
The Second Gold Rush: How Wartime Shipbuilding Shaped the San Francisco East Bay

Jeff Ballard

The December 7, 1941 attack on Pearl Harbor galvanized America and destroyed any illusion that the United States could remain neutral in this Second World War. At no time before, or since, has American society organized to such a degree. The American population mobilized on an unprecedented scale for a common purpose—victory over fascism in Germany, Italy, and Japan. The attack on the Hawaiian Islands brought the war to American shores and proved that the United States mainland was not beyond the reach of our enemy. The Atlantic and Pacific oceans, which had once cushioned the United States from the ever-expanding conflict, were now an obstacle to American men and material entering the fight in Europe and Asia.

Enter industrialist and construction magnate Henry J. Kaiser and his revolutionary prefabricated shipbuilding techniques; with it, Kaiser could build ships in weeks instead of years, as the task had previously taken. By 1945, Kaiser, with partner Todd-California Shipyards, had built 1,490 ships at its California, Oregon, and Washington shipyards from a budget of \$4 billion, or \$55.4 billion 2018 dollars.¹ Kaiser's manufacturing innovation coupled with vastly improved antisubmarine warfare techniques meant that in the fall of 1943, the tonnage of new ships built each month exceeded allied losses.² This feat is undoubtedly the ultimate achievement of the American war effort on the "Home Front."³

World War II was a powerful agent of geographical, economic, and social change in the San Francisco East Bay communities of Richmond and Oakland. As one of the primary shipbuilding regions in the nation, its wartime experience permanently transformed the East Bay. War migration changed the racial demographics of the East Bay making it younger, more racially diverse and, for the period under study, female-dominated. Prefabricated shipbuilding techniques shifted the demand from skilled to unskilled workers and caused a fundamental reorganization of labor unions like the colossal American Federation of Labor (AFL). Finally, the corporate welfare programs, intended to raise morale and increase wartime production, resulted in a legacy of enduring social institutions that Americans take for granted today.

Nearly 25 million Americans moved to another county or state in search of a defense job between 1940 and 1947.⁴ The West Coast cities of Seattle, San

Francisco, Los Angeles, and San Diego experienced spectacular population growth rates of 30.5, 39.9, 17.8 and 110.5 percent respectively, as a result of the prominence of military installations, shipbuilding, and aircraft production facilities located there.⁵ The 1948 Census observed that “Probably never before in the history of the United States has there been internal population movement of such magnitude as in the past seven eventful years.”⁶

Between 1940 and 1944, approximately 1.5 million people migrated to California’s Pacific coast.⁷ This influx of people in search of industrial jobs had many similarities to the “Okie Migration” that occurred in California less than a decade earlier as fictionalized by John Steinbeck’s *Grapes of Wrath*. Farmers residing in the agricultural center of California made up uncounted thousands of the early migrants, but the demand for labor was much higher.

The War Manpower Commission and private defense contractors established a network of recruiters that targeted midwestern and southern cities, with excess steel-industry labor, like Detroit, Michigan; Gary, Indiana; and Mobile, Alabama for work in their East Bay shipyards and factories.⁸ Government and industry recruiters supplied train tickets and promised jobs. They obscured the myriad of problems with an idyllic view of California living. By war’s end, Kaiser’s ventures alone had brought 37,852 workers to the East Bay, while another 60,000 came at the invitation of government and other private industry recruiters.⁹

Bay area host communities universally despised these war migrants as they overwhelmed civil services, transportation, and medical care. The housing shortage was particularly acute. Despite the construction of barracks-type company dormitories and federal government housing projects, supply did not satisfy demand. According to the National Parks Service, who maintains the Rosie the Riveter/WWII Home Front Memorial Park, “Workers arriving in these rapidly expanding urban centers were forced to find what [housing] they could. They slept in all night movie houses, shared ‘hotbeds’ [where three people used one bed, each getting an eight-hour stretch], or just camped out.”¹⁰

Thousands of war migrants returned to their homes after the jobs recruiters promised them did not live up to recruiters’ promises. Men from the South complained that the shipyards employed minorities, and this forced them to mingle with “all races, creeds, and colors.”¹¹ Amendments to the Selective Training and Service Act of 1940, which allowed for agricultural draft deferments, prompted thousands more war migrants to return to their Midwest farms and families.¹²

Despite the exodus, the San Francisco Bay Area became the second fastest growing urban center on the West Coast. War migration permanently

transformed the racial and regional composition of the East Bay.¹³ The area between the San Francisco Bay's eastern shore with San Pablo in the north and San

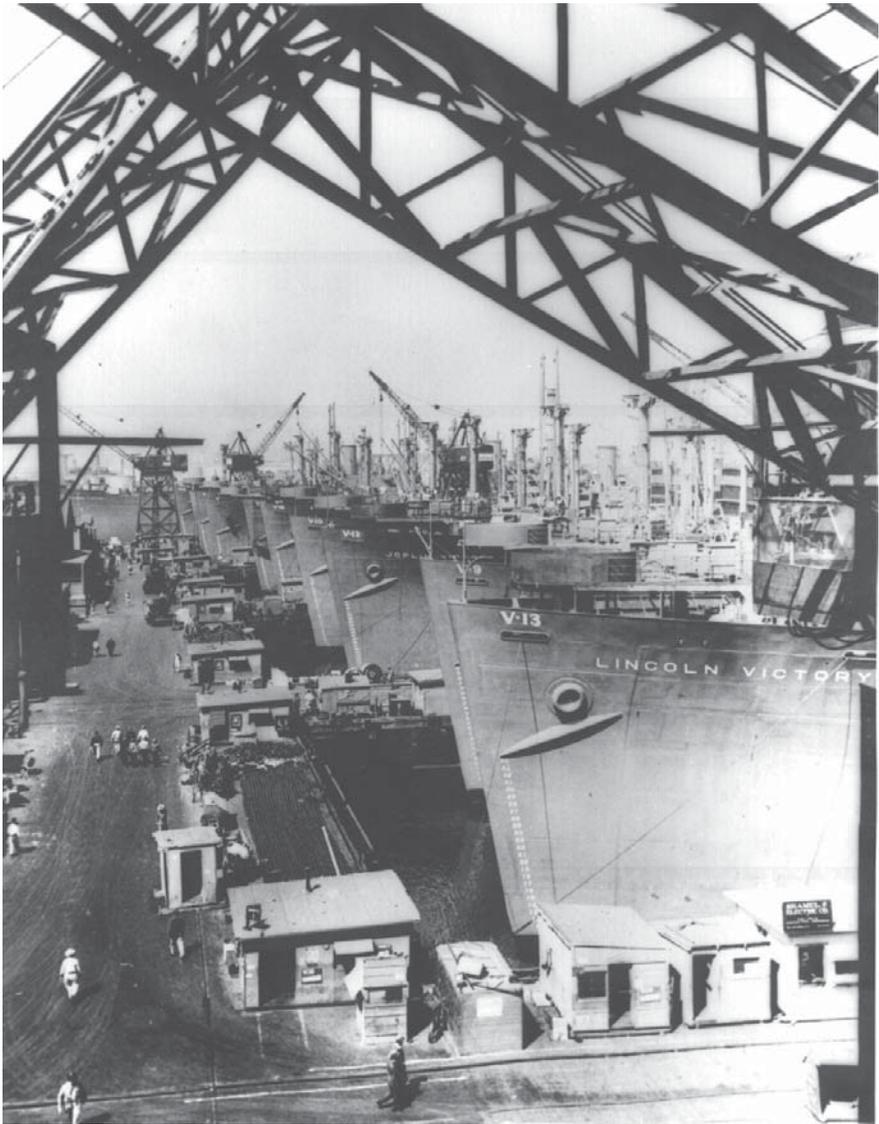


Figure 1. Victory cargo ships are lined up at a US West Coast shipyard for final outfitting before they are loaded with supplies for Navy depots and advance bases in the Pacific. National Archives ID: 520918.

Leandro in the south included the shipyard boomtowns of Richmond, Oakland, and Alameda. Richmond had been a refinery and storage facility for the Standard Oil Company but was largely marsh and pastureland. Dating to the Sierra Gold Rush of 1849, Oakland had been the dominant metropolitan area before the completion of the San Francisco to Oakland Bay Bridge in 1936.¹⁴ By war's end, Oakland would become, for all practical purposes, a Kaiser company town.¹⁵ Oakland was also home to the Moore Shipbuilding Company, second only to Kaiser, which moved from San Francisco to Oakland in 1906.¹⁶ Midway down the Pacific Coast and the terminus of three transcontinental railroads, Oakland was the logical supply and distribution point for the Pacific war basin. In 1938, the federal government selected Alameda for the site of the Naval Supply Base and Naval Air Station Alameda, the latter remaining active until 1997.¹⁷

On a broader scale, war migration to the East Bay was a microcosm of the national shift from rural counties to urban centers. From 1940 to 1947, United States farm communities lost nearly three million inhabitants or one in every eight individuals who had been living on a farm in 1940.¹⁸ The 1944 Census showed the largest number of these out-of-state migrants came from the west-south-central states of Texas, Arkansas, Oklahoma, and Louisiana.¹⁹ The second largest regional contributor was the western-north-central states of Minnesota, Iowa, Missouri, Nebraska, Kansas, and the Dakotas.²⁰

The influx of agricultural workers and Kaiser's prefabrication techniques shifted the demand from skilled to unskilled workers and caused a fundamental reorganization of local labor unions. The ship construction process was revolutionary because workers assembled huge hull sections manufactured elsewhere in the Bay Area, in California, or outside the state entirely. The railroad transported the nearly finished hulls to San Francisco's Bay Area for final welding and launching. In all, Kaiser-Todd's facilities built 821 Liberty-class, 219 Victory-class (a larger version of the Liberty ship), 50 Kaiser-class escort aircraft carriers, and other assorted ships. The output of Kaiser-Todd made them the model of shipbuilding efficiency.²¹

Almost miraculously, workers built the SS *Robert E. Peary*, a small, fast, 10,000-ton freighter of the Liberty-class at Kaiser's No. 2 Yard in four days, 15 hours and 26 minutes.²² Fourteen days from the laying of the keel, the *Peary* sailed under the Golden Gate Bridge with a full load of war supplies bound for the Pacific.²³ In total, Kaiser constructed 747 ships at his four Richmond shipyards.²⁴ By 1945, Kaiser-Todd had built 30 percent of America's wartime shipping at its combined yards.

Nevertheless, there existed a long tradition of shipbuilding in the Bay

Area. During World War I, Oakland received the moniker “Glasgow of the West.” Moore’s Shipbuilding Company employed thousands of highly skilled Scottish shipwrights in the construction of 30 warships between 1917 and 1920. This effort consolidated the strength of unions like the American Federation of Labor’s Brotherhood of Boilermakers, Brotherhood of Carpenters and Shipwrights, and the International Association of Machinists and Aircraft Workers.²⁵ The traditionally exclusive and conservative AFL craft unions initially opposed Kaiser’s mass production techniques, arguing that prefabrication “de-skilled” workers in the shipbuilding trades.²⁶ These unions further argued that tens of thousands of ship fitters, welders, burners, riggers, and so on, eroded the traditional Apprenticeship and



Figure 2. A view of the offices of the auxiliary Boilermakers A-36 Union, a segregated union hall for African American shipyard workers in Richmond, California. Photograph by E. F. Joseph, RORI 686, National Park Service.

Journeyman system.

When FDR’s “Emergency Shipbuilding Program Act” was approved (3 January 1941) requiring prefabrication shipbuilding methods, however, the unions cooperated, at least outwardly. Eventually, the Brotherhood of Boilermakers represented 65-70 percent of all West Coast shipyard workers. Membership in several East Bay Locals exceeded 35,000 and some Locals conducted three initiations a day admitting between 200 and 300 members at a time. The

Boilermakers Union expanded from 28,609 in 1938 to 352,000 in 1943.²⁷ Despite this juxtaposition, labor unrest and racial bigotry in the workplace were a disappointing feature of the war on the Home Front and clouded its positive accomplishments.

Corporate welfare programs, intended to raise morale and increase wartime production, resulted in enduring social institutions Americans take for granted today. For example, women and minorities in industrial jobs, employer-subsidized healthcare, and daycare for children of working mothers are enduring legacies of all East Bay shipbuilding. With the Selective Training and Service Act of 1940 and the subsequent draft of millions of Caucasian American males into the armed services, the traditional labor pool for heavy industry began to shrink. As such, women and minorities played a significant and nationally recognized role in jobs previously denied them.

Kaiser employed the largest number of women and minorities, in shifts running around the clock. Company statistics showed that, on average, during the war years from 1940-1944, for every one hundred male workers Kaiser employed, there were ninety-four female employees.²⁸ America recognized women working in the war industry collectively as “Rosie the Riveter.” Recognized as shipbuilders in the Bay Area, Rosies filled jobs in all facets of arms production in America’s “Arsenal of Democracy.” Rosie was not a single person, but many thousands of women of different races and very different from her portrayal by propagandists as a white, middle-class and urban woman. In fact, many women left the rural countryside and migrated to urban areas to take jobs in factories.

Most of these women had never worked outside of their homes and farms or worked for wages before. Being primarily from agricultural regions in Louisiana, Texas, Arkansas, and Oklahoma, these war migrants were mostly African American. Shipyard records show that 80 percent of the non-white workforce were blacks from the South.²⁹ Several decades before the era of civil rights, Rosie and her male minority co-workers found themselves united against oppression abroad but forced to deal with their country’s hypocrisy at home. In addition to day-to-day prejudice and bigotry in the workplace, they had to deal with unequal pay and working conditions. During the war, there were labor strikes, sit-down work stoppages, and organized protests, some of which led to better conditions for many workers. Nevertheless, minorities received little union support or benefits after having been shunted off into “auxiliary” unions like the Independent Welder, Burners and Helpers Union.

Henry Kaiser was President Roosevelt’s model of a “New Deal” entrepreneur. Kaiser believed every worker should have access to prepaid medical

insurance and this is his most enduring legacy. Until the invasion of Normandy, industrial accidents killed more Home Front workers than soldiers in combat.³⁰ According to National Parks Service literature, “Kaiser realized that only a healthy workforce could meet the deadlines and construction needs of wartime America.”³¹

He began offering medical insurance to his employees three decades earlier when Kaiser construction crews built the Los Angeles Aqueduct across the Mojave Desert, where there was no access to medical care. Kaiser established a clinic for his workers and paid the salaries of the doctors by deducting 50 cents from every worker’s weekly paycheck. For many workers, this was the first time they had ever seen a doctor. When an influenza and pneumonia epidemic broke out in the East Bay, he established the Permanente Health Plan in 1942.³² The plan instituted a revolutionary idea, pre-paid medical care for workers, which, after the war was expanded to include their families as well. Today, Kaiser’s industrial empire has disappeared, except for Kaiser Permanente, which is among the nation’s largest and most influential health maintenance organizations.³³

In addition to health care for his workers, Kaiser also instituted childcare, which became a significant issue as Richmond’s population quadrupled from 24,000 to 100,000 between 1941 and 1944.³⁴ This growth quickly overwhelmed Richmond’s housing, roads, community services and, for the first time in the nation’s history, its childcare organizations. Newspaper articles about child abuse and neglect by defense-worker parents expressed growing anxiety about the new role of working parents.³⁵ Local authorities refused to take responsibility for childcare because they were afraid that it would become their permanent function.³⁶ Frustrated by the lack of local programs, Kaiser, with the help of the federal government, established day care centers for his workers.

The Maritime Commission developed the Ruth Powers Child Development Centers staffed by child welfare experts from the University of California at Berkeley.³⁷ The centers were revolutionary in that they provided 24-hour service. Notices on breakroom bulletin boards, company newsletters, and the local newspaper trumpeted these centers and their convenient locations near the shipyards. Between 1943 and 1944, more than 700 children participated in the program that included well-balanced hot meals, healthcare, and optional family counseling.³⁸ Although the Ruth Powers Center fulfilled a wartime need and closed before war’s end, its legacy lives on in the hundreds of day-care centers and preschools operating in the East Bay today.

World War II was the driving force of geographic, economic, and social restructuring of the East Bay in the twentieth century. War mobilization created new defense industries with massive labor requirements that the pre-war natives of

the Bay Area could not fill. Industrialists looked to the rural and urban areas of the upper Midwest and South as a source of unskilled labor. The unprecedented movement of war migrants, primarily women and minorities, to the East Bay, permanently changed the racial and cultural make-up of the area. The prefabrication manufacturing techniques of Henry Kaiser initially opposed by the conservative craft unions ultimately magnified their membership in such a way that the unions realized political influence on the national level. Meanwhile, attempts by the defense industry to improve morale and boost wartime production resulted in corporate welfare initiatives that American families depend upon today. These are the enduring legacies of shipbuilding during World War II not only in the San Francisco East Bay but of the United States as a whole.

Notes

1. Kevin Starr, *Embattled Dreams: California in War and Peace, 1940-1950* (New York: Oxford University Press, 2003), 146.
2. "The Liberty Ships of World War Two," *The MAST Magazine* (October 1944), republished in USN Armed Guard WWII Veterans, *The Pointer* (August 1998): 2.
3. *Ibid.*, 2.
4. Marilyn S. Johnson, *Oakland and the East Bay in World War II* (Berkeley: University of California Press, 1996), 2.
5. *Ibid.*, 8.
6. *Ibid.*, 2.
7. *Ibid.*, 8.
8. *Ibid.*, 48.
9. *Ibid.*, 41.
10. Department of Interior, *The Rosie the Riveter / WWII Home Front National Historical Park: Self-Guided Auto Tour*, National Parks Service (Washington DC, 2010), 3.
11. Johnson, 41.
12. *Ibid.*, 45.
13. *Ibid.*, 4.

14. Ibid., 8.
15. Starr, 145.
16. Johnson, 18.
17. Ibid., 18.
18. Ibid., 6.
19. Ibid., 41-42.
20. Ibid., 42.
21. "Liberty Ships," 2.
22. Starr, 146.
23. "Liberty Ships," 3.
24. Starr, 147.
25. Ibid., 18.
26. Ibid., 68.
27. Ibid., 69.
28. Ibid., 33.
29. Ibid., 52.
30. "Liberty Ships," 17.
31. Department of Interior, 5.
32. Johnson, 79.
33. Ibid., 193-194.
34. Ibid., 10.
35. Ibid., 125.
36. Ibid., 126.
37. Ibid., 127.

Bibliography

- Department of Interior. *The Rosie the Riveter / WWII Home Front National Historical Park: Self-Guided Auto Tour*. National Parks Service. Washington DC, 2010.
- Johnson, Marilyn S. *Oakland and the East Bay in World War II*. Berkeley: University of California Press, 1996.
- Starr, Kevin. *Embattled Dreams: California in War and Peace, 1940-1950*. New York: Oxford University Press, 2003.
- “The Liberty Ships of World War Two,” *The MAST Magazine* (October 1944), republished in USN Armed Guard WWII Veterans, *The Pointer* (August 1998): 2-17.