0; FHL microfilm 2341124.

58 *Richmond’s Twenty-First Annual Directory of Yonkers* (Westchester County, NY) 1920 (Yonkers, 1920), 578; *Richmond’s Yonkers (New York) City Directory 1928* (New York, 1928), 754.

59 *Official Gazette of the United States Patent Office* 303 (1922): 295-96.

60 The Federal Refining Company, Yonkers, once established to fight the sugar trust and its main brand, paradoxically became part of the American Sugar Refining Company after the receivership in the 1930s and today is one of the leading producers of “Domino Sugar.”

61 US Patent 1,844,020, patented February 9, 1932. Application filed April 25, 1928. Serial No. 272,619; “Spreckels Gets Sugar Patents,” *Yonkers Statesman*, Feb. 10, 1932.

began producing denatured alcohol from waste syrup in 1923. This process also allowed for the production of one to five tons of artificial (“dry”) ice per day.⁶² Prohibition enforcement agencies closely scrutinized producers of “industrial alcohol.”⁶³ It is not surprising that the new company soon had to face accusations of “illegal diversion of alcohol.”⁶⁴ In one case, a warehouse agent was sentenced to six months’ imprisonment and a fine for conveying alcohol to bootleggers, while several other suspects were acquitted.⁶⁵

However, this was just one of many problems Walter had to face as an assistant general manager. The company had reached the peak of production and profitability right after the end of World War I. At that time, 18,000 barrels were produced per day, and net profits of more than five million dollars (\$353 million in 2010 dollars) had accumulated between August 1919 and May 1921. The Federal Sugar Refinery’s workforce numbered nearly 3,000 workers and it was the second-largest refinery in the United States. The firm was a model of entrepreneurialism with a touch of paternalism. This foreshadowed Walter’s later interest in industrial relations. For instance, after three months’ employment, workers were insured, and the company supported a mutual aid association that supplied sickness and death benefits. It had its own fire department, which was also a social organization for the employees. Similarly, the Federal Athletic Club cared for much more than the athletic training of younger employees.⁶⁶

Global agricultural overproduction after World War I hit the sugar business hard even after the sharp postwar recession of 1920–21 ended. Sugar prices tumbled to a record low in 1920, and Cuba’s rise to the world’s largest sugar producer kept prices depressed. U.S. tariff politics favored American investments in Cuba: it was often cheaper to import refined sugar from the U.S. protectorate than to refine raw sugar in Yonkers. In October 1922, the Yonkers refinery was forced to close for more than three months.⁶⁷ “Gus” Spreckels resigned as chairman of the board, and the company faced drastic cuts because it generated high losses. By 1927, it had approximately 800 workers. The re-organization of the Federal Sugar Company into the \$20,000,000 (\$1.13 billion in 2010 dollars) Spreckels Sugar Corporation in 1929 tried to overcome this. After Claus Augustus retired due to health reasons, his younger brother Rudolph invested no less than \$12,200,000 (\$687 million in 2010 dollars) in the firm between 1927 and 1929 and became owner of almost all of its stock.⁶⁸ In 1929, the company was reorganized as the Spreckels Sugar Corporation and Rudolph Spreckels took on an active interest in its management.⁶⁹

62 “Jenkins, New Refinery Head, Helped Build Original Plant,” *Yonkers Statesman*, July 11, 1929, 20.

63 For additional details see “Prohibition (1919–1933),” in *IE*.

64 “Executive of Chatham’s Sentence Suspended,” *Daily Argus*, March 22, 1926, 1.

65 “Indict 2 in Booze Plot at Warehouse,” *Syracuse American*, Jan. 17, 1926, 2.

66 T. Edward Tonnard, “City of Yonkers Refines 5,600,000 Pounds of Sugar Daily,” *Yonkers Statesman*, Dec. 21, 1921, 4; “\$5,331,204 Surplus for Federal Sugar,” *New York Times*, June 21, 1921, 29. For further discussion of typical employee benefits in the manufacturing sector during the interwar years, see Andrea Tone, *The Business of Benevolence: Industrial Paternalism in Progressive America* (Ithaca, 1997).

67 “Sugar Price Too High; Refinery Will Close,” *Chicago Daily Tribune*, Oct. 14, 1922, 19; *Decatur Review*, Jan. 11, 1923, 14.

68 District Court of Appeal, First District, Division 2, California. *Raine v. Spreckels et al.*, 77 Cal.App.2d 177, 174 P.2d 857, (3)-(4).

69 “Banks Merged By Spreckels,” *Yonkers Statesman*, April 2, 1927, 1; “Spreckels Sugar,” *Time*, Feb. 4, 1929.

Depressed prices and reorganization were both a challenge and an opportunity for the refinery's executives. The reorganization of 1927 provided more independence to Spreckels Sugar's subsidiaries. In late 1927, Walter became president of the Syrup Products Company, which was spun off as a separate operating unit with a tax assessment of \$170,000 in 1929 (or \$9.57 million in 2010 dollars). The leadership of this modern and profitable company on the eve of the Great Depression was the climax of his entrepreneurial career.⁷⁰ Although not an owner, he was now the decisive executive with a fiduciary responsibility toward the dominant shareholder, his cousin Rudolph Spreckels. For instance, when the presidents of every alcohol distilling company in the United States met in March 1928 in New Orleans, Walter P. Spreckels was among them.⁷¹ The now forty-year-old immigrant seemed to have a chance for an extraordinary entrepreneurial career.

Yet just over a year later, the ambitious young man had "retired."⁷² In June 1929, his cousin Louis Spreckels, who had done so much to foster his career, died. Louis Spreckels was succeeded as general manager by the Scottish immigrant Peter Jenkins, and not by Walter. As senior management positions were given out to other men, it was obvious that Walter's position was precarious.⁷³ Two weeks later, on July 10, 1929, the board of directors elected Edward H. Stone to replace Walter P. Spreckels as president of the Syrup Products Company.⁷⁴ At the same time, many executives of the Federal Sugar Refinery, the parent company, were replaced. As in 1918, Spreckels at first went to the Wall Street sales office of the refinery. For a time, his informal title was "former president, Syrup Products Co. New York."⁷⁵ Yet he never went back to Yonkers or Federal Sugar. His family left Yonkers and resettled at 11 Sherman Ave, Summit, New Jersey — in a newly purchased home valued at \$25,000 (\$580,000 in 2010 dollars).⁷⁶ What had happened? The public did not learn the story for nearly two years.

In May 1931, federal officials revealed that a grand jury had been investigating what was described as "a gigantic bootleg ring" involving more than a dozen companies, including the Syrup Products Company.⁷⁷ The investigation found that these companies had been "cracking" various products — including "paint solvent . . . insecticides . . . [and] candy glaze" — to extract industrial alcohol and divert it to bootleggers' use. The Federal Grand Jury charged "a nation-wide conspiracy to evade the dry laws."⁷⁸ The industrial alcohol investigation's \$500,000 cost (or \$38.8 million in 2010 dollars) made it one of the most expensive under the Volstead Act; to critics of Prohibition

70 *Richmond's Yonkers Directory 1927* (New York: R.L. Polk, 1927), 667; *Richmond's Yonkers (New York) City Directory 1928* (New York, 1928), 754; "Tax Evaluations on Industries Left Unchanged," *Yonkers Statesman*, Oct. 2, 1929, 1.

71 "Alcohol Makers in Conference," *Times-Picayune*, March 2, 1928, 3.

72 "Stone Named Head of Spreckels Company," *Yonkers Statesman*, July 13, 1929, 3.

73 "Spreckels Sugar Corporation," *Wall Street Journal*, July 11, 1929, 13; "Jenkins, New Refinery Head, Helped Build Original Plant," *Yonkers Statesman*, July 11, 1929, 20.

74 *Facts about Sugar 24* (1929): 681. For a more general perspective on the history and perception of business failure, see Scott A. Sandage, *Born Losers: A History of Failure in America* (Cambridge, MA, 2005).

75 *Drug Markets 29* (1931): 177.

76 *Polk's Yonkers (New York) City Directory 1929* (New York, 1929), 686; NARA 1930 United States Federal Census, Place: Summit, Union, New Jersey; Roll 1389; Page 6B; Enumeration District 0153; Image 878.0; FHL microfilm 2341124.

77 "Alleged Rum Ring Records Subpoenaed," *Washington Post*, May 8, 1931, 13; "Jury Indicts Syrup Firm with Ring," *Yonkers Statesman*, July 21, 1931, 1.

78 "Companies Valued at Millions Indicted as Dry Law Violators," *Christian Science Monitor*, July 21, 1931, 1 (also for the next quotation).

its findings of large-scale participation in evading Prohibition were unsurprising.⁷⁹ Obviously U.S. chemical companies were among the largest beneficiaries of the new alcohol regime prohibition enforcement had enacted. Among those indicted were the Syrup Products, Inc.; the company's sales agents, Roessler and Hasslacher; and William L. Due, another Syrup Products executive.⁸⁰

The Syrup Products Company denied that it was in any way connected with that indictment. Peter Jenkins, Louis Spreckels' successor, pointed out, "that Mr. [Walter] Spreckels is not now connected with it and that the acts alleged against it occurred several years ago." The investigation indicated that the Syrup Products Company had been selling its industrial alcohol with the help of Roessler & Hasslacher, and both companies seem to have cooperated in violation of the Volstead Act. However, it is not clear whether Walter was actively involved in bootlegging industrial alcohol or whether he preferred not to know too much about what was going on.⁸¹ Nor is it clear if his dismissal was a sacrifice to cover up broader involvement by Spreckels Sugar executives in this profitable but illicit business. The Syrup Products Company, which went into receivership in 1930, never paid any fines in this matter.⁸² While the firm publicly supported Prohibition enforcement, Claus Augustus and Rudolph Spreckels were among those who supported U.S. presidential candidate Al Smith's 1928 campaign and Franklin D. Roosevelt's 1932 campaign against the Volstead Act.⁸³

For Walter, this second moment of public notoriety was surely even more disgraceful than his temporary classification as an "alien enemy." Although he was not imprisoned or fined, the affair was a reminder of his father Victor Hahn's embezzlement. Spreckels stumbled, but he did not fall like his father. While he lost his position as president of a large company, he did not share the fate of the 1,200 men who in 1930 lost their jobs when Spreckels Sugar Corporation went into receivership.⁸⁴ Walter P. Spreckels still had credit and capital.

79 For a broader perspective see J. Anne Funderburg, *Bootleggers and Beer Barons of the Prohibition Era* (Jefferson, 2014).

80 "Federal Jury Closes Probe in Baltimore," *Morning Herald*

[Hagerstown], July 21, 1931, 1, 4, here 4.

81 "Alcohol Plants Indicted for Plot to Divert Product," *San Antonio Express*, July 21, 1931, 1-2, here 2; *American Chemical Industry* 4 (1948), 162. Comp. Joris Mercelis'

biography of immigrant entrepreneur Jacob Hasslacher (1852-1921) online in *IE*.

82 For further information, see "Syrup Products Co. Sued on Diversion," *Brooklyn Daily Eagle*, May 23, 1934, 24.

83 "Rudolph Spreckels for Smith as Wet," *New York Times*, Sep. 6, 1928, 3. Claus Augustus Spreckels was a member of the Association Against the Prohibition Amendment ("One Liquor Group has pledged 400,000 to scrap dry Laws," *Christian Science Monitor*, July 13, 1922, 1). Founded in 1918, it was supported by many German-American immigrant entrepreneurs. Comp. Daniel Okrent, *Last Call: The Rise and Fall of Prohibition* (New York, 2010), 233-34, 295-99.

84 While the case continued for several years, the Syrup Products Co. never paid any fines for its alleged activities. For the continuation of the official claims see "Syrup Products Co. Sued on Diversion," *Brooklyn Daily Eagle*, May 23, 1934, 24. Rudolph Spreckels directly contacted President Roosevelt about the case ("Spirits Code is Protested," *New York Sun*, Dec. 11, 1933, 3). For a taste of the fate of Spreckels Sugar Corporation's employees, I recommend Christy Moore's song "Ordinary Man" — even if it covers a later period in history: <https://www.youtube.com/watch?v=L6ZUYU4tWUU>. It inspired this article.

After his resignation from Syrup Products, Spreckels first worked for a short while for the Federal Cooperage & Bag Company of New York, a subsidiary of the Spreckels Sugar Corporation. He was next employed by P. Ballantine & Sons of Newark, New Jersey, a once-renowned brewery founded by Scottish immigrant entrepreneur Peter Ballantine (1791-1883). During Prohibition, it focused on manufacturing cereal products.⁸⁵ In 1933, it renewed brewing under the management of second-generation German immigrant entrepreneurs Carl William Badenhausen (1893-1981) and Otto August Badenhausen (1895-1966). Spreckels worked here in a management position, though he was no longer as prominent as he had been at his cousins' company.

85 "Spreckels Given Labor Board Post," *New York Sun*, Sep. 8, 1939; "Jury Indicts Syrup Firm with Ring," *Yonkers Statesman*, July 21, 1931, 1.

86 A productive interpretation is Wolfgang Schivelbusch, *Three New Deals: Reflections on Roosevelt's America, Mussolini's Italy, and Hitler's Germany, 1933-1939* (New York, 2007). On broader questions of price and wage fixing see Meg Jacobs, *Pocketbook Politics: Economic Citizenship in Twentieth-Century America* (Princeton, 2005), 95-175.

87 Mark Merrell, E.T. Grether and Sumner S. Kittelle, *Restrictions of Retail Price Cutting with Emphasis on the Drug Industry* (Washington, 1936), 48.

88 In National Recovery Administration, *Code Authorities and Their Part in the Administration of the NIRA* (Washington, 1936).

89 Henry N. Dorris, "Says WPA Favored A.F.L. in this Area," *New York Times*, June 6, 1939, 1.

90 A good overview is given in Donald S. Howard, *The WPA and Federal Relief Policy* (New York, 1943).

91 "Spreckels Assumes New Duties on Labor Board," *Riverside Daily Press*, Sep. 13, 1939, 2; "Easterner Selected L.A. Labor Director," *Bakersfield Californian*, Sep. 11, 1939, 2.

Political changes after 1933 opened up new opportunities for Walter. He became a representative of the National Recovery Administration, a New Deal agency whose principal goal was to establish "fair" practices in business.⁸⁶ Spreckels became a member of the retail drug code authority in New York City. As such, he negotiated with representatives of mom-and-pop pharmacies, chain stores, and drug and cosmetics producers to eliminate "destructive" price and service competition.⁸⁷ While the Supreme Court declared the agency unconstitutional in 1935, Spreckels remained in government and co-authored a small technical article with Raymond M. Wilmotte et al. on "Activities of the Code Authorities."⁸⁸ In 1935, he shifted to the Works Progress Administration and became the chief of the Labor Policies Section in New York City, where he dealt with labor relations.⁸⁹ The goal of this New Deal agency was to reduce unemployment by carrying out public work programs such as the construction of new parks, roads, or schools, which Spreckels had previously promoted in Yonkers (see below).⁹⁰

These local experiences, combined with his work in labor relations at the Federal Sugar Refining Company, were important arguments for Walter P. Spreckels' appointment as director of the National Labor Relations Board office in Los Angeles. Aged 51, he again accepted a challenge. The family arrived in California in September 1939, not long after German troops invaded Poland.⁹¹ The National Labor Relations Act had codified a new framework for collective bargaining, with local boards supporting the organization of workers by administering union elections at large companies and branch plants and appointing collective bargaining agents.

The late 1930s were characterized by growing strength of conservative positions on the one hand and the intense fight between the two

leading unions on the issue of industrial unionism on the other hand, the American Federation of Labor (AFL) and the Congress of Industrial Organizations (CIO).⁹² Walter P. Spreckels represented a centrist position in these hard struggles. He was a Republican and surely not one of those leftists who unintentionally weakened the position of the National Labor Relations Boards vis-à-vis business and the Republican Party. While a majority of the boards' representatives favored the CIO and industrial unionism, Spreckels came to California with a different agenda. In New York, he had favored the AFL.⁹³ In Los Angeles, the Labor Board was dominated by left-wing field investigators affiliated with the CIO who had been appointed under Spreckels' predecessor. During the first three months of his appointment, Walter replaced six of them.⁹⁴

In Southern California, at the time one of the fastest-growing regions of the United States, Spreckels managed different and sometimes contradictory tasks in the course of organizing union elections and mediating labor disputes.⁹⁵ The first case he was involved in regarded the representation of the International Alliance of Theatrical Stage Employees (IATSE) and ended with a convincing AFL victory.⁹⁶

A company union won his second case, at Douglas Aircraft Company, while the CIO was victorious in a drive to organize packing plants.⁹⁷



Figure 3: Walter P. Spreckels (upper left) announces the results of a unionization ballot at Gilmore Stadium, Hollywood, 1939. Private collection. Courtesy of Uwe Spiekermann.

92 The American Federation of Labor, founded in 1886, was by far the largest U.S. union, while the Congress of Industrial Organizations was established in 1935, broke with the AFL in 1936, and re-organized itself as a labor union in 1938. While the AFL tended towards craft unionism — in this case, workers are organized according to their skills and their positions — the CIO favored industrial unionism — in that case

all workers of an industry or a larger company were organized by only one union. Once dominant in many branches, company unions were severely weakened by the National Labor Relations Act, but were still relevant actors. As an introduction see Philip Jacques Dreyfus, "Industrial Unionism," in *Encyclopedia of U.S. Labor and Working-Class History*, vol. 1, ed. Eric Arnesen (New York, 2007), 650–52.

93 Dorris, "Says W.P.A. Favored."

94 Louis B. Perry and Richard S. Perry, *A History of the Los Angeles Labor Movement, 1911–1941* (Berkeley, 1963), 496.

95 On the corporate culture of this region see Clark Davis, *Company Men: White-Collar Life and Corporate Cultures in Los Angeles, 1892–1941* (Baltimore, 2000).

96 "Alliance Wins Studio Fight," *Ogden Standard Examiner*, Sep. 21, 1939, 14; "A.F.L. Union Wins Control," *San Mateo Times*, Sep. 21, 1939, 5.

97 "Independent Union Wins," *Oakland Tribune*, Nov. 10, 1939, 12; "CIO Union Named as Packing Plant Agency," *Berkeley Daily Gazette*, Jan. 31, 1940, 14.

It was also victorious at the American Potash and Chemical Cooperation of Trona, while the AFL won the vote of the Seaboard Lemon Association at Oxnard.⁹⁸ Spreckels was apparently more reluctant to accept the CIO's small victories, particularly in branches of military importance such as the aviation and aircraft motor industries, and occasionally asked the Washington headquarters to revisit and potentially overturn CIO victories.⁹⁹ In some cases, this led to strike threats by the CIO, but the framework of the national defense program eventually smoothed down such union activism.¹⁰⁰

While the structural antagonism of the leading U.S. unions could not be solved or even smoothed during Walter's directorate, the Los Angeles National Labor Relations Board successfully empowered a better representation of unorganized workers. Spreckels tried to establish the rights of unions to collective bargaining against "capital," while business representatives attempted to establish employer-dominated unions, formed secret organizations, and established spy or police systems among employees to report union activities, sometimes organizing groups of housewives to promote "back to work" movements during strikes.¹⁰¹ In other cases, Spreckels ordered elections against managers' and business owners' wishes.¹⁰² Simultaneously, however, the regional agency also ended unsuccessful strikes or decided on the representatives for collective bargaining.¹⁰³ Throughout his directorate, Spreckels was challenged by both conservative politicians and by unions.¹⁰⁴

While professionally he was caught between two stools, his family settled in 7357 Woodrow Wilson Drive, Los Angeles, a single-story home in the Hollywood Hills, one mile south of Universal Studios, near the well-known Mulholland Drive.¹⁰⁵ Despite this professional and personal restart to his life and with another war looming, it is clear that he wanted to avoid any struggles similar to those in 1918 and 1929. In the 1940 Census, Walter P. Spreckels gave false information about his background and his German descent, claiming that

98 *Bakersfield Californian*, Dec. 23, 1940, 8; "Pick Bargaining Agent," *Bakersfield Californian*, Jan. 21, 1941, 8.

99 "C.I.O. Union Leads in Los Angeles Plant Election," *Corona Daily Independent*, Feb. 3, 1941, 1; "Bargaining Vote at Aviation Plant Set," *San Bernardino County Sun*, Feb. 5, 1941, 4; "Unions Deadlocked at North American," *San Diego Union*, Feb. 21, 1941, 1; "C.I.O. is Designated Bargaining Agent in Aircraft Plant," *Corona Daily Independent* March 14, 1941, 6; "C.I.O. Wins Vote at North American," *Bakersfield Californian*, March 14, 1941, 2.

100 "Air Parts Plant Threatened," *New York Times*, March 24, 1941, 9; *Circleville Herald*, March 24, 1941, 8.

101 "Business Units Face Charges," *Oregonian*, Sep. 28, 1939, 16.

102 "Citrus Company Refuses Records," *Corona Daily Independent*, July 10, 1940, 1.

103 *Corona Daily Independent*, Feb. 11, 1941, 1; "Settle Strike," *Corona Daily Independent* March 1, 1941, 3; "Settlement

Reached in Wharf Walkout," *San Bernardino County Sun*, March 1, 1941, 2.

104 "House to Quiz NLRB Chiefs," *Oakland Tribune*, Nov. 14, 1939, 14; "Union Suit against U.S. Judge Valid," *Oak-*

land Tribune, August 21, 1940, 36.

105 NARA 1940 United States Federal Census, Place: Los Angeles, Los Angeles, California; Roll T627_404; Page 4B; Enumeration District 60-166.

both he and his parents were all born in New York even though only his mother was U.S.-born. He also gave false information on his income, understating his salary as \$3,200 (\$126,000 in 2010 dollars) when in fact it was \$5,600 (\$221,000 in 2010 dollars).¹⁰⁶ Apart from such irregularities, Spreckels remained an un-ideological man in ideological times. At age 53, he resigned his directorate after eighteen months of service: “I feel that I can be of more benefit both to myself and to the labor situation in general by acting as a labor relations consultant,” he explained to one paper.¹⁰⁷ As an independent consultant, he was eventually his own master. After April 1941 he represented various employers in their relations with employees and labor unions.

The history of the small consulting firm Walter P. Spreckels & Associates is only a footnote in the business history of the Los Angeles region, but he was involved in at least two important cases. As an independent consultant, Walter’s first appointment was as a labor conciliator for Disney Studios. The AFL, speaking for the Screen Cartoonists Guild, had claimed to represent a majority of employees of the studio, while the small Independent American Society of Screen Cartoonists represented the majority of these specialists.¹⁰⁸ This was a typical struggle on industrial versus craft unionism with the AFL representing the first principle. Walter Spreckels urged an official election governed by his former agency, the National Labor Relations Board, but his intervention had little effect. Movie mogul Walt Disney refused to accept the legitimacy of the AFL, but after a two-week shutdown was “cornered into accepting a settlement.” Spreckels’ engagement could not smooth the struggle. The studios were hit hard financially and it is claimed that Walt Disney’s own personal attitudes towards labor changed after this conflict.¹⁰⁹

In another case in October 1941 Spreckels represented the metal manufacturer Hercules Foundries, Inc., an important military supplier, in a complaint about racial prejudice. While most companies declared that “there is no race discrimination in their hiring,” and that differences in hiring resulted from different skills, Spreckels explained in the name of his client that the company employed a large number of African-Americans but that “white moulders said they would walk out” if they were promoted.¹¹⁰ Spreckels was among very few who engaged in discussions of race without expressing explicit prejudices.

Walter worked as an “Industrial Relations Consultant” until at least 1958.¹¹¹ He remained a freemason and occasionally gave public

106 Ibid.; *Official Register of the United States 1940*, compiled by the United States Civil Service Commission (Washington, 1940), 187.

107 “Official of Labor Board Resigns Post,” *San Bernardino County Sun* 1941, April 18, 4; “Spreckels Quits Post,” *San Diego Union*, April 17, 1941, 4.

108 “Strike Hits Walt Disney,” *Panama City News-Herald*, May 27, 1941, 6; “Disney Studio Faces Strike,” *Star Times Advocate*, May 27, 1941, 12.

109 Steven Watts, *The Magic Kingdom: Walt Disney and the American Way of Life* (Columbia, 2001), 225 and passim. Disney was himself a second-generation Canadian-American immigrant entrepreneur.

110 “Race Bans in Hiring Denied,” *Oakland Tribune*, Oct. 21, 1941, 50; “Racial Bans in War Plants Charged,” *Fresno Bee Republican*, Oct. 21, 1941, 4; Kevin Allen Leonhard, *The Battle for Los Angeles: Racial Ideology and World War II* (Albuquerque, 2006), 44, 46.

111 *Labor Arbitration Reports* (1958), s.p.

lectures on topics of labor relations.¹¹² He and his family moved to North Hollywood. Eventually his daughter left home to attend college and married.¹¹³ His son Walter Jr., for some time a rancher, lived with his parents until his early death in 1955. As a Democrat, he surely triggered political discussions with his parents who remained Republican voters.¹¹⁴ The Spreckels maintained some connections to Yonkers, namely to Miss Hubertine Wilke, a former member of the Community Service Commission.¹¹⁵ We do not know whether Walter took notice of a mistaken report of his death published in Yonkers in August 1961.¹¹⁶ He eventually moved to Laguna Hills, in Orange County, and died there, at the age of 88, on May 8, 1976.¹¹⁷ His wife survived him by 15 years and died in Los Angeles on July 5, 1991.¹¹⁸ Walter P. Spreckels is buried at Forest Lawn Memorial Park, Los Angeles, next to his son Walter Jr. and his wife Gertrude.¹¹⁹ As an immigrant entrepreneur, he was an ordinary man — nothing special, nothing grand. But a final look at his social life in Yonkers can perhaps demonstrate that he still tried to make a difference.

112 “‘Labor Relations’ Topic,” *Santa Ana Register*, August 24, 1942, 5.

113 “Obituary,” *Los Angeles Times*, June 29, 1955.

114 California Voter Registrations, 1900-1968, Los Angeles County, 1946, Roll 69; California Voter Registrations, 1900-1968, Los Angeles County, 1954, Roll 97.

115 “Mrs. Walter Spreckels and Daughter in City,” *Yonkers Statesman*, July 15, 1946, 9; “Hubertine Wilke Leaves for Trip Across Country,” *Yonkers Herald Statesman*, July 15, 1946, 9; “Miss Wilke Returns from Pacific Cruise,” *Yonkers Herald Statesman*, September 21, 1967, 11.

116 “Correction,” *Yonkers Herald Statesman*, August 9, 1961, 2.

117 California, Death Index, 1940-1997, Place Orange, Date 8 May 1976, Social Security 130092989.

118 California Death Index, 1940-1997, Place Los Angeles, Date 5 Jul 1991, Social Security 555217103.

A Passion for the Community: Family Status and Social Networks

The men who were titans of industry in the early twentieth century often conducted their careers according to a gendered division of labor, devoting themselves to business issues and politics while their wives participated in cultural activities and society events. In the case of an ordinary executive and his wife, like Walter and Gertrude Spreckels, a different pattern obtained. Like other middle-class American women, Gertrude Spreckels was almost always referred to by her husband’s name in newspaper accounts, as Mrs. Walter P. Spreckels, rather than having her separate identity fully acknowledged. She participated in a broad array of charitable and educational activities. For example, Gertrude Spreckels and Louis Spreckels’ wife Elizabeth Spreckels helped organize an annual fair for Yonkers’ needy poor.¹²⁰ Gertrude A. Spreckels attended meetings of the conservative Daughters of the American Revolution, although she was probably not a member.¹²¹ She also joined the city’s park and book clubs.¹²²

119 Plot Sheltering Hills, Map C03, Lot 1005, Space 2 (Ancestry.com U.S., Find a Grave Index, 1600s-Current (database on-line), Provo, UT, USA).

120 “Apple Orchard in Full Bloom,” *Yonkers Statesman*, March 31, 1916.

121 *Yonkers Statesman*, Nov. 16, 1924, 4.

122 *Yonkers Statesman*, March 29, 1926, 2; “Women to Turn from Social Activities to Day of Prayer,” *Yonkers Statesman*, Feb. 20, 1928, 5.

Such engagement without a real focus was also typical for Walter — at least until the mid-1920s. He was an active tennis player and horseback rider, and he was also an ongoing supporter of the Federal Athletic Club, created by Federal Sugar’s employees, which was also actively backed by his cousin Louis.¹²³ Many of the club’s teams were respected throughout the Yonkers area. For Walter, the social dimension of the club was surely important. He liked to attend the excursions and annual meetings that always featured jolly banquets, and spent two years as the club’s president.¹²⁴ This probably gave him a feeling of acceptance by his American-born colleagues. At that time, he also developed closer connections to the local press, where he was no longer presented as an “alien enemy” but as one citizen among many.¹²⁵

This feeling of having gained acceptance as an American probably enabled Spreckels to feel comfortable reengaging with his German identity in early 1924, when he became an active supporter of the Quakers’ campaign for hunger relief for German children suffering from the crisis caused by the hyperinflation of fall 1923. Spreckels became a leader in a campaign that collected \$25,000 (\$1.57 million in 2010 dollars) in Yonkers, leading rallies at the Federal Sugar Refining Company and participating in other public events in both Yonkers and New York City.¹²⁶ Earlier, Spreckels had been active in the Yonkers Chamber of Commerce, and these public relations activities may have helped him feel comfortable later on his role as a public arbitrator in a high-profile policy position.¹²⁷

The most important chapter in the social life of Walter P. Spreckels, however, was his service on Yonkers’ Community Service Commission, whose chair he became in summer 1926.¹²⁸ This local institution was an outcome of the U.S. recreation movement, which became formally organized in 1906, when the Playground Association of America was founded.¹²⁹ Its roots can be traced back to Germany

123 “Spreckles [sic] and Joe O’Brien Win the Fed Doubles,” *Yonkers Statesman and News*, Sep. 22, 1922, 10; *Yonkers Statesman*, Sep 8, 1927. Although led by executives, the Federal Athletic Club was still an institution to establish a common identity among blue- and white-collar workers. For the increasing divisions in American society

between these groups see Olivier Zunz, *Making America Corporate, 1870-1920* (Chicago, 1990), esp. 125-48.

124 “We Will Revive the Marathons in Yonkers,” Says Federal Leader at Annual Dinner at the Elks’ Club,” *Yonkers Statesman and News*, Dec. 7, 1922, 10; “Many Attend the Annual Dinner of the Federal Athletic

Club,” *Yonkers Statesman*, March 7, 1924, 10; “Federal Athletic Club to have Monster Carnival Here,” *Yonkers Statesman*, April 30, 1924, 12; “Federal Dinner Tomorrow Night,” *Yonkers Statesman*, Feb. 5, 1926, 3; *Yonkers Statesmen*, Oct. 16, 1926, 2.

125 *Yonkers Statesman*, Oct. 20, 1926, 7.

126 “Mayor Assures German Relief Workers,” *Yonkers Statesman* 1924, January 18, 1; “Big Mass Meeting to Open German Relief Drive Here,” *Yonkers Statesman*, Jan. 19, 1924; “German Drive Going Fine,” *Yonkers Statesman*, Jan. 24, 1924, 2.

127 “Real Estate Board Dines,” *Yonkers Statesman* 1921, May 11, 1; “New Building and Loan Company May Eliminate Insurance Phase,” *Yonkers Statesmen and News* 1922, January 16, 3. Walter P. Spreckels also presided over the Public Safety Committee of the Yonkers Chamber of Commerce and was among the Yonkers delegates of the Westchester County Medical Society (“10 Years Ago,” *Herald Statesmen Yonkers* 1934, May 14, 8; “10 Years Ago,” *Herald Statesman Yonkers* 1935, May 16, 8).

128 “30 Years Ago,” *Herald Statesman Yonkers*, March 6, 1956, 4.

129 Stephan Wassong, *Playgrounds und Spielplätze. Die Spielbewegung in den USA und in Deutschland 1870-1930* (Aachen, 2007).

and England. Physical education was promoted by the German Turner movement and it was mostly German immigrants who established early playgrounds in Philadelphia, in New York, and in Chicago. Recreation was understood in the antique tradition of humanistic education as a means of combining mental and physical fitness. It was also promoted as an element of social reform. Building playgrounds was like building characters for a democratic society of free and equal people.¹³⁰ For Walter P. Spreckels, this was a reminder of the education he received at the Vitzthumsche Gymnasium in Dresden.

Yonkers was an industrial town, shaped by the Otis Elevator Company, sugar refining, textile and chemical industry. It was still growing with 100,176 inhabitants in 1920 and 134,646 ten years later. But it lacked an advanced social infrastructure. Spreckels and the commission examined the local parks and asked for improvements to wading pools and for new utilities for public recreation.¹³¹ Band concerts were organized to popularize public parks. Spreckels decided to open Yonkers' schoolyards as playgrounds, although this idea faced stiff criticism because there could be damage to shrubbery and landscaping.¹³² Spreckels argued that most children are responsible and opted for a culture of trust in the younger ones.¹³³ He also argued for closing certain streets to automobile traffic in order to provide more space for play. Acting for the public benefit gave him moral authority: "We, who make up the recreation commission . . . are not interested in gaining votes and we do not do our work for any reason other than a love of it."¹³⁴

Such activities were supported by public events, the mobilization of citizens, and an intense struggle for a larger budget for recreation. Spreckels managed to acquire significantly higher budgets, which allowed not only the construction of new playgrounds but also supplies such as canoes and handballs.¹³⁵ The city of Yonkers established the new position of a director of Community Service Commission work — Spreckels' engagement was pro bono — and hired several new leaders.¹³⁶ Spreckels gave public talks on "The Recreation Problem of Yonkers," collected hundreds of signatures for the creation of a new playground and recreation center, and cooperated with youth organizations to reach his goals.¹³⁷ At the end, he had initiated "the biggest recreation program in the history of Yonkers," based on a mixture of civic duty and social hygiene.¹³⁸

It was a kind of redemption that in 1926 Walter P. Spreckels, the former "alien enemy," was appointed to head his town's Fourth of

130 Linnea M. Anderson, "The Playground of Today Is the Republic of Tomorrow": Social Reform and Organized Recreation in the USA, 1890-1930's" in *The Encyclopaedia of Informal Education* (2007), <http://infed.org/mobi/social-reform-and-organized-recreation-in-the-usa/>.

131 "Street Showers for Kiddies Again," *Yonkers Statesman*, July 8, 1926, 2.

132 "City School Yards Will Be Opened as Playgrounds, Spreckels States," *Yonkers Statesman*, July 23, 1926, 1.

133 "The Statesman Says---," *Yonkers Statesman*, July 29, 1926, 1.

134 "Play Leaders Not in Politics, Says Spreckels," *Yonkers Statesman*, March 26, 1929.

135 "Our Recreation Record," *Yonkers Statesman*, Sep. 27, 1926, 6; "Appeals for Recreation," *Yonkers Statesman*, Oct. 28, 1926, 1-2; "To Ask Transfer of Surplus Funds," *Yonkers Statesman*, Dec. 24, 1926, 2; "Yonkers May Be Scene of Canoe Races," *Yonkers Statesman*, Feb. 6, 1928.

136 "May Not Fill \$3,500 Playground Job," *Yonkers Statesman*, Dec. 30, 1926, 1; "Slate Greening for Recreation Position Here," *Yonkers Statesman*, Jan. 22, 1927, 2; "Kennedy Makes Answer to Criticisms of Walter Spreckels," *Yonkers Statesman*, March 19, 1927, 1-2.

137 "North Yonkers Will Hear Talk on Recreation," *Yonkers Statesman*, Feb. 14, 1927, 2; *Yonkers Statesman*, August 3, 1926, 3.

138 "Walsh Praised in Play Report," *Yonkers Statesman*, Jan. 9, 1928, 16. The quote is from Spreckels' 24-page report on the commission's work in 1927.

July celebrations.¹³⁹ He chaired this committee in 1927 as well and was a member of the committee until 1928.¹⁴⁰ The unraveling of his career at Federal Sugar cut short his participation in these community projects, and in July 1929, after he had already lost the presidency of the Syrup Products Company, Spreckels officially resigned as chairman of the Community Service Commission and “expressed regret that his personal affairs made it impossible for him to serve longer.”¹⁴¹ Spreckels never took a civic office again.

Conclusion

The Titans once ruled — if you trust Greek mythology — during the Golden Age. But these immortal giants were beaten and the Ages of Man followed. Walter Spreckels was a representative of the end of the age of private capitalism in the U.S., which lasted longer in immigrant circles than in mainstream business. He was one of those managers business historian Alfred D. Chandler, Jr. once praised and analyzed when he defined the modern business enterprise as “the most powerful institution in the American economy and its managers the most influential group of economic decision makers.”¹⁴² The biography of Walter P. Spreckels, however, offers a less majestic perspective on “managerial capitalism.” As an executive of one of the largest firms in the sugar business, he was not able to deal with the eruptions caused by the changes in tariff politics, which hit independent producers even before the Great Depression. Walter P. Spreckels also fell afoul of Prohibition enforcement, though his direct responsibility remains unclear. Pushed out of his business, he found a new task in negotiating the fractures of capitalism. He acted for labor and for capital, and appealed to common sense. This mirrored his public service in the 1920s when he was active in creating a better Yonkers, merging ideas from Germany with the necessities of American industrial towns.

Thrown into the U.S. by his father’s criminal deeds and bankruptcy, Walter P. Spreckels cut himself off from his German roots after he was marked as an “alien enemy” in World War I. It took some time, but he finally became an ordinary American citizen. After his indictment and the Depression-era failure of his company, he saved himself and his family first by joining the government, and then as a private consultant. Walter P. Spreckels, who learned about ancient mythology in his youth, knew that the Golden Age of the Titans, once extolled by Hesiod and Ovid, was followed by the Iron Age, a world at war with itself.

139 “Spreckels to Head the July 4th Committee,” *Yonkers Statesman*, June 10, 1927, 2.

140 “Forgarty Names Committee for Fourth Program,” *Yonkers Statesman*, June 25, 1927, 2; “Mayor Names July 4 Group,” *Yonkers Statesman*, June 12, 1928, 5.

141 “Kinsley Named,” *Yonkers Statesman*, August 1, 1929, 1.

142 Alfred D. Chandler, Jr., *The Visible Hand: The Managerial Revolution in American Business*, 15th ed. (Cambridge, 1999 [1977]), 1.

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