

# **Wine, War, and the New Deal**

**Eric Rauchway**

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Good afternoon, and thank you for giving me some of your time and attention today. Before I get going in earnest, if any of you would prefer to view the slides on your own device, you may direct your browser to this [url](#) and follow along. I'll leave it up there in the middle of the slide for a moment, and if you don't use it now but decide you'd like it later, I'll keep it at the bottom of the frame for the rest of the talk.

While those of you who want it are copying it down, let me remind you, inasmuch as you may be sitting through a series of talks by various people today, which one I am: my name is Eric Rauchway and I'm Distinguished Professor of History at the University of California, Davis. My historical writing focuses on the late nineteenth and early twentieth century, mainly the period from the Civil War through the Second World War, though lately I've been venturing a little further forward still; my focus for some time has been on the 1930s and 1940s, or the period of the New Deal and the Second World War. I'll have a bit more to say about that broader program of research later, but for now I'll just say that my major contributions have had to do with looking at material, international factors and their role in the development of the American state.

But as I say I'll return to those broader themes later; as this is a research talk and I'm currently in the middle of researching a new project, I'll start with the basic stuff of historical research: some archival documents. And as you've heard from my co-author, Kathy Olmsted, already, I'll take a different tack than she did.

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You're looking here at a record of the Bureau of Industrial Alcohol, part of the US Treasury department, from 1933. It's a transcript of a hearing with a petitioner seeking a

permit to establish a winery in Etiwanda, California, which is east of Los Angeles, just south of the San Gabriel mountains.

So, a few observations: because this is September 1933, we know that repeal of Prohibition is about to take full effect. The person seeking a permit is one of many Americans who want to take advantage of the new legality of alcohol as soon as possible.

That it's a federal agency conducting the hearing is a useful reminder of an important but neglected fact: with the repeal of Prohibition, the US government didn't get out of the business of regulating alcohol manufacture, distribution, transportation, and consumption: far from it. Rather, it went into the business of deciding how to regulate this industry, which had been almost entirely banned, and would now have to contribute to the prosperity and maybe even health of Americans.

Let's turn to the person being interviewed, a man called John Colombero. He testifies here that he came to the United States from Guasti, Italy—that's in the North, up near Pisa—in about 1908, and was naturalized as a citizen in 1927. He was of good character, with no arrests, and modest credit—a loan secured on his forthcoming crop. He's a grape farmer on a middling scale, with 100 acres. He does have the necessary tanks and equipment to begin making wine, though he had built them himself based on what he remembered from his youth in Italy—"it was a case of have to," he says in this hearing.

So Colombero's kind of an interesting character, but he's also representative of a lot of other Americans. As Tony Kushner says in *Angels in America* of the "ones who crossed the ocean," Colombero is not just a person but a whole kind of person. More than 2 million people immigrated from Italy to the United States in the first decade of the twentieth century; it was by far the largest source of international migration in those years.<sup>1</sup>

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<sup>1</sup>Walter F. Willcox, ed., *International Migrations*, vol. 1: Statistics (New York: National Bureau of Economic Research, 1929), table III, 389–391.

And the vast majority were, like Colombero, were young men seeking economic opportunity. Many of them brought with them skills or commercial knowledge of an industry like wine-making, that they were prepared to apply in the New World. Many of the California grape farmers who applied to become lawful winemakers upon repeal were Italian, too. So Colombero represents a whole series of social and economic trends. But also, he's a little unusual, as we can see in this [CLICK] part of the interview.

As you can see there, he intends to make only dry wines—table wine, what you might think of as wine—and there, he's bucking the trend. Far the larger part of the wine consumed by Americans for a long time after Prohibition was sherry, port, muscatel—highly alcoholic, sugary wines. During Prohibition, that's what people got used to—it afforded bang-for-buck, and the sugary flavor concealed impurities.

What Colombero is saying here is that he wants to be a quality winemaker.<sup>2</sup>

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And he succeeds; and like his fellows who succeed he emphasizes the alleged health-giving powers of wine (in his case he maybe overstates it). But he's part of a trend, to distinguish wine from liquor or beer, to describe wine as food. Although winemaking is an industrial process, winemakers prefer to call themselves "wine-growers." They want their product sold in grocery stores. They undertake campaigns of education to teach people which wine goes with which dish. And they get the state to help them do it; both the state of California and the federal government. Even the non-drinker Eleanor Roosevelt allows as how she's going to serve American wine with dinners.

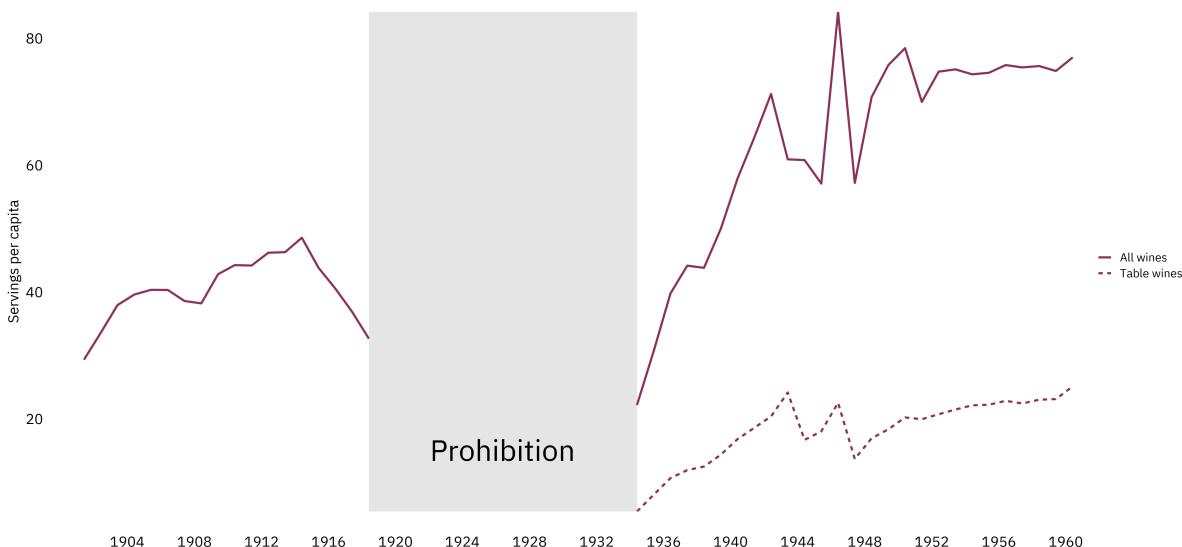
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<sup>2</sup>Bureau of Industrial Alcohol, "Colombero Pre-Hearing," September 12, 1933, folder "Basic file number 1, 2 of 2," box 81, BATF Papers, UC Davis.

Colombero is, as I say, part of a group of winemakers who want to make these claims. And not only do they want the help of the state, the state wants their help, as well. In an effort to emulate the French system of place-name control, the US government begins to map wine-growing areas. Just as the French designate Burgundy, Bordeaux, Champagne, and so forth, the Americans begin to identify wine districts. In this case, Cucamonga. But they don't do it by having bureaucrats in Washington issue maps saying what the boundaries of the viticultural areas are; no, they go to people like Colombero and ask him to do it for them. They depend on local knowledge. And Colombero is happy to oblige.<sup>3</sup>

### A New Deal for wine

#### U.S. Consumption of Wine, 1901–1960



Data for all wines from Kym Anderson and Vicente Pinilla (with the assistance of A.J. Holmes), "Annual Database of Global Wine Markets, 1835–2019," August 2021; data for table wines from the Wine Institute, which does not keep pre-Prohibition statistics. Servings defined as 1.5 ounces. "All wines" includes dessert wines, vermouth, sparkling, and table wines; "table wines" refers to still wines not exceeding 14% alcohol by volume. Figures reflect only the recorded, i.e., legal, market.

<sup>3</sup>W.W. Barron to John B. Columbero, July 5, 1939, folder "FAA W-157," box 81, BATF Papers, UC Davis; John B. Columbero and W.W. Barron, August 5, 1939, folder "FAA W-157," box 81, BATF Papers, UC Davis.

The New Deal led to a fairly rapid recovery of the US wine industry in terms not only of overall volume, but of an increased share of the market given over to quality wines, the dry wines Colombero set out to make in 1933. So you could make a case the New Deal economic policy was broadly effective at encouraging the sale of more, and better, wine.

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Now, there were limits to this solicitude of local tradition and knowledge, and we can see them in a case dealing with some different Italian American winemakers, the Cella brothers, whose Roma winery had a series of labels including this one. The Treasury had approved its use in 1939, but by 1941, the phrase had different associations—the isolationist America First Committee had been established in September of 1940 to oppose American aid to Britain in the war against Nazi Germany. Having this phrase on the label now, with the depiction of the US Capitol, suddenly caused some US Treasury agents, in June 1941, to realize the use of this label and imagery violated Treasury rulings against implying federal endorsement for a product.<sup>4</sup>

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## **Methods and interpretations**

- establishment of broad, quantified trends combined with the stories of exemplary or influence cases
- influence of material international factors (immigration, trade) on internal US affairs
- the federal state under the New Deal

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<sup>4</sup>F.L. Krieger and J.H. Maloney, July 16, 1941, folder “Inspection Report, 1941,” box 5, BATF Papers, UC Davis.

- devolving power to local institutions / solicitous of local knowledge
- effective in promoting economic recovery
- pro-democracy (or at least, anti-Nazi)

So the book we're writing is about the role of government, both federal and state, in assisting the revival of the California wine industry and taking it from a banned substance to the best of its kind in the world within about four decades. But the kinds of contributions I make here reinforce the methods and themes of my earlier research.

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To just give a quick overview, since receiving my PhD in 1996 I've written seven books of history, which on a slide like this one means there's a nice empty spot, a bit like the fourth plinth in Trafalgar Square.

The earlier three books focused on the decades around 1900, the period historians still call the Gilded Age and Progressive Era. My contribution was to emphasize the role of material international factors like immigration, trade, and finance on the character of the American state, which I argued exhibited signs of developing not as a response to industrialism per se, but a response to the global industrial economy of the late nineteenth century.

That focus on the industrial economy in the early twentieth century naturally entailed knowing a fair amount about factors that eventually produced the Great Depression, so it was an easy next step to write about the 1929 crash, and then the New Deal.

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### The New Deal and economic growth

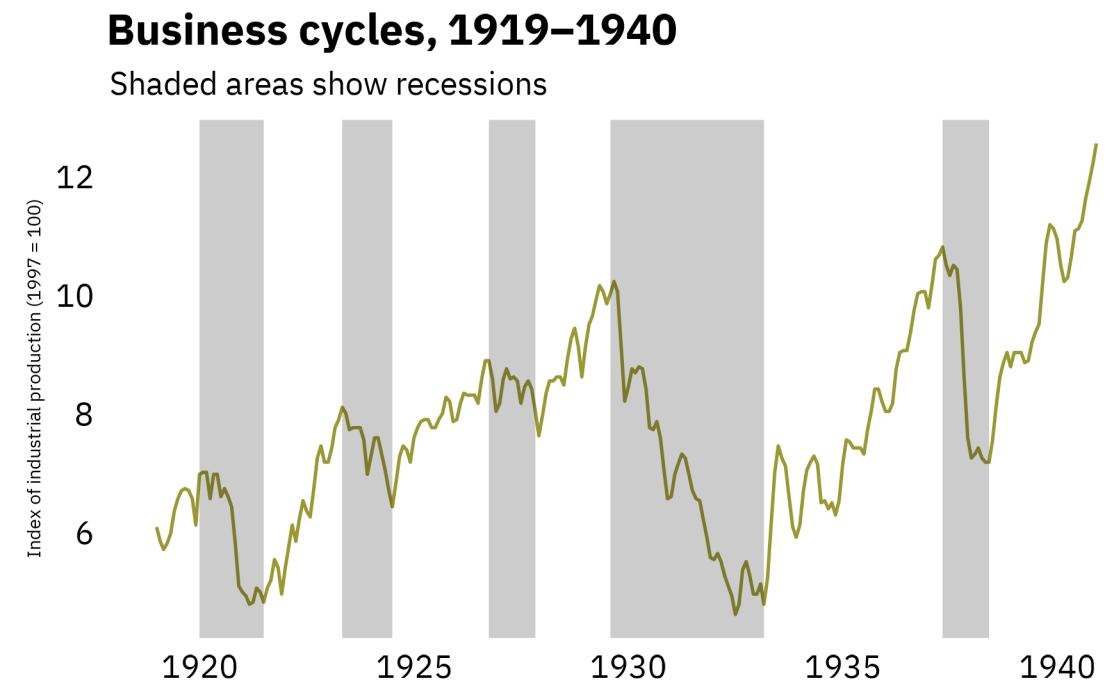


Chart made using R and ggplot by Eric Rauchway with data from HSUS series Cb5-8 and Cb30.

In my writing about the New Deal, which includes not only the four books I showed you on the slide, but also shorter works like the article I had in *Modern American History* and the chapter in the recent *Myth America* collection, I've emphasized the overall beneficial effect of macroeconomic policy, with specific contributions on monetary and agricultural policy that have found their way into the broader literature; in the case of monetary policy, on the influence of Keynes's thinking on the use of monetary policy as an instrument during the New Deal and the war.

But I've also come to emphasize the ideological work the New Deal did over the material work. New Deal macroeconomic policy was generally sound, as you can see here; economic recovery began with Roosevelt's inauguration and continued through his first two terms in office, except for the 1937 recession there.

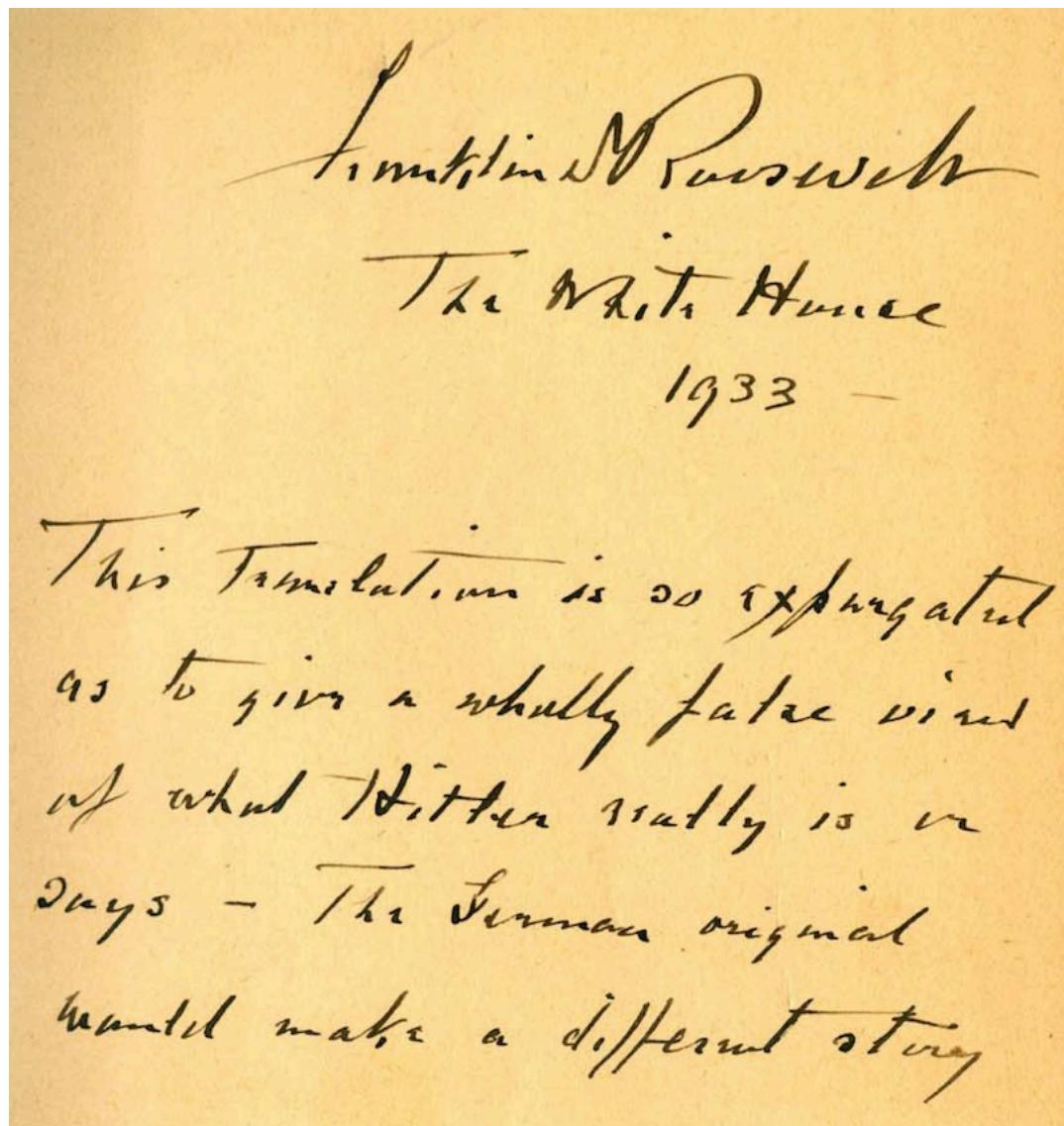
But for New Dealers, economic recovery was secondary to a political rehabilitation. Economic recovery, while always a goal of the New Deal, was subsidiary to the aim of reinvigorating and extending democracy in the United States (attenuated though it was).<sup>5</sup>

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“what Hitler really is”

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<sup>5</sup>Eric Rauchway, “The New Deal,” in *Myth America: Historians Take On The Biggest Legends and Lies About Our Past*, ed. Kevin M. Kruse and Julian E. Zelizer (New York: Basic Books, 2022), 141–53; Eric Rauchway, “The New Deal Was on the Ballot in 1932,” *Modern American History* 2, no. 2 (July 2019): 201–13.



New Dealers understood they lived at a moment in history when democracy—by which they meant the limited forms such as prevailed in the United States, France, and Britain—was under existential threat from fascism, particularly Nazism; this is the president's note on the flyleaf of the English translation of *Mein Kampf*, which the Nazi government “expurgated,” as he said—the story of how Alan Cranston published an unauthorized unexpurgated version is fascinating, but that came later; Roosevelt knew what was in the original because he had sufficient familiarity with the German

language.

And from the beginning—note this is 1933—the New Deal was constructed quite consciously as a counterbalance to Nazism.

It's therefore a mistake to think about the New Deal solely or even mainly in terms of economic stimulus. Public works were not merely about employment: they were also about transforming Americans' conception of what the state was and who it was for.

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When asked to name New Deal public works, people will often mention major landmarks—Shasta Dam, the Bay Bridge—or fine arts, like public murals. This focus on the more glamorous works omits the vital and ubiquitous efforts—the playgrounds, the community centers, the roads and perhaps especially the sidewalks—that not only employed more people but affected more people, and created an infrastructure of public space. The ubiquity, the everyday marvel, of New Deal public works was itself an ideological statement: it said to Americans, the government at Washington works for you, just as you work for it.

Again, this was quite intentional; Roosevelt campaigned in 1932 on the idea that public works would not only give people jobs, but reverse the process of alienation and “help restore the close relationship with its people which is necessary to preserve our democratic form of government.”<sup>6</sup>

So there's this democratizing component to the New Deal, the sense that it needed to make democracy something vital and lived.

Second, the New Deal was also quite solicitous of local knowledge and institutions. In noting that, I'm entering a debate about the New Deal state, to argue that it was not a

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<sup>6</sup>Eric Rauchway, *Why the New Deal Matters* (New Haven: Yale University Press, 2021), 32.

top-down, high-modernist institution such as those described and critiqued in James C. Scott's *Seeing Like a State*, but rather a decentralized, and decentralizing, state.

Scott says in the introduction to that book that he used to have a chapter on the New Deal, but he had to cut it for space.<sup>7</sup> Honestly, I suspect this is a bit of a fib. I think Scott dropped his discussion of the New Deal because it didn't fit the model of the high-modernist, top-down bureaucracy he wanted to critique.

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Take for example the Tennessee Valley Authority. The TVA was not a top-down imposition on the landscape; rather, it was regionalized—headquartered in Knoxville, Tennessee—and to a degree democratized, its decision-making pushed down to local farmers' cooperatives that TVA leaders helped organize.

For every plausibly “high modernist” TVA project, like Norris Dam, there was a community like the town of Norris, with its winding footpaths and workers’ housing; the lines of the TVA were not the arbitrary impositions of a central state but the lines of the land itself—the river watershed and the contours of the valley.

Many components of the New Deal state were like this—considerate, even to a fault, of local knowledge in an effort to render their work appealing and sustainable because compatible with existing structures.

Now, as we’ve already seen in the case of the “America First” labels, solicitude of local knowledge could come into conflict with this larger commitment to a pro-democracy agenda. This was particularly true in the Tennessee Valley, which is to say the South, where Black workers were Roosevelt’s constituents and more enthusiastic about the New Deal’s liberatory potential than their segregationist white neighbors, who were

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<sup>7</sup>James C. Scott, *Seeing Like a State: How Certain Schemes to Improve the Human Condition Have Failed* (New Haven: Yale University Press, 1999), 6.

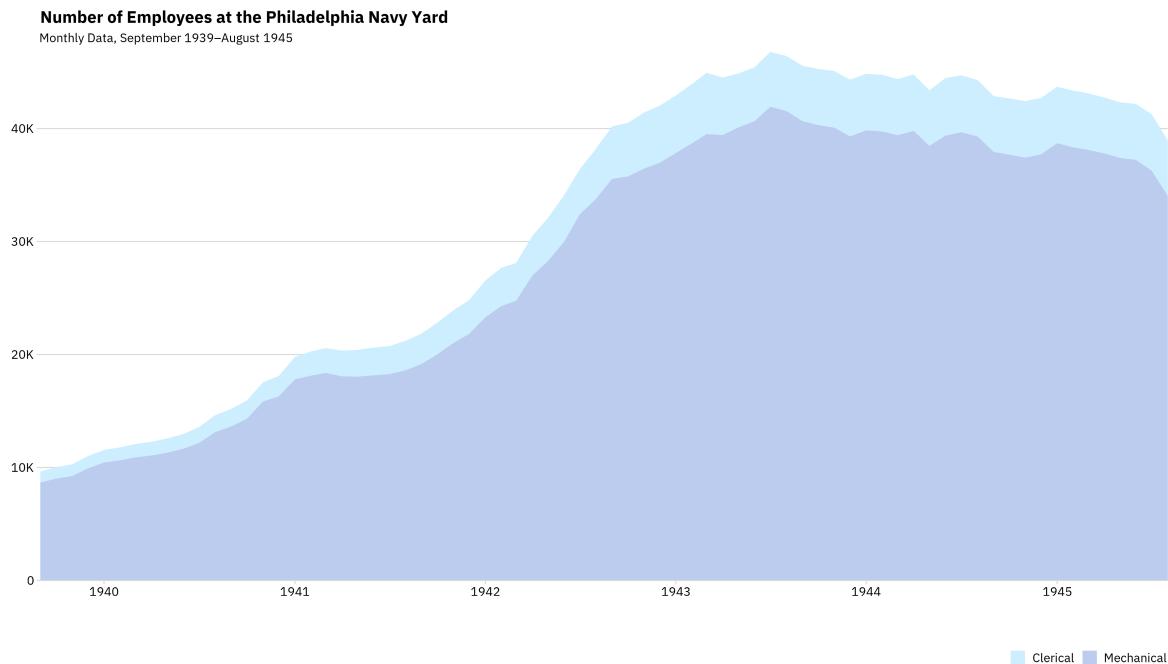
also Democrats. But the New Deal provided a framework whereby these competing impulses could be held in tension, at least for a time. During the course of the Roosevelt administration, the New Dealers were able to hold onto the votes of white southerners even while establishing the civil rights section in the justice department to bring suit on behalf of Black voting rights.<sup>8</sup>

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<sup>8</sup>See discussions of the TVA, as well as grazing and Native policies, in Rauchway, *Why the New Deal Matters*.

## A war for the New Deal



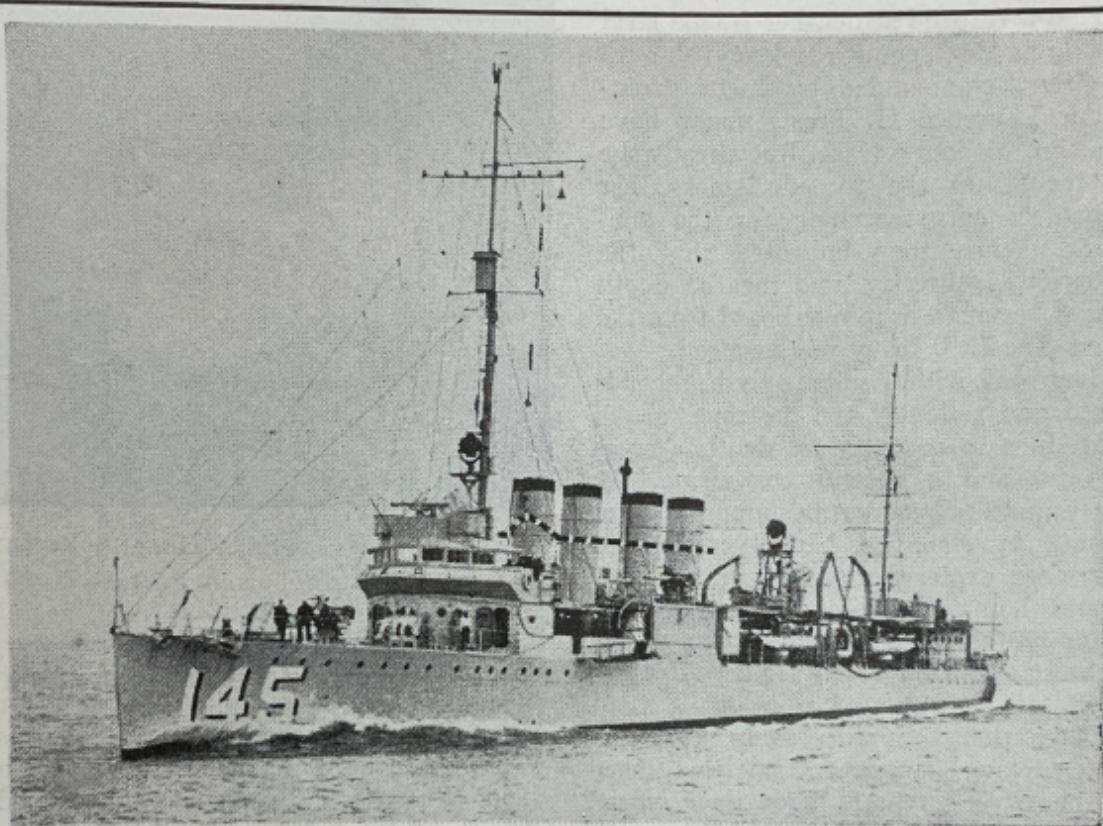


I want to conclude by indicating what my next-next book will be: a history of what I'm calling the war for the New Deal; the promotion of aid to the Allies, mainly Britain, in the years 1939–1941, within the United States; justified by persuading the American people and, increasingly, people overseas, that the war would aim not merely to stop Nazism, but to establish an international commitment to human rights; that is, that it would be a war for the New Deal. This meant not only legal and philosophical justifications for intervention, but what you might call the spreading of vernacular interventionism—that's how you get the numbers of workers ramping up here in the years 1939–1941, long before the attack on Pearl Harbor shifted the justification to retaliation. I'll be happy to talk a bit about that in the Q&A, if you'd like to ask about it.

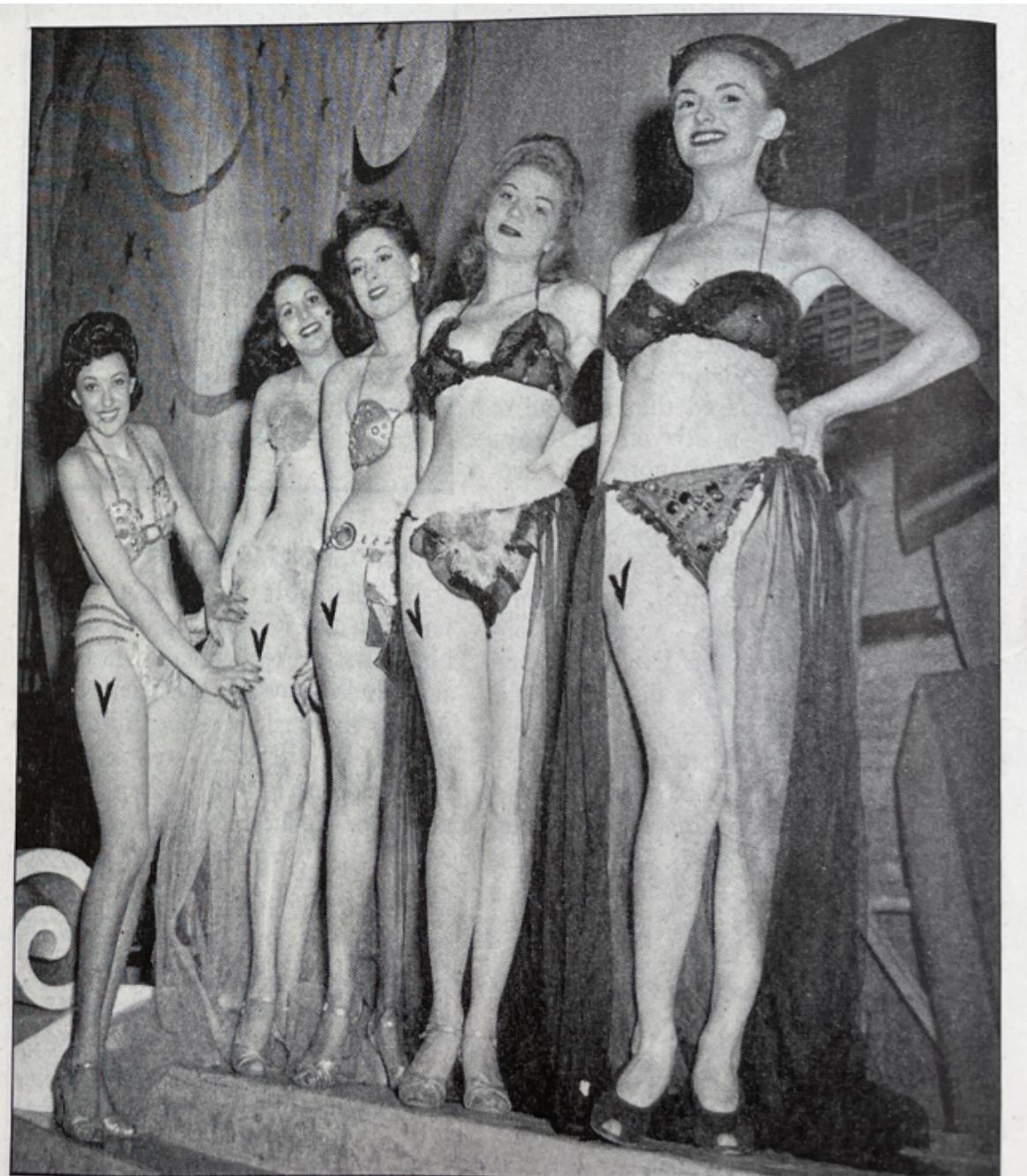
But there is where I'd like to leave it, having sketched a brief history of my history of the New Deal state, and its particular and vital character. I'm happy to take your questions on all this stuff, or indeed on anything I didn't manage to cover, like my TLS essays or other public work. Thank you.

**Fin**

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**V for “vernacular interventionism”**ASSOCIATED PRESS**WHAT THE U-BOAT DID NOT SEE**

If the German commander who attacked the *Greer* had seen her as she looks in this old picture, he might well have mistaken her for one of the 50 old destroyers the U.S. swapped with the British for bases. They were sister ships of the *Greer*. But she did not look like them—for the *Greer's* funnels have been cut down below the level of her bridge structure as the dotted line indicates. The No. 1 funnel was given a clinker screen. The World War I deck guns in the picture have been replaced by anti-aircraft guns behind splinter shields on her forward deck, and other archies replace the searchlights aft. Another reason why the U-boat would have found it hard to make a mistake: the *Greer* is painted two tones of grey, whereas British destroyers are camouflaged in brilliant patterns of white, grey and black or in bright blue and yellow.



PHONY WAR IN BOSTON  
*Mrs. Roosevelt was shocked at Nazi immorality.*

Wide World

TIME, October 27, 1941

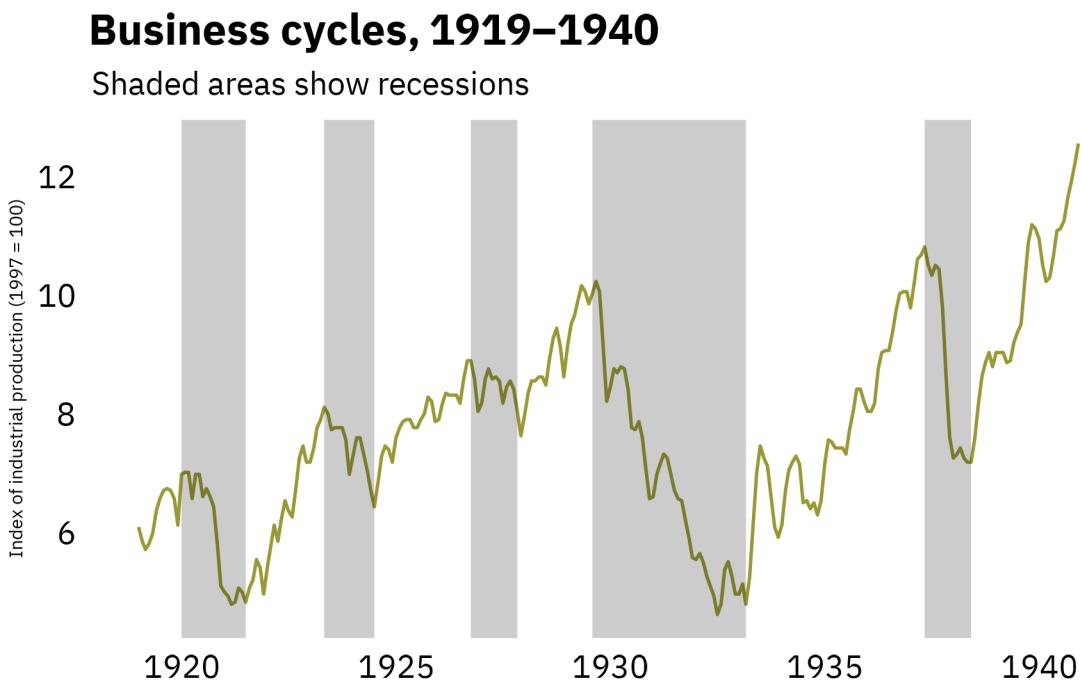
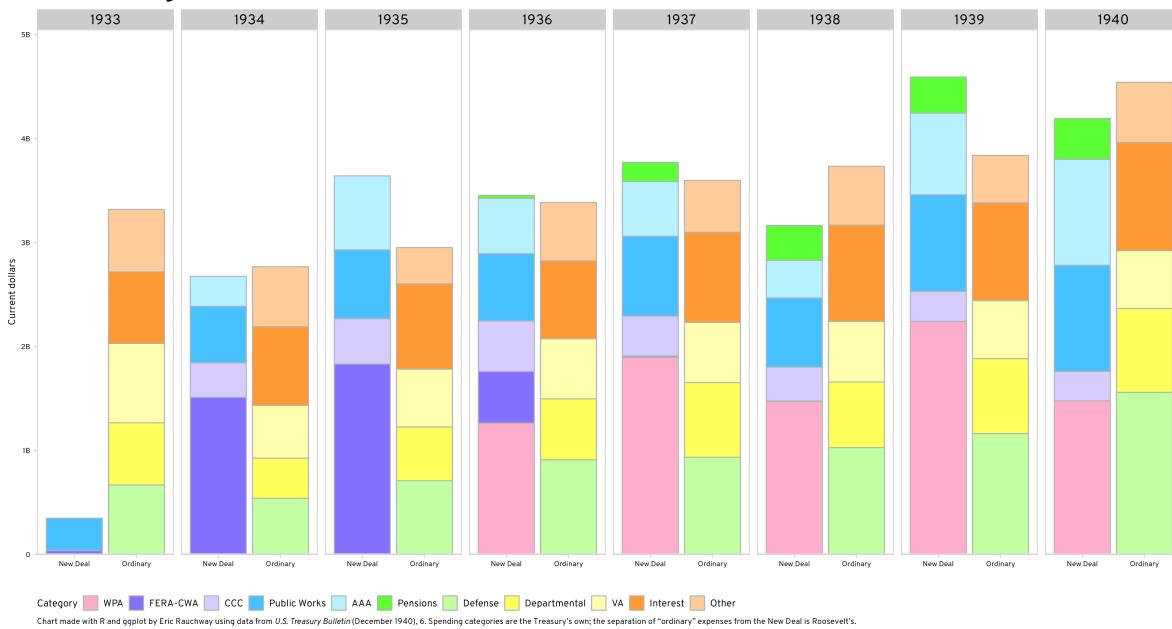
**Interwar business cycles**

Chart made using R and ggplot by Eric Rauchway with data from HSUS series Cb5-8 and Cb30.

## New Deal budget-balancing

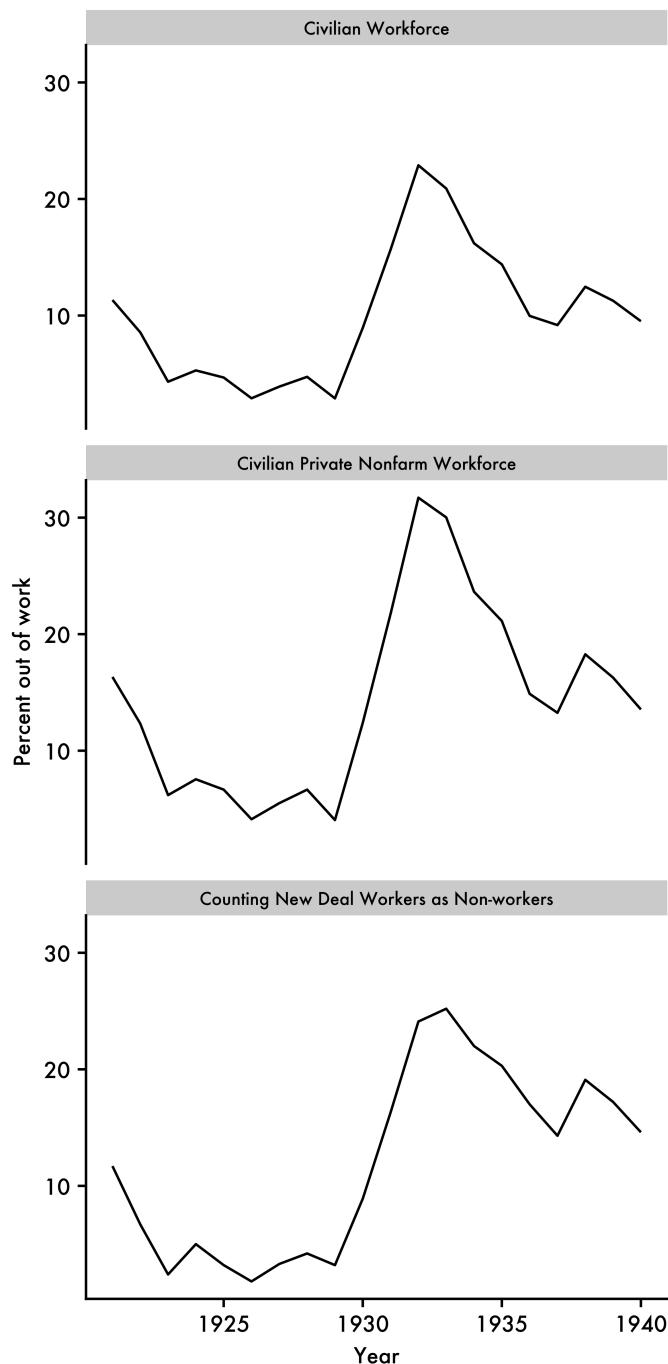
**U.S. budget, 1933–1940**





**Unemployment in the 1930s****U.S. Jobless Measures**

1921-1940



Source: HSUS series Ba475 and Ba476; Historical Statistics of the United States, Bicentennial Edition, series D9