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Governor James G. Scrugham and the search for economic prosperity for Nevada, 1923--1927

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GOVERNOR JAMES G. SCRUGHAM AND THE SEARCH FOR ECONOMIC
PROSPERITY FOR NEVADA, 1923 – 1927

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ABSTRACT

GOVERNOR JAMES G. SCRUGHAM AND THE SEARCH FOR ECONOMIC PROSPERITY FOR NEVADA, 1923 – 1927

by

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James G. Scrugham, Nevada’s 14th governor, assumed office during the economic downturn of the early 1920s. The Comstock, and Tonopah – Goldfield mining boom days were in the past, and the new governor made development of a sustainable economic model for the state the top priority of his administration.

Governor Scrugham focused on education, irrigation, parks, and highways as vehicles for economic development, and significant accomplishments were made in all these areas during his term. The governor’s initiatives, however, failed to immediately alter the state’s economy away from agriculture and mining. The passage of the gambling and divorce bill in 1931 laid the foundation for Nevada’s future prosperity, which developed after the end of the Second World War.
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The long journey of obtaining my Masters in history comes to a close, but a new chapter in my love of history begins.
To Cathy, my wife, whose love made this possible

To my parents, who set the foundation

To my brothers, who were always there for me
CHAPTER 1

INTRODUCTION: THE POLITICAL SETTING

“To the Honorable, The Senate and Assembly: In accordance with the mandate of the Constitution I have the honor to herewith submit a report on the condition of the State, together with certain recommendations regarding the measures which appear to be desirable for the proper conduct of our affairs and for the promotion of the public welfare.”¹ With these understated words, Nevada’s fourteenth Governor, James A. Scrugham (Figure 1), began his administration in January 1923. Elected the previous fall, Scrugham, an engineer, was popular, two-term Governor Emmet D. Boyle’s hand-picked successor, and took office confronted by the challenges presented by the post-World War I depression. During the Progressive Era, engineers were highly sought after by state and local officials across the nation for their expertise in planning and efficient administration. Boyle, himself an engineer, had appointed Scrugham as state engineer in 1917, and the former engineering professor had impressed Boyle to the point that he wanted Scrugham to succeed him.

The economic hardships facing Nevada that winter were far worse than Scrugham’s words indicated. The state’s economic center was tied to the Comstock, Reese River, White Pine, and other mining areas until the 1880s when the demonetization of silver and a host of other events led to mining’s decline. The discovery of gold and silver in the Goldfield – Tonopah area in 1900 had created a new elite that slowly eclipsed Nevada’s first ruling class. The chief beneficiaries of this bounty, George Nixon and George Wingfield, took their profits and built a number of banks in Reno and

¹ Governor’s Message, Appendices to the Journals of the Senate and the Assembly, Carson City, Nevada, State Printing Office, 1923, 3.
elsewhere in the state. This allowed Reno to become the financial and political hub of the state during the first few decades of the 20th century. While Senator Francis Newlands had ties through marriage to influential Comstock banker, William Sharon and his California interests, the new breed of leader in Nevada represented by Nixon and Wingfield, as well as senators Key Pittman, Pat McCarran, Tasker Oddie, and Scrugham’s predecessor and political mentor Emmet Boyle, made their wealth in Nevada, and unlike their Comstock predecessors who invested their profits heavily in San Francisco and the Golden State, Nevada’s new elite kept their assets in the state, and usually lived in Reno. These leaders came of age during a turbulent time in Nevada’s history, and dominated state politics from 1900 – 1945.

![Governor James Graves Scrugham](image)

Figure 1. Governor James Graves Scrugham

From 1900 to 1920, reform swept the nation and state during the so-called Progressive Era. Progressivism, while difficult to define, encapsulated a desire among its adherents to provide the underprivileged with the ability to achieve human dignity, to

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have the institutions of government more responsive to the desires of all people, and to ensure that America’s industrial economy should serve the interests of the general public.\textsuperscript{4} Progressives possessed an inherent need to move forward as well as a sense of mastery over events.\textsuperscript{5} Scrugham’s ideology and actions mirrored these principles and the programs he initiated during his term attempted to achieve these ideals.

Progressive reforms began under President Theodore Roosevelt, and included regulation of railroads and trusts, labor rights, federal oversight of the food and drug industries, and conservation. After the Republican Party’s split over Roosevelt’s progressivism in the 1912 presidential election, which led to the election of Woodrow Wilson, it was President Wilson’s New Freedom program that was the focal point of progressive reforms. These included the implementation of a federal income tax, established the Federal Reserve Banking System, passage of the Clayton Anti-Trust Act, creation of the Federal Trade Commission, and laws to assist farming including the Smith-Lever and Federal Farm Loan Acts, as well as continued labor reform with the Adamson and Owen-Keating Child Labor acts. These measures made Wilson’s New Freedom and Roosevelt’s New Nationalism a reality.

This great tidal wave of reform greatly affected Nevada. Senator Newlands was an early supporter of federal irrigation to benefit the economic and social welfare of the citizens.\textsuperscript{6} The Newlands Reclamation Act of 1902 quickly became the standard for water management in the West. It was the foundation upon which Scrugham proposed to implement his dream of irrigating the Silver State. This vision included a variety of small

\textsuperscript{5} Ibid.
\textsuperscript{6} Ibid., 235.
projects, but also incorporated the ambitious Colorado River Dam. Governor Boyle had appointed the future governor to head the state’s delegation to the Colorado River Commission in 1922, and it was Scrugham who signed the Colorado River Compact to include Nevada as one of the seven states that approved Boulder Dam’s construction.

Contrary to the popular notion of Nevada as a wild-west libertarian haven, the first two decades of the 20th century saw socialism take root in the state. While the Progressives disliked the Socialists, especially the Industrial Workers of the World (IWW) or Wobblies, their presence provided additional support for Progressive reforms which, when viewed through the prism of socialist ideology, were quite modest. In his master’s thesis, “Consent and Coercion: How The Ideology of Progressivism Preserved Capitalist Relations in Nevada, 1900 – 1919,” Daniel Barber argued that Nevada’s leaders, particularly Governor Boyle, created the Office of Labor Commissioner to gain the acquiescence of labor to capitalist’s ideology, while passing the coercive Syndicalism Act in 1919 to retard the development of a working class consciousness and thwart the formation of a radical labor movement in Nevada. The socialist movement may have continued to prosper and fuse with Nevada’s Democrat Party if its virulent anti-militarism in the face of America’s participation in World War I had not alienated the party from most Nevadans. This stand, as well as internal divisions, rapidly eroded socialist political support and precipitated a rapid decline in their fortunes by 1920.

Strong Progressive currents in the nation and state, combined with socialist influence, led to the adoption of several reforms between 1900 and 1920. While most

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7 Ibid.
9 Elliott, History of Nevada, 237 – 239.
public officials championed irrigation projects for parochial political expediency, they also supported the direct election of United States senators. The passage of a “preference act” allowed citizens to vote for senators with the legislature “urged” to select “the choice of the people.” Francis Newlands in 1902 was the first beneficiary of this new system.10

Nevada’s legislature passed a Direct Primary law in 1909, which required the nomination of U.S. Senate candidates in the same way as candidates for state offices, and treated “preferential votes” as either binding or, at worst, a recommendation. Nevada also adopted the referendum, initiative, and the recall during this period.11 The state also granted women the franchise in 1914 and established new regulatory boards and commissions including a Board of Bank Commissioners, Railroad Commissioners, and the Nevada Tax Commission.12 The reform movement even targeted gambling and easy divorce by restricting games of chance and lengthening the time of residence for divorce from six months to one year. Economic impact concerns led to the latter’s repeal in 1915, even before the Progressive era ended.13 Nevada also became a dry state with the passage of an initiative in support of prohibition in 1918.14

Labor violence, strikes, and radicalism in the mining camps marked the first two decades of the twentieth century in Nevada. This unrest led to the adoption of several laws aimed at improving the lot of the working classes, including measures to prohibit the card system, to guarantee an eight hour work day, and to establish the office of mine inspector.15 After America’s entry into World War I in 1917, labor agreed to a no-strike policy for the war’s duration. However, the year 1919 saw renewed labor unrest as a

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10 Ibid., 243 – 244.
11 Ibid., 245.
12 Ibid., 247.
13 Ibid., 248.
result of reduced metal production, steep declines in the prices for livestock and other agricultural products, and decreased wages without reduced living costs. In his State of the State address to the 1919 legislature, Governor Boyle predicted that unemployment would constitute the great problem for the foreseeable future. \(^{16}\) Organized labor was unable to divorce itself from its more radical elements, including the IWW, which eroded its popular support for wage hikes and other benefits.

World War I diverted the Wilson Administration’s attention from domestic issues to the world stage, and drained momentum from the Progressive movement. The post-war depression, coupled with a nation tired of crusading for reform both at home and abroad, elected conservative Republican Warren G. Harding in 1920 who pledged a “return to normalcy.” Harding’s Administration began a retrenchment that included the Revenue Act of 1921, which reduced taxes, especially for corporations and the upper class. Like Wilson, Harding suppressed strikes, but also appointed conservative businessmen to the Federal Trade Commission to ease federal restrictions on corporations.

The postwar recession slowed Nevada’s economy. Mineral production peaked at $2 million (more than at the height of the Comstock) in 1918, but two years later output dropped to less than half that level and agricultural production and prices also declined. \(^{17}\) It was in this environment of economic malaise and waning reform that Scrugham took office. The deepening economic crisis during the first two years of the 1920s forced him to focus on economic development, rather than reform.

\(^{14}\) Ibid., 257.
\(^{15}\) Ibid., 246 – 247.
\(^{16}\) Ibid., 257 – 260.
\(^{17}\) Ibid., 252, 262 – 263.
Scrugham was not a native Nevadan. He was born in 1880 in Lexington, Kentucky, where he studied engineering at the University of Kentucky, earning both a bachelor’s and master’s degree. He worked at firms in Cincinnati, Chicago, and San Francisco before moving to Nevada in 1903, when he accepted a position as assistant professor of mechanical engineering at University of Nevada in Reno. Scrugham quickly rose through the academic ranks, becoming an associate professor in 1906 and a full professor one year afterward. The future governor moved to a position in the Electrical Engineering department in 1912. Two years later, he was appointed Dean of the College of Engineering that today bears his name. Scrugham served as Dean until Governor Boyle made him state engineer in 1917, a powerful position with authority to determine water rights. Following his return from a leave of absence to serve in the U.S. Army Reserves during World War I Scrugham enthusiastically plunged into his duties. Besides pursuing the construction of a dam on the Colorado River, he was involved early in the effort to develop Nevada’s highways. Scrugham’s detail-driven, micromanager, workaholic personality produced a state engineer who immersed himself in all aspects of his duties.

Although Boyle had paved the way for Scrugham to receive the Democratic nomination for governor in 1922, the state engineer faced a difficult campaign to win election to his first public office. The Republicans nominated conservative state senator John H. Miller of Mineral County. Nevada had voted Democratic during the second decade of the 20th century and had adopted numerous progressive reforms during that time. However, conservative and Progressive Republicans had made inroads into

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Democratic domination at the national level in 1920 and were poised to build on those gains at the state and local levels in the 1922 mid-term election.\textsuperscript{19}

The Republican strategy was to run against Boyle’s record and the Democratic dominance of state government. Contemporary Democratic and Republican newspaper stories and editorials reflected the divergent views of Boyle’s and the Democrats’ record. The \textit{Reno Evening Gazette}’s editor Graham Sanford, a supporter of the Republican Party, favored a changing of the guard, declaring that for Nevada’s own good it needed “a change in the management at the state Capitol. For eight years and more it has been dominated by a closely-organized political clique that has grown away from the people.” The column asserted that “whatever of political virtue it (the Democratic political clique) once possessed, it has long since lost.”\textsuperscript{20} The editor urged voters to “replace its members with persons who are truly representative of the state and its taxpayers.”\textsuperscript{21} He concluded that the question was “whether the present Capitol group, which is neither representative of the people nor of the Democratic party, should be continued in power and authorized to waste the funds of the state treasury for the support of an army of political hangers-on while it neglects the real interests of Nevada.”\textsuperscript{22}

The Democratic-leaning \textit{Nevada State Journal}, published and edited by Governor Boyle defended the Democratic ticket. The newspaper’s editorial blamed the administration of Tasker Oddie, which left office in 1914, with leaving problems for the Boyle administration to address. He credited voters with understanding that “when one manager lets buildings and works go to seed so that his successor must repair, rebuild

\textsuperscript{19} Elliott, \textit{History of Nevada}, 266 – 267.
\textsuperscript{20} \textit{Reno Evening Gazette}, 6 November 1922, 4.
\textsuperscript{21} Ibid.
\textsuperscript{22} Ibid.
and provide for those things his predecessor neglected, it is the old manager who is blamed and not the new and improvements are not called ‘current expenditures’. “23 Boyle contended that “in all the campaign there has not been a word of criticism of any public act of any official or department. Nothing but a maze of figures changing every day and an absolute lack of plans proposed or reason given why a change should be made.”24 The Journal concluded that “the democrats have a positive program. The republicans are simply gnawing away with worn out teeth on the tree of progress. The republicans seek to tear down. The democrats try to build up.”25 For the retiring governor the choice was clear.

Nevada’s voters agreed with him. Scrugham won a close vote over Miller: 15,437 to 13,215, or 53.7 percent to 46.3 percent. The Democrats won all statewide offices except for the office of the inspector of mines.26 Historian Russell Elliott argued that state Republicans viewed their success in 1920 as indicative of a swing away from Democratic dominance in Nevada. However, unlike 1920, national issues did not heavily sway the Nevada electorate.27 The state’s voters were not yet disappointed with Democratic candidates at the state and local level and Governor Boyle’s popularity had also favorably impacted the election as Scrugham, his chosen successor, was elected governor.28 The momentum to continue progressive reforms, especially in the areas of education, irrigation, and highway construction appeared to have the support of the

23 Nevada State Journal, 3 November 1922, 4.
24 Ibid.
28 Ibid.
Nevada electorate. However, charges of mismanagement, over-spending, and cronyism would resurface in four years when Scrugham ran for re-election in 1926.

Governor Scrugham’s inaugural message to the legislature in 1923 revealed his logical approach to the difficulties facing the state. He recognized that its problems were “of such perplexing character as to require all of our resources, zeal, patience, and clear thinking for their proper solution,” while realizing that diverse elements within Nevada made coordinated legislative action difficult. The practical manager who believed solutions to the state’s problems were attainable, felt compelled to provide “a review of the outstanding facts respecting the condition of some of our principal interests and industries will help us obtain a complete composite picture of our problems from the point of view of the common good.”

The new governor discussed the state’s key industries of farming, ranching, and mining, and indicated that the outlook for agriculture was favorable while acknowledging that “in common with other parts of the world, Nevada stock-growers and ranchers have had to contend with abnormal conditions of readjustment due to economic disturbances caused by the World War.” The recession had negatively affected the mining industry; as he told the legislators, “in the past four years metal mining in Nevada has experienced a serious decline in both production and development.” He credited the Pittman Silver Purchase Act of 1917 for propping up silver’s pricing, but the law’s imminent expiration meant that silver mining faced a perilous future. Gold and copper mining, he conceded, suffered from “low market prices and high operating costs.” The production of rarer

29 Governor’s Message 1923, 3.
30 Ibid.
31 Ibid., 4.
32 Ibid.
metals had ceased, but the imposition of a tariff on tungsten provided opportunities, and new leads in the Comstock and Tonopah areas looked promising. Despite these pockets of optimism, Nevada’s mining industry was mired in a prolonged depression with no end in sight.

Not surprisingly, Scrugham valued education, arguing that “the development of this Commonwealth much depends upon the systematic training of our young people in the fundamental requisites of high character, civic pride, initiative, and technical skill.” He expressed satisfaction with the state of secondary education in Nevada but believed it “desirable that every encouragement be given to further development of a well-balanced vocational education program for the State.” He credited the state university with making “notable and continuous progress in recent years in its range of work, its standards of scholarship, its equipment, its student enrollment, and its widening service throughout the state rendered by public service and by faculty representatives,” and recommended that the current tax-levy rates be renewed for the next two years.

Scrugham also devoted some of his time as governor to pursuing new methods for enhancing vocational education.

The foundation of all state economies west of the Mississippi rested on water, he insisted, specifically irrigation and the generation of electrical power to support industry. The governor dedicated the largest portion of his address, other than his discussion of highway development, to water and power. His education and experience in engineering positioned him to espouse an aggressive agenda in these two areas. Scrugham’s

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33 Ibid., 6.
34 Ibid., 8.
35 Ibid.
36 Ibid., 8 – 9.
experience as the state engineer led him to conclude that “the great handicap to agricultural and power development in Nevada has been the fact that no satisfactory regulation, distribution, or storage of water could be made on any stream until the relative rights of the parties of interest had been determined.”

He acknowledged progress, but court approval of water rights agreements was still outstanding. Scrugham believed, however, that new reservoirs planned at Spanish Springs Valley near Reno and on the Colorado River at Boulder or Black Canyon held great promise for irrigation and power generation in the state.

The immense transformative potential of the Colorado River project, not only for Nevada, but for the entire Southwest, captured Scrugham’s imagination shortly after John Wesley Powell popularized the idea in the 1880s. He provided a summary of the work of the Colorado River Commission and noted that, “at their ‘final meeting’ they devised a form of compact which had the full approval of the representatives of all the interested States and the Federal Government. This compact will be immediately submitted for your consideration. It has my unqualified approval, and I deem its endorsement by your body is imperative to the interest of an early development of the Colorado River projects.”

He also supported retaining the state’s Colorado River Commission with its current duties and powers.

In the years before he became governor, Scrugham had championed parks creation, having supported the pioneering work of Stephen Mather, the first head of the

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37 Ibid., 12.
38 Ibid.
39 Ibid., 13.
40 Ibid.
The position of state engineer had afforded Scrugham unique opportunities to influence “Fish and Game” issues raised by his predecessor’s determined efforts to establish state parks and safeguard Nevada’s wildlife. Scrugham brought to the governor’s office a progressive mindset toward conservation, and a clear vision of his goals in this area. These objectives included a controversial proposal for the legislature to pass a law allowing the governor to “select, designate, and set aside as refuges for wild game such suitable areas of the public domain as it may appear will not unduly interfere with the livestock industry of the state.” Scrugham also sought to continue county control of fish and game licenses; provide for stocking the aforementioned set aside areas; and amending the law, “to allow Indians the privilege of hunting and fishing without payment of state or county license and subject to proper regulations, that they be given the right to market fish they take from the waters of the state.” The legislature eventually passed a bill giving Scrugham the authority to set aside public lands, and he used that power quite liberally to create a nascent State Parks Service. Tourists visiting the state’s scenic wonders comprised a key component in his search for economic diversity.

Since the 1870s and 1880s, railroads had served as the conduit for delivering tourists to Nevada, but by the 1920s Henry Ford’s and Ramsome Olds’ assembly lines had eclipsed the Iron Horse for moving people and goods. Recognizing that the automobile age had arrived, Scrugham prioritized the need for building more highways to connect with the emerging national network. Congress passed the Federal-Aid Road Act

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42 Governor’s Message 1923, 15 – 16.
43 Cox, “Before the Casino: James G. Scrugham, State Parks, and Nevada’s Quest for Tourism,” 342.
in 1916, which provided dollar matching funds for highway construction in the states. In 1917 Nevada established a state highway department to comply with one of the bill’s mandates and “a large program of highway improvement had been carried through, and the necessary preliminary plans have been perfected for the continuance of this program through several years.”

In 1923, the new governor detailed the construction to date, which had “resulted in the partial construction of two east and west highways and two north and south highways” that were, “badly needed for intercommunication within the state.”

Passage of the Federal Aid Highway Act of 1921 accelerated highway construction in Nevada and throughout the nation. This bill provided a matching formula which helped states where the unappropriated and unreserved public domain exceeded 5 percent of the state’s total area. Nevada, with 87 percent of the state owned by the federal government, benefited tremendously from this allocation system having to supply only sixteen cents for every dollar spent on joint construction. As Scrugham noted, “the year 1922 was the first full year’s operation by the Department under the new graduated scale of federal aid, and it may be confidently predicted that future years will see a continually increasing ratio of federal aid and a consequent reduction of state expenditures.” He also reported that the “activities of the Highway Department have been made on the basis of taking up the maximum amount of Federal aid accruing to the

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41 Ibid., 9.
42 Ibid.
43 Elliott, History of Nevada, 264.
44 Governor’s Message 1923, 9, 11.
state and at the rate which it will be absorbed if it not to revert to the Federal Government.”

Scrugham proposed six initiatives to leverage federal aid which included: establishing a tax of two (2) cents per gallon on all gasoline sold in the state; transferring automobile license fees over and above the annual requirements for meeting the State Highway Bond interest and redemption schedule to the State Highway Fund; enacting legislation to properly regulate overloaded trucks and narrow steel-tired wagons on state highways; raising license fees for truck transportation lines using highways as common carriers; amending state law to allow the expenditure of the County-State Highway Fund on maintenance as well as on construction; and, eliminating the State Highway Board and have the Highway Department report only to the state highway engineer.

Scrugham recognized the pitfalls of relying on agriculture and mining as the foundations for prosperity, because they provided a narrow, undependable economic base incapable of supplying broad-gauged, sustained economic growth. In short, to remedy the distressed nature of Nevada’s economy and restore prosperity, the new governor targeted education, irrigation and dam-related power development, tourism driven by parks creation, and highway construction as the keys to diversifying Nevada’s economy. This thesis will examine Scrugham’s role and effectiveness in achieving his ambitious agenda and the political ramifications of his policies upon his unsuccessful re-election bid in 1926 and his gubernatorial legacy.

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48 Ibid.
49 Ibid., 10 – 11.
50 Cox, “Before the Casino: James G. Scrugham, State Parks, and Nevada’s Quest for Tourism,” 335.
CHAPTER 2
EDUCATION

Scrugham declared in his 1923 message to the legislature that “in the development of this Commonwealth, much depends upon the systematic training of our young people in the fundamental requisites of high character, civic pride, initiative, and technical skills.”¹ As the former academic asserted, “I am much impressed with the opportunities presented through our public-school system for guidance of the lives of the rising generation into happy, wholesome occupations.”² He lauded the University of Nevada for “notable and continuous progress during recent years in its range of work, its standards of scholarship, its equipment, its student enrollment, and its widening service throughout the State rendered by public service and by faculty representatives.”³ However, despite his avowed support, Primum non nocere, "First, not to harm," would describe Governor Scrugham’s approach to education policy throughout his term.

The new governor proposed no broad range policy goals for education. A product of the academic world, Scrugham was well aware of the political pitfalls and emotional rhetoric that accompanied any discussion of the issue. Scrugham’s limited agenda included expanded vocational education in Nevada. He optimistically noted that “The tax-levy plan for financing the University has been partially in operation for the past ten years and wholly in operation during the last two years. This appears to be the best way to apportion state funds for the University. The tax-levy rates for the University should be renewed for the coming biennium.”⁴

¹ Governor’s Message 1923, 8.
² Ibid.
³ Ibid.
⁴ Ibid., 3 – 4.
Scrugham’s public school policy left the issue to the legislature, and the head of the public schools Walter J. Hunting. The Superintendent of Public Instruction was an elected position until 1956 and Hunting was a passionate advocate for schools. An astute observer of the political scene, he used his biennial reports to the legislature, as well as the *Nevada Educational Bulletin*, to advance his agenda for increased state funding for public education.

Hunting argued in his 1921 – 1922 biennial report to the governor for increased funding for improved teacher training and for additional “supervisors” which would “assist teachers in their individual tasks in coordinating and standardizing educational objectives and procedure.”5 He asserted that this supervisory force “has been demonstrated again and again to be a most necessary part in school progress.”6 He concluded his calls for additional revenue with the time-honored approach of championing the children by declaring that “children are entitled to the best possible preparation for life,” and that some had become so fixated on increased costs, “that the dollar has come to exclude almost entirely the consideration of the child.”7

Hunting was careful to balance his arguments by acknowledging the need to give taxpayers a valuable return for their money: “the effectiveness of such supervision concerns both the interest of the child and the taxpayer.”8 He declared that the taxpayer is entitled, “to the largest possible return on the dollars expended for education.”9 The superintendent’s agenda also included increased opportunities for “feeble-minded children,” expanded evening schools, improved vocational education (in line with

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6 Ibid., 6.
7 Ibid.

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Scrugham’s vision), lowering illiteracy, additional training for teachers, school consolidation where prudent, and support for a Federal Education Department. His wish list was considerable, but the funds meager.

Hunting believed education costs were rising while the value of the dollar relative to 1912 was declining. He insisted that “by far the greatest factor in this increased cost is the greatly diminished purchasing power of the dollar,” which was an argument he consistently made throughout Scrugham’s term. To maintain the purchasing power of the 1912 per pupil cost of $76.38 required $152.76 in 1923 dollars. The superintendent also pointed out that “the cost was only $128.22 is a magnificent testimonial to the thrifty management for those responsible for public education.” Hunting challenged the governor, legislature, and opponents of increased funding for education when he asserted “there is no ground for maintaining that we cannot afford the educational costs being incurred.”

The Nevada Educational Bulletin, published monthly, except for July and August, by the State Department of Education under the “Act of August 24, 1912,” was the perfect vehicle for Hunting to propagate his positions on public education. He observed that “one of the objectives of the NEVADA EDUCTIONAL BULLETIN is to bring to the press and the school people of the State timely information in regard to these matters.

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8 Ibid.
9 Ibid.
10 Ibid. 7.
11 Ibid.
12 Ibid.
13 Ibid., 8.
of school finances as well as the general educational policies,” but Hunting never mentioned the taxpayer as someone who should receive this “timely information.”  

During the 1923 legislative session the superintendent used the first issue of the year to refute allegations that increased state spending of “5 cents in the general fund” was the result of “the extraordinary expenses of the Department of Education.” He conceded that educational expenses had become a contentious national and state issue when he declared that “all over the Nation people have been turning the light of publicity upon school expenditures, and certain interests outside the school have spread propaganda to the effect that our public schools are costing too much, more than we as a people can afford.” The detail-obsessed administrator presented another comprehensive argument on school funding which concluded that “less than 1 cent is the increase in the state tax-rate, chargeable to school costs.” He promised that the next issue of the BULLETIN would provide, “fuller details of school finance … to show how this phase of our public-school system stands at the close of the session of the 31st Nevada State Legislature.”

Though controversial, the legislature and governor approved the education budget, but Hunting never delivered on his promise to provide “fuller details.” The furor over educational costs continued throughout 1923 and some favored his ideas as the Humboldt Star editorialized that education cost more because that “there are more children in the country; more of them are attending school; the schools have become

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15 Ibid.
16 Ibid.
17 Ibid. 5.
18 Ibid.
The editors agreed with the superintendent that the value of the dollar had fallen and believe that “of course the schools are costing more. So are other city, county and state governmental departments costing more,” and concluded that “isn’t it (sic) about time the foolish arguments about increased cost of education cease?”

The intrepid superintendent kept up the pressure in the January – February 1924 issue of the Bulletin as he made some mid-term comparisons. Compared to other states, Nevada ranked sixth in combined state and county school money furnished, was high percentage wise in students attending high school, but had low classroom sizes, and ranked eighth in cost per pupil. He attributed this to “the large proportion of very small schools where a full teacher’s salary must be paid for as few as three, four, or five children” and then, “it is easily seen that Nevada must pay more per pupil to secure school facilities for her children that shall compare at all favorably with those maintained in other States.”

His response to these extremely favorable ratings was that “Nevada has the highest per-capita wealth in any State in the Union and the second highest per-capita income,” and that “fortunately the fact that Nevada has the highest per-capita wealth gives a corresponding ability to furnish an equal opportunity for the boys and girls of the State.” These pronouncements contradicted Scrugham’s dire economic message.

The issue of taxes dominated the early 1920s and Figure 2 contains three student cartoons that depict the importance of taxation at the time. Scrugham knew that advocating higher taxes was political suicide so he was content to allow Hunting to press the issue. Hunting reported in the March 1924 Bulletin that educational expenditures had

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20 Ibid.
decreased 5.79 per cent with an actual decrease of $94,131.73 in 1923 from 1922. The remainder of 1923 - 1924 school year saw a decrease in the rhetoric surrounding school costs; however, in the months preceding the 1925 legislature the issue again became a top priority for the superintendent.

Figure 2. Cartoons on Taxes

22 Ibid., 9.
23 Nevada Educational Bulletin, Appendices to the Journals of the Senate and the Assembly, Carson City, State Department of Education, March 1924, 16.
The attacks on the increased cost of education struck a responsive chord with educators across the country. California school superintendents felt compelled to answer their critics by issuing in October 1924 a “Declaration and Resolution,” affirming that public school costs were not out of control and urged “the friends of public education to familiarize themselves with the available conclusive evidences that the course of study and the results of school work are more efficient than ever before.”\textsuperscript{25} They believed that “schools are economically operated” and challenged anyone to prove that “the results secured by the public schools in the teaching of the fundamentals are not only not inferior to the results produced a generation or more ago but that they are very superior to those earlier results.”\textsuperscript{26} They concluded that public school critics forgot “the growth they have achieved in the world of experience and tend to idealize the schools they attended and the results they produced to the extent of quite seriously distorting the facts.”\textsuperscript{27}

The above challenge was taken up in Nevada by F. N. Fletcher, director of the private business advocacy group, the Nevada Economy League, in its publication \textit{The Nevada Tax Review}. The high political stakes that surrounded this issue drew a lengthy and emotional response from Superintendent Hunting, and further reflects Scrugham’s political astuteness in allowing the legislature to be the education battleground. Undeterred by school spending opponents, Hunting contended that “it is a good thing to have the question of school finance brought before the public, and school workers should welcome every fair and accurate presentation on this subject … but it is an absolute

\textsuperscript{25} \textit{Nevada Educational Bulletin, Appendices to the Journals of the Senate and the Assembly}, Carson City, State Department of Education, September 1924, 11 - 12.
\textsuperscript{26} Ibid.
\textsuperscript{27} Ibid.
obligation that those who set forth figures and facts shall be accurate and fair in their treatment of this important subject.”

Hunting responded to the *Nevada Tax Review’s* report by declaring: “a comparison of the figures and statements in this issue of the *Nevada Tax Review* with the actual figures and facts shows an inexcusable amount of error, uncleanness and misrepresentation.” He accused the Director of a Public Economy League with partisan bias, but that did not justify *Nevada Tax Review*’s “gross carelessness and disregard of published information.” The superintendent provided a lengthy refutation of the *Review*’s arguments. He took special offense at the observation that “excellent people who have managed our educational departments,” and that “everything that the schools desire regardless of cost,” perceiving it as a personal attack on him and his staff for incompetence in managing the school budget.

Hunting reiterated his commitment to balancing the needs of “the children” with the cost of educating as he referred back to his 1921 – 1922 biennial report. He attacked Fletcher asserting that the “Director of the Nevada Public Economy was furnished with a copy of this report and should have understood the plain language used here in discussing both sides of this great question.” Hunting complained that Fletcher did not include the state superintendent and the State Board of Education in his list of excellent people who manage our educational departments. In an obvious fit of rage, Hunting demanded that

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29 Ibid.
30 Ibid.
31 Ibid., 5.
32 Ibid.
33 Ibid.
“we should very much like to have a clear statement of whom he attacks in this purported quotation.”34

Fletcher and members of the Nevada Economy League had argued that “we have reached the Constitutional limit of taxation for educational purposes, and we have evaded the spirit of the Constitutional provisions by allowing the cost of the State Superintendent and his Deputies to be paid out of the general fund.”35 Hunting countered that this assertion “was absolutely without foundation” and insisted that the Nevada Constitution, statutory basis, and legislative precedent allowed for the payment of these salaries from the general fund. He concluded that “a simple reading of the Constitution and the statutes on this subject strips this accusation, as to evasion of the spirit of the Constitutional provision, of any color of fact.”36

The article in the Nevada Tax Review had angered the champion of Nevada’s public schools. Indeed, he refuted the taxpayer watchdog’s facts and figures, by observing that from 1914 – 1923 that school costs had risen at an average annual rate of just 1.6 percent.37 The superintendent then characterized Fletcher as a dinosaur since his opponent was “far in the rear of the march of educational progress,” and that he is “against equal economic opportunity through education, vocational education in our common-school system, and those progressive features in the modern school by the insistent demand of the American public.”38

34 Ibid., 5- 6.
35 Ibid.
36 Ibid., 6.
37 Ibid.
38 Ibid., 7.
Scrugham wisely stayed out of the fray while Hunting continued lobbying for his fiefdom as the 1925 legislative session approached. His biennial report for the years 1923 – 1924 directly tackled the issue of public school financing. He opened the debate, stating that “there has been current throughout the Nation a great amount of misunderstanding in regard to the costs of education,” and that this was the result of “organized propaganda to cut school support, and partly due to the natural difficulties growing out of the situation created by the war.” He believed that “Nevada has not escaped its share of this misunderstanding” although the great body of those responsible for school support have demonstrated in successive years their willingness to provide whatever funds the schools really need to make them efficient.

The superintendent contended that the debate over public school costs was “perhaps the best thing that could have happened,” because “educators have cleared their thinking through wrestling with the problems that have been thrust upon them.” He acknowledged that “perhaps the greatest challenge is the willingness of citizens and taxpayers of our commonwealth to invest larger and larger amounts of money in the support of public schools,” while asserting that the educators’ demands for increased funding were “chiefly the result of those social demands made by home and community rather than the notions or pet projects of educational leaders.”

It was into this politically-charged atmosphere that Governor Scrugham delivered his biennial address to the legislature in January 1925. He expeditiously devoted only a single paragraph to education, even though the former professor had asserted in 1923 that

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40 Ibid.
41 Ibid.
education was the cornerstone for Nevada’s development. “The State has every reason to be proud of the marked improvements in its educational facilities during the past ten years, both in the common-school system and the State University.”43 The governor decried the exodus of citizens due to the state’s notorious reputation for underfunding education, but then in a blatant example of political obfuscation concluded that “For this reason I recommend that the educational system of Nevada, including the State University, be given your most favorable consideration and support.”44

The education establishment’s agenda for the 1925 legislature was succinct. Among many other things it included: opposing a constitutional amendment to state constitution that diverted funds derived from fines that was going into the State School Fund to the justice and district courts; supporting school consolidation for administrative purposes of city, town or consolidated, and City High-School Districts; advocating an increased salary for the state superintendent to $6,000 per annum; requesting that the State Board of Education be given the power to appoint district superintendents and to fix their term of office, duties and compensation; the enactment of a tenure of office law for teachers; lobbying for the apportion school moneys on the basis of average daily attendance for the previous school year; requesting that the deputy superintendent the power to remove from office such Trustees as he has appointed; and the passage of a bill prohibiting districts employing less than ten teachers from paying for transportation of public pupils without the consent of the deputy superintendent. While Scrugham undoubtedly sympathized with many of Hunting’s initiatives he avoided capital-draining

42 Ibid.
43 Governor’s Message, Appendices to the Journals of the Senate and the Assembly, Carson City: State Printing Office, 1925, 20.
44 Ibid.
conflict with fiscal conservatives as Republicans dominated the legislature after securing
majorities in both houses after the 1924 election.

Although the governor reported that Nevada’s fiscal condition was fundamentally
sound, he noted that “business conditions have generally been unsatisfactory during the
past two years,” which meant revenues were scarce, and that led to a ferocious battle over
school funding in the 1925 legislature.\textsuperscript{45} The humbled school superintendent declared in
the January- February-March 1925 \textit{Bulletin} that “the acts of the Nevada State Legislature
which has just adjourned show a sincere and substantial appreciation of the educational
needs in the State and a friendly, earnest intention to provide adequately for the
maintenance of a sound school system in Nevada,” and that “while there were some
measures which, if enacted, would have still further met actual school needs in this State,
still the people of Nevada have good cause to commend the legislative representatives for
their general soundness as to educational needs.”\textsuperscript{46}

Hunting conceded that “it is clearly evident that the school forces of the State
must work out a clarified and unified program in order to solve certain problems now
calling for earnest attention, “and that unless “the school people find a constructive
solution for these problems either they will go unsolved or ill-advised harmful attempts at
solution may set education back in Nevada many years.”\textsuperscript{47} He believed that “the school
people of the State have demonstrated that they have both the sincerity and the vision to

\textsuperscript{45} Ibid., 3.
\textsuperscript{46} \textit{Nevada Educational Bulletin}, \textit{Appendices to the Journals of the Senate and the Assembly}, Carson City,
\textsuperscript{47} Ibid.
meet the situation and that they are ready to assume the additional burden of such work.” and concluded that “some good workable plan is now all that is needed.”

A review of the education bills passed showed that Hunting and his allies had achieved half their agenda. They succeeded in defeating a constitutional amendment that diverted money to the justice and districts courts while securing the right to consolidate districts for administrative purposes and apportion funds on the basis of average daily attendance. Deputy superintendents also received the power to remove Trustees they had appointed, but the legislature refused to increase Hunting’s salary or grant the Board of Education the power to appoint deputy superintendents. Lawmakers also declined to enact a tenure of office law for teachers or pass a law for districts employing less than ten teachers that prohibited paying for student transportation unless approved by the deputy superintendent. Despite the passage of only part of Hunting’s ambitious agenda, this session represented the high-water mark for him during Scrugham’s administration, as the years 1925 and 1926 saw an increasingly conservative state legislature balk at tax increases of any kind.

The year 1926 was a gubernatorial and legislative election year. Scrugham was already under fire for spending too much on parks and highways, and Hunting also used increasingly less inflammatory and provocative rhetoric. In the April 1925 Nevada Educational Bulletin he briefly repeated his well-worn argument that school funding was less in 1925 than 1914 based upon a depreciated dollar. He did not raise the issue of school finances again until the October – November 1925 edition, and his arguments

48 Ibid.
49 Ibid., 5 – 7.
50 Nevada Educational Bulletin, Appendices to the Journals of the Senate and the Assembly, Carson City, State Department of Education, April 1925, 11-12.

28
were couched in positive terms about how well Nevada was doing under the heading, 
“DO YOU KNOW THAT.” Hunting included another detailed analysis of state school 
spending which showed Nevada slipping in national rankings.\textsuperscript{51} The superintendent 
complained that highway construction received vastly more funding than schools 
nationwide. This did not please Scrugham who had championed road building as a 
means to encourage economic activity in the state.

In 1925, Hunting had changed his tactics and embraced the public debate insisting 
that “Friends of public education gladly seek opportunity to give publicity to matters with 
the progress and development of the public schools, not only as to scholastic and 
curricula enlargement but also to efficient methods of financing the schools, sources of 
revenue, and school expenditures so as to insure the greatest return on investment.”\textsuperscript{52} In 
the \textit{Nevada Education Bulletin} he declared that “School Trustees as a rule have been very 
careful in their handling of the schools financial problems and the schools’ money but 
these public servants serving without pay in all except the larger districts, have invited 
publicity for their schools.” He explained that a Trustee suggested posting school 
expenditures in conspicuous public places, and that the biennial report of the 
Superintendent of Public Instruction had only begun “a few years ago” to provide 
detailed accounting of expenditures for the public schools.\textsuperscript{53}

Despite Hunting’s change in tactics, both he and Scrugham were defeated in the 
1926 election. The new governor, Fred B. Balzar, asked the legislature to “scrutinize all 
such appropriation measures with the same zealous care as you devote to similar

\textsuperscript{51} \textit{Nevada Educational Bulletin, Appendices to the Journals of the Senate and the Assembly}, Carson City, 
State Department of Education, October – November 1925, 7 - 8. 
\textsuperscript{52} Ibid.
demands upon our Treasury.” This marked the end of the era of aggressive advocacy for increased education funding during the 1920s.

Throughout his term Scrugham straddled the competing interests in the public school financing debate represented by the Economy League and the education establishment. His concerns were more in the area of irrigation, parks and highways. The correspondence between Hunting and Scrugham during this time reveals an unusual deference to the superintendent in all matters related to education, which contrasted with Scrugham’s hands-on approach in other areas of his administration. Obviously, the governor could not rein in the scrappy superintendent nor use him to put Scrugham’s imprint on school policy. So the governor largely ignored him. Indeed, no documentation indicates discussion of the superintendent’s positions during the 1923 legislative session. In 1925 Hunting sent only one letter to the governor outlining his legislative program, which the latter uncharacteristically did not acknowledge.

Scrugham’s records do not document his positions on educational matters.

Hunting was extremely powerful within the education establishment. He was also an elected official in his own right and the governor would not want to offend an established politician with his own base of support. Governor Scrugham was well-educated and product of academia, but he also possessed a large ego and would have undoubtedly clashed with Hunting if he had dared to threatened the superintendent’s fiefdom. While Scrugham could have asserted himself more aggressively in educational matters, Hunting’s philosophy toward education probably resembled the chief

53 *Nevada Educational Bulletin, Appendices to the Journals of the Senate and the Assembly,* Carson City, State Department of Education, May-June 1926, 7 - 8.
executive’s, so Scrugham let the secretary run that area. This allowed the governor to pursue the Progressive agenda matters that were of more interest to an engineer such as irrigation, parks, and highways. Scrugham never returned to the ivory tower after his appointment as state engineer, because he was a Progressive first, an engineer second, and an educator third. He was more interested in building than teaching.

Nevada’s board of regents took a more conciliatory approach than Superintendent Hunting toward financing. Their 1921 – 1922 biennial report expressed appreciation for the tax levy passed in the 1920 legislature supporting funding the University: “In the last report to your Excellency the Board of Regents expressed approval of the tax levy and budget system as a means of financing the University and disbursing the funds. At this time we wish most heartily again to commend this system of financial control.”55 The regents believed that “the tax rate as fixed at the last session of the legislature has proven satisfactory for the period, and it is the purpose of the Board of Regents to keep the expenditures of the University within the limit of our funds.”56

The 1921 legislature had employed the “tax those who do not vote for you” strategy and raised tuition on non-resident students.57 Regents credited the hike for “saving” the University from a deficit during the previous biennium, and noted that given the prospect of decreased taxable property in the coming biennium, the higher tuition for out-of-state University attendees helped avoid a shortfall.58 Taking the high road, the regents listed significant infrastructure needs later in the report, but politely justified their

55 State of Nevada, Biennial Report of the Regents of State University, 1921 – 1922, Appendices to the Journals of the Senate and the Assembly, Carson City, State Printing Office, 1922, V.
56 Ibid.
57 Ibid., 19.
request by asserting that “we believe the foremost duty of a State is the education of its citizens, and it is our firm purpose to use the funds which the governor and the gentlemen of the Legislature shall provide to the end that the highest and most efficient purposes shall be served.”

The regents maintained their low-key approach during the 1925 legislature, content to extol the virtues of the university on the occasion of its fiftieth anniversary in 1924. They reported that “once again the University reports to the Governor and to the Legislature without a deficit despite the steady growth of the student body and the continually widening work of the Public Service Division.” They hailed this feat as a “real achievement” especially since the University “actually received this biennium over fifty thousand dollars less than it was granted for all purposes from State sources in the biennium 1919 – 1920.”

The university leaders characterized a large gift from Comstock heir Clarence H. MacKay to pay the salaries for the staff of the MacKay School of Mines as the “outstanding event of the biennium,” and the reading of the announcement of his gift at the 1924 commencement was, “the most important event in the fifty years of the University’s history.” The gift provided much-needed funds in a time of decreased revenue for the state, combined with the pressures of enrollment growth and continued infrastructure demands. The university leaders ended their transmittal letter on an

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58 Ibid.
59 Ibid., V.
61 Ibid., 30.
62 Ibid., 7- 9.
optimistic note: “we close the biennium with the University in the most prosperous and efficient period of its history, and we close the period without deficit.” 63

The 1926 report completed the trilogy of minimal requests that regents submitted during Scrugham’s term. They justified the university’s existence: “State Universities are a social product, and today are as deeply rooted as the government itself.” 64 They reported that “more building had been done on the campus during the past two years than in any other two-year period since the University was founded” due to generous gifts and funds from a special tax for University construction. 65 The university leaders, like their counterpart Hunting, were not blind to the conservative shift reflected by the 1926 election, and presented their funding appeals in deferential language. “We present to you, Honorable Sir, and to the people of the State this record of our work. We solicit your cordial support for the present tax levy for University purposes, and for all those means and measures that may be required to maintain Nevada’s only institution for higher education at a standard of efficiency suitable to the needs and resources of the State.” 66

Scrugham, the former professor and dean at the University, would have had established relationships with his past colleagues, and this may explain the regents’ low-key approach during his term. Knowing they had a friend in the governor’s office negated the need for confrontational rhetoric, and lengthy explanations of their needs. Through the efficient use of gifts to the University and cautious rhetoric, the regents

63 Ibid., 9.
65 Ibid.
66 Ibid. 9.
obtained the funds needed to move the institution forward during Scrugham’s time in office. During a period of economic difficulty, this was a major accomplishment.

While Scrugham largely absented himself from the debate over school financing, he was not disinterested in education during his term and spent considerable time championing the use of video technology to promote the state. He funded a movie using money provided by John Armstrong Chaloner, a grandson of John Jacob Astor. Throughout the second half of 1925, and all of 1926, the “Governor on Wheels” barnstormed the state presenting the motion picture, “The Lost City of Nevada” a prehistoric Anasazi village discovered by archeologists in 1924.67 Scrugham first mentioned Chaloner in an open letter expressing support for “his plan for establishing a motion picture service for use of farm bureaus and community centers” but does not explain how they met.68 Chaloner, a multi-millionaire, pledged $5,000 to the state to “initiate the work in accordance with his ideas.”69 The initiative became Scrugham’s pet project.

The state formally accepted the Chaloner gift through Assembly Bill 167, which laid out the details for the program’s operation and designated Scrugham as the trustee of the “Chaloner Visual Education Fund.”70 The act stipulated that a key purpose of the fund was “for the visual education and recreation of the inhabitants of remote rural communities.”71 Scrugham, as the fund’s trustee, was “directed to administer the said fund according to the purposes mentioned in this act in conjunction with any other

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67 James G. Scrugham to Willard Jones, 6 April 1925, Nevada State Archives, Carson City, Nevada and John G. Mayer to James G. Scrugham, 18 September 1925, Nevada State Archives, Carson City, Nevada. 68 James G. Scrugham to Whom It May Concern, 22 May 1923, Nevada State Archives, Carson City, Nevada. 69 James G. Scrugham to Director, Extension Division, University of California, Berkley, 12 June 1924, Nevada State Archives, Carson City, Nevada. 70 Assembly Bill No. 167, Governor’s Records, Nevada State Archives, Carson City, Nevada.
appropriate departments and duties especially in conjunction with the educational,
exposition, and state farm bureau activities of the Nevada.”72 The governor personally
delivered the message.73 The education establishment acknowledged the new program by
mentioning the project in the January – February – March 1925 issue of the *Nevada
Educational Bulletin*, “A. B. 167 – Accepts from John Armstrong Chaloner a gift to the
State of $5,000 as a visual education fund to be used in furthering social welfare in the
rural sections of the State.”74

Of course education was not Scrugham’s only concern; he also directed some of
his prodigious energy to promoting tourism and parks, which included the Lost City, the
Lovelock Culture Caves, and the Lehman Caves. The governor personally oversaw every
detail of two pageants celebrating the Lost City. “In order to bring this prehistoric city to
the attention of the public,” Scrugham announced, “the State of Nevada will present a
wonderful Pageant at Pueblo Grande de Nevada on May 23, 1925. Governor J. G.
Scrugham is in immediate charge, and has a large force of experts constructing a portion
of the excavated area exactly as it was just when occupied by a long forgotten people.”75
He also insisted on filming of the pageant using the funds budgeted in the Chaloner
Visual Education Fund.76 Chaloner “enthusiastically endorsed” every item on

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71 Ibid.
72 Ibid.
73 Ibid.
74 *Nevada Educational Bulletin*, Carson City, State Department of Education, January-February-March
1925, 6.
Carson City, Nevada.
76 James, G. Scrugham to John Armstrong Chaloner, 21 March 1925, *Nevada State Archives*, Carson City,
Nevada.
Scrugham’s “comprehensive budget,” and the pageant that took place on Saturday, May 23, 1925, was filmed.\textsuperscript{77}

Scrugham spent the summer of 1925 overseeing the film’s completion and arranging locations for its viewing. He purchased a portable DeVry camera (Figure 3) to show the film using cutting-edge technology to spread his message. By late summer the governor was ready to take the picture on the road.\textsuperscript{78}

\begin{figure}[h]
\centering
\includegraphics[width=0.8\textwidth]{fig3.png}
\caption{DeVry Camera Used by Scrugham\textsuperscript{79}}
\end{figure}

During the fall of 1925 his office scheduled “Lost City of Nevada” for one to three screenings per week. He presented the program, sometimes with others notables such as Superintendent Hunting and Senator Key Pittman, in schools or at public forums in Caliente, Lund, Eureka, Jarbidge, Elko, Reno, Wellington, Las Vegas, Sparks, Hazen,...

\textsuperscript{77} John Armstrong Chaloner to James G. Scrugham, 30 March 1925, \textit{Nevada State Archives}, Carson City, Nevada.

\textsuperscript{78} John G. Mayer to James G. Scrugham, 18 September 1925, \textit{Nevada State Archives}, Carson City, Nevada.

\textsuperscript{79} T.L. Haines, Jr. to James G. Scrugham, 14 August 1925, \textit{Nevada State Archives}, Carson City, Nevada.
Fernley, Mina, and Fallon. The presentation was generally well received. As one local woman wrote him in 1925, “We are so delighted our treat of last Thursday … we had about 315 in the Auditorium and I’m sure all of them are boosters for Nevada wonders.” The show’s success, and Scrugham’s unwavering enthusiasm for the Lost City, spilled over into the next year.

Having a ready-made program dovetailed well with Scrugham’s need to campaign in 1926. Not surprisingly, the governor combined his passion for educating the Nevada populace about the wonders of Lost City with political stumping: “Commencing on or about April 15 I would like to have you put in some seven months time in travelling around Nevada to the rural communities advertising the resources of the State and the returns of the Chaloner gift.” Scrugham began the process early, reporting to Chaloner that the documentary was shown eight times in March 1926 to an average attendance of two hundred thirty four. He hoped the film would help his re-election campaign and vowed that “in case I am reelected Governor I will recommend to the 1927 Legislature that an appropriations of $10,000 per year be made for recreational purposes.” Indeed, in his second term he hoped to create more state parks beyond the Lost City, Lovelock Culture and Lehman Caves.

Scrugham visited Tonopah, Caliente, Ely, Pioche, Elko, Paradise Valley, Imlay, Jarbridge, and Winnemucca to campaign and present the Lost City film. He even arranged to have an essay contest approved by Chaloner, and administered through the

80 James G. Scrugham to Mrs. F. McCullock, 18 November 1925, Nevada State Archives, Carson City, Nevada.
81 Edith Hurd to James G. Scrugham, 23 November 1925, Nevada State Archives, Carson City, Nevada.
82 James G. Scrugham to Joe Hutchinson, 6 January 1925, Nevada State Archives, Carson City, Nevada.
83 James G. Scrugham to John Armstrong Chaloner, 22 March 1926, Nevada State Archives, Carson City, Nevada.
84 Ibid.
Nevada Federation of Women’s clubs, dedicated to “the best essays on historical subjects relating to the state and on the value of movies and pageants which you are the sponsor.” But Scrugham lost his re-election bid to the more conservative Balzar, and his defeat put an end to the Chaloner Visual Education Fund. Much like President Calvin Coolidge, new Republican Governor Balzar expended no time or money on what he considered “frivolous” pursuits.

To be sure, education in Nevada progressed during Scrugham’s administration, thanks largely to Hunting’s efforts. While the governor did not personally insert himself into the contentious debate over education funding, he was a passionate advocate for improved vocational training and for developing the great archeological treasures of the state, including the Lost City. The personal time and energy he devoted to establishing, administering and championing the Chaloner Visual Education Fund, testifies to Scrugham’s commitment to education, his willingness to embrace new ideas and technology, and his dedication to implement his vision for the state. While some considered his passion for the Lost City, and Chaloner Visual Education as time wasted by the governor, these efforts demonstrated his belief that innovation in teaching and learning could find a home in Nevada, and this constitutes part his administration’s legacy.

86 James G. Scrugham to John Armstrong Chaloner, 20 November 1926, Nevada State Archives, Carson City, Nevada.
CHAPTER 3
IRRIGATION

“A man from the west will fight over three things: water, women and gold, and usually in that order.”

Senator Barry Goldwater of Arizona

Much like improving education at all levels, the issues of irrigation, water rights, floods, and drought constitute a critical component of the history of the early twentieth century West, and Scrugham grappled with these issues while state engineer. This experience served him well, as water issues proved a fertile ground for both opportunities and challenges throughout his administration. The governor, who found himself caught up in the legacy of bitterness associated with the Newlands Project and contested water rights, governed when the most intricate water rights case in state’s history involving the Humboldt River was adjudicated. In addition, he pushed ambitious irrigation projects to save crops from drought and navigated the rocky political terrain of dam politics at the state and federal levels in support of the Colorado River Compact.

The Progressive Era’s reform mentality, as well as Scrugham’s background as an engineer, formed the core of his vision for Nevada as outlined in his 1923 message to the legislature. His emphasis on irrigation and power development, parks, and highways all had their genesis in Progressive legislation enacted between 1900 and 1920. The goal of making the desert bloom through irrigation led to the creation of the Newlands Project on the Truckee and Carson rivers in northern Nevada. Scrugham wanted to expand the amount of land available for cultivation. In his inaugural message to the legislature he announced “plans for two great impounding reservoirs to be located wholly or partly in

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Nevada have been made through cooperation of state and federal interests. One of these reservoirs, for impounding the flood-waters of the Truckee River, will be located in the Spanish Springs Valley near Reno.”

Still, the new governor’s clarion call to action was no match for the parochial and practical roadblocks to making this dream a reality.

Reclamation began slowly in northern Nevada. The state surveyor general reported in 1867 that “Nevada has a large breadth of most excellent framing land that even under the present inefficient system of cultivation produces large crops of cereals.”

The report detailed a survey of a few of the farms in the area and found a fledgling, yet profitable, agriculture industry. However, the surveyor general predicted these hearty souls would toil without assistance declaring that “we can not see that the farmers in the Washoe Valley are likely to call on outside barbarians for aid or sympathy, though they are compelled to draw their support from the desert sage-brush wastes of Nevada.”

Enterprising farmers in the 1860s and 1870s lived up to the surveyor general’s observation as they created a rudimentary reclamation system on the Truckee River by building a network of ditches. This additional water for agriculture led to an increase in the number of farms from 76 in 1870 to 235 by 1890. Irrigation as a panacea to further diversify Nevada’s mining economy gained support in the 1880s following the decline of

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2 Governor’s Message 1923, 12.
3 Annual Report of the Surveyor General of the State of Nevada For the Year A. D. 1866, Appendices to the Journals of the Senate and the Assembly, Carson City, Nevada, State Printing Office, 1867 92.
4 Ibid.
5 Ibid., 93.
6 Alicia Barber, Reno’s Big Gamble: Image and Reputation In the Biggest Little City, (Lawrence: University Press of Kansas, 2008), 27.
7 Ibid., 27.
the Comstock Lode. The legislature created a Board of Reclamation Commissioners in 1889 to organize these efforts from a state-wide perspective.\(^8\)

At the federal level Republican Senator William M. Stewart spearheaded an effort in the 1880s to create a program to build dams and canals for irrigation infrastructure by ceding federal lands to the states, and then funding the projects through the sale of these properties at the state level.\(^9\) Stewart’s appropriations bill stipulated that the U.S. Geological Survey (USGS) map locations, measure river flow rates, and conduct surveys of potential areas for irrigation under the direction of the respected naturalist John Wesley Powell.\(^10\) Powell, however, had a different vision for recovery of land for agriculture, resulting in a conflict with Stewart over whether the national or state governments would control the process.\(^11\) This fight, coupled with the Panic of 1893 and the battle for the unlimited coinage of silver, delayed progress in reclamation for over a decade.\(^12\) By century’s end, as the Spanish-Cuban-American War reduced unemployment and McKinley enthroned the gold standard, Western leaders embraced irrigation as the key to diversifying their economies.\(^13\) Irrigation quickly found new converts, but an early supporter now came to the fore with the combined passion and political clout to make reclamation a reality.

The key figure in this battle was Francis G. Newlands, who had married into the Sharon family dynasty and had moved to Nevada in the late 1880s to handle his father-in-

\(^8\) Report of the Surveyor General and State Land Register of the State of Nevada For the Years 1889 and 1890, *Appendices to the Journals of the Senate and the Assembly*, Carson City, Nevada, State Printing Office, 1891, 71.
\(^10\) Ibid.
\(^11\) Ibid., 14 – 15.
\(^12\) Ibid., 16 – 17.
\(^13\) Ibid., 18.
law’s interests in the state. A native of Mississippi, Newlands appreciated the key role water could play in promoting farming, steam-powered factories, and the generation of electricity. He recognized that irrigation was crucial to increasing agricultural production and invested heavily in land in northern Nevada which he hoped would one day become part of a new fertile crescent for the state.14

Newlands sought political office as a Democrat in his adopted state and won a seat in Congress in 1892. The congressman worked for years to overcome Western political divisions and Eastern resistance to irrigate the West and mostly use Eastern tax money to do it. With the ascension of Theodore Roosevelt to the presidency in September 1901, the stage was set for passage of the first major Progressive legislation, the National Reclamation Act, on June 17, 1902.15 Newlands lobbied hard for Nevada’s inclusion in the first set of projects approved under the new law. His efforts paid off when officials decided to connect the Truckee and Carson Rivers with a canal to water the surrounding lands. This 1903 undertaking become known as the Newlands Project (Figure 4).16

The project involved many challenges, but most of it was completed by 1915. Still, the lands targeted for recovery by the Spanish Springs reservoir remained wild due to endless squabbling over how to use Lake Tahoe as a reservoir. By 1920 planners had decided that building a facility at Spanish Springs, upstream from Derby Dam, provided the necessary storage capacity. Nevada’s legislature created the office of the state engineer specifically to meet a requirement of the Newlands Reclamation Act, and, given that Scrugham held this position just prior to becoming governor, he was well aware of

14 Ibid., 17.
15 Ibid., 18 – 20.
the history and challenges of the Newlands Project. Despite the obstacles, Governor Scrugham made the construction of the Spanish Springs reservoir a top priority.\textsuperscript{17}

\begin{figure}[h]
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\includegraphics[width=\textwidth]{figure4.png}
\caption{Spanish Springs reservoir and the Newlands Project\textsuperscript{18}}
\end{figure}

But the Chief Executive’s plan for Spanish Springs disintegrated in a sea of protest in 1924. As Scrugham conceded in his 1925 message to the legislature, “due to a series of unforeseen difficulties, commencing with opposition of powerful members of Congress, the Spanish Springs project has met with a series of reverses which only time and faithful efforts of our representatives in Congress can overcome,” but the determined

\begin{flushleft}
\textsuperscript{16} Ibid., 20 – 22.  \\
\textsuperscript{17} Ibid., 24 – 29, 36 – 41.  \\
\textsuperscript{18} Ibid., 23.
\end{flushleft}
governor had not lost his passion for the project. “The need for the installation of this reservoir is most urgent, not only to bring new and fertile lands under cultivation, but to insure an adequate water supply for the old project lands in the Fernley and Swingle Bench districts.”

These “unforeseen difficulties” included Eastern Congressmen blocking funding and a grass roots revolt of local residents against a $20.00 per acre surcharge to build the reservoir. Scrugham worked diligently at all levels of government to resolve the crisis and gain the needed support to build the project.

Scrugham, or his representatives, met repeatedly with Newlands homesteaders during 1924 to overcome their resistance to the surcharge. He also worked with Elwood Mead, Commissioner of Reclamation, and F.E. Weymouth, Chief Engineer, to convene a series of meetings in May and June 1924 to discuss the project with affected residents. The governor could not attend the meeting held on May 18, 1924, but Weymouth reported that the discussions “took a rather wide range and went considerably afield from the discussion of the storage problem, it seemed to me that most, if not all of those present, had not previously understood that the present plans only contemplated the construction of a so-called smaller Spanish Springs Project, leaving out the Love-lock area.”

While Weymouth substituted for Scrugham at public meetings, the chief engineer was also working behind the scenes with top Nevada officials, including former Governor Boyle, to devise a strategy to move the project forward. “After the formal meeting was held in Reno on May 18th, in connection with upstream Truckee River

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19 Governor’s Message 1925, 11.
20 Townley, Turn This Water into Gold: The Story of the Newlands Project, 49.
21 F.E. Weymouth to James G. Scrugham, 17 April 1924, Nevada State Archives, Carson City, Nevada and James G. Scrugham to F. E. Weymouth, 21 April 1924, Nevada State Archives, Carson City, Nevada.
storage, I had an informal conference with Ex-Governor Boyle, Messrs. Graham Sanford, Vencill, Richardson and others and we concluded that it might be well for me to write you an official letter somewhat along the lines of the enclosed.”23 Weymouth advised Scrugham that he should write a letter to the residents using his arguments, and if he did so, “it would have the effect of removing objections of many people to the construction of the Spanish Springs reservoir.”24

Rather than drafting a letter, Governor Scrugham met with the project’s opponents and reported to Mead that “On yesterday I had a meeting with these people and they informed me that their objection was almost solely on the account of the proposed additional charges which would be levied on their ranches which they believed would amount to a least $60.00 per acre.”25 The chief executive told the citizens that “I was certain that they were laboring under misapprehension and that this difficulty could probably be cleared up through a conference with you.”26 He concluded that “I am of the opinion that they are willing to stand a small charge.”27 Events proved that the governor’s optimism was misplaced.

At the federal level the project ran into fierce opposition from Secretary of the Interior, Hubert Work. He objected to Nevadans who insisted on building the reservoir before funding was established, declaring that “there is at best grave doubt of the propriety of proceeding to construction involving a Federal investment of millions of dollars without more assurance of repayment.”28 A fact-finding committee on which

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22 F.E. Weymouth to James G. Scrugham, 31 May 1924, Nevada State Archives, Carson City, Nevada.
23 Ibid.
24 Ibid.
25 James G. Scrugham to Elwood Mead, 31 May 1924, Nevada State Archives, Carson City, Nevada.
26 Ibid.
27 Ibid.
28 Hubert Work to James G. Scrugham, 14 January 1925, Nevada State Archives, Carson City, Nevada.
Boyle served had submitted a report in early 1924 on the project, but it carried little weight in Congress. Scrugham was told by one anonymous observer that “some of our western Senators and Congressmen are not in favor with the spirit of our recommendations and the new principles associated therein.”  

Financial considerations were paramount to congressmen who believed that “the acceptance of this truth will tend to defeat future appropriations for new and extensions of existing projects.”  

The writer concluded that “I am fearful of seeing any definitive remedial legislation pass through this Congress.”

Desperate to find a solution, Scrugham recommended creation of a Land Settlement and Reclamation Board to break the impasse.  

Throughout June and July 1924 the governor worked with the Reclamation Service to build a case for the Spanish Springs project. These efforts culminated in a summit meeting in Reno on August 11, 1924, with the committee he had formed and a group of bankers crucial to funding the project.

Scrugham’s efforts failed to achieve a breakthrough, and following the meeting Mead, penned a lengthy letter explaining the unresolved issues. The letter offered no action other than additional study. “It is planned, as soon as authority is granted, to make a complete study of the Newlands Project with a view to determining anew its area and the things needed for completing the project.”  

Mead’s closing line signified that he was backing away from the controversy. “I hope everything will work out as we desire and...

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30 Ibid.
31 Ibid.
32 James G. Scrugham to Elwood Mead, 10 June 1924, *Nevada State Archives*, Carson City, Nevada.
34 Elwood Mead to James G. Scrugham, 12 September 1924, *Nevada State Archives*, Carson City, Nevada.
wish it were possible for me to be with you at the Bankers Convention.”

In late 1924, the state’s senior senator, Key Pittman, led Nevada’s congressional delegation in one last vain attempt to secure funds to build the ill-fated reservoir.

Correspondence on the project virtually ceased after Mead’s letter, and the state’s chief executive expended no more time, energy or political capital on the Spanish Springs reservoir after September 1924. While Scrugham mentioned the project in his 1925 governor’s message and the legislature passed a resolution favoring the project, these were symbolic gestures. When the Truckee-Carson Irrigation District assumed operational control of the Newlands Project in 1926, the Spanish Spring reservoir was as good as dead.

Nevada experienced almost continuous drought from 1921 – 1934, which along with political resistance and the Great Depression, seriously hampered efforts to improve and expand irrigation systems. The 1924 crisis required Scrugham’s personal intervention with federal authorities to obtain rights to Lake Tahoe water to save crops. “In cooperation with the United States Reclamation Service and other agencies I was able to arrange for the right to pump large quantities of water from Lake Tahoe to locally meet the emergency, and the ranches deriving their water from the Truckee River irrigation system were protected from serious losses.”

Events pulled Scrugham in two different directions as he dealt with the drought and the Spanish Springs reservoir controversy. The governor’s failure to overcome political resistance to the Spanish Springs reservoir and the need to continually meet emergency drought conditions thwarted his efforts to

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35 Ibid.
36 Key Pittman to James G. Scrugham, 1 December 1924, Nevada State Archives, Carson City, Nevada.
37 Townley, Turn This Water into Gold: The Story of the Newlands Project, 50.
38 Ibid., 49.
improve irrigation. Despite his considerable efforts, little progress was made in this area during his term.

Legal battles over water rights dominated the period. Scrugham was intimately aware of the emotions, complexity, and difficulties associated with water rights because the State Engineer’s Office was ground zero for all water issues. Substantial progress was made during the early 1920s in adjudicating water rights. Indeed, as Scrugham declared, “I feel no hesitation in saying that the changes made by the last Legislature have more than justified themselves in both simplicity of operation and in economy to the water user.”\textsuperscript{41} While this report was submitted by Robert Allen, P.E., it was actually Scrugham who was state engineer during this time. He acknowledged the importance of the water rights issue in his 1923 message to the legislature, asserting that “the great handicap to agricultural and power development in Nevada has been the fact that no satisfactory regulation, distribution, or storage of water could be made on any stream until the relative rights of the parties of interest had been determined.”\textsuperscript{42} He went on to advise lawmakers that “the necessity for a definite determination of water rights was realized long ago by our administrative and legislative officials, and adequate legislation has been provided.”\textsuperscript{43} Scrugham, as governor, was determined to continue the progress that was achieved in his prior post.

The complexity and number of water rights cases were considerable during Scrugham’s gubernatorial years, and he was content to delegate this issue to the state engineer. During 1923 – 1924, sixty cases were settled; however, a backlog of 1,478

\textsuperscript{39} Governor’s Message, 1925, 11.
\textsuperscript{40} James G. Scrugham to Elwood Mead, 26 May 1924, Nevada State Archives, Carson City, Nevada.
\textsuperscript{41} State of Nevada, Biennial Report of the State Engineer, 1921 – 1922, Appendices to the Journals of the Senate and the Assembly, Carson City, Nevada, State Printing Office, 1923, 5.
applications remained.\textsuperscript{44} The sheer volume of water rights cases markedly slowed Nevada’s economic development.\textsuperscript{45} While avoiding most of the detailed work regarding water rights while governor, Scrugham nevertheless made sure that the state engineer’s office followed through on the greatest water rights case in Nevada history which involved the claims to the Humboldt River.

The state engineer filed suit in Federal District Court on January 17, 1923, an action which represented years of work to resolve the complexity of water delivery on the Humboldt.\textsuperscript{46} The new governor referred to this case when he announced in 1923 that “the Engineer’s findings on the water rights of the major stream systems are now practically completed and ready for final actions by the courts.”\textsuperscript{47} Indeed, the state engineer reported in 1925 that “the final steps in the adjudication of the relative water rights in and to the waters for the Humboldt River and its tributaries have been successfully completed during the biennium – the entire record in the pending adjudication case has been completely reviewed with the Attorney-General in preparation for the hearing on the matter of fact set for January 5, 1925.\textsuperscript{48} The two-year delay was only the beginning of a long journey toward reconciling water rights on the Humboldt River.

\textsuperscript{42} Ibid., 11 – 12.
\textsuperscript{43} Ibid.
\textsuperscript{44} State of Nevada, Biennial Report of the State Engineer, 1923 – 1924, \textit{Appendices to the Journals of the Senate and the Assembly}, Carson City, Nevada, State Printing Office, 1925, 8.
\textsuperscript{45} Ibid.
\textsuperscript{47} Governor’s Message 1923, 12.
Scrugham once again emphasized the importance of this issue to the legislature and courts. Referring to the Humboldt River case in particular, he observed in his 1925 message to the legislature that “due to the marked progress on the adjudication of water rights on these systems during the past four years it now appears safe and practicable to immediately proceed with storage projects on nearly all of the streams of Nevada.”  

He assured lawmakers that “the complex Humboldt River adjudication is now in the final phases of settlement before the courts, after one of the most bitterly fought and long protracted contests in the history of the State.”  

Despite Scrugham’s optimism, the conflict in northern Nevada continued. Although Judge George Bartlett ruled on the case in 1925, a final decision on Humboldt River water rights did not occur until 1937.

In his positions as state engineer and governor, Scrugham played an active role in reforming the process of securing water rights. To his credit, progress was made on the Humboldt and minor claims, although the state engineer again reported a considerable backlog of applications in 1926 due to the “extreme shortage of water during the past two years, together with a lack of adequate funds.”  

Viewed in the context of chronic water conflicts, emotional politics, and the legal complexity of water issues, Scrugham made considerable progress using his time to strengthen the 1921 water rights legislation, meet drought emergencies, and bring the Humboldt River case closer to full adjudication.

Governor Scrugham saw his greatest success in reclamation come from his efforts to shepherd the Colorado River Compact through the legislature and meeting Arizonian resistance to the great dam. (Figure 5)  His association with the project, as well as with

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49 Governor’s Message 1925, 12.
50 Ibid.
51 Mashburn and Mathews, Foreward, 3.
the Newlands Project and water law, began during his tenure as state engineer when Governor Boyle appointed him to lead Nevada’s delegation to the Colorado River Commission. Scrugham, the engineer, immediately grasped the potential benefits of this massive undertaking and zealously pursued his assignment. On November 24, 1922, following his election as governor, Scrugham signed the pact and was fully committed to the project.\(^\text{53}\)

Scrugham spoke eloquently and at length about the Boulder Dam project in his inaugural message to the legislature: “Some of the greatest undeveloped water-power sites in the entire world lie on the Colorado River in southern Nevada.”\(^\text{54}\) He predicted that “many hundreds of thousands of horsepower can be cheaply developed by waiting capital, when a definite authority is established through state and federal cooperation which will adequately protect their investments.”\(^\text{55}\) With his personal reputation tied to the project’s success and given his position as chair of Nevada’s delegation to the Colorado River Commission, Scrugham urged lawmakers to quickly approve it, declaring “this compact will be immediately submitted for your consideration. It has my unqualified approval, and I deem its endorsement by your body imperative in the interests of early development of the Colorado River projects.”\(^\text{56}\) To promote Nevada’s interests in future reclamation endeavors he recommended “the retention of the Colorado River Commission with its present duties and powers.”\(^\text{57}\)


\(^{54}\) Governor’s Message 1923, 12.

\(^{55}\) Ibid.

\(^{56}\) Ibid., 13.
His argument and lobbying effort paid off when the legislature ratified the compact by joint resolution on January 27, 1923. Additional laws passed during the 1923 session retained the commission, but adjusted its composition. Lawmakers added the governor as a member, replacing the state engineer, and increased the number of commissioners to five in addition to the state’s chief executive. Scrugham worked tirelessly to ensure that the vision enshrined in the compact became a reality.

The interstate compact required close cooperation between state officials and Nevada’s congressional delegation. Scrugham’s key ally at the federal level was Senator Pittman, with whom he enjoyed a close working relationship as evidenced by Pittman’s efforts on the Spanish Springs project. To be sure, Pittman, as a southern Nevada

57 Ibid.
58 http://en.wikipedia.org/wiki/Hoover_Dam
59 Nevada Executive Branch Agencies: Colorado River Commission of Nevada, Nevada State Library and Archives, Carson City, Nevada.
resident, dreamed of invigorating the Las Vegas area’s economy with cheap power and water. Senator Tasker Oddie and Representative Samuel Arentz, Nevada’s other members of Congress, were Republicans, and when necessary supported the governor, but the competitive nature of politics precluded anything but a professional working relationship between these office holders and the governor.

Scrugham turned to Pittman early for help with the Colorado River project, because he believed that Secretary Work’s Interior Department was “opposed to the development of either the Spanish Springs or Boulder Canyon reservoir projects.”

Scrugham agreed to “not to make any further attacks on the department for its failure to assist the state of Nevada,” but asked Pittman to “keep him informed as to what you deem desirable procedure in the matter.” A frustrated Scrugham finally told Pittman: “Mr. Work is opposed to any project in Nevada and I am of the opinion that he should be attacked as a man unfit to hold office.”

The governor’s exasperation reflected the political complexity of the Boulder Canyon project and how it weighed on the governor’s mind.

The greatest danger to the dam’s successful completion was a feud between Arizona and California that escalated into open war. In 1924, Arizona re-elected Governor George W. P. Hunt (Figure 6), the leading political figure in the state, on a “no dam platform.” Hunt argued that California received a disproportionate share of “Arizona’s birthright” and staked his political fortunes on torpedoing the dam.

Secretary of the Interior Herbert Hoover was the key federal official charged with

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60 James G. Scrugham to Key Pittman, 24 January 1924, Nevada State Archives, Carson City, Nevada.
61 Ibid.
62 James G. Scrugham to Key Pittman, 3 March 1924, Nevada State Archives, Carson City, Nevada.
reconciling the disagreements between the states. Scrugham assisted as a neighboring state governor and head of Nevada’s Colorado River Compact commission as Hoover tried to satisfy Arizona’s concerns.

Figure 6. Governor George W. P. Hunt

Nevada’s chief executive clearly described the impasse in his 1925 message to the legislature and offered a creative solution, proposing that “the lower basis States of Nevada, Arizona and California should at an early date negotiate a further pact for

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64 Ibid.
allocation of water and power from the Colorado River.”

The governor encouraged Hunt to support his proposal, and requested him to “advise me if any progress has been made in the Arizona Legislature in the matter of authorizing a supplementary pact between Arizona, California and Nevada to adjudicate their respective interests on the Colorado River.”

Scrugham was sympathetic to Hunt’s position, agreeing that “I am of the opinion that the encroachments of the state of California should be definitely limited through some form of pact, at the earliest possible date, as otherwise their natural development may establish prior vested rights which will be detrimental to the interests of the other states.”

These words failed to move the obstinate governor, and in April 1925 Scrugham proposed sending State Senator Charles S. Sprague to Phoenix in the hope that Hunt would cooperate with him to work out a “constructive plan” regarding the Colorado River.

Scrugham wrote Hunt that “Mr. Sprague is a veteran newspaper man of broad judgment and mature experience and I hope that he will be able to cooperate with you in working out a constructive plan regarding Colorado River developments.” Evidently the governor felt that a successful southern Nevadan businessman skilled in diplomacy from years working in the press could reach an agreement with the recalcitrant Hunt.

Despite Sprague’s visit, Arizona remained steadfast in its opposition to the Colorado River Compact. The other states decided to waive the requirement for unanimous adoption of the compact. As a result, Nevada’s legislature passed the appropriate bill during the 1925 session making the agreement “binding and obligatory”
upon the state once six of the seven states had ratified it.\textsuperscript{71} The end of 1926 saw one last flurry of activity during Scrugham’s term to have the dam authorized. While Nevada’s Senator Pittman worked with others to resolve the differences, he pessimistically concluded that “I don’t believe there is much chance for the Boulder Dam bill to pass this session unless there is some agreement reached between Nevada, Arizona and California.”\textsuperscript{72}

While Pittman’s and Scrugham’s attempts to pass the necessary enabling legislation in 1926 failed, the other five states eventually ratified the six state option which effectively neutralized Arizona and its “no dam” governor’s opposition to the project. Congress finally authorized the dam’s construction in 1928 with the passage of the fourth Swing – Johnson bill. The so-called Boulder Canyon Act of 1928 ratified the Colorado River Compact which enabled the building of a dam that provided for water stabilization, water storage, flood control, general river regulation, irrigation, silt control, electrical power, and a domestic water supply and was the godsend that would deliver southern Nevada from years of sluggish development.\textsuperscript{73} While residents in both the North and South braced themselves for a boom, Arizona steadfastly refused to ratify the Colorado River Compact until 1944.\textsuperscript{74}

As state engineer and later governor, Scrugham played an integral role in all major decisions involving the Colorado River. His election to Congress in 1932 again put him in a position to influence Colorado River politics during the dam’s construction,

\textsuperscript{69} James G. Scrugham to George W. P. Hunt, 4 April 1925, \textit{Nevada State Archives}, Carson City, Nevada.
\textsuperscript{70} Ibid.
\textsuperscript{71} \textit{Nevada Executive Branch Agencies: Colorado River Commission of Nevada}, Nevada State Library and Archives, Carson City, Nevada.
\textsuperscript{72} Key Pittman to James G. Scrugham, 27 December 1926, \textit{Nevada State Archives}, Carson City, Nevada.
\textsuperscript{73} \textit{Nevada Executive Branch Agencies: Colorado River Commission of Nevada}, Nevada State Library and Archives, Carson City, Nevada.
a fitting reward for a lifetime of effort in the area of irrigation. The battles over water
married Scrugham’s two great passions: Progressive ideals and engineering, both of
which he promoted during his term as governor. The chief executive was engaged in this
arena throughout his term. Though he was unsuccessful in bringing the Spanish Springs
reservoir to fruition and the Humboldt River case dragged on in court, his pioneering
work on the Colorado River Commission and subsequent efforts to see the dam built
represent his enduring legacy in the area of irrigation. Scrugham’s Progressive agenda
and engineering mind would bear even greater fruit in the two areas of his grandest
ambitions, creating state parks and connecting Nevada with highways.

24 Ibid.
CHAPTER 4

PARKS

When Congress created the National Park Service in 1916 it charged it with a challenging mission to "conserve the scenery and the natural and historic objects and the wild life therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations."\(^1\) This act culminated over a half-century of conservation efforts that began just after the Civil War. The preservation of the nation’s natural wonders was a pillar of Progressive philosophy and was the cornerstone of Governor Scrugham’s efforts to diversify Nevada’s economy.

The first efforts to preserve America’s scenic lands centered on the Yellowstone region and led to the passage of the Yellowstone National Park Act in 1872, the first federal law that designated an area “as a public park or pleasing ground for the benefit and enjoyment of the people.”\(^2\) Over the next forty years the impetus and momentum to protect additional areas grew. The fledgling conservation movement’s goals fit nicely with the philosophy of using government to improve the nation’s condition and Progressives embraced the need for a systematic approach to land preservation.\(^3\)

Theodore Roosevelt’s presidency was the incubator for many Progressive ideas and his administration championed setting aside land for future generations to enjoy. Born and raised in the New York City area, Roosevelt had spent time working on a ranch in the Dakotas and had fallen in love with the wide open spaces and scenic beauty of the

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\(^2\) Ibid., 8.
\(^3\) Ibid., 13.
He was a passionate ally of the conservation movement, setting aside large tracts of land for forest reserves and national parks. He signed the Antiquities Act of 1906, which made it illegal to damage or remove historic objects from public lands in the United States. Roosevelt also significantly advanced the parks movement, but it fell to President Woodrow Wilson in the second decade of the 20th century to shape parks policy.

The conservation movement gained new and powerful proponents following passage of the Antiquities Act in 1906. They knew that it took “a strong and recognized constituency and plenty of friends in high places” to move a program forward. These activists understood the need for centralized administration of the parks already created and the additional areas envisioned for the future. They spearheaded the efforts to enact a bill to create an agency to accomplish this and their work resulted in the passage of the National Parks Act of 1916, which gave the United States an organization to protect its national treasures.

The new Parks Service needed a strong-willed, passionate leader who knew how to get results. Stephen Mather, (Figure 7) a former borax salesman and multi-millionaire, was a dedicated champion of the outdoors and had taken a position as an assistant to the Secretary of the Interior in January 1915. President Wilson appointed him Director of the National Park Service after the 1916 bill became law. Horace Albright became
Mather’s top aide, forging a partnership that led the Parks Service for the next thirteen years.\textsuperscript{10}

Scrugham was impressed by Mather’s work, and told him in 1924 that, “acting upon the suggestion made by you upon occasion of your visit to Nevada a few years ago I have set aside a number of areas in this state as state recreation grounds and game refugees.”\textsuperscript{12} The governor made parks-centered tourism a central tenant of his economic platform as he declared at the start of his administration that “it seems entirely practicable to segregate areas within the Forest Reserves as State Recreation Grounds or Game refuges” and believed that “no large additional item of state expense would be involved and local needs could always be given consideration.”\textsuperscript{13}

\textsuperscript{10} Ibid.
\textsuperscript{11} en.wikipedia.org/wiki/Stephen_Mather
\textsuperscript{12} James G. Scrugham to Stephen Mather, 30 September 1924, Nevada State Archives, Carson City, Nevada.
\textsuperscript{13} Governor’s Message 1923, 16.
Scrugham’s efforts in this regard mirrored the efforts of other entities, including railroads, to boost tourism in the West. The city of Reno had attempted to attract tourist dollars as early as the 1870s by viewing the passengers on the railroad as potential visitors.¹⁴ The city marketed itself as a gateway to Lake Tahoe, and when that failed to generate significant revenue, municipal leaders billed the city as a health resort starting in the 1890s.¹⁵ This strategy met with limited success as Reno was late getting into the health destination business, but the rise of the divorce industry after 1906, as well as gambling and sponsoring sporting events helped spur growth in the tourist trade, and proved that attracting visitors was profitable.¹⁶ The city also realized that rising automobile tourism after 1910 afforded a new avenue and worked to attract this new demographic to the city.¹⁷

As Carl Abbott and others have shown, the 1920s were a decade when cities and states across the West scrambled to create tourist attractions to lure Easterners to the region. As the Abraham Lincoln Highway and other routes made their way to Nevada, the governor was determined to create as many destinations as possible. These included archeological sites, Indian grounds, pioneer areas, and any other places that reflected Nevada’s Western heritage.¹⁸

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¹⁵Ibid., 33.
¹⁷Ibid., 90.
Scrugham contemplated “a system of State Parks connected by highways which will be, as you say, a source of much revenue, both directly and indirectly.”

The new governor made securing the power to set aside land through gubernatorial action a key legislative goal for the 1923 session. However, the legislature was wary of expanding gubernatorial power. In fact, the bill “aroused considerable distrust and opposition on the part of those who thought … [it] represented a limit on their use of the public domain.”

Scrugham and his allies persevered and Assembly Bill 141, which provided for the governor to “select, designate, and set aside by proclamation suitable areas … to be known as state recreation grounds and game refuges,” became law in 1923. The chief executive wasted no time in exercising his new authority. On April 9, 1923, he proclaimed the Lehman Caves (Figure 8), which President Warren Harding had designated as a national monument in 1922, a state recreation ground declaring it was “among the most beautiful and interesting natural caves ever discovered.”

By the middle of his term in March 1925 he had created fifteen reserves, refuges, or scenic preserves.

The Lehman Caves in the north and the Lost City in the south were the most popular sites established by Scrugham. Absalom Lehman discovered his namesake caves in 1885 and they were named for him on a water rights claim filed on May 2, 1887. The site was mostly forgotten until its “rediscovery” in the early 1920s, which pleased

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20 Cox, “Before the Casino: James G. Scrugham, State Parks, and Nevada’s Quest for Tourism,” 342.
21 Ibid.
22 Ibid. and *A Proclamation By The President of the United States of America Warren G. Harding, January 24, 1922, Nevada State Archives*, Carson City, Nevada.
23 Cox, “Before the Casino: James G. Scrugham, State Parks, and Nevada’s Quest for Tourism,” 342.
Lehman’s daughter Laura Mellinbruch. She explained that “after his death it was sold by Mr. McGill the administrator and I have not heard a word since … I am so glad they have kept the Cave in Fathers (sic) name.” The governor responded to her that “I have created a state park on the east slope of Mt. Wheeler which will have an area of approximately 60 sq. miles and it has been named the ‘Lehman Caves Recreation Grounds’ in honor of your father.”

![Figure 8. Lehman Caves Circa 1920s](image-url)

The governor’s approach to creating and marketing Lehman Caves became his blueprint for parks development. His plan was to “stimulate tourist traffic into the state of Nevada.” Scrugham visited the site numerous times and was fully involved in all aspects of its development, including providing for highway access, accommodations, working closely with local and federal authorities, and promoting the park through the press.

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25 Laura Mellinbruch to D. R. Renuar, 4 August 1924, Nevada State Archives, Carson City, Nevada.
26 Ibid.
27 James G. Scrugham to Laura MellinBruch, 12 August 1924, Nevada State Archives, Carson City, Nevada.
28 [www.content.lib.utah.edu](http://www.content.lib.utah.edu)
The new park’s remote location near the Utah border and the town of Delta made accessing it problematic. One visitor declared that “I should hesitate to advise anyone with a weak constitution or whose car has weak springs to try the side trip under present conditions.” Obtaining highway access proved difficult because state and local officials struggled over deciding the best route. Ely resident James Lovelock wrote Scrugham that “after discussing the matter for about two hours, I saw that there was no chance of getting anywhere, so I got up and left.” Lovelock dismissed the matter as “absolutely hopeless” and declared he was “not going to have anything further to do with it.”

Scrugham, however, was determined and appealed to the locals’ economic interests: “There is no reason why we should not have at least five thousand or more tourists per year visit this area.” All the governor wanted was for the County Commissioners to maintain the road to the caves, particularly the cut-off, and install a few more road signs. Scrugham’s strategy worked in 1924: “The Board of County Commissioners at its last meeting acting on your suggestion relative to repairing the road through the Robison ranch lane to Lehman’s Caves, decided to have the necessary work done as soon as possible.”

The locals became Scrugham’s ally when he tackled the problem of Utah’s unwillingness to provide paved road access to the new park. Lovelock again represented Ely’s interest as he wrote the governor that the Delta Chamber of Commerce had met and passed a resolution that “we would meet any road which Utah would build to a

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29 James G. Scrugham to Joe Scuffy, 27 August 1924, Nevada State Archives, Carson City, Nevada.
30 H.K. Faye to James G. Scrugham, 24 July 1924, Nevada State Archives, Carson City, Nevada.
31 James M. Lovelock to James G. Scrugham, 23 June 1924, Nevada State Archives, Carson City, Nevada.
32 James G. Scrugham to Board of County Commissioners White Pine County, 11 July 1924, Nevada State Archives, Carson City, Nevada.
33 Ibid.
connection on the Utah-Nevada State line, with any point in White Pine County.”35 The members of the chamber took the lead to mitigate the dispute as they “were going to invite their County Commissioners and Road Commission and Governor Dern to a meeting to be held in Delta some time in July, and invite you, the Nevada Road Commission, State Highway Engineer, White Pine County Commissioners and citizens of White Pine County to meet with them at Delta.”36

The two sides quickly worked out their differences. “I don’t think that we did any good by going over, except to better the acquaintance, and to give them a little more pep in putting the work through … but it was just a sort of push along meeting, and I believe that it is going to come out all right.”37 Scrugham, no stranger to road construction, also played another card to ensure accessibility of the caves by requesting the federal government give the Midland Trail, Lincoln Highway, and Lehman Caves official government marking.38 The gambit worked as Preston G. Peterson, a Scrugham confidant, wrote the governor that, “Pleased to report success in having Ely Lehman Caves Delta Highway included in Federal Interstate System and being designated for official government and state marking designations carries west from Ely to connection just East of Reno.”39 With the problems worked out with Utah and backing from Washington, Scrugham ensured that tourists could access the park.

The governor was involved in obtaining the water rights in the cave area and kept his word to the White Pine County Commissioners by taking personal responsibility to

34 Board of County Commissioners White Pine County to James G. Scrugham, 24 July 1924, Nevada State Archives, Carson City, Nevada.
35 James M. Lovelock to James G. Scrugham, 30 June 1925, Nevada State Archives, Carson City, Nevada.
36 Ibid.
37 James M. Lovelock to James G. Scrugham, 20 July 1925, Nevada State Archives, Carson City, Nevada.
38 James G. Scrugham to Vail Pittman, 7 August 1925, Nevada State Archives, Carson City, Nevada.
39 Preston G. Peterson to James G. Scrugham, 6 August 1925, Nevada State Archives, Carson City, Nevada.
see that improvements were made to the park. “I am arranging for the systematic
development of the Lehman Caves as a tourist resort. The necessary improvements are
partially financed and if successfully completed will bring thousands of visitors per year
into White Pine County.” The “Governor on Wheels” got involved to ensure the
construction was proceeding according to plan. As he explained in a letter to one agency
head, “Accompanied by George W. Borden, State Highway Engineer and James Vogt,
Superintendent of the Fish Hatchery, I made a careful examination of the Lehman Caves
Recreation Grounds with a view of accurately determining what improvements and
appropriations were desirable for this area.”

Obtaining the land to improve the park proved difficult. As Scrugham informed
the state Fish and Game Commission that “I have just received from Mrs. Burk, from
Oakley, Wyoming, the partial release of mortgage, which I sent to her, and which she
refuses to sign” Scrugham reassured her and in a few months the woman who refused
to sign had changed her mind. “I thought you would be pleased to know that we have
cleared up Mrs. Burk’s mortgage on the Lehman Cave Ranch, and we now have her
release so that the deed to the State is absolutely clear.” Through persistence and
tenacity Scrugham was able to overcome all obstacles to securing the water rights,
obtaining the land needed for facilities, and building the envisioned accommodations.

Scrugham worked diligently to lure tourists to the state. Indeed, he was adept at
generating press coverage for his parks’ initiatives. He corresponded with many

40 James G. Scrugham to James M. Lovelock, 3 August 1924, Nevada State Archives, Carson City, Nevada.
41 James G. Scrugham to The Members of the State Fish and Game Commission, 13 August 1924, Nevada State Archives, Carson City, Nevada.
42 James M. Lockhart to James G. Scrugham, 26 August 1924, Nevada State Archives, Carson City, Nevada.
43 James M. Lockhart to James G. Scrugham, 27 October 1924, Nevada State Archives, Carson City, Nevada.
newspapers and organizations to promote the caves including the *Nevada State Journal*, Nevada Press Association, the Western Pacific Railroad Company, Standard Oil, the Reporting Syndicate of Chicago Illinois, *Elko Independent, Tonopah Times, Lovelock Review, San Francisco Chronicle, San Francisco Examiner, Los Angeles Examiner, Fallon Standard, Elko Free Press, and Ely Daily Times*. Some of his letters arranged for the printing of photographs and articles about the park. He even convinced the *Nevada State Journal* to “run a series of articles under the head of ‘See Nevada First’” and courted reporters by attending their annual meeting.44

The governor responded to numerous requests for information and encouraged people to write articles about the state’s scenic wonders.45 He worked with America’s largest newspaper chains. On one occasion he noted that “at the present time the Hearst papers have Captain Alan LeBaron on the ground preparing to write a series of Sunday supplements.”46 The results were so beneficial that he told *Las Vegas Review-Journal* editor Frank Garside that “this is even better publicity than I anticipated and I desire to thank you for your efficient help in this matter.”47 In short, Scrugham’s used every means available to “get the word out” to ensure maximum coverage for the new park.

Scrugham had dedicated only one paragraph to parks in his 1923 message to the legislature. In 1925 he devoted more space to the subject, telling lawmakers that “under the authority granted me by the legislative session of 1923 and with the sanction of interested agencies of the United States Government, I have set aside several areas in the

47 Ibid.
State as Game Refuges and State Recreation Grounds.”**48 He then reviewed his major accomplishments: “Among the more successful developments of this character which I have initiated or opened on behalf of the State during the past biennium are the prehistoric cities in Clark and southern Nye counties, the Lehman Caves and certain lakes, glaciers and ancient cave dwellings in White Pine County, the Chloride Cliffs near Beatty, and the road to the north rim of the Grand Canyon through the Valley of Fire in Southern Nevada.”**49 Scrugham emphasized the growing importance of tourism to Nevada’s postwar economy. “By proper stocking of our streams and forests, adequate protection and control thereof, and the advertisement of our scenic and historical attractions, we should each year draw tens of thousands of additional visitors to the State.”**50

The governor wanted a state-wide effort. In a 1924 letter he asserted that “it is my intention to appoint a board of interested persons in each county in the state to assist in a movement for exploration and preservation of places of historic interest.”**51 As he noted, “this state now lacks the legislative authority to form an organization which can properly capitalize our natural recreational attractions,” and proposed that “some form of centralized regulation and police authority appears necessary for further successful development.”**52 He believed that “a cooperative enterprise between state and county governments can be formulated which will preserve the advantages of local autonomy and at the same time permit the State to exercise that measure of supervision which is

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**48 Governor’s Message 1925, 21.  
**49 Ibid.  
**50 Ibid., 20.  
**51 James G. Scrugham to Gertrude Webster, 10 September 1924, Nevada State Archives, Carson City, Nevada.  
**52 Governor’s Message 1925, 21.
desirable for obtaining the best results." He saw organized parks development supplemented by highway construction as the key to establishing a vibrant tourist economy in Nevada.

Although challenges remained, the chief executive was convinced that these efforts would pay off, as he believed that “The immediate popularity of some of the selected areas has convinced me that the people of Nevada will patronize their own attractions in large numbers” and all that was needed were “adequate highways thereto and facilities for personal comfort on the grounds.” He recognized the media’s critical role in publicizing his efforts: “In this work of popularizing our own State, I desire to acknowledge the cordial assistance of most of the newspaper editors of Nevada, the advertising and traffic managers of the Union Pacific, Southern Pacific, and Tonopah and Tidewater Railroads, the Boards of County Commissioners of the interested counties and numerous private citizens, and also the officials of the State Highway Department.”

Scrugham wanted to govern by consensus and expressed a desire to work with legislative members of both parties: “At some later date I will ask for conferences with appropriate committees of the Legislature in order that we may devise further plans for developing and controlling our recreational facilities and of protecting and increasing our fish and game life.” By 1926 Scrugham had implemented a complete program of conservation and preservation worthy of his ideological partner, Stephen Mather.

The Lehman Caves were the first major attraction that Scrugham promoted to build his tourist-based economy, but it was not the park that offered the greatest potential potential.
to realize his dream. That designation was reserved for southern Nevada’s “Lost City,” which was discovered in late 1924 by two Overton, Nevada brothers, John and Fay Perkins. Over the next two years Scrugham devoted much time to building this archeological treasure into a venue that became his signature effort in parks development. He worked closely with local and federal authorities to provide highway access and accommodations at the site, as well as to promoting the park through the press. However, there were two additional areas that intrigued him with the Lost City: its archeology and staging a yearly pageant to draw tourists.

Scrugham relied heavily on a young archeologist for identifying and popularizing the site’s significance. Mark Harrington was born in Michigan, grew up in New York, and earned a Master’s Degree in Anthropology from Columbia University in 1908.57 He eventually went to work for George Gustav Heye, a wealthy banker with a deep interest in American Indian history, who founded the Museum of the American Indian in New York, and a foundation that was named after him.58 Heye had obtained some Nevada artifacts and asked Harrington to travel to the state to investigate the finds.59 While working at the cave where the relics were found, Harrington was contacted by Scrugham, who had received fascinating items discovered along the Muddy River by the Perkins brothers.60

In the late fall of 1924, Scrugham, Harrington, the Perkins brothers and others travelled to the site which Harrington recognized as an important find (Figure 9).61 While Pueblo artifacts were common east of the Colorado River, finding remnants of a

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57 Hopkins and Evans, *The First 100*, 66.
59 Hopkins and Evans, *The First 100*, 66.
village west of the river was unique. Scrugham himself named the area “El Pueblo Grande de Nevada” and for the remainder of his term he devoted his energies to its popularizing and development.

Harrington spent most of the next two years excavating the site and reporting regularly to Scrugham in detailed letters. He wrote that “Pueblo Grande de Nevada represents an early form of Pueblo culture,” and he believed that “that fifteen hundred or two thousand years is a conservative estimate of its age.” The find was significant because “it seems very likely that here we have one of the places where Pueblo culture had its birth.”

Figure 9. Excavation at the Lost City, Nov. 22, 1924. Third from left, Gov. James G. Scrugham.

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60 Ibid., 65.
61 Ibid.
62 Ibid.
63 Ibid., 66.
64 M. R. Harrington to James G. Scrugham, 9 January 1925, Nevada State Archives, Carson City, Nevada.
65 Ibid.
66 Ibid., 67.
While Scrugham was managing the excavations on the ground through regular correspondence with Harrington, he was also ensuring that the dig continued by working with Heye to maintain funding for the project. Heye wrote the governor that “the only reason that they might not continue it would be due to the fact that we are contemplating erecting a new Museum building here,” but the museum chairman and director assured the governor that “I shall make every endeavor to have Harrington remain on the site.”

Scrugham wrote the Board of Trustees and entreated them to “not abandon your exploration at this time, as the effect will be disastrous (sic) to our state museum plans. It will give the impression that the Nevada discoveries are of little value and therefore, not worth further attention.” With the backing of Heye, Scrugham’s appeal was successful, the board voted to continue the work for six months and possibly, “a few months beyond that time.” Harrington continued excavations at the site for the remainder of Scrugham’s term. The rapport between the state’s chief executive, Heye, and Harrington made certain the Lost City was properly excavated. Heye recognized Scrugham’s work as he stated “it gives me great pleasure, as a very slight recognition of the kindness with which you have met our archaeological work in Nevada, to forward, by express prepaid, a representative collection from Pueblo Grande.” The engineer had taken good care of the treasures discovered on his watch.

Scrugham, who saw the Lost City as the crown jewel of his tourism-driven economic development, remarked that “I am of the opinion that we can devise a pageant which should draw many tourists and visitors from southern Nevada to the site of the

67 George G. Heye to James G. Scrugham, 19 January 1925, Nevada State Archives, Carson City, Nevada.
68 James G. Scrugham to Trustees of the Museum of the American Indian, 23 January 1925, Nevada State Archives, Carson City, Nevada.
69 George G. Heye to James G. Scrugham, 4 February 1925, Nevada State Archives, Carson City, Nevada.
buried city.” He knew that publicity was the key to luring visitors to the site, and he used the same tactics and infrastructure that he had developed for the Lehman Caves with an added twist: the creation of a pageant to bring people to the Pueblo Grande de Nevada’s remote site. Scrugham originated the idea. A.L. Kelly acknowledged as much when he responded to a request from the governor by saying that “Your letter of March 4 concerning pageantry was received. The proposition appeals to me strongly.” Kelly recognized the value of lining up area schools and students for visits and told Scrugham “I should like to take the matter up with the high school principals and the school board before giving a definitive answer.” The principals and school board reacted favorably as would almost everyone Scrugham contacted on the matter.

The chief executive involved himself with every detail of the pageant’s organization, which included site location, financing, program development, stage lighting and even coordinating the various groups involved with the spectacle. The pageant took place on May 23, 1925, and was so successful that a second pageant was held on April 24, 1926. The turnout was again high and the press coverage remained favorable. Scrugham worked tirelessly on both these events, which were significant achievements for his administration. But later events indicated that not everyone was convinced that promoting parks and tourism through pageants was the most effective use of a governor’s time.

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70 George G. Heye to James G. Scrugham, 10 August 1926, Nevada State Archives, Carson City, Nevada.
71 James G. Scrugham to C. E. Miller, 13 March 1925, Nevada State Archives, Carson City, Nevada.
72 The First 100, 66.
73 A. L. Kelly to James G. Scrugham, 9 March 1925, Nevada State Archives, Carson City, Nevada.
74 Ibid.
75 James G. Scrugham to M. R. Harrington, 13 March 1925, Nevada State Archives, Carson City, Nevada.
The biennial reports of the Fish and Game Commission, under whose auspices the governor’s parks program was administered, evidenced the central place that leisure driven tourism had taken during Scrugham’s term. The 1923 – 1924 report chronicled the Recreation Grounds and Game Refugees that have been created and placed under the Commission during that time, but the 1925 – 1926 report contained a detailed narrative of the efforts expended over the prior four years in this area. The 1925 – 1926 report declared that “Nevada has made rapid strides” in parks creation and that “profitable

Figure 10. Lost City Pageant Brochure Cover

76 Governor’s Records, Nevada State Archives, Carson City, Nevada.
advertising” had significantly contributed to “the welfare of the State.” The agency confidently predicated that “thousands of people from other States will be drawn to the numerous resorts in this State where sport may be indulged in and recreation enjoyed.” The rapid strides, favorable publicity, and cumulative value were all products of Scrugham’s Herculean efforts in this area.

Figure 11. Nevada State Journal Article Declaring the Lost City Pageant a Success

As the Fish and Game Commission account observed “without a doubt the section in eastern Nevada embraced by Lehman Caves recreational and game reserve is today

79 Ibid.
80 Nevada State Journal, 16 May 1926, 1.
one of the great potential assets of the State.”\textsuperscript{81} Detailing the accommodations built, the adequate water supply obtained, and the highway access secured, the report asserted that “as a result of the increased travel which has resulted from the improved facilities and advertising, plans are being made by private capital for the erection of further hotel accommodations.”\textsuperscript{82} The governor also championed Cathedral Gorge, another of his creations, as being “lifted to a place among the famous places of the country.”\textsuperscript{83}

Scrugham had also arranged for a pageant there and, like at Lehman Caves and the Lost City, had worked to make the location accessible and enjoyable. The 1925 – 1926 report concluded that while “the annual attendance is about 2,500 people,” the “great value of the place is that it gives the people an opportunity to use a natural amphitheater to stage festivals and spectacles that cannot be presented in houses, and thus draw increasing thousands to witness the novelty and splendor of the events.”\textsuperscript{84}

The biennial report noted that Scrugham’s crown jewel, the Lost City, “has recently been the instrumentality of attracting more attention to, and arousing interest in, Nevada than any other place in the State.”\textsuperscript{85} The publicity the governor so diligently worked to secure had paid off. Indeed, the report declared that: “thousands of articles have been published describing the discovery and the pageants that have been held on the site,” and that “more inquiries have been received in State offices asking for information about the Lost City than any other section, and the number of visitors to the scene is increasing each year.”\textsuperscript{86} The report touted the pageant as “one of the outstanding

\textsuperscript{82} Ibid.
\textsuperscript{83} Ibid., 11.
\textsuperscript{84} Ibid., 12.
\textsuperscript{85} Ibid., 10.
\textsuperscript{86} Ibid., 10 – 11.
spectacles in America” and contended the state had an attraction that “will rank with any in the world.”

Scrugham’s use of the power granted to him by the legislature in 1923, combined with tireless effort, had resulted in a functioning state parks system. (Figure 12). While he had broad support for his program, opposition did exist, especially among stockmen and fiscal conservatives. The voters also had an opportunity to express their opinion in the 1926 election. Following his defeat in the 1926, election Scrugham saw efforts in parks creation cease thanks to his Republican successor. Decades later Nevada developed a first-class state parks system, but Scrugham had to settle for planting the seeds that later governors harvested after World War II, when gaming and tourist revenues filled state coffers.

87 Ibid., 10 – 11.
88 Cox, “Before the Casino: James G. Scrugham, State Parks, and Nevada’s Quest for Tourism,” 345.
89 Ibid., 346.
Figure 12. Nevada State Parks Circa 1926

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90 Cox, “Before the Casino: James G. Scrugham, State Parks, and Nevada’s Quest for Tourism,” 332.
CHAPTER 5

HIGHWAYS

Governor Scrugham needed a system of highways that facilitated tourist traffic from Zion and Bryce Canyon to Yosemite National Park and to link the state parks he was creating. At the same time, he recognized that highways connecting Nevada’s major towns would promote commercial development, especially for those places not served by railroads. (Figure 13). In 1923 he noted “at the present time, the activities just mentioned have resulted in the partial construction of two east and west highways and two north and south highways.” Scrugham recognized that in a geographically large and sparsely populated state, a well-built, well-maintained system of thoroughfares was crucial to long-term prosperity.

The new chief executive proposed an aggressive legislative agenda to maintain the momentum of highway construction, including: enacting a two cents per gallon tax on gasoline to fund building; transferring of automobile license fees to the State Highway Fund; legally regulating overloaded trucks and narrow steel-tired wagons; raising license fees for truck transportation lines using highways as common carriers; amending state law to allow tapping of the County-State Highway Fund for maintenance as well as construction; and having the Highway Department report only to the state highway engineer by eliminating the State Highway Board. The Legislators enacted most of Scrugham’s proposals which, combined with other policies and funding already in place, led to the greatest period of road building in the state’s history up to that time.

As with irrigation and parks, the catalyst for improving Nevada’s highways was

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1 Cox, “Before the Casino: James G. Scrugham, State Parks, and Nevada’s Quest for Tourism,” 340.
2 Governor’s Message 1923, 8.
the progressive legislation enacted at the federal level during the previous decade. The need for improving the nation’s roads became apparent in the late 19th century because of problems experienced in delivering mail to rural areas, the increased need to transport manufactured goods produced by the nation’s factories, and the emergence of such gasoline-powered vehicles as the car, bus, and truck.\textsuperscript{4} The system of earthen highways, which were impassable muddy messes in the spring and fall, was wholly inadequate to support an industrial economy. Congressional leaders realized that state and local revenues were insufficient to address the problem.\textsuperscript{5} The first attempts to create a federal highway bill were undertaken in the first decade of the 20th century, but the Panic of 1907 and local battles over highway routing slowed progress.\textsuperscript{6}

\begin{figure}[h]
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\caption{A Typical Highway Project in Nevada Circa 1924\textsuperscript{7}}
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\textsuperscript{3} Ibid., 10 – 11.
\textsuperscript{5} Ibid., 44 – 52, 84.
\textsuperscript{6} Ibid., 80 – 86.
\textsuperscript{7} Fourth Biennial Report of the Department of Highways 1923 – 1924, \textit{Appendices to the Journals of the Senate and the Assembly}, Carson City, Nevada, State Printing Office, 1925.
As the assembly lines of Henry Ford and Ramsome Olds poured more cars and tractors into America’s urban and rural roads, the pressure on Congress and President Wilson intensified. The U.S. Department of Agriculture, in particular, recognized the importance of linking farmers in rural areas to big city food markets. This liberated small towns from the burden of using wagons that hauled food and other goods at five miles per hour and at high cost. The pressure led to the passage of the Federal-Aid Highway Act in 1916, which provided for $5 million in federal aid funds in 1917, increasing $5 million per year to a maximum of $25 million in 1921.\(^8\) Nevada had created a state highway department in 1917 to qualify for funding as stipulated in the legislation. Scrugham was in the vortex of road construction as state engineer from 1917 – 1922.

The need for food, clothing, ordnance and other supplies arising from the military buildup following America’s entry into World War I completely overwhelmed the United States’ antiquated road system and helped catalyze America’s road-building program.\(^9\) The massive introduction of heavy trucks to transport war materials severely damaged the existing roads.\(^10\) The urgency of meeting the needs of fighting World War I delayed any action on the issue until after the armistice in November 1918. By that time, the nation’s roads were in horrific condition. Congress recognized that flaws in the Federal-Aid Highway Act of 1916 were slowing progress. With the enactment of the Federal Highway Act of 1921, Congress corrected the problems with the 1916 bill and provided the catalyst to spur the nations’ highway building program.\(^11\) The 1921 legislation stipulated a “7 percent system” which mandated the designation of 7 percent of the roads

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\(^8\) Ibid., 86 - 88.
\(^9\) Ibid., 90 – 101.
\(^10\) Ibid.
\(^11\) Ibid.
in a state as state highways, three-sevenths of which had to be “interstate in character.”
On this fraction, 60 percent of the federal funds could be spent, which ensured the
creation of a national highway system.\textsuperscript{12} Congress appropriated $75 million to fund the
bill, a staggering sum at that time.\textsuperscript{13} Nevada benefited tremendously from the provision
of a matching formula that gave an advantage to states where the unappropriated and
unreserved public domain exceeded 5 percent of the state’s total area. This meant
Nevada only had to pay sixteen cents on the dollar for its U.S. Highways.\textsuperscript{14}

Congress recognized the importance of helping Nevada and other Western mining
states whose gold, silver and copper were vital to the war effort. The availability of
federal funding combined with six years of experience in road construction, led to the
rapid expansion of highways in the state. The 7 percent provision provided the
impetuous for designating the key routes throughout the state which remain in effect
today. (Figure 18) Scrugham was actively involved in highway routing, funding,
designing and building. Routing was critical and meant determining what state and
county roads would be built to plug local towns into U.S. 91 and U.S 95 and other
national roads linking Nevada to regional and national markets. This was a politically
charged process, as towns throughout Nevada jockeyed for position to get a road leading
to Salt Lake City, the Bay Area, Los Angeles or Phoenix.

Almost immediately upon taking office, the new governor found himself
embroiled in a bitter routing dispute involving the Lincoln Highway Association
headquartered in Detroit, Michigan. Formed in 1913 by Indianapolis Motor Speedway

\textsuperscript{11} Ibid., 108.
\textsuperscript{12} Ibid.
\textsuperscript{13} Ibid.
\textsuperscript{14} Elliott, \textit{History of Nevada}, 264.
builder Carl Fisher, the association’s mission was to construct a “Coast to Coast Rock Highway” from New York City to San Francisco.\textsuperscript{15} Henry Joy, President and principal stockholder of the Packard Motor Car Company (Figure 14) and Frank Seiberling, head of the Goodyear Tire and Rubber Company, joined Fisher in his quest.\textsuperscript{16} The group spent the next ten years raising funds, building the highway and promoting its route throughout the country.\textsuperscript{17} Thanks to the 1921 federal aid act the monies became available to complete Fisher’s vision.\textsuperscript{18}

\textbf{Figure 14. Henry Joy on the Lincoln Highway Circa 1915}\textsuperscript{19}

The Lincoln Highway Association was the most prominent highway proponent at the time, but other organizations also actively promoted their vision of a trans-continental roadway. The Victory Highway Association, while not as ambitious as the Detroit group,

\textsuperscript{16} Ibid.
\textsuperscript{17} Ibid., ix – x.
\textsuperscript{18} Ibid., x.
\textsuperscript{19} Ibid., 46.
had strong support in Utah, Nevada, and northern California.\textsuperscript{20} The Victory Highway’s planned route roughly followed the Old Emigrant Trail of the Gold Rush era from Salt Lake City through the desert due west to Wendover, Utah, then across northern Nevada via Elko, Winnemucca and on to Reno.\textsuperscript{21} Utah had initially supported the Detroit group’s road, but in 1921 had switched allegiance to the Victory Highway and designated that road for 7 percent funding. The Lincoln Highway consortium had invested heavily in an alternative route that ran southwest of Salt Lake City to Ely known as the Goodyear cutoff. (Figure 15) The Lincoln Highway boosters knew that if the Victory Highway path received federal funding under the 7 percent plan completion of the Goodyear cutoff would never occur and their investment would vanish.

\textbf{Figure 15. Nevada - Utah State Line on the Lincoln Highway Circa 1915}\textsuperscript{22}

\textsuperscript{20} Ibid.
\textsuperscript{21} Ibid.
\textsuperscript{22} Ibid., 1.
The stakes for Nevada were local because whichever route was chosen, one part of the state would benefit over the other from increased auto and truck traffic. But Nevada as a whole would prosper because, as in the railroad age, it would host the transcontinental road linking California to the rest of America. However, there were ardent supporters of the Lincoln Highway routing in Nevada, especially in Ely, which stood to benefit if the main East – West road ran through their town. (Figure 16) These proponents secured passage of a bill in the 1923 legislature that supported designating the Lincoln Highway route as a primary road as part of Nevada’s 7 percent system.23 Scrugham vetoed the bill on the grounds that “such action was not properly a legislative function.”24 The governor was caught in the middle between the Lincoln Highway Association, their supporters in eastern Nevada, and Utah officials who had changed the routing to favor the Victory Highway.

Figure 16. The Lincoln Highway Through Ely Circa 192325

23 James G. Scrugham to G.S. Hoag, 24 April 1923, Nevada State Archives, Carson City, Nevada.
24 Ibid.
The Detroit group pressured Scrugham to designate “that section of route Two, east of Ely, as part of Nevada’s 7 percent system.” 26 This designation was critical to the Lincoln Highway, as the Vice President of the Association wrote the governor that “the only weak point in our argument and in our position has resulted from the fact that Nevada has not designated the Lincoln Highway, from Ely to the Utah State line near Ibapah, as a portion of its seven percent Federal aid system.” 27 The key was to convince Secretary of Agriculture Henry Wallace, whose department oversaw highway construction at the federal level, to overturn Utah’s decision. 28 A summit meeting was scheduled for May 14, 1923, in Washington, D.C. to decide the issue. 29 James Lockhart, a key Democratic operative in the Ely, area advised Scrugham that “unless Nevada does include this piece of road as a federal aid project that the Lincoln Highway will have mighty little chance at the hearing.” 30

The highly emotional stakes for the Lincoln group, and the pressure they exerted on Scrugham, were expressed by Joy in a letter to Gael S. Hoag, a former Nevada state consul who had become the field secretary for the Lincoln Highway Association. He declared that “Utah wants to turn the Sou Calif travel south thru Utah and we want to turn it into Nevada via Ely. It sure means a good many thousands of dollars to which ever state wins.” 31 He desperately wanted the new governor to join the battle, writing that “I can fight pretty stiff for what I think is right, but I wouldn’t mind having all the help we can get from Gov. Scrugham.” 32

26 G. S. Hoag to James G. Scrugham, 24 April 1923, Nevada State Archives, Carson City, Nevada.
27 A. F. Bement to James G. Scrugham, 27 April 1923, Nevada State Archives, Carson City, Nevada.
28 Ibid.
29 Ibid.
30 James M. Lockhart to James G. Scrugham, 4 May 1924, Nevada State Archives, Carson City, Nevada.
32 Ibid.
Joy was not shy about describing what he wanted the governor to do, exclaiming that “if Gov Scrugham should see the situation as we see it I hope he will give Utah a kick in the slats that can be heard around the world!”33 He exhorted Gael to push hard so that “Gov’r Scrugham would get on the war-path for the Lincoln Way like Utah is against it.”34 Joy did offer to assist in the process by being willing to “cuss Utah friends of mine good and proper and with some rare ability from long training at sea and in the west.”35

Utah favored the Victory Highway routing because it followed established routes and was the most logical choice given the region’s topography. The Goodyear Cutoff routed traffic through Nevada, which ignored the current road system that led south to Saint George and then across the Mojave Desert to Los Angeles. Lincoln Highway proponents minimized the difficulties of traveling over the mountainous terrain through Ely in the central part of Nevada. The engineer in Scrugham knew that the northern route was the best option and although the Victory Highway was costly to build through the desert, the Lincoln route faced significant expense because of the steep terrain.36 While the desert route was more expensive in the short-term and the Lincoln route in better condition at that time, the cost of maintaining the hilly route over the long-term in a permanent highway system would eventually dwarf the near-term benefits.37

Joy spent $4,000 funding a 172-page report entitled “A Brief for the Lincoln Highway in Utah and Nevada” and had it distributed to interested parties.38 The governor took a cautious approach on the issue, writing Secretary Wallace that “the brief appears

33 Ibid.
34 Ibid.
35 Ibid.
37 Ibid., 98 -101.
38 Ibid., 99.
to have merit and I commend it to your careful consideration.” Not anxious to alienate Joy or Utah authorities, whose support he needed for any road feeding Nevada traffic from the east, Scrugham was content to let the federal authorities settle the routing issue.

Joy’s report was an elaborate attempt to reframe the debate. Wallace’s engineering experts had studied the problem in the context of determining “which of two main routes connecting Main Forks, Utah, with Wadsworth, Nevada is to be named as the primary Federal aid route and which as the secondary.” Their report recommended the northern route because it was the least costly alternative. This supported Utah’s decision to build directly west of Salt Lake City to Wendover.

The Lincoln Highway Association, however, believed that designating Wadsworth as the western terminus was arbitrary and unfairly biased the argument against their route. The Ely route boosters argued that the majority of traffic heading west from Salt Lake was traveling to California and that Sacramento, not Wadsworth, was the appropriate city to act as the western terminus. They therefore concluded that the best rout for travelers heading farther west than Salt Lake City, who wanted the option of heading either to Los Angeles or San Francisco, went through central Nevada, with the “fork in the road” at Ely. At this mountainous mining town one branch went south to the City of Angeles using the Midland Trail and another road carried traffic west then north to Sacramento and San Francisco.

The Association based its brief on the assumptions that serving the best interests of the through traffic was the determining factor; the time element of building a

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40 The Lincoln Highway Association, Inc., A Brief for the Lincoln Highway in Utah and Nevada, Governor’s Records, Carson City, Nevada, 37.
41 Ibid., 38.
connecting highway now was of primary importance and that both roads across Nevada would eventually be built. Therefore, the decision was which route should open first. The report purported to prove that: the road most important to open first was the route through Ely; the path through Ely could be “most quickly put in a thoroughly travelable condition”; the Lincoln Highway was the most economical as well as the path that could be most quickly opened; their route “from every standpoint” best served the traffic then and into the future. The report also contended that the Lincoln Highway route was shorter, safer, and followed the natural topography; and, finally, this was the route Nevada wanted because it cost the state nothing versus having to outlay $900,000 if the Wendover path was chosen.

The Association’s portrayal of the Battle Born state’s support was overblown given the fact that Scrugham only asked Wallace to give the Lincoln Highway’s report “every consideration.” More importantly, their arguments failed to address Wallace’s engineer’s key finding that building through the mountainous terrain in central Nevada was more expensive in the long-term than the northern route. Joy’s group admitted that “much space is devoted in the engineering report to the tabulation of summits, to tabulations showing mileage of grades of various percentages and to the question of relative ‘rise and fall’.” The Detroit organization also argued that Wallace’s experts

42 Ibid., 39, 42.
43 Ibid., 16.
44 Ibid., 40 – 41.
45 Ibid.
46 Ibid., 107.
47 Ibid.
48 Ibid., 126.
had erred by approaching the problem from the perspective of “locating a railroad for economical operations of freight and passengers trains.”

The Association asserted that 90 percent of the travel on the route consisted of “foreign cars” traveling for pleasure. Therefore, local traffic was not an issue and that approaching the problem from the “railroad” vantage point emphasized avoiding the rise and falls to save on the cost of construction and of operation. The Association insisted that “highway engineers in planning a route for tourist traffic cannot … be governed by such considerations” and must “consider the pleasure, comfort and attractiveness of the route.” The Detroit group conceded that building a railroad across central Nevada was impractical due to the topography, but it was practical to build a highway over the same terrain because educational, recreational, and scenic inspiration were paramount in road routing for tourism. Joy’s men also argued that building their road first was the right decision because local traffic in northern Nevada was already served by the railroad.

The Lincoln Highway’s routing ignored the already developed paths to California established in the 19th century, and the obvious engineering advantages of the northern route. These previously travelled paths included the Arrowhead Trail, which ran from Salt Lake to Saint George, then west across the Mojave to Los Angeles, as well as the established northern railroad route. The Detroit group argued their routing served all travel to California. That assertion ignored their own data which indicated that most traffic went to Los Angeles or San Francisco, and tourists could choose how to reach

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49 Ibid..
50 Ibid.
51 Ibid., 126 – 127.
52 Ibid., 128 – 129.
53 Ibid., 127.
either city before proceeding over the rugged Nevada landscape to Ely. The Association’s argument was further weakened by the fact that Nevada failed to designate the Midland Trail as a primary route under the 7 percent system.

The Detroit group responded to accusations of bias because of their financial investment in one of the routes under consideration. The group declared that “the basic principles upon which the Lincoln Way was laid out, and to which, with such difficulty and care, the Association has adhered for ten years, are the same principles which will govern the picture of the road situation west of Salt Lake City we propose to present to you.” From their point of view, “this picture has not changed since 1913.”

Utah was a strong supporter of the Lincoln Highway routing from 1913 through 1921. The Association produced documentation demonstrating Utah’s support of their routing decisions prior to the beginning of the 1920s. The Lincoln Highway proponents asserted that Utah’s primary reason for changing the routing previously agreed upon was to divert tourist traffic south through Utah. While this assertion might have merit, the primary factor in Utah’s change of heart was funding. The Beehive State was parsimoniousness in regard to highway construction projects; therefore, when the only funds available were from Joy’s group they were more than willing to support their routing. However, after the passage of the Federal Highway Act and the institution of the 7 percent system, funds were available to study other paths west of Salt Lake City. The engineering analysis supported utilizing the established northern and southern routes.

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54 Ibid., 52, 55 – 56.
55 Ibid., 63.
56 Ibid., 21.
57 Ibid.
58 Ibid., 25 - 29.
59 Ibid.
60 Ibid., 29 - 31.
branching from Salt Lake City to California. With the funds available to examine other options, Utah chose to follow established routing precedent and the paths that were the most logical based upon highway engineering.

The big meeting in Washington, D.C. was held on May 14, 1923. Although Secretary Wallace personally invited Scrugham to the summit, he sent state highway engineer Borden to represent Nevada’s interests.61 After a tumultuous hearing Secretary Wallace wrote Joy that he only had the authority to approve or disapprove Utah’s choice and could not determine an alternative path; therefore, Utah’s routing would stand.62 The Secretary’s decision had determined the matter, but Joy continued to press the issue. The governor took a diplomatic tact knowing that the state’s interests were served as long as a road was built and that the fight was the Lincoln Highway Association’s with Utah and not Nevada’s with the Beehive State.

While he did not want to get too personally involved, Scrugham wrote Ely’s leaders to determine their willingness to fight Joy’s battle, declaring “At this writing it appears to me that it might be more advantageous to ask for the Ibapah-Wendover road than to accept the Silver Zone connection.”63 But Ely official’s response to the governor was not encouraging. Lockhart, Scrugham’s Ely confidant, wrote the governor that “within the next few days the citizens of Ely have to make their choice, and take their stand, one way or the other, or else I shall feel very much like quitting and letting them continue their waiting policy, and see where they are going to land, which will be, no

62 Hokanson, The Lincoln Highway, 102.
63 James G. Scrugham to Vail Pttman, J. M. Lockhart and W. S. Elliott, 12 June 1924, Nevada State Archives, Carson City, Nevada.
doubt, nowhere.” Scrugham, however, realized the matter was already decided and told Lockhart that “under the circumstances, I am of the opinion that it would not be desirable for me to do anything further in the matter at this time.” While Joy and Hoag fought on throughout 1923, in the end, Utah won. The northern route through Nevada, passed through Elko, Winnemucca and Reno.

Historian Thomas Cox has argued that “to make matters worse, Nevada lost its battle with Utah over highway routing. By 1927, Salt Lake City, not Ely, had become the dividing point for transcontinental travel, the main north – south highway ran through St. George rather than the Pahranagat Valley.” He concluded that this meant Salt Lake City became a major transportation hub rather than Ely because the road forked there, one path to San Francisco and the other to Los Angeles. Cox’s argument, like the Lincoln Highway Association’s, ignored the development of Western transportation routes that had occurred from the mid 19th century onward. Salt Lake City was perfectly situated to become a regional passenger and shipping hub given its geographical location. This was confirmed and solidified by the railroads as the transcontinental route came together just north of Utah’s capital at Ogden. The topography led travelers from the Northern and Eastern sections of the country to travel to Denver as the eastern gateway to the Rockies then through Salt Lake City to California. The primary north-south route through Saint George was long established as the path to the southern portion of the Golden state while due west out of Salt Lake City through northern Nevada was the most

64 James M. Lockhart to James G. Scrugham, 18 June 1924, Nevada State Archives, Carson City, Nevada.  
65 James G. Scrugham to James M. Lockhart, 20 June 1924, Nevada State Archives, Carson City, Nevada.  
66 Cox, “Before the Casino: James G. Scrugham, State Parks, and Nevada’s Quest for Tourism,” 349.  
67 Ibid.
direct route to San Francisco because this path wound through the Humboldt and Carson River valleys through many mountain ranges.

The assertion that Wallace’s acquiescence to Utah’s highway routing meant Ely lost the opportunity to become a major transportation hub ignored the actual developments of transportation routes as well as the topography of the area. As Wallace’s engineers had pointed out, the mountainous terrain leading in and out of Ely made that route more expensive to maintain in the long-run and constituted a more difficult path to travel. Transversing this route was completely impractical for reaching southern California; however, venturing south out of Salt Lake City to Saint George and then across the Mojave to Los Angeles was sensible, given the topography.

Despite what some Nevada proponents of the Lincoln Highway might have believed, Ely never was, and was not going to become, a major transportation hub, because its location and surrounding rugged terrain were ill-suited to that purpose. The Lincoln Highway route boosters ignored both history and geography in their routing and Utah was correct to choose the Victory Highway as part of their 7 percent federal funding. Cox’s assertion that “Nevada lost its battle with Utah” ignored the fact that the routing battle was the Lincoln Highway’s versus the Beehive State. Scrugham, as the official representative of the state, took a diplomatic, low-key stance in this matter and wisely expended no political capital on a losing proposition. When Ely residents were unwilling to pursue the issue further, the governor quickly moved on. Joy’s letter to Hoag excoriating the governor for his lack of support undermines Cox’s argument that the battle was Nevada’s and Cox was mistaken to have characterized the issue as a fight between Nevada and Utah.
Cox also concluded that the interests of road routing and parks development were intertwined and the Beehive State’s routing bypassed Lehman Caves and other scenic attractions Scrugham had created. These developments eventually turned the governor’s grand vision for parks into sites visited primarily by locals from Reno and Las Vegas. Cox was correct, but the problem occurred because Scrugham’s parks were located at the site of Nevada’s best scenic wonders, which unfortunately sat in virtually inaccessible places. The Governor’s natural wonders were also in close proximity to the much grander Yellowstone and Zion regions. Scrugham’s parks creation program, though laudable, had limited economic potential because of their remote locations far from the emerging regional transportation network.

While state routes drew the most attention because of their strategic importance, county highway construction was also critical. Local residents were particularly concerned that their farm, ranch or business have cheap access to regional markets. As the chief executive in a small and sparsely populated state, Scrugham was the person to whom Nevadans expressed their concerns, and he faced numerous routing challenges throughout his term. Typical was a dispute in Lincoln County when the county commissioners wrote that “the state highway go through the town of Panaca and hereby respectfully request your excellency (sic) that you use your influence to that end.” Scrugham was in Winnemucca when the crisis broke out. Homer Moody, the governor’s secretary, conferred with State Highway Engineer Borden, with whom Scrugham worked closely in all matters related to road construction. Moody then wired the governor that

68 Ibid.
69 Board of County Commissioners of Lincoln County to James. G. Scrugham, 6 June 1923, Nevada State Archives, Carson City, Nevada.
“Borden says also that approval was necessary to get money which would lapse June 30, 1923 as it is a ‘find’ or ‘pick-up’ under the 1919 federal-aid statute.”

Borden opposed the commissioners wishes because he did not want to waste Nevada’s share of the federal funds and he knew that “the movement in Panaca was fomented by Wadsworth District Attorney who owns property there.” Moody relayed Borden’s observation that “R.R. does not go any nearer to Wadsworth premises than road survey does. Connecting road can be built later by county of 1½ miles whereas standard federal highway to take in loop would be expensive and impractical.” Individual interests and local politics often intertwined in road routing controversies. The issue of federal funding was so critical that the governor deferred to Borden’s judgment in this case. Scrugham formally wrote the Lincoln County Commissioners that “I have investigated the matter of the route to the Federal Aid Highway from Pioche to Caliente. I regret that it appears impracticable to change this route if we are to receive Federal aid on the project.” Engineering sometimes overrode personal benefit and politics. Angry Panaca residents would remember the governor’s decision when he ran for re-election in 1926.

The Panaca road controversy was repeated all over the state. Indeed, one Nye County resident in 1923 wrote that “it looks very much like we people along the Nyala road from Warm Springs to Currant are going to be left with out any road as the talk is now, of building the road over what is noan (sic) as the Siler cutoff.” Nevadans took highway routing seriously; that same citizen declared that “I think it would be a shame

70 Homer Moody to James G. Scrugham, 6 June 1923, Nevada State Archives, Carson City, Nevada.
71 Ibid.
72 Ibid.
for us people to be left with out a road or even be cut off from the main highway as you no (sic) yourself that the people living in an icelated (sic) country like this is intitled (sic) to all of the road services that can be given us.”

Once again, the intrepid Borden had to shine the light of reason on the situation and take the heat for Scrugham as he wrote “We regret very much that we cannot serve all of these people by our highway.” However, Borden added “if Mr. Evans’ road can be placed in such excellent repair at so low a cost that the Valley in that section might just as well have two roads as one – we are building the one via Hot Creek, and the County Commissioners repairing the road via Nyala.”

Scrugham while once more acting the go-between, sided with Borden: “Herewith enclosed is a copy of letter recently received from Mr. George W. Borden, State Highway Engineer, which explains the situation from the point of view of the State Highway Department.”

The 1923 – 1924 biennial report of the state highway department noted that “in road location, construction and maintenance, the public takes a greater interest than in any other governmental activity” and led many individuals to believe that they were “an amateur or professional road builder, either active or inactive.” This “greater interest” was often quite emotional and often generated heated debate as political considerations intruded upon routing, road design, purchasing, and building.

The governor and his staff worked diligently to resolve each case as amicably as possible. Highway officials worked conscientiously on public relations and wrote in the

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73 James G. Scrugham to Board of County Commissioners of Lincoln County, 12 June 1923, Nevada State Archives, Carson City, Nevada.
74 E. E. Garrett to James G. Scrugham, 15 June 1923, Nevada State Archives, Carson City, Nevada.
75 Ibid.
76 George W. Borden to James G. Scrugham, 26 June 1923, Nevada State Archives, Carson City, Nevada.
77 James G. Scrugham to John W. Evans, 27 June 1923, Nevada State Archives, Carson City, Nevada.
department’s biannual report that convincing some Nevadans in routing matters had “sometimes been a difficult task in the past,” but through efforts to work together mutual understanding of each side’s perspective had increased.79 The state highway engineer reported that representatives of the department were welcome visitors at any official or unofficial gathering in the state and that Nevadans had come to consult with highway officials “before any important work is planned.”80 Public feedback helped Borden’s staff to devise a highway construction process that welcomed citizen input but was not paralyzed by it. As a result, during the last two years of Scrugham’s term, there were fewer highway location controversies as the construction boom slowed.

Expensive road projects helped deplete state revenues which led to budget shortfalls, both of which Scrugham had to address. In 1922, Borden projected a budget deficit for the next two years and recommended borrowing money through the bond markets. As the state highway engineer wrote governor-elect Scrugham, “you will note that we show a deficit for both years 1923 and 1924 in our general operations which if left as the budget shows would mean the issuing of $200,000 in bonds remaining form the $1,000,000 issue.”81 The governor addressed this issue by asking the 1923 legislature for, and getting, a 2 cent per gallon tax on gasoline.

Scrugham also had to work with local merchants eager to sell highway construction materials to the state as he declared that “it is the policy of the state departments to purchase goods from the local dealers whenever it can be done at a price

79 Ibid.
80 Ibid.
81 George W. Borden to James. G. Scrugham, 26 November 1922, Nevada State Archives, Carson City, Nevada.
The chief executive handled numerous issues related to federal aid. Rumor and innuendo sometimes overrode fact as Scrugham repeatedly found it necessary to reassure local residents. In 1926, for example, the governor wrote one concerned citizen that “I understand that there is some talk in Goldfield of the money available for highway purposes being spent on some line away from Goldfield” and told the man to calm his neighbors concerns. “You may state for me that the highway construction, which is already budgeted and approved for 1927, contemplates spending the available money on the highway from Tonopah to Goldfield and South.”

Despite numerous obstacles, Nevada’s highway construction program progressed rapidly during Scrugham’s term.

Scrugham the engineer enjoyed supervising the details of how the roads were built and maintained. (Figure 17) Borden, for instance, informed him of an agreement reached for “the placing of light gravel surface on a section of the L. V. & T. Grade leading northward from Las Vegas to the north Clark County line, involving a total estimated expenditure of $20,000., $10,000. to be paid by Clark County and $10,000. by this department.” The governor even waded into the construction minutiae refereeing a quality dispute over piping, managing gravel supplies, and taking recommendations on concrete. Even railroad spikes on a road drew his attention, as he responded to a

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82 James G. Scrugham to E. W. Shirk, 8 May 1923, Nevada State Archives, Carson City, Nevada.
83 James G. Scrugham to Frank Davison, 5 August 1926, Nevada State Archives, Carson City, Nevada.
84 George W. Borden to James G. Scrugham, 20 April 1923, Nevada State Archives, Carson City, Nevada.
85 A. W. Preston to George W. Borden, 16 June 1923, Nevada State Archives, Carson City, Nevada and George W. Borden to James G. Scrugham, 18 September 1924, Nevada State Archives, Carson City, Nevada and W. J. Walmsley to James G. Scrugham, 7 May 1925, Nevada State Archives, Carson City, Nevada.
complaint that “I have requested the Maintenance Engineer to immediately order a large
electro-magnet of the most improved type to be used in picking up these spikes.”

The inflow of federal highway funds and the resulting construction boom
provided much needed employment in an economically depressed state. Scrugham even
evaluated the qualifications of some applicants, both for full-time and part-time positions
that were available throughout the state. He was therefore deluged throughout his term
with requests for jobs. These opportunities helped offset depressed conditions in other
industries. Indeed, as one applicant wrote, “due to a recent slump in the mining business
there appears to be very little employment available along such line.”

As it did in many state public works projects, politics often played a role in the hiring process. As one
applicant’s reference wrote the governor, “as to Mr. Sheldon’s politics, while I am not a
strong partisan myself, he is, and I personally and actually know that he was very active
in your support both at the primary and the general election.”

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Figure 17. Road Construction in Nevada Circa 1920s

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86 James G. Scrugham to Robert F. Gilmour, 31 March 1926, Nevada State Archives, Carson City, Nevada.
87 Ed Milland to James G. Scrugham, 15 May 1923, Nevada State Archives, Carson City, Nevada and
Homer Moody to Cora G. Millner, 8 June 1923, Nevada State Archives, Carson City, Nevada.
88 James G. Scrugham to Howard M. Loy, 17 May 1923, Nevada State Archives, Carson City, Nevada.
89 Harry Warren to James G. Scrugham, 20 March 1923, Nevada State Archives, Carson City, Nevada.
Highway construction encompassed a variety of other issues that included requests for equipment, tracking motor vehicle violators, improper water usage by the highway department, and obtaining a tent while inspecting construction work at the Lehman Caves. In one case Scrugham arranged for the transportation of six steel cots, twelve cot pad mattresses, and one 9’ X 14’ tent, among numerous other unique requests. The demands, even for the energetic governor, were considerable.

The 1923 – 1924 biennial report of the Department of Highways was a 114-page document that detailed the substantial progress made on the state’s roads during Scrugham’s first two years in office. The report noted that “highway construction in Nevada reached its peak during the years 1923 – 1924, and this biennium represents the greatest two-year construction program so far attempted by the Nevada State Highway Department.” 91 The mileage completed included “915.11 miles of highways of various types complete and under contract.” 92 This required “3,436 linear feet of bridges with seven grade separation structures for the purpose of separating railroad and highway traffic” with the cost amounting to $10,892,658.58. 93 Bridges were particularly necessary in a state whose rugged topography and myriad washes constantly challenged the skill of engineers. All of Nevada’s state highways saw significant progress due to Governor’s Scrugham’s determined leadership (Figure 18) and the 1923 – 1924 report concluded, “we are rapidly approaching a time when we can see the completion of at least 1,500 miles of our State Highway System.” 94

92 Ibid.
93 Ibid.
94 Ibid. 16.
In his 1925 message to the legislature Scrugham declared that “very substantial progress has been made by the State Highway Department, during the biennium just past, in the improvement of the federal-aid 7 percent and the state highway system.”95 The governor told legislators that “this mileage will offer an excellent foundation for further highway expansion in the State after completion of the seven percent federal-aid highway system as now designated.”96 State residents paid for highway construction through direct taxation, automobile license fees, gasoline tax, state racing commission fees, and county bonds, but federal funds were critical. Without this aid, “Nevada could never have attempted a program of highway improvement of appreciable extent on account of the sparse population and limited taxable wealth of the State.”97 The “Governor on Wheels” now had a significantly improved highway system on which to visit all areas of the state.

While Scrugham credited federal aid with being the catalyst for improved roads, he wrongly assumed that road funding would remain consistent for years and provide stability for planning construction well into the future.98 The Crash of 1929 and the Hoover Administration’s refusal to fund major highway projects to employ the nation’s jobless soon dashed these hopes until 1933. But in 1925, money was available and the governor credited the federal government with bearing most of the cost for building Nevada’s highways, as he declared that “in 1919 federal aid represented 27 percent of the Department’s income, whereas in 1924 federal aid represented approximately 69 percent

95 Governor’s Message 1925, 14.
96 Ibid.
97 Ibid., 23, 29 – 40.
98 Ibid.
of the total.” 99 By 1925 it was obvious that the Progressives’ dream of improving the nation’s roads had come true in the Silver State.

As the 1925 legislative session began, the governor looked forward to additional funding of $2 million added to the $5.2 million already committed by the federal government to Nevada. 100 Of course, the additional miles of highways added to maintenance costs. While the Highway Department “found its maintenance costs during 1923 and 1924 to average approximately two hundred and fifty dollars per mile,” the former state engineer believed that “no reason can be foreseen at this time for increasing these costs in the future.” 101 The governor placed his faith in government efficiency to keep future costs under control.

Scrugham’s legislative agenda for the coming biennium was more modest than his ambitious 1923 effort. He sought authorization for new roads and adjustments in various statutes to address issues arising during the prior two years in office. 102 To this end, he made “definitive recommendations” which included raising the gasoline tax by a penny to offset the elimination of the personal property tax on automobiles; transferring to the state highway fund the remainder of automobile license fees over and above the annual requirements to meet the state highway bond interest and redemption schedule; allowing the state treasurer and state controller to give the State Highway Department a credit equivalent to 50 percent of the federal-aid vouchers in the process of payment; and eliminating the ninety-day exemption on license fees for out-of-state vehicles. 103

99 Ibid.
100 Ibid.
101 Ibid., 17.
102 Ibid., 17 – 18.
103 Ibid., 18 – 19.
Once again, the governor affirmed the benefits of road construction, declaring that the state highway department “is a large business concern with ramified activities reaching every portion of the state.”\footnote{Ibid., 19.} He emphasized that “the benefit thereby accruing to the merchants, bankers, and business men of the State as a result of this activity is very great, and during the past several years has done much to stabilize employment and trade conditions throughout the State.”\footnote{Ibid.} Scrugham went on to suggest that all of these advantages justified the expense, concluding that the boom in building highways had greatly profited “the merchants, bankers, and business men of the State” and had stabilized employment and trade conditions in Nevada.\footnote{Ibid.}

The rate of highway construction lessened during the last two years of Scrugham’s administration. As the highway department reported in 1927, “the Department of Highways of the State of Nevada has progressed with its highway construction and maintenance on a scale somewhat less than during the previous biennium.”\footnote{State of Nevada, Fifth Biennial Report of the Department of Highways, 1925 – 1926, Appendices to the Journals of the Senate and the Assembly, Carson City, Nevada, State Printing Office, 1925, 7.} The mileage of constructed highway had increased from 915.11 miles to 1,297.11.\footnote{Ibid.} Of that total, 1,072.67 came under the federal-aid 7 percent system with 447.91 miles left for completion through that funding source and 1,700 miles of the entire state highway system still left for building.\footnote{Ibid.} The comprehensive approach to road development had promoted construction on all major routes.\footnote{Ibid.}

Agency officials were quick to cite past progress as a reason for entrusting them with more funds. They noted in the report that “the highway problem of Nevada is one

\begin{footnotes}
\footnote{Ibid., 19.}
\footnote{Ibid.}
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which needs earnest consideration during the next biennium in order that sufficient mileage may be constructed to complete the Federal aid system,” and “other important roads, now badly needed” could “be added to the federal-aid system and constructed in the future.”111 The funds collected from the two-cent property tax, the four-cent gasoline tax, automobile license fees, bonds, and county funds, along with federal aid had “made possible the road building program which has been carried through the past two years.”112 This had resulted in “a very rapid increase in travel in the State and our highways being used more and more for transcontinental purposes.”113 The completion of a traffic census in 1926 had provided key information on the extent of travel over the newly built highways and provided direction on where to focus next.114

The State Highway System had grown substantially during Scrugham’s term. The highway department’s goal had been “to develop within the State, as rapidly as possible, highways joining one community with another,” so that “our people may be drawn closer together and enjoy the benefits of such social relationships as are possible through good highways.”115 This included connecting with neighboring states and the rest of the country.116 Scrugham had successfully overseen the construction of a highway network that linked many of the towns in America’s sixth largest state, liberating residents from the isolation caused by the use of the horse and wagon across long distances. He also established the foundation for the larger highway system the state and nation would build over the next half century.

110 Ibid., 9.
111 Ibid.
112 Ibid., 9 – 10.
113 Ibid.
114 Ibid.
115 Ibid., 9.
116 Ibid.
Figure 18. Nevada Highway Map Circa 1926\textsuperscript{117}

CHAPTER 6  
ELECTION OF 1926 AND CONCLUSION

Governor Scrugham had an enviable record upon which to campaign for re-election in 1926. He had significant accomplishments in education, irrigation, parks creation, and highway construction and believed he had achieved these while keeping the state financially stable.\(^1\) In 1925 he declared that “the executive branch of the government has, at no small effort, discharged its functions within the financial limitations set by the Legislature.”\(^2\) Progress continued on all the initiatives the governor had undertaken and, as 1926 dawned, his re-election seemed certain. The key factors determining a successful campaign included the national political climate, who the Republicans nominated to run against him, overcoming the usual discontent engendered by executive decisions and how his record of achievement was perceived.

America’s political climate in the mid-1920s augured trouble for Progressive Democrats like Scrugham. This was the heyday of laissez-faire conservatism, which harkened back to the polices of Arthur, Harrison and McKinley. The era of Progressive reform peaked after World War I and began to decline with the election of Warren G. Harding as President in 1920 on a promise of a “return to normalcy.” While Scrugham was enacting a successful Progressive agenda, the taxpayers desire for that program was waning. The Republican Party was ascendant nationally, electing Calvin Coolidge President in 1924 and seizing control of Nevada’s legislature that same year; therefore, the governor’s re-election campaign had to overcome a decade long Republican trend.

\(^1\) Governor’s 1925 Message, 3.  
\(^2\) Ibid., 3 – 4.
George Wingfield, a banker and the wealthiest individual in the state, dominated Nevada politics in the 1920s and controlled a bi-partisan political machine that favored Republicans. Historian C. Elizabeth Raymond has argued Wingfield believed that “both allies and opponents would conform to his basic standards: fair play and paramount devotion to a common goal of economic development for the state.” Raymond asserted that in a parochial world of chummy politics dominated by personality Wingfield believed a “common bond of shared attitudes and purposes” would prevail. The governor’s progressive agenda was in direct opposition to Wingfield’s political and economic beliefs.

The Reno banker owned mines and he had customers invested heavily in Nevada’s traditional core industries. Therefore, Wingfield needed the state’s farms, ranches and mines to be strong. However, Scrugham conceded in early 1925 that “business conditions have generally been unsatisfactory during the past two years” and markets did not grow substantially during the third year of his term. While the governor had worked hard in many areas, he spent little time trying to strengthen the state’s key industries. He alluded to the continued difficulties in these areas at the mid-point of his term acknowledging that “the stock-raising and ranching industry has had a severe struggle against adverse economic conditions.” Indeed, prices remained low compared to the high costs of production. The state’s mines were producing “only about half that of

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5 Ibid., 153 - 154.
6 Governor’s 1925 Message, 3.
7 Ibid., 5.
8 Ibid.
the normal output for each of several years prior to 1919” and output did not significantly increase during 1925.\(^9\)

Those involved in these enterprises represented powerful conservative interests that wholeheartedly supported the Republican’s belief in low taxes and spending. Scrugham’s ambitious program had been costly and, despite progress in irrigation, had not advanced Wingfield’s investments, or those of conservative farmers, ranchers and mining interests. The governor had to answer accusations of neglecting these sectors as he pursued his Progressive agenda for the state.

Reno became the battleground for the economic direction of both that city and the state shortly after Scrugham took office in 1923. Mayor Harry E. Stewart championed the progressive ideology of Francis Newlands and, much like Scrugham’s agenda for the state, based his economic development on civic improvements such as street paving and the construction of schools and parks.\(^10\) However, over the first two decades of the 20\(^{th}\) century, Reno had built a successful tourist-based economy on the foundation of liberal divorce, 24-hour liquor sales, and gambling.\(^11\) Wingfield, who was divorced, had invested heavily in the Riverside Hotel to turn it into a destination for wealthy divorce seekers.\(^12\) He also enjoyed gambling and drinking and encouraged these activities in his adopted hometown despite prohibition and the state’s anti-gambling laws.\(^13\)

The Reno mayoral election of 1923, which pitted Stewart against Frank J. Byington, a former Reno mayor, and Edwin E. Roberts, a former congressman and a champion of the “Wingfield Reno,” would determine the economic direction the city

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\(^9\) Ibid., 8.
\(^10\) Barber, *Reno’s Big Gamble: Image and Reputation In the Biggest Little City*, 108.
\(^11\) Ibid., 92 – 103.
\(^12\) Ibid., 113.
would take for decades to come.\footnote{Ibid., 107.} Roberts’ overwhelming three-to-one victory over Stewart and Byington reflected the voters’ preference for Roberts’ and Wingfield’s vision for Reno.\footnote{Ibid., 109.} Historian Alicia Barber argued that Roberts’ victory, “moved Reno decisively away from Newland’s Progressive philosophies to the more profit-driven vision shared by George Wingfield, Roberts, and others.”\footnote{Ibid.} In the years following his victory Roberts, would cement Reno’s economy in the profit-driven column, especially after his 1927 reelection, by supporting, along with Wingfield, the shortening of the divorce residency requirement from six months to three months, encouraging gambling of all types, and actively opposing prohibition.\footnote{Ibid.}

While Scrugham’s gubernatorial records do not indicate his stand on these important issues, he was ideologically aligned with Newlands’ and Stewart’s philosophy, as evidenced by his championing a park-based tourist economy, in stark contrast to Roberts’ and Wingfield’s vice-based tourism program for Reno. The lack of documentation indicating support for repealing prohibition, expanding gambling, or shortening the divorce residency requirement suggests that Scrugham opposed these measures. The fact that these industries thrived in Reno after his defeat in 1926, and that it was left to his successor to sign the 1931 gambling and divorce bill, provides further evidence that Scrugham was not in line with the direction Nevada seemed to be moving in and, like the university president, stood with the reformers who opposed vice.\footnote{Ibid.} Therefore, the governor’s tourism economic vision for the state was directly at odds with Wingfield’s view that Nevada needed to keep taxes low and diversity its economy by
expanding Reno’s maverick image and offering tourists an alternative to America’s mainstream Bible-based culture.

In 1926 Wingfield was at the height of his political power and determined to protect his interests. He and his associates orchestrated an effective campaign for the entire Republican ticket, led by popular Senator Tasker Oddie. Wingfield was determined to have a strong opponent to run against Scrugham, unlike 1922, and personally selected a former state assemblyman and senator, Fred B. Balzar (Figure 19) to run against the governor. This was a brilliant choice, because the affable Balzar proved to be a charming candidate. The Reno businessman worked diligently in attracting support, especially at the local level, which meant the governor had to beat a well financed, organized, and capable candidate to remain in office.

Even though the governor’s programs were well received in many quarters, some of his political decisions, programs, and patronage appointments led to disenchantment that his Republican adversaries exploited. For example, hiring at the highway department became a bone of contention. As one party regular wrote, “there seems to be quite a lot of criticism among Democratic Party workers, men who do the actual work of getting out the vote in campaigns, about this Highway Department in the matter of employment of competent Democrats.” Road construction squabbles also left hard feelings for another disappointed citizen who wrote that “for the last thirty days or so I have heard quite a little dissatisfaction expressed against building of roads in this County, and much is being

17 Ibid., 110.
20 Ibid., 174 – 175.
21 James D. Finch to James G. Scrugham, 7 February 1924, Nevada State Archives, Carson City, Nevada.
said by the Republicans on account of the fact that no action has been taken as yet on various projects in the County.”

Figure 19. Governor Fred B. Balzar

Scrugham’s ambitious highway building program, while helpful, left a small army of angry voters in dozens of towns that the pavement bypassed. For example, regarding the Nyala road Gilbert Borman wrote Scrugham that “there is an exceedingly bitter feeling among a large number of people down there over the changing of the route from Currant to Tonopah, and placing it via Locke’s Ranch instead of Nyala.” The need for higher taxes to fund Scrugham’s various initiatives also alienated voters. Typical was a

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23 *Nevada State Archives*, Carson City, Nevada.
concerned citizen who wrote the governor that “these things were one of the elements that caused taxes to be high and there seems to be a general inclination to ‘pass the buck’ in regard to paving and drainage system at Elko.”

The campaign inevitably hinged on public perception of Scrugham’s record. Contemporary Democratic and Republican newspaper stories and editorials reflected the divergent views of the governor’s record. The Reno Evening Gazette, a supporter of Wingfield’s banking interests, was a frequent critic of the governor’s policies. One former Gazette correspondent told Scrugham that “the paper is anti-administration” and even deplored “the attitude of the Gazette toward you and all your fine work and wish they would be fair with you.”

Editor Graham Sanford took a dim view of Scrugham’s record and ambitious plans for the state as he declared that “Nevada Needs a New Deal.” He believed that the long tenure of the Democrats resulted in “mischief in every department of Nevada government.” Sanford argued that state expenditures had increased only to “support of the largest set of non-producing political appointees ever loaded upon an over-taxed people.”

The Gazette hammered away at Scrugham, charging that he and the Democrats “have increased the operating costs of the state more than $600,000 during the last four years, a period which price levels have actually fallen” only to spend these funds on political junkets, traveling expenses, and employment of political workers while

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24 Gilbert F. Boreman to James G. Scrugham, 18 April 1924, Nevada State Archives, Carson City, Nevada.
25 Ralph E. Rockwell to James G. Scrugham, 15 September 1924, Nevada State Archives, Carson City, Nevada.
26 Christopher C. Wright to James G. Scrugham, 16 June 1925, Nevada State Archives, Carson City, Nevada.
27 Reno Evening Gazette, 29 October 1926, 4.
28 Ibid.
Scrugham neglected his gubernatorial responsibilities. The Gazette also accused the governor of incompetence, declaring that “new methods of management, in accounting, and in efficiency have been introduced.” Indeed, Scrugham’s administration had “resisted every effort of the Legislature to revise the state’s administrative machinery” only to sponsor bills that benefited “their own spending accounts.”

The Gazette portrayed Scrugham as a career bureaucrat who had promised the state “an economical and efficient business administration” but had “delivered the government of the state into the hands of a reckless group of politicians, and together they have prostituted its departments and wasted their funds.” Following this assault, Sanford concluded that “the state needs new life at its helm.”

Over the course of the campaign continuing charges of neglecting the state’s key industries, overspending, frivolous travel, and mismanagement resonated with voters. The Democratic Nevada State Journal, published by the wife of Scrugham’s predecessor Emmet D. Boyle after his death in early 1926, felt compelled to defend the governor’s record, which put the chief executive on the defensive. The Journal asserted that “if the citizens of Nevada do not realize the great services performed for them by Governor James G. Scrugham after four years of performance, it is difficult to convey that understanding through words.” The Journal’s editors championed “the accomplishments of Governor Scrugham,” which stood out in every county as “monuments” to his vision and dedication in modernizing Nevada, and that Scrugham

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29 Ibid.
30 Ibid.
31 Ibid.
32 Ibid.
33 Nevada State Journal, 24 October 1926, 4.
had “left his mark on the history of this country during the last four years.”\textsuperscript{34} But the charge that the governor had neglected the state’s key industries did political damage.

Despite supportive editorials, Republican charges seemed convincing to voters. In Scrugham’s defense, the \textit{Nevada State Journal} argued that “his name is woven in with the fight for the immemorial grazing privileges of stockman” as well as “the prescriptive rights of those who utilized the waters of Nevada before there was a state” and that “mining knows him as a man who has done more for the commercial earths and metals as well as precious ores than any other chief executive in the same space of time.”\textsuperscript{35} The \textit{Journal’s} passionate defense ended with a resounding endorsement, as it declared that the state should keep a governor with “the record and the standing of James G. Scrugham.”\textsuperscript{36}

The \textit{Carson City Daily Appeal} also took up the governor’s cause, declaring that the “attempts of the Republican leaders to ridicule Gov. Scrugham for his efforts to attract tourists and capital to the state have fallen flat.” It praised Scrugham as the “most progressive governor the state ever had” who had “mapped out a great program for further improvement.”\textsuperscript{37} The \textit{Appeal} denounced the governor’s opponent, Fred Balzar, for making promises that he could not keep.\textsuperscript{38}

Balzar, however, ran a masterful campaign in 1926; his speeches cleverly recast Scrugham’s major asset, his achievements, into a political liability by linking his projects to wasteful spending and higher taxes. A Republican victory was virtually guaranteed with a ticket led by a skilled, well-organized and funded politician and voter discontent with a chief executive whose record could be easily used against him. Moreover, 1926

\textsuperscript{34} Ibid.\textsuperscript{35} Ibid.\textsuperscript{36} Ibid.\textsuperscript{37} \textit{Carson City Daily Appeal}, 1 November 1926, 2.
represented the apex of Republican popularity across the nation in the mid-1920s boom that foundered only in 1929 when over-production and layoffs began to portend Wall Street’s collapse later that fall. Balzar won the election handily receiving 16,374 votes to Scrugham’s 14,521 or 52.9 percent to 47.1 percent, which in percentage terms was an almost identical reversal of the 1922 election results. Scrugham’s foes had effectively made their case. The governor later conceded his opponent had “made his chief attack on the ground that I spent too much time in entertainments, motion pictures, pageants, and the like” and that he allowed Balzar to promise that “he could save large sums of money in the state administration.”

Scrugham governed during a transitional period in American liberalism when progressivism faded before the New Deal was born. Although Nevada’s economy was depressed during the 1920s, Historian Paul Glad argued that the relative prosperity of urban America along with the popularity of laissez-faire and Harding’s “return to normalcy” discouraged liberal reform initiatives. Progressivism also declined during the 1920s because the movement had achieved many of its goals by 1920 and post war labor turbulence and socialism destroyed working class-middle class coalitions in many states. The experience of Russia under Bolshevism had also tempered radicalism world-wide and business had cooperated with the regulating agencies and accepted many progressive reforms during the decade. Although Progressivism declined as a

38 Ibid.
39 James G. Scrugham, Nevada; A Narrative of the Conquest of a Frontier Land: Comprising the Story of Her People From the Dawn of History to the Present Time, 555.
40 James. G. Scrugham to John Armstrong Chaloner, 20 November 1926, Nevada State Archives, Carson City, Nevada.
41 Glad, “Progressives and the Business Culture of the 1920s,” 78.
42 Ibid., 78 – 79.
43 Ibid.
movement, it never disappeared. Instead, it had passed back into the hands of individual reformers and was at this stage when the stock market crashed in 1929.\textsuperscript{44}

Historian Arthur Link also chronicled the decline of progressivism in the 1920s. Link asserted that the accepted wisdom of the movement’s decline included that the 1920s was a unique period of reactionism against idealism and reform and that political representatives of big business and Wall Street waged a determined and successful battle to subvert reforms enacted since the 1870s. He also argued that nationalism and racism generated by World War I blunted progress and the era was a time when the American people were so “propelled by a crass materialism in their scramble for wealth” that they “uttered a curse on twenty-five years of reform endeavor.”\textsuperscript{45} Link concluded that the popularity of the Progressive’s belief that “organized public power could and should be used purposefully to achieve fundamental social and so-called moral change” declined after 1918.\textsuperscript{46}

Link believed a coalition of interest groups that had formed a fragile alliance to support Woodrow Wilson’s re-election in 1916 largely comprised the Progressive Movement. However, the inherent weaknesses in this alliance had destroyed its effectiveness by 1920.\textsuperscript{47} The internal causes of this deterioration included: lack of a suitable political vehicle; tensions that kept progressives apart; a failure to agree upon a common program; and, the absence of national leadership.\textsuperscript{48} Pressures externally on the various elements of the partnership included: disproportionate economic prosperity

\textsuperscript{44} Ibid. 
\textsuperscript{46} Ibid., 838. 
\textsuperscript{47} Ibid. 
\textsuperscript{48} Ibid., 842.
among the coalition members; the defection of the middle classes; and, the desertion from
the movement of a large portion of the “intellectual leadership of the country.”

Despite these challenges, Link believed that progressivism survived in the 1920s,
especially in the depressed farming community. The plethora of farm bills passed in
Congress along with electrical power regulation and anti-immigration laws, all mainstays
of Progressive ideology, demonstrated progressivism’s staying power. He also asserted
that tariff laws, Harding’s and Coolidge’s support of trade associations, and that these
President’s elections were historical accidents, provided evidence of progressive ideology
remaining in the American political system.

Link concluded that Wilson’s policies from 1917 – 1920 and factors outside the
Wilson Administration’s control had shattered the movement, but the collapse in the
election of 1920 was not inevitable because of the war. Progressivism as an organized
national force declined in the 1920s; however, large and aggressive components of the
progressive coalition remained during the decade, and despite setbacks, had not only kept
the movement alive, but had even broadened its outlook. He argued that various
progressive coalitions controlled Congress for a large part of the 1920s and these forces
threatened the conservative Republican administrations. Lastly, he asserted that the
progressive movement remained vibrant at the state and local level.

Link’s explanation of the decline of Progressivism as a national force was
personified in the defeat of Progressive Party presidential candidate Robert M. La

49 Ibid., 843.
50 Ibid., 845.
51 Ibid., 845 – 849.
52 Ibid., 848.
53 Ibid., 850.
54 Ibid., 850.
55 Ibid.
Follette by Republican Calvin Coolidge in the 1924 election. Republican majorities were elected to both houses of the Nevada Legislature that same year. While hindsight provided Link with a clearer view of the 1920s, La Follette’s defeat and Republican ascendency nationally and in the state provided evidence that the political tide was turning conservative. Link argued that progressivism remained strong at the state level, but this was not the case in Nevada. Scrugham should have realized the political landscape had changed from the previous decade. He either failed to see what was happening, or if he did understand what was transpiring, chose to ignore it. A more strategic thinking and pragmatic leader would have recognized the trend and adjusted accordingly.

The mid-term election provided an opportunity for Scrugham to assess his policies and programs against this political reality. However, Scrugham’s hard-charging personality led him to continue on the path he had charted in 1923, despite clear evidence that public support was waning for reform. Scrugham’s commitment to a progressive agenda which included reclamation, parks creation and highway construction, combined with his drive and obsession to detail, led him to numerous accomplishments, but also contributed to his re-election defeat. The governor was politically skilled at the tactical level, as evidenced by his deft handling of many controversies during his term, but he was tone-deaf to the seismic national shift in the public’s mood away from change during the 1920s. Indeed, he championed The Lost City pageants in 1925 and 1926, and the Republicans used them as prime examples of his wasteful spending. The governor’s inability to perceive the big-picture politically, and react to it, as well as his failure to
address the criticism of his administration’s lack of attention to the state’s key industries directly contributed to his defeat in 1926.

That Scrugham accomplished so much of his progressive agenda in a conservative state, while he struggled against a state and national anti-reform tide and the decline of the progressive movement, testifies to the governor’s commitment to his values, his drive and ability to get results. The close vote in the 1926 gubernatorial election, given Scrugham’s misreading of the political climate, Wingfield’s opposition, his neglect of the state’s key industries, a capable opponent and the economic factors working against him, was remarkable. Scrugham lost the battle but did not lose the war. He stayed in the political process after his defeat by purchasing the *Nevada State Journal*, and chose to run for Congress in 1932. Swept into office by the Roosevelt landslide, the former governor served his adopted state in that body, first as a representative and then as a senator, until his death in 1945.

The passions of an era and of a political election do not always reflect the short or long-term effectiveness of an administration. Scrugham had assumed office during an economically troubled time in Nevada’s history and thanks to his energy and determination achieved a record of remarkable accomplishments. Progressives believed that government could act as an agent of change for the betterment of society. As governor, Scrugham based his agenda on his life-long ideology.

Historian Thomas Cox concluded that the governor probably overestimated the draw of parks for tourists. Balzar embraced the panacea of liberalized divorce and casino gambling as a better way to draw tourists and offset the continued stagnation in ranching,
stock raising and mining by signing the gambling and divorce bill in 1931. Scrugham was correct in assuming that tourism was a viable economic driver. While his parks program suffered under Balzar and the effects of Wall Street’s crash, Scrugham had laid the foundation for modern Nevada by wholeheartedly supporting the Colorado River dam and by effectively managing highway construction. Nevada was fortunate to have a skilled engineer as governor when the Colorado River dam and highways were still politically vulnerable. Hoover Dam, as much as gambling, proved critical to Las Vegas’ emergence as a metropolitan area later in the twentieth century.

The Las Vegas Valley’s two million residents and the millions of tourists and motorists who have travelled the roads Scrugham built testify to his ability to make Nevada something more than an economic backwater in the arid Great Basin. The speeches, programs, and dreams he shared with fellow Nevadans helped the state take necessary steps toward modernization. Harnessing the Colorado and replacing old stage trails with faster highways, along with his effort to exploit Nevada’s natural beauty and its historic past, began the process that by century’s end made Nevada a popular tourist mecca and the nation’s fastest growing state. James G. Scrugham, Nevada’s fourteenth governor, left a legacy that endures.

56 Cox, “Before the Casino: James G. Scrugham, State Parks, and Nevada’s Quest for Tourism,” 348.
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