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Dollars, Defense, and the Desert: Southern Nevada’s Military Economy and the Second World War

Robert V. Nickel

Modern Las Vegas has come to inhabit a unique place in the American imagination. A neon mirage glittering amid the desolate Mojave Desert, “Sin City” is both celebrated and scorned as an oasis of gambling, nightlife, and entertainment. Consistently ranked among the nation’s fastest-growing metropolitan areas, Las Vegas has experienced sensational economic, infrastructural, and demographic growth in recent years. The dizzying pace of this development makes it difficult to imagine that the city was once anything other than the bustling urban playground it is today. Like many great western cities, Las Vegas came of age during the World War Two era. A mere hamlet of 8,422 residents in 1940, it had nearly tripled in size by 1950.¹ Many believe Las Vegas to be synonymous with its gambling economy, but war, not wagering, triggered the city’s first period of dramatic growth. A sizeable military presence, established during World War Two and sustained by the Cold War, took root in southern Nevada. Though never as visible as the area’s high-profile gambling industry, this military economy was a vital factor in the development of the nascent metropolis.

The spectacular resorts of the “Strip” have made Las Vegas famous throughout the world, but few of the city’s millions of visitors recognize the massive influence the military has exerted on southern Nevada. Las Vegas has played host to countless

¹ Russell R. Elliott, History of Nevada (Lincoln: University of Nebraska Press, 1973), 325. Las Vegas had a population of 8,422 in 1940. By 1950 this had grown to 24,624, an increase of 192.4%.
gamblers and conventioneers who likely never realized that this city of leisure and excess has also been home to the nation’s busiest air force base, the world’s largest magnesium plant, and the continent’s foremost site for testing nuclear weapons. Although the neon glare of casino revenues has since overshadowed the military’s economic impact on the area, World War Two and its subsequent defense boom “really transformed the sleepy little desert town,” notes economic historian Gerald Nash.² Strong local support and political leadership attracted lucrative defense contracts and military installations to southern Nevada, giving rise to a powerful military economy that helped shape the growth of Las Vegas. Large government payrolls and the influx of soldiers and war workers fueled the early development of the local gambling economy at a time when wartime economic changes could easily have smothered it.³ The boom continued long after the conflict, however, as the Cold War and the accompanying proliferation of nuclear weapons created a perpetual war economy that ensured a continuing flow of federal dollars into Las Vegas coffers. Bringing revenue, population, and industry, the military sector has been a crucial prop to the southern Nevada economy.

Las Vegas, like much of the West, experienced its most dramatic growth during and after the Second World War. Nash identifies this era as the defining moment in the story of western economic development. World War Two, Nash declares, “accomplished a reshaping of the region’s economy that would have taken more than forty years in peacetime.”⁴ The war certainly provided the West with a windfall of federal spending.

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“It was as if someone had tilted the country,” observes western historian Richard White, “people, money, and soldiers all spilled West.”\(^5\) During the war, western states received $60 billion in federal funds. California epitomized the West’s wartime boom, achieving a doubling of per capita income and a tripling of manufacturing output from 1940 to 1945. Los Angeles alone garnered $312 million in aircraft contracts.\(^6\) Such defense spending created thriving new industries in the West, diversifying a regional economy traditionally dominated by natural resource extraction. The rise of a manufacturing sector drew throngs of war workers to the West, expediting the growth of vast urban centers. Strengthened by teeming cities and its new industrial clout, the West was at last freed from its colonial subordination to the East. According to Nash, the West emerged from the Second World War as a “pathbreaking self-sufficient region with unbounded optimism for the future.”\(^7\)

Urban historian Roger Lotchin, however, proposes a different model for understanding wartime development in the West. Federal defense spending in World War Two, he argues, helped create a new relationship between western cities and the military. Realizing the potential benefits of hosting a military installation or major defense industry, city governments actively pursued involvement with the armed services. Hardly passive colonies accepting gifts from the East, western cities consciously strove to attract federal spending. As contracts became more lucrative, the competition turned increasingly fierce. Lotchin reveals how the focus often shifted from

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“warfare to welfare” as cities began to view military spending as a form of social spending. Since military expenditures tended to boost the local economy, city officials saw defense spending as a way to finance both guns and butter. The allocation of military spending came to be influenced not by a monolithic military-industrial complex dominated by powerful corporations, but rather by a “metropolitan-military complex” born from the Darwinian competition among growth-seeking cities. The result, Lotchin suggests, was the rise of a new phenomenon: the “martial metropolis.” By forging political and economic partnerships with the military, city officials were able to capture their share of federal largesse. These alliances ensured that military spending would be influenced by political as well as economic and strategic concerns.

Las Vegas provides an interesting case study, for it displays elements of both interpretations. Little more than a whistle-stop prior to World War Two, Las Vegas had become a substantial metropolis by 1945. Public support and farsighted political leadership helped Las Vegas to attract the federal spending necessary to power Nash’s economic transformation. The war was a turning point indeed, but it was not the only significant chapter in the longer story of southern Nevada’s development. Las Vegas found its development inextricably bound to Lotchin’s metropolitan-military complex. Cold War military spending and keen political maneuvering sustained the wartime boom and helped avert the impending bust. Federal defense spending thus transformed Las Vegas from a timid desert oasis to a full-fledged martial metropolis.

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9 Lotchin, Fortress California, 16.
By the time America entered the war, “Nevada had completed a decade of legalized gambling without any startling changes in either its economy or societal structure,” observes Nevada historian Russell Elliott.\footnote{Elliott, History of Nevada, 315.} A surge in government spending, cued by the New Deal and prolonged by the onset of war, ushered in such changes. Southern Nevada had been no stranger to such support. “Federal spending, and lots of it, triggered the rise of modern Las Vegas,” says Eugene Moehring in his history of Las Vegas.\footnote{Eugene P. Moehring. Resort City in the Sunbelt: Las Vegas, 1930-2000, 2nd ed. (Reno: University of Nevada Press, 2000), 13-16. For more on this subject, see Ibid., “Public Works and the New Deal in Las Vegas, 1933-1940,” Nevada Historical Society Quarterly, 1981 xxiv(2): 107-129.} Boulder Dam, completed in 1935, drew money, workers, and even tourists to the small desert town. While the 1930s brought over 70 million federal dollars to southern Nevada, even this massive windfall paled in comparison to what the wartime boom delivered a decade later. In the 1940s, an army air corps installation brought soldiers and spurred construction, while a lucrative defense contract helped diversify the area’s flagging economy. Both came with hefty payrolls, high hopes, and the power to drive economic development on an unprecedented scale.

Rising tensions in Europe awarded the Las Vegas Valley its first significant military presence. Recognizing the growing likelihood of American entry to the war, the U.S. Army established the Las Vegas Army Gunnery School in January 1941. Located just eight miles northeast of the city, the school trained bomber gunners for the war in Europe. By 1945, the base had become the nation’s largest gunnery school.\footnote{James R. Hinds. Epitome of the History of Nellis Air Force Base, 1940-1966 (Las Vegas: Nellis Air Force Base, 1976), viii. “A Concise History of Nellis Air Force Base, Nevada.” Office of History. Headquarters, Air Warfare Center. 15 March 1997, 9-12.} At its inception, however, the school was woefully unprepared to accommodate the large
numbers of students it was expected to train. Located on the site of Western Air Express Field, the gunnery school had to share the small airport with Las Vegas’s commercial air traffic. Rudimentary facilities to be sure, the field’s unpaved runways and smattering of buildings were valued at a mere $50,000. Such unacceptable conditions forced the army to initiate a massive federally-funded construction program in order to open the base. “War accomplished what five years of lobbying had not,” insists Eugene Moehring, noting that the arrival of the army immediately prompted airfield improvements that were long overdue. The army corps of engineers went to work installing barracks, storage buildings, and lighting equipment. After paving and grading the field’s runways, the project’s cost totaled more than $2.7 million. Since Western Air Express still retained rights to use the field, the civilian facilities required additional improvements. The Civil Aeronautics Board (CAB) spent $349,000 to refurbish this “airport within an airport.” To supply the base, the Union Pacific Company built a spur line to connect the airfield to the main railway. These improvements helped convert the field into an acceptable facility, but much work remained to be done.

In early 1942, the gunnery school hosted 9,117 men. Only a year later, the base had become home to over 18,000 trainees. At its peak, the school graduated 4,000 students every six weeks. Despite the multi-million dollar construction projects, the base was bursting at the seams. When the field first opened, office space was so scarce that many officers worked out of the basement of Las Vegas’s downtown federal building.

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and post office. As more soldiers poured into the base, the housing shortage became acute.\textsuperscript{18} In May 1941, Las Vegas’s vacancy rate was an anemic 2.6%. The federal government invoked the Lanham Act to finance the construction of 125 homes for local servicemen.\textsuperscript{19} Military construction continued also, with new barracks, mess halls, and storage buildings erected in 1943. The following year, the army added a civic center, improved roads, installed the base’s first air conditioning units, and spent $303,000 to improve support facilities at Indian Springs.\textsuperscript{20}

During the war, the gunnery school brought multi-million dollar payrolls and much-needed infrastructural improvements to the Las Vegas Valley. In 1945, the base boasted a complement of 12,955 personnel, including over one thousand civilians. At war’s end, the base served as a disembarkation station for returning veterans, bringing swarms of young men and their paychecks to southern Nevada. Many chose to stay, adding to the rapidly growing population of the budding metropolis.\textsuperscript{21} The gunnery school, renamed Las Vegas Army Air Field (LVAAF) in April 1943, helped bolster the area’s population and stimulate the local economy. It was not southern Nevada’s only source of federal defense spending. Although short-lived, a wartime contract to produce magnesium played another key role in Las Vegas’s wartime development.

In 1941, the Office of Production Management (OPM) announced its intention to increase American magnesium production in support of the war effort. Needing the metal to build planes, bombs, and ammunition, the government hoped to increase total

\textsuperscript{19} Las Vegas Evening Review-Journal, 26 May 1941, 1:4.
\textsuperscript{20} Hinds, Nellis Air Force Base, 10.
\textsuperscript{21} Ibid., 18.
output from 30 million to 400 million pounds per year. Southern Nevada’s rich magnesium deposits made it one of the few domestic sites able to accommodate such large production. As a result, the Reconstruction Finance Corporation (RFC) awarded the sizeable contract to the Silver State. The federal government would build and own the magnesium plant and surrounding townsite while leasing the facility to the newly-formed Basic Magnesium, Incorporated. The plant opened on August 31, 1942. Though it shut down before the end of the war, Basic Magnesium’s impact on southern Nevada was enormous.

The scale of the plant’s construction alone is staggering. The project was the second largest structural steel job in the history of the world. Basic’s construction employed over 16,000 workers and generated a weekly payroll of $1.1 million. The $63 million project was larger and more expensive than even Boulder Dam, which had a peak employment of 5,250 workers with a monthly payroll of $750,000. When finished, the plant produced up to 120 tons of magnesium daily. Its $35 million annual output was roughly equivalent to the rest of Nevada’s total mineral output. Basic Magnesium was the world’s largest magnesium plant and second largest industrial user of electricity. In its prime, the plant employed over 13,000 workers. Its $8 million annual payroll was five times greater than the total wages paid by all of Nevada’s other industrial plants.

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The infusion of new capital was only a portion of Basic’s powerful impact. The influx of workers overwhelmed the small town’s already strained housing supply. Officials planned to construct a “new city” to alleviate the need for housing. The Basic Town Site, later named after RFC Chairman and Nevada native Charles Henderson, created a new population center in the Las Vegas Valley. Southeast of Las Vegas, the site stood between Las Vegas and Boulder City. Initially owned by the federal government, the townsite was intended to support up to 7,000 residents. As new workers continued to descend upon the valley, however, the fledgling town could do little to ease the housing shortage. Exacerbating the crisis were legions of black workers who migrated to Nevada seeking employment. Facing segregation as well as lack of housing, many blacks resorted to living in tent villages, trailer parks, and even cars on the predominantly black Westside of Las Vegas. Over time, Henderson gradually evolved into a thriving community. In 1999, it surpassed Reno to become the second largest city in Nevada.

The plant had more far-reaching influence, as well. Basic Magnesium is but one example of economic diversification in the wartime West. Gerald Nash cites this transformation as one of the most dramatic results of federal spending during the conflict. Stimulated by defense contracts and federal spending, the region was able to develop the potent manufacturing and technology sectors it had lacked. These new industries allowed the West to escape its longstanding status as a natural resource colony of the industrial East and emerge from the war as a self-sufficient region. Nash refers most specifically

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to the shipbuilding and aerospace industries that made southern California a postwar industrial giant, but southern Nevada also experienced substantial industrial growth.

While magnesium production is hardly a departure from the region’s heritage of extractive industry, Basic Magnesium represented the first large-scale industrial venture in an economy desperate for diversification. Las Vegans were elated at the prospect of their city attracting firms like Basic. Promoters, such as *Las Vegas Evening Review-Journal* chief A.E. Cahlan, hoped the plant could help turn the Las Vegas Valley into “a major center for the light metal industry.”

When Anaconda Copper Company took over the Basic plant in 1942, corporate executive Cornelius F. Kelley insisted that “Basic Magnesium will NOT be a war baby” (emphasis in original), promising that Las Vegas’ new industrial sector would continue to thrive. The factory shut down in November 1944, but it did help spawn something of an industrial base in southern Nevada. While never again operating on a wartime scale, the Basic facility became home to a variety of successful industrial firms after the war.

In the colonial struggle outlined by Nash, the plant played another powerful role. Traditionally, the West had served as a resource hinterland providing raw materials to the industrial East. Basic Magnesium symbolized the breaking of these colonial bonds. The very existence of a western magnesium plant struck a nerve in the East. In 1940, Representative James Scrugham of Nevada reported encountering “determined opposition of eastern industrial concerns” to his suggestion of the Silver State as a potential site for the plant. Prior to the war, Michigan-based Dow Chemical Company held a de facto monopoly on magnesium production. The threatening notion of a western

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plant, awarded to another firm, was not well-received. Just as Southern California’s immense industrial growth had enabled it to challenge its colonial subordination to the East, southern Nevada’s wartime growth allowed it to challenge California’s intraregional dominance in the West. Nevada narrowly edged out Needles, California as the final location for the plant. This victory was especially sweet for Las Vegans who lamented that their state’s mines had consistently contributed more to the wealth of California than Nevada.\textsuperscript{32} Unlike previous operations, Basic Magnesium’s revenues flowed into, not out of, the Silver State.

Following Basic Magnesium’s closure, A.E. Cahlan’s editorial column in the November 13, 1944 \textit{Las Vegas Evening Review-Journal} voiced optimism in the face of adversity. The closing, predicted Cahlan, would have an “almost complete lack of effect on the morale of Las Vegas.” Foreseeing a travel boom spurred by the growth of southern California and the eventual end to wartime travel restrictions, Cahlan considered Las Vegas’s future brighter than ever.\textsuperscript{33} While demobilization posed significant challenges to Las Vegas, the city emerged from the war stronger than it had entered it. Las Vegas’s municipal budget nearly tripled from 1940 to 1945, as did the valley’s population by 1950.\textsuperscript{34} While making strides to challenge its colonial relationship to both California and the East, southern Nevada also made progress in its struggle to end its longstanding subordination to northern Nevada. Since 1910, notes Jerome Edwards, political power had been concentrated “to an amazing extent” in the state’s northern

\textsuperscript{32} \textit{Las Vegas Evening Review-Journal}, 13 November 1941, 1:1.
\textsuperscript{33} \textit{Las Vegas Evening Review-Journal}, 13 November 1944, 14:7.
\textsuperscript{34} Moehring, \textit{Resort City in the Sunbelt}, 294. Las Vegas’ budget climbed from $388,358 in 1940 to $997,164 in 1945. Clark County’s budget grew from $930,719 to $2,289,525 in the same period. Las Vegas’ population grew from 8,422 in 1940 to 24,624 in 1950.
Wartime economic and social patterns, on the other hand, decidedly favored the South. The immigration of defense workers brought new clout to the Democratic Party, challenging the conservative North. Southern Nevada’s rapidly growing population also helped to redistribute political power. By 1960, Las Vegas had overtaken Reno as the largest city in the state.\footnote{Jerome E. Edwards, \textit{Pat McCarran: Political Boss of Nevada} (Reno: University of Nevada Press, 1982), 28.}

World War Two was indeed a watershed in Las Vegas history. The desert oasis had supported a massive military installation, developed large-scale industry, and experienced dramatic population growth. By war’s end, Las Vegas was well on its way to becoming a major western city. Its military establishment, although conceding the spotlight to luxury hotels and sparkling swimming pools, had very quietly become a major influence on the city’s political and economic affairs. Primarily known as a resort city, Las Vegas had truly developed into a martial metropolis.

Such a city, Roger Lotchin argues, was defined by its “alliance to the United States fighting services.” The martial metropolis integrated both economically and politically with the military establishment, forging a federal-urban partnership based on the mutual benefits of defense spending. Municipal governments created formal and informal ties to the military, hoping to attract and retain defense installations and contracts. Rather than passively peddling resources to colonial oppressors, western cities willfully used political pressure to manipulate the system in their favor. City leaders in California, writes Lotchin, “consistently employed federal military resources to help create the urban empires to which they aspired.”\footnote{Lotchin, \textit{Fortress California}, 346.} Municipal officials, congressmen, city

\footnote{Elliott, \textit{History of Nevada}, 325.}
boosters, and local businessmen all took part in the race for federal funds. Once a city had successfully attracted a base or contract, its economic and political apparatus often became tightly interwoven with the new military establishment.

Many western cities were eager to forge such relationships with the military. For its success in this regard, Lotchin calls San Diego the “quintessential martial metropolis.” Even more influential than strategic or economic concerns were the city’s committed leadership, booster spirit, and pro-military public. Similarly, Los Angeles emerged from the war as the “capital city of the military-industrial complex,” thanks to a supportive public and cooperative government. The primary reason for Los Angeles’s success was not its physical climate, but its “mental or cultural climate.” Evidently convinced of a warm welcome, military planners awarded Los Angeles 47% of California’s massive federal defense budget. At peak production, aircraft contracts alone employed over 200,000 factory workers in the City of Angels.

With defense spending reaching dizzying heights, competition for military contracts became a high-stakes game. City officials went to great lengths to lure federal funds to their jurisdiction. The effort involved not only municipal officials, but also local businessmen, boosters, and chambers of commerce. A paragon of the new military industrial city, Colorado Springs is proof that such cutthroat competition survived the war. Boldly driven by its boosters, Colorado Springs launched a citywide campaign to attract military spoils. Its vehemently pro-military populace clamored for a defense

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installation, the Chamber of Commerce formed a Military Affairs Committee specifically for the task, and the opulent Broadmoor Hotel lavishly hosted visiting military officials. From 528 sites in 45 states, Colorado Springs was selected to host the United States Air Force Academy, and today is also home to NORAD, Peterson Air Force Base, and Falcon Air Force Station. Now hailed as the “Space Capital of the Free World,” Colorado Springs serves as a model for the successful martial metropolis.

Like these cities, Las Vegas was not shy about singing its praises to military planners. Active city boosters, a favorable public, and strong political leadership at the national, state, and local levels helped the small city attract a significant amount of federal attention. Long before World War Two, some Las Vegans were already clamoring for a military presence in southern Nevada. As early as 1935, the Las Vegas Evening Review-Journal printed editorials urging local officials to pursue construction of an army airfield in the area. The Las Vegas Chamber of Commerce and, rumor has it, a chicken sandwich were responsible for the eventual location of such a base. In October 1940, Brigadier General H.W. Harms of the army air corps landed at Las Vegas’s Western Air Express Field. According to legend, the famished officer arrived “between meals” and went to the nearby Apache Café for a chicken sandwich. There, “as fate would have it,” General Harms happened to meet R.B. Griffith, prominent local businessman and secretary of the Las Vegas Chamber of Commerce. “Chewing happily on the succulent chicken,” the general allegedly agreed to consider the possibility of establishing a base near Las Vegas.

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Four days later, Griffith wrote a letter to Major David Schlatter of the army air corps Western Command at Moffett Field, California. Griffith portrayed Las Vegas as the perfect location for an army airfield, emphasizing the excellent year-round flying weather, strategic isolation, and proximity to southern California’s aircraft industries. Griffith promised that the city would lease the land to the army for $1 per year and provide “every possible aid and assistance.” He went on to boast that Las Vegas was the Clark County seat, home to many good schools, churches, and two newspapers. While noting opportunities for recreation at nearby Mount Charleston and Lake Mead, Griffith predictably failed to mention the town’s notorious reputation for providing somewhat less wholesome forms of entertainment. Griffith’s salesmanship, not to mention the infamous chicken sandwich, must have made an impression on the army brass. On January 23, 1941, General Harms and Mayor John Russell signed a lease granting the army rights to build a gunnery school on the site of Western Air Express Field.

In the war’s early stages, Las Vegans were ardently pro-military. As they had done during the first World War, citizens formed the Clark County Defense Council to coordinate rationing and support the war effort. The Chamber of Commerce created a Defense Committee, chaired by Griffith, to serve as a liaison between military and civic officials. Many of the city’s hotels raised money by staging special shows and concerts with admission by “war bonds only.” In late 1942, General John L. DeWitt voiced concern over the potential for the city’s all-night taverns and casinos to become a

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43 Letter, Mr. R.B. Griffith to Major David Schlatter [Subject: A Suitable Field], 5 October 1940. University of Nevada-Las Vegas, Lied Library Special Collections, Las Vegas, Nevada.
44 Las Vegas Evening Review-Journal, 23 January 1941, 1:8. The Army leased the field from Western Air Express for $10, while WAE retained the right to use the field for commercial operations.
distraction for servicemen and defense workers. Patriotism, as well as a fear of being declared “off-limits” to military personnel, prompted tavern and casino owners to agree to a voluntary program limiting hours of operation. Taverns and bars closed at midnight, while package liquor sales ceased at eight o’clock. The city’s casinos also agreed to shut their doors from 2 a.m. to 10 a.m., closing for the first time since gambling had been legalized in 1931. The Clark County Central Labor Council even arranged a wartime labor truce between the Las Vegas Association of Employers and the city’s major unions. While Las Vegas’s pro-military ethos was certainly an asset to defense planners, the city’s friends in high places commanded even more attention.

In the U.S. Senate, Nevada’s small population worked as an advantage. With each state receiving the same number of votes, Nevada exerted an influence disproportionate to its size. It was in this arena where Las Vegans found perhaps their most powerful and dedicated ally. Pat McCarran, Nevada’s first native-born senator, tirelessly championed southern Nevada’s budding military establishment. Aggressive and often unpredictable, McCarran “understood power and was not afraid to use it ruthlessly and effectively,” observes biographer Jerome E. Edwards. By securing a coveted seat on the Senate Appropriations Committee, McCarran “saw to it…that Nevada got more than its fair share of federal largesse.” Often criticized for placing state interests ahead of national ones, McCarran consistently strove to aid southern Nevada in its campaign for military spending. The Silver State had a long tradition of powerful

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48 Moehring, “Las Vegas and the Second World War,” 7. The unions agreed to suspend picketing, strikes and boycotts in exchange for a promise from the Las Vegas Association of Employers to refrain from lockouts and other anti-labor activity.
49 Edwards, McCarran, 323.
senators, and McCarran proved no exception. Like William Stewart, Francis Newlands, and Key Pittmann before him, McCarran effectively used his seat in the senate to draw national attention to the small western state.

Something of an aviation enthusiast, McCarran helped pave the way for the location of an army airfield in Las Vegas. In 1938, he drafted a bill to create the Civil Aeronautics Authority, the body that later provided federal funds for the renovation of Western Air Express Field. From his seat on the Appropriations Committee, McCarran no doubt influenced the decision to locate a gunnery school in the Las Vegas Valley. In 1943, McCarran also helped draft a bill chartering the U.S. Air Force as an independent branch of service. Among McCarran’s greatest achievements was securing the government’s lucrative magnesium contract for southern Nevada. Hoping to bring an industrial base to the Las Vegas Valley, McCarran lobbied President Roosevelt directly.50 When it appeared that the plant would instead be awarded to California, McCarran rounded up fellow Nevadans to oppose the move. Senator Berkeley Bunker “staged a valiant battle” in support of the Las Vegas site, but Elko native and former U.S. Senator Charles Henderson had the final say. As President of the Reconstruction Finance Corporation (RFC), he chose in favor of the Silver State.51

McCarran went to bat for Las Vegans once again when the Basic Magnesium plant was slated to be shut down. He and Representative James Scrugham staged a “vigorous protest” of the proposed shutdown.52 McCarran framed the closing as an act of eastern colonialism, denouncing it as “a battle of the West against those interests that

50 Nash, *World War II and the West*, 125.
seek to curtail the development of the West.” Here, McCarran cleverly used Nevada’s perceived colonialism as part of a rhetorical strategy to achieve his objective. Western historian Patricia Nelson Limerick quips that many of the region’s politicians have been “gifted speechmakers,” adept at using inflammatory rhetoric to dramatize their causes.” The simplistic wording of such speeches usually concealed their more complex significance. While McCarran’s words portray Nevada as a victim of colonialism, his intentions support Lotchin’s argument that western politicians consciously and vigorously competed for federal resources. Pushed into a corner by threats to close Basic, McCarran was finally forced to denounce his state’s colonial status. Hoping to delay the inevitable, McCarran demanded a federal investigation to determine the government’s motives for shutting down the plant. McCarran ultimately proved unsuccessful in preventing Basic Magnesium’s closure, but the feisty Democrat was determined to ensure that southern Nevada’s military economy would persist long after the war ended.

As peace neared, the Las Vegas Chamber of Commerce developed a comprehensive plan for coping with the upcoming demobilization. Many feared a postwar depression, but residents cited the ubiquitous housing shortage as “Nevada’s most pressing postwar problem.” With even the town’s hotels filled to capacity, many returning veterans were forced to live in tent cities and temporary housing. March 1946 brought the largest construction boom to that point in Las Vegas history as builders

54 Patricia Nelson Limerick, *The Legacy of Conquest: The Unbroken Past of the American West* (New York: W.W. Norton & Company, 1987), 83. Limerick’s chapter on “Denial and Dependence” outlines the ways in which western politicians have asserted independence in spite of their overwhelming dependence on the federal government. McCarran’s tirade falls neatly into this model, as he laments the state’s status as a colonial victim in order to ensure continued federal support.
struggled to keep pace with demand.\textsuperscript{56} The Chamber of Commerce hoped to capitalize on the waves of veterans returning from the war. Its action plan called for an extensive advertising campaign to cash in on the postwar travel boom.\textsuperscript{57} Tempering this optimism, however, was an ominous announcement regarding the fate of the Las Vegas Army Air Field. As the war wound down, the army air corps suspended gunnery training. On January 12, 1946, the army announced that the LVAAF would be deactivated.\textsuperscript{58}

As in many other martial cities, demobilization created something of a crisis for Las Vegas. By March 1946 the LVAAF, once teeming with over 18,000 men, saw its garrison substantially reduced.\textsuperscript{59} Facing such massive economic changes, city and county officials began to realize that private spending alone could not stave off postwar depression. Aware that only continued federal spending was likely to sustain the war boom, many considered the government ultimately responsible for ensuring the employment of returning veterans.\textsuperscript{60} A new round of metropolitan competition ensued as each martial metropolis vied for its piece of the now significantly smaller defense budget. “Having contributed to winning the war,” Lotchin notes, “urban California girded itself to protect its winnings.”\textsuperscript{61} Las Vegas was no different, launching a full-scale campaign to protest Las Vegas Army Air Field’s closing.

Even prior to the field’s deactivation, Las Vegas leaders figures were struggling to ensure that it would become a permanent installation.\textsuperscript{62} In the \textit{Las Vegas Evening Review-Journal}, 1 April 1946, 1:1.

\textsuperscript{56} \textit{Las Vegas Evening Review-Journal}, 1 April 1946, 1:1.
\textsuperscript{57} \textit{Las Vegas Evening Review-Journal}, 14 March 1944, 2:5.
\textsuperscript{58} \textit{Las Vegas Evening Review-Journal}, 12 January 1946, 1:4.
\textsuperscript{59} Hinds, \textit{Nellis Air Force Base}, 22.
\textsuperscript{61} Roger W. Lotchin, “World War Two and Urban California: City Planning and the Transformation Hypothesis.” \textit{Pacific Historical Review} 62 (May 1993), 156.
\textsuperscript{62} Hinds, \textit{Nellis Air Force Base}, 24.
Review-Journal, A.E. Cahlan’s editorial column trumpeted the base’s importance to the Las Vegas economy. Cahlan insisted that the field’s $55,000 daily payroll was vital to the community, noting that military personnel occupied 40% of local housing. In September 1945, an unsigned editorial urged civic leaders to make “every effort” to retain the base. Las Vegas leaders did just that. The Chamber of Commerce appointed a committee to expedite plans for the field’s permanent re-opening, declaring the LVAAF “more important to Las Vegas than anything else.” Months before the official deactivation announcement, a group of civic leaders had traveled to Washington, D.C. to plead the city’s case to Congress. Mayor E.W. Cragin, R.B. Griffith, and Chamber of Commerce President Maxwell Kelch assured Las Vegans that “every effort would be made to influence those in authority.” McCarran pledged his cooperation, and they soon struck a deal.

The group proposed selling the base property outright to the army for one dollar. In return, the city and county would receive $250,000 from the Civil Aeronautics Authority to build a new civilian airfield. In October 1945, the War Department recommended that the LVAAF become a permanent installation. Jubilant local leaders could hardly contain their excitement. Kelch declared that the “economic worth to Las Vegas of this important enterprise cannot be overstated.” Griffith added that Las Vegans should be “everlastingly grateful” to McCarran and his “consistent militant campaign” to save the field. Celebration faded to concern as local officials initially failed to honor their end of the agreement. The War Department made the base’s permanence contingent

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on granting the military exclusive rights to use the field.\textsuperscript{68} While McCarran and others went to Washington to fight for the base, local officials adopted an “official attitude of complacency.”\textsuperscript{69} City commissioners made no plans and held no meetings after the deal was announced.\textsuperscript{70} Although the city expected to receive some federal money to build a new civilian airport, local officials were still unsure how to raise sufficient funds. Eager to both appease the military and garner support for a new commercial airport, the Chamber of Commerce unanimously approved a vigorous publicity campaign promoting the passage of an airport bond issue. On May 2, 1947, local voters approved the bond by a margin of ten to one. In addition to financing the construction of a new civilian airfield, the $750,000 bond ensured that the LVAAF would become a permanent installation.\textsuperscript{71}

Las Vegas was fortunate to avoid losing such a large military installation. While World War Two had provided the impetus for unprecedented economic growth, the onset of peace presented a difficult challenge. The military and the martial metropolis had in many cases become so interdependent that neither could survive without the other. Peacetime demobilization threatened both the services and the municipalities which hosted them. Lotchin refers to this as the “mutual dilemma of relative decline.”\textsuperscript{72} Cities and the services eagerly sought ways to ensure their continued prosperity. The answer to this quandary came quickly as global tensions gave rise to the Cold War.

The volatility of the postwar world prompted the United States to develop its first significant peacetime military establishment. The emerging permanent war

\textsuperscript{68} \textit{Las Vegas Evening Review-Journal}, 7 March 1946, 1:2.
\textsuperscript{69} \textit{Las Vegas Evening Review-Journal}, 24 June 1946, 1:1.
\textsuperscript{70} \textit{Las Vegas Evening Review-Journal}, 18 July 1946, 1:1.
\textsuperscript{72} Lotchin, \textit{Fortress California}, 26.
economy was a boon not only to western martial cities but to the region as a whole. The West had experienced a brief economic expansion during the First World War, but it subsided quickly with the end of hostilities. Increased defense spending during the Cold War, though, allowed many cities to sustain the economic momentum gained during World War Two. Cold War spending, like that of the previous conflict, favored the West at the expense of other regions. Atomic science and other technology made warfare far more sophisticated. Military production became a very specialized endeavor, and the federal government commissioned firms to produce highly-technical products to very precise specifications. Since the market had only one buyer, price was not the primary determinant of a bid’s success. The government also gave serious consideration to non-cost factors such as location, climate, and labor. Boasting strategic isolation, favorable labor conditions, mild weather, and a lack of existing infrastructure, western sites enjoyed a comparative advantage over other candidates at the same price.\(^7^3\)

The situation was ideal for the many western politicians looking to avoid a postwar depression. Consistently pro-growth and pro-defense, the region’s leaders eagerly supported continued military spending.\(^7^4\) Buoyed by Cold War outlays, the federal defense budget remained near ten percent of the gross national product throughout the 1950s. The government committed $40 billion to defense from 1954 to 1956 and $45 billion more from 1957 to 1970.\(^7^5\) As during World War Two, Las Vegas was able to

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attract a significant amount of federal spending during the Cold War. This allowed southern Nevada’s military establishment to sustain its prominent economic position.

On April 30, 1950, the Las Vegas Army Air Field was renamed Nellis Air Force Base in honor of First Lieutenant William H. Nellis, a native of Searchlight, Nevada who had been killed in action on his 70th mission as a pilot during World War Two. The change in name was soon followed by a change in mission as the Cold War continued to escalate. International tensions prompted U.S. military policy to shift drastically toward rearmament. Responding to the rise of atomic warfare, Eisenhower’s “New Look” strategy established the young air force as the centerpiece of the nation’s defense. The onset of hostilities in Korea during June 1950 gave new importance to installations such as Nellis. Charged with training airmen for combat in Asia, Nellis Air Force Base once again assumed a wartime footing.

This sparked a renaissance of sorts, as Nellis Air Force Base began to grow in both size and prestige. On July 20, 1950, Nellis officially adopted a six-day workweek to speed training for Korea-bound airmen. The base accelerated its program to graduate classes every two weeks. The auxiliary base at Indian Springs was reopened in October to support the increased activity at Nellis. The Korean conflict allowed Nellis Air Force Base to reprise the influential role it had played during World War Two. Nearly every airman who flew an F-86 Sabrejet in Korea had received training at Nellis.

Expansion continued in earnest following the conflict in Korea. In May 1950, the base began construction of the Wherry Housing Project in hopes of alleviating its perpetual housing shortage. At a cost of $4 million, the government built 400 new residential units for military personnel. In 1952, President Truman declared Las Vegas a “critical defense area,” qualifying the city for additional federal funding for housing and defense.\(^80\) A grade school for the base’s children came in 1953, while over $2 million in infrastructural improvements followed in the next year. In 1954, the base supported over 5,000 military and civilian personnel.\(^81\)

In the midst of the Cold War, Nellis achieved a higher level of national and international prestige than it had ever previously enjoyed. Although it began as a school for training bomber gunners, the base now became known as the “Home of the Fighter Pilot.” The base’s isolation and superior year-round flying weather made it ideally suited for aerial combat training. In 1954, Nellis hosted the first all-jet United States Air Force Gunnery Meet, a regular event at which Nellis pilots remain perennial favorites. Two years later, the base became home to the world-famous Thunderbirds, the air force’s aerial precision flying team. In 1958, the air force again affirmed Nellis’s commitment to fighter training by assigning it the service’s Tactical Air Command.\(^82\)

While this new mission brought additional prestige and strategic importance, it also ensured that the base would remain a pillar of the southern Nevada economy. Nellis’s new tactical and symbolic roles allowed it to escape the closings and budget cuts that affected many other bases across the country. Nellis, in fact, continued to grow.

\(^{80}\) Moehring, *Resort City in the Sunbelt*, 99.

\(^{81}\) Hinds, *Nellis Air Force Base*, 46-47. The school, which cost $420,000, was initially intended to support 400 students. In 1954, the base hosted 419 officers, 4254 enlisted men, and 513 civilians.

\(^{82}\) Ibid.
1958, the Manch Manor and Nellis Terrace housing projects funded the construction of hundreds of new residential units. The base and gunnery range’s 3.1 million square acres made it the largest base-range complex in the nation.\textsuperscript{83} Ten years later, the base continued to exert a powerful economic influence. With 80\% of its $35 million annual payroll spent locally, Nellis Air Force Base was second only to tourism as the largest sector of Las Vegas’s economy.\textsuperscript{84}

Southern Nevada soon found other sources of Cold War spending, as well. News of the first successful Soviet atomic test in September 1949 and rising tensions in Korea prompted President Truman to expedite U.S. plans to locate a continental site for testing nuclear weapons. In December 1950, with urging from McCarran, Truman created the Nevada Proving Grounds (today known as the Nevada Test Site) on a portion of the Nellis Bombing Range. Sixty-five miles northwest of Las Vegas, the site has since hosted more than 900 nuclear tests. Although it was not a military installation, the Nevada Proving Grounds attracted substantial federal spending to the Las Vegas Valley. The Atomic Energy Commission (AEC) spent $4.5 million on initial construction and road improvements for the site. Testing drew thousands of AEC and military personnel to the area, adding to the Cold War boom brought on simultaneously by increased activity at Nellis Air Force Base.\textsuperscript{85}

The tests became a cultural and economic phenomenon. A sort of “atomic tourism” developed as reporters and travelers flocked to Las Vegas to witness the explosions. Anything but fearful, Las Vegans turned the tests into a marketing tool. The

\textsuperscript{83} Ibid.
\textsuperscript{85} Moehring, \textit{Resort City in the Sunbelt}, 99.
mushroom clouds became part of the city’s mystique.\textsuperscript{86} Hotel guests toasted the early-
morning blasts with “atomic cocktails,” while local retailers offered “atomic bomb sales.” Clark County even changed its official seal to include a picture of a mushroom cloud.\textsuperscript{87} Although a handful of residents complained of broken windows or lost sleep as a result of the tests, the vast majority of Las Vegans were decidedly pro-testing. Their enthusiasm went beyond civic pride, however, as atomic testing proved to be yet another economic boon to the southern Nevada economy.

Although the Nevada Test Site no longer conducts atmospheric tests, the facility continues to have a significant economic influence. In 1990, the Department of Energy (DOE), which owns and manages the Test Site, was Las Vegas’s largest civilian employer. In that year, the DOE paid $320 million in salaries and $116.7 million in pensions to Las Vegas-area workers and retirees. The site’s major contractors, including firms such as Reynolds Electrical and Engineering Company (REECo.), Edgerton, Germeshausen, and Grier (EG&G), and Wackenhut, also brought jobs to the community. All told, the Nevada Test Site’s local economic impact was an estimated $1 billion in 1990.\textsuperscript{88}

Many feared that the end of the Cold War and diplomatic moratoria on nuclear testing would spell an end to the Nevada Test Site and its stimulation of the local economy. The high-tech nature of Cold War weapons production forced many defense contractors to become so specialized that they were unable to re-enter the private sector


\textsuperscript{87} A. Costandina Titus. \textit{Bombs in the Backyard: Atomic Testing and American Politics} 2\textsuperscript{nd} ed. (Reno: University of Nevada Press, 2001. 93-94. Served at the Sands, the “Atomic Cocktail” was made from equal parts vodka, brandy, and champagne, with a dash of sherry. “Atomic” indeed, considering that the tests took place in the pre-dawn hours of the morning.

\textsuperscript{88} Ibid., 68.
when the conflict ended. The Test Site and its major contractors deftly escaped this fate. REECo continued to employ over 5,000 workers at the facility, while EG&G expanded its operations to 26 countries worldwide. The Test Site itself has diversified, now playing host to a variety of research and defense-related activities. Hazardous materials handling, counterterrorism exercises, seismic testing, and sub-critical nuclear testing are just a few of the site’s current operations.

Despite its continuing impact on the local economy, the Nevada Test Site has become a frequent target of criticism. Once a source of local pride, the Test Site is now regarded in a darker light. Anti-nuclear activists, “downwinders,” and “atomic veterans” have all denounced the Test Site and its role in developing nuclear weapons. Organized protests and high-profile lawsuits have elevated the Test Site to the national stage in a consistently negative way. Recently, presidential approval of a nuclear waste dump at the site’s Yucca Mountain elicited similar reactions. These developments reflect the changing relationship between the defense establishment and the community it helped create. Public support for the military, once overwhelmingly favorable, eventually waned as the long-run consequences of a military presence became more visible. With the emergence of a highly successful gaming and tourism industry, Las Vegas no longer relies on the defense sector for economic development. The military remains a significant factor in the area’s economy, but the city’s casinos and megaresorts have all but overshadowed it.

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90 *Las Vegas Review-Journal*, 29 November 1987, 38B.
92 Ibid., 109.
In fact, the historic relationship between the city’s tourist economy and the military sector has been complex. Ample evidence suggests that the large payrolls and population increases inspired by Basic Magnesium and the Las Vegas Army Air Field helped the nascent gambling sector mature into the dominant industry it is today. During the war, thousands of soldiers and visitors flocked to the town’s casinos and hotels on the weekends. Military demands for exclusive use of the Western Air Express Airfield led to the building of a new civilian airport. Closer to the emerging “Strip,” the new McCarran Airport catered nicely to the tourist trade. Gerald Nash argues that Las Vegas became the “great entertainment capital of the West” during the war.94 In this period, Las Vegas confirmed gambling as its primary attraction. Eugene Moehring writes that this unity of purpose gave local promoters a focused sense of direction. By intensively marketing itself as a resort city, Las Vegas was able to capitalize on the postwar travel boom and establish itself as a unique destination.95

While the subsequent population boom was an economic godsend for the community, it eventually led to conflict with the area’s existing military installations. Over time, Nellis Air Force Base, the former Basic Magnesium plant, and the Nevada Test Site shaped the geographic pattern of Las Vegas’s urbanization by drawing development away from the Strip and toward the northern and eastern sections of the valley.96 The rapid growth of these areas soon brought residents uncomfortably close to installations once revered for their isolation. In 1995, the Las Vegas Sun reported rising

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94 Nash, The American West Transformed, 85.
95 Moehring, Resort City in the Sunbelt, 27, 42.
96 Ibid., 245. This trend began during the construction of Boulder Dam, when the federal government created Boulder City to accommodate workers. Dam construction, and later the magnesium plant in Henderson, drew development to the southeast of Las Vegas, while Nellis and the Test Site pulled toward the northeast.
tensions between Nellis and the surrounding community. Several local residents, including casino mogul Steve Wynn, voiced concerns about low-flying air force jets causing frequent disturbances in nearby areas.\textsuperscript{97} With more and more houses encroaching on the base’s airspace, it is becoming increasingly difficult for the air force to conduct its operations without upsetting local residents. While Nellis’s strategic and military importance has grown appreciably over time, its standing in the community has declined.

Nevertheless, the base remains a significant actor in the valley’s economy. It continues to employ over 15,000 civilian and military personnel, nearly 4\% of the county’s workforce. The air force also pays over $100 million per year in pensions to local retirees. Nellis’s operating expenses include millions for construction contracts, local utilities, healthcare, and subsidized education. The base also supports the tourism industry by attracting an estimated 150,000 out-of-state visitors each year.\textsuperscript{98} Much of this impact has gone unrecognized, however, since Nellis’s $450 million payroll pales in comparison to the billions of dollars grossed by the city’s lucrative gaming industry. No longer dependent on defense spending, Las Vegans have grown increasingly critical of the military establishment they once worked so diligently to attract.

As a “martial metropolis,” Las Vegas has thus come full circle. For some, the military establishment has served its purpose. It delivered the payrolls and population increases that allowed Las Vegas to realize its vision of becoming a thriving resort city.

\textsuperscript{97} \textit{Las Vegas SUN}, 14 May 1995, 1D. Steve Wynn denies filing a direct complaint, saying only that he once requested the Air Force’s Thunderbirds not to fly over his golf course while it hosted then-President Bush.

Preoccupied with lavish buffets and flamboyant floor shows, visitors now see little of the military influence that so dramatically shaped Las Vegas. The city’s lore readily favors Bugsy Siegel and Frank Sinatra over R.B. Griffith’s chicken sandwich and Pat McCarran’s impassioned battle to save Basic Magnesium. Today’s tourists are kept spellbound by dancing fountains and erupting volcanoes rather than early morning mushroom clouds. Yet, air force paychecks and pensions still flow into the southern Nevada economy as Nellis airmen continue to defend their country. For Las Vegas’s military establishment, living quietly in the shadow of the “Strip” is perhaps the ultimate indication of success. Its legacy is not defense alone, but also the satisfaction of knowing that it has helped make Las Vegas a self-sufficient and truly remarkable community.