

The Air Mail Fiasco

In the winter of 1934, FDR canceled the contracts with the airlines and told the Air Corps to deliver the mail.

By John T. Correll

Us air mail operations began with the Army Air Service, which flew a regular route between New York and Washington as a demonstration for three months in 1918. Post Office pilots and airplanes then took over, built the air mail into a nationwide network, and serviced it for the next nine years.

The first mail airplanes were mostly war surplus de Havilland DH-4s. They had no radios, no navigation aids, and no instruments. The pilots flew by dead reckoning. It was dangerous work. Of the first 40 Post Office pilots, three died in crashes in 1919 and nine more were killed in 1920.

For several years, the air mail operated only in daytime. The airplanes landed at dark and transferred the mail to trains for the next leg of the route. It was loaded again onto airplanes the following morning.

Both safety and operational capability improved with time. In 1922, Post Office pilots went an entire year without a fatal accident. Night flying became routine, made possible not only by instruments in the airplanes but also by ground beacons and lighted emergency landing fields along the way. Regular transcontinental service was established in 1924.

In 1925, however, Congress decided to turn air mail operations over to private contractors to encourage commercial aviation. By 1927, they had taken over completely from the Post Office pilots.

Some of these commercial carriers called themselves airlines, but for most of them, that was stretching it. They had little interest in carrying passengers and made little provision for it. They seldom bothered to install seats on their airplanes.

Air mail and freight paid better. "In 1926, airlines were paid three dollars per pound for flying the mail a thousand miles," said historian Oliver E. Allen. "To take in as much for carrying a 150-pound passenger as for hauling an equivalent weight in air mail, a line would have had to charge a prohibitive \$450 per ticket."

Subsidies exceeded the postage on the letters. One carrier flooded the system with Christmas cards, which cost him nine cents each, including postage, but returned 18 cents each to the airline in revenue. Another carrier shipped a cast iron stove as air mail.



AP photo

At left, an O-19 flies over the Columbia River on a mail flight. Here, President Roosevelt delivers his first fireside chat to the nation in March 1933. A year later, he was in the hot seat over the air mail situation.

There were about 45 of these airline companies, most of them small and undercapitalized, flying short routes and disinclined or unable to grow or invest in new equipment. The emergence of a true airline industry from this jumble was largely the work of one man, Walter Folger Brown, appointed postmaster general when the Hoover Administration came to office in 1929. Brown was convinced that he could use air mail contracts to stimulate the growth of a stable and efficient airline industry.

To aid in this purpose, Brown drafted legislation that Congress adopted as the Air Mail Act of 1930. It established new rules that favored big carriers that flew larger airplanes. The basis of payment was changed from cents per pound per mile to the amount of space available for carrying mail, whether the air mail filled that space or not. That cut off the junk mail profiteering and, as intended, led to the purchase of larger airplanes and expanded passenger service. The act also gave the postmaster general near-dictatorial powers to bypass low bids and force consolidations and mergers.

Brown called the large operators to a series of meetings (later called “secret spoils conferences”) at which the air mail routes were divided up. There were 27 air mail contracts and 24 of

them went to airlines controlled by three big holding companies. The New York to Washington run was awarded to Eastern Air Transport (later Eastern Airlines), although its bid was three times that of a smaller line.

An Investigation

The conferences were not altogether secret. The Post Office put out a press release about them. Even so, there was little public understanding of the details or the scope of the change that had taken place.

Brown’s plan succeeded splendidly. The big airlines grew and prospered.

Shaky small operations were swallowed up or went out of business. The cost per mile for air mail decreased from \$1.10 in 1929 to 54 cents in 1933.

The Democrats won the 1932 elections by a landslide and the complaints of the small airline contractors began to get attention. In September 1933, Sen. Hugo L. Black (D-Ala.) and a special Senate committee launched an investigation of the air mail contracts. Black, a future justice of the Supreme Court, was a strong political ally of the new President, Franklin D. Roosevelt.

Black soon uncovered evidence pointing to “fraud and collusion” by the Hoover Administration and the contractors. The hearings made headlines daily in early 1934 with accounts of small bidders frozen out of the competition, lost and missing documents, overcharges, and other unsavory doings. Much of what Black accused the airlines of doing was undeniably true, but 1934 was also an election year and the Republicans had been caught red-handed in a scandal, or so it seemed.

The investigation took a melodramatic turn when Black charged William P. MacCracken Jr.—formerly assistant secretary of commerce and the man who had presided over the spoils conferences—with contempt of the Senate. In 1934, MacCracken was a lawyer for the airlines. He not only refused to answer questions but also permitted his clients to remove papers from his files. The Senate ruled that he was a lobbyist. With Black acting as prosecutor, the Senate voted to convict MacCracken for contempt and he was sentenced to 10 days in jail. He strung out the case on appeals but eventually served his sentence.



Walter Brown was appointed postmaster general in 1929 by the Hoover Administration.



Maj. Gen. Benjamin Foulois, Chief of the Air Corps in 1934, assured Harllee Branch that the Air Corps could be ready to carry the air mail in a matter of a week to 10 days.

Black discussed the scandal with Roosevelt as did the new postmaster general, James A. Farley. Administration insiders proposed the cancellation of the improperly awarded air mail contracts. At a cabinet meeting on the morning of Feb. 9, Secretary of War George H. Dern said the Army Air Corps would carry the mail if directed to do so. Dern gave that assurance without consulting either the Chief of Staff, Gen. Douglas MacArthur, or the Chief of the Air Corps, Maj. Gen. Benjamin D. Foulois.

Events moved quickly after the Cabinet meeting. At 11 a.m., Harllee Branch, the second assistant postmaster general, called for Foulois to come to a meeting, which lasted from noon to about 3 p.m. Branch asked whether the Air Corps could carry the mail. Foulois, who had been reading the newspapers, knew the question was related to the scandal.

In later years, questions would arise about exactly what Foulois said. By some accounts, he asked for four to six weeks to prepare if the Air Corps was ordered to carry the mail. What Foulois actually said—according to his own autobiography—when Branch asked him how much time he needed to get ready was, “I think we could be ready in about a week or 10 days.”

Foulois acknowledged that he had “answered casually.” He said he had not

understood, when Branch asked how much time would be needed, that he meant “from that moment on.” Foulois returned to his office and told his staff to start working up a contingency plan to carry the air mail.

As the day wore on, Foulois realized he had better notify the Chief of Staff of the overtures from the Post Office. However, MacArthur found Foulois before Foulois found him, and the Chief was not happy. He had just learned from a news reporter that the Army Air Corps was going to fly the mail.

The White House had announced, about 4 p.m., that an executive order, signed by Roosevelt, directed Postmaster General Farley to annul all domestic air mail contracts. During “the present emergency,” the War Department would take over the air mail routes. Farley said the contracts were canceled as of midnight on Feb. 19—which gave Foulois the full “week or 10 days” he said he would need.

Thus the White House and the Air Corps leapt off into what would be remembered in history as “the Air Mail Fiasco.”

Dark Nights, Bad Weather

The airlines had flown the mail in modern passenger airplanes equipped with the latest flight instruments and radios. Most of the flying was at night. There were 26 air mail routes, covering 25,000 miles of airways.

The Army Air Corps Mail Operation (AACMO) was a reduced operation, cutting back to 17 routes and 11,000 miles of airways. Nevertheless, the problems and risks were formidable. The Air Corps had about 1,500 airplanes, but nearly a third of them were trainers or special purpose aircraft. Most of the others were light, maneuverable airplanes built for combat in daylight and good weather.

Most of the 250 Army pilots assigned to AACMO were lieutenants with less than two years of flying experience. Although the air mail would be transported mainly at night, only 31 of the pilots had more than 50 hours of nighttime flying.

Among those expressing concern was humorist Will Rogers, a noted aviation enthusiast. “You are going to lose some fine boys in these Army fliers who are marvelously trained in their line but not in night cross-country flying in rain or snow,” he said Feb. 11 in the *Kansas City Star*. “I trust an

airline, for I know that the pilot has flown that course hundreds of times. Neither could the airline pilots do the Army flier’s close formation work.”

In his testimony to the House Post Office Committee Feb. 14, Foulois was enthusiastic and optimistic. “We have assigned to this work the most experienced pilots in the Army Air Service,” he said. “We have had a great deal of experience in flying at night, and in flying in fogs and bad weather, in blind flying, and in flying under all other conditions. We have not had the actual experience of flying over these scheduled routes, but we feel that after three or four days of preliminary flying over those routes, we shall experience no difficulty in maintaining the regular schedules.”

His statement defies explanation. As airpower historian DeWitt Copp said in *A Few Great Captains*, “It just wasn’t so, and later suggestions that Foulois’ commanders had misinformed him couldn’t stand scrutiny.”

Foulois had a different recollection in his autobiography. “Very few of our pilots had extensive instrument and night-flying experience,” he said. “We did not have the latest instruments, and not very many of our planes had landing, navigation, or cockpit lights. The techniques of flying the newly developed radio beams were developed by the airline pilots and our pilots were not very adept at using them.”

Bettsman/Corbis photo



Brig. Gen. Oscar Westover was placed in command of the AACMO. He would die in an airplane crash in 1938.

Two days after Foulois testified, three air mail pilots were killed in two training flight crashes in Utah and Idaho. Neither of the fatal flights was carrying mail.

Brig. Gen. Oscar Westover was placed in command of AACMO, which was divided into three zones. The Eastern zone was headed by Maj. Byron Q. Jones, the Central zone (from Chicago to Cheyenne, Wyo.) by Lt. Col. Horace M. Hickam, and the Western zone by Lt. Col. H.H. "Hap" Arnold.

One of Arnold's squadron commanders was Capt. Ira C. Eaker, in charge of the route from San Diego to Los Angeles to Salt Lake City. "Naturally I did not ask Colonel Arnold any foolish questions like what planes and pilots I would use and where the money would come from," Eaker said. "I had a squadron with 18 fighter pilots and 18 P-12 airplanes."

To fly the air mail, the Air Corps used 14 types of aircraft, the majority of them open-cockpit biplanes. It was soon clear that the P-12 pursuit fighters were not suitable for the task. They could carry only 50 pounds of mail in a box built into the baggage compartment, and the mail load made them tail heavy. They were dangerous to fly at night and in bad weather and were withdrawn from the mail routes after the first week.

The P-12s were replaced by O-38 observation biplanes borrowed from the National Guard. The O-38s and O-25 biplanes were the workhorses for the operation in all three zones. Their rear cockpits were rebuilt to carry 160 pounds of mail, and while they were not ideal for the task, they were better than most of the other choices.

The old B-6 Keystone bomber could carry 1,100 pounds, but it was so slow that a fast train could outrun it if there was a strong headwind. The low windshield did not give much protection to the pilots in the open cockpit in cold weather.

The best Army mail airplanes by far were the A-12 attack aircraft and the YB-10 bombers. The A-12 was an open-cockpit monoplane that carried 400 pounds of mail. The YB-10 was a twin-engine monoplane with a closed cockpit and retractable landing gear. It could carry up to 2,000 pounds of mail. These airplanes, however, were brand new and the Army had only begun taking deliveries of them.

Foulois ordered a crash program to install a directional gyro, an artificial



An air mail pilot takes an envelope before taking off on a mail run from March Field, Calif.

horizon, and a radio in each mail airplane. However, the Army mechanics had no experience with radios or instruments. They frequently placed compasses in places where the pilots could not see them, and instruments were hastily mounted on panels where shock and vibration made them inaccurate.

Tragic and Maddening

"Army aviators, with only limited bad-weather flying experience, were not about to trust their fate to some new-fangled gauges," said historian John F. Shiner. "Instead, they tended to rely on the seat of their pants when they encountered bad weather, or they tried to go low, beneath the clouds."

The AACMO flights were scheduled to begin in Newark, N.J., on the afternoon of Monday, Feb. 19, but on Sunday afternoon, a blizzard moved east from the Rocky Mountains. It arrived in Newark around 3 p.m. and mail flights from there were canceled. The first flight departed instead from Kansas City, Mo., with 39 pounds of mail for St. Louis.

Nine inches of snow accumulated in New York City, and New England had 15 inches. Despite numerous cancellations for weather, especially in the East, many of the flights got through. The initial loads were much heavier than expected because of the number of stamp collectors who wanted a letter on the historic first run.

Two air mail airplanes crashed on

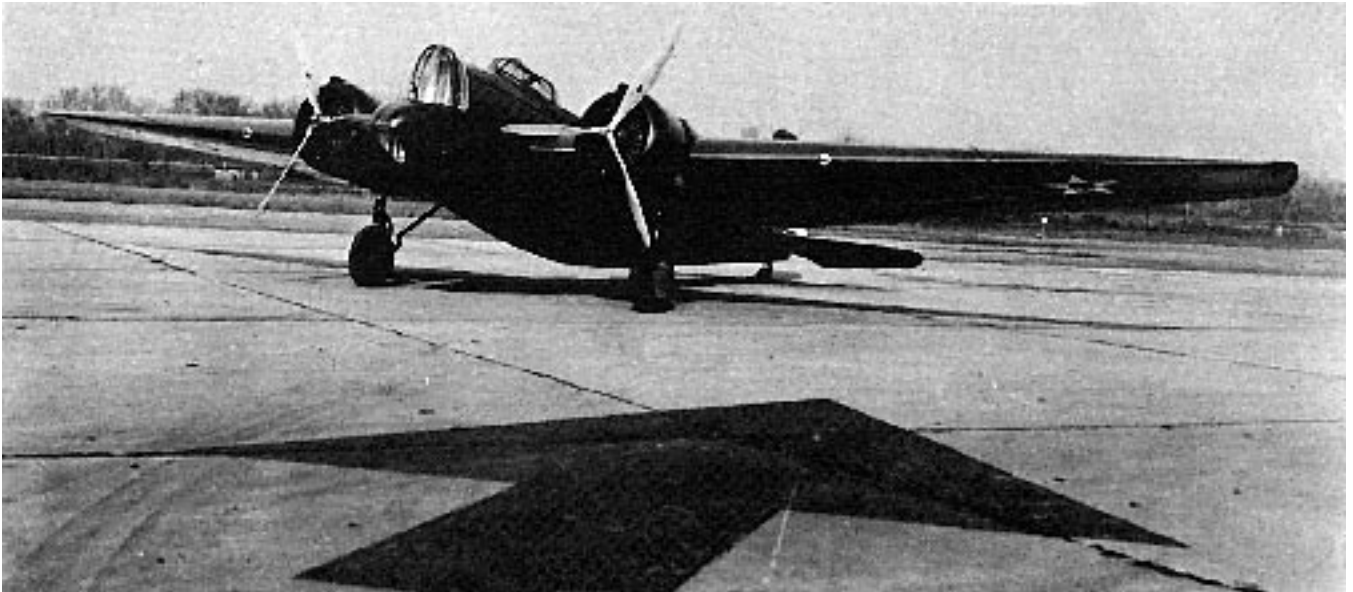
Feb. 22, killing the pilots. The next day, an OA-4A amphibian aircraft, ferrying mail pilots, went down off the New York coast and a passenger drowned.

A second blizzard moved in on the tail of the first, with snow drifting to 50 feet in parts of Maine. "The bad weather showed no sign of letting up, and neither did our casualties," Hap Arnold said. "It was tragic and it was maddening. Ten days after the Army started carrying the mail, the whole country was angry."

The operation was further hampered by lack of support from Congress and other government agencies, including the War Department. The Post Office had agreed to transfer \$800,000 to the Air Corps to cover costs, but Attorney General Homer S. Cummings ruled that this was not permissible without approval from Congress. The Air Corps obtained \$300,000 from War Department emergency reserve funds, but that was far short of the amount required.

There was no money to pay \$5 per diem to pilots and mechanics who had to live on the local economy along the mail routes. The enlisted men slept in hangars and got by on loans and assistance from officers and townspeople. Ira Eaker borrowed \$750 and spread it around in small sums as needed to his airmen. The Air Corps got almost no help from the Army in obtaining relief.

A bill to fund AACMO passed the House Feb. 24, but the Senate dithered



The Martin YB-10, such as the one shown here, was a twin-engine monoplane with an enclosed cockpit. It could carry up to a ton of mail.

on action for another four weeks, preferring to spend the time making speeches and exploiting the situation for political purposes.

Some parts of the Air Corps were unhelpful as well. When pilots asked for thermometers so they could determine when ice was likely to form on the wings of their airplanes, the Materiel Division said that procurement would take two months.

There were dozens of crashes, and March 9 was a particularly bad day. Four air mail crew members—three pilots and a mechanic—were killed in crashes in Ohio, Florida, and Wyoming. That raised the AACMO death toll to 10. Roosevelt and the Air Corps were under fire for the recurring mishaps.

After the first losses in February, Eddie Rickenbacker, America's "Ace of Aces" in World War I, had told the press that the deaths had been "legalized murder" and that there would be more fatal accidents. In March, the nation's most renowned aviator, Charles A. Lindbergh, said that using the Air Corps to carry the mail was "unwarranted and contrary to American principles."

Their criticism carried weight, even though Rickenbacker was vice president of one of the three big holding companies that had lost air mail business in the cancellation and Lindbergh was a paid consultant to two airlines.

Billy Mitchell, hero of the Air Corps, chimed in as well. "The Army has lost the art of flying," he said. "It can't fly. If any Army aviator can't fly a mail route in any sort of weather, what would we do in a war?"

The news media and Republicans in Congress joined the outcry. "The story of the air mail will be written in blood on the record of the Roosevelt Administration," said Rep. Edith N. Rogers (R-Mass.).

Pointing Blame

The Air Corps accidents were headline news, but hardly anyone noticed several airline crashes. On Feb. 23, a United Airlines airplane crashed near Salt Lake City, killing eight persons. About the same time that four AACMO airmen died in the accidents on March 9, an American Airlines airplane also crashed, also killing four.

Even less noticed in all the outrage was that in spite of the weather, the unsuitable airplanes, and the lack of experience, the Air Corps was successfully delivering most of the air mail.

The Air Mail scandal had reversed course and now FDR was in the hot seat. He summoned MacArthur and Foulois to a meeting at the White House on March 10 and expressed his dissatisfaction.

"For the next 10 minutes, MacArthur and I received a tongue-lashing which I put down in my book as the worst I ever received in all my military service," Foulois said. "There was no doubt that what bothered Roosevelt the most was the severe criticism his Administration was getting over the contract cancellation. He did not seem genuinely concerned or even interested in the difficulties the Air Corps was having."

The White House staff tried to get

MacArthur to say he had personally guaranteed FDR that the Air Corps was capable of carrying the mail, but MacArthur refused to play along. Nevertheless, FDR said later in the day in a letter to Secretary of War Dern that he had made the AACMO decision "on the definite assurance given me that the Army Air Corps could carry the mail."

"To lessen the attacks on Roosevelt and Farley, Democratic leaders in both houses of Congress and Post Office officials placed the blame for all that had gone wrong on the shoulders of Foulois," said Norman E. Borden Jr., author of *Air Mail Emergency 1934*.

Roosevelt told Dern the Air Corps should not carry the mail "except on such routes, under such weather conditions, and under such equipment and personnel conditions as will insure, as far as the utmost human care can provide, against constant recurrence of fatal accidents." Dern left the decision up to Foulois but told him the blame would fall on him if there were more accidents.

On March 10, Foulois suspended the air mail operation for 10 days and ordered all of the aircraft and instruments to be checked thoroughly. Pilots with less than two years of experience were removed from AACMO duty. The suspension served no purpose except to create a political smoke screen. The pilots resented it as well as the assumptions about their competency that lay behind it.

Operations resumed on March 19, reduced to eight routes from the previ-

ous 17, and covering 7,049 miles of airways instead of 11,000. A ninth route was added April 8. There were two more fatal accidents in March, but the Air Corps had gained proficiency in flying the mail. The operation stabilized and deliveries became routine.

Roosevelt and Farley saw no choice except to go back to the airlines, and in April, the Post Office opened the contracts to competitive bidding. The carriers whose contracts were canceled were not allowed to participate, but they got around that by modifying their names.

American Airways became American Airlines. Eastern Air Transport became Eastern Airlines. Transcontinental and Western Air added "Inc." to its name. No change was needed for United Airlines because the previous contracts had been with United's subsidiaries.

On May 3, Farley awarded three-month temporary contracts, later extending them for a full year. Some newcomers, notably Braniff and Delta, won contracts, but the big airlines again got most of the business. All of the AACMO routes except one—the run between Chicago and Fargo, N.D.—were shut down by May 17, and the Air Corps flew its last mail pouch on June 1.

Later in June, Congress adopted the Air Mail Act of 1934, engineered by Hugo Black. Its main provision broke up the aviation holding companies and made bidding for contracts more competitive. With air mail revenue less certain than before, the airlines put new emphasis on carrying passengers.

Several of the airlines, feeling they had been treated unjustly, sued the government. The last lawsuit was settled in 1942 when the government agreed to pay the airlines for the revenue they missed during the weeks when the Air Corps carried the mail. In 1941, the US Court of Claims found that there had been no fraud in how the Post Office had awarded the contracts in 1930. The creation of the modern airline industry is credited largely to Walter Folger Brown and his restructuring of the air mail contracts and incentives.

The bottom line for AACMO was 13,000 hours of flying time, 1.5 million miles flown, and 777,000 pounds of mail carried. The completion rate for scheduled flights was only 65.8 percent, but as historian Copp noted, the Air Corps pilots "could claim, unlike the civilian carriers, that they didn't lose a single letter."



Members of the Baker Board in 1934 included Maj. Gen. Benjamin Foulois (seated, far left); George Dern, Secretary of War (seated, fourth from left); and Jimmy Doolittle (standing, second from left).

There had been 66 crashes and 12 fatalities during the operation, but that must be interpreted in the context of the 1930s, when flying still involved considerable risk. In 1934, the Air Corps had a total of 54 deaths from flying accidents, including the 12 from AACMO. That did not differ vastly from the 46 deaths in 1933 or the 47 in 1935.

Lessons Learned

Will Rogers, who had expressed early concern about the safety of the air mail operation, died himself in 1935 in the crash near Point Barrow, Alaska, of a small airplane flown by his friend, Wiley Post. Oscar Westover, who commanded AACMO and succeeded Foulois as Chief of the Air Corps, died in a crash when trying to land an AT-17 in a crosswind in 1938.

In April 1934, before the air mail operation ended, Secretary of War Dern convened a board, chaired by Newton D. Baker, the former Secretary of War, to examine the problems of the Air Corps. It was the 15th board in 16 years to undertake that question. Dern told the members that their group had been appointed as a result of the accusations about AACMO.

The Baker Board recommended additional aircraft and personnel for the Air Corps and more training time,

especially in flying at night and on instruments. It also endorsed the idea of a GHQ (General Headquarters) Air Force that would combine flying units into a single command for cohesive operations not tied directly to ground operations. The GHQ Air Force was organized in 1935, a big step toward an independent Air Force.

The personal fortunes of Benny Foulois declined further. Already in the bad graces of the White House and the War Department, he soon managed to alienate Congress as well. He finished his tour as Air Corps Chief without high-level allies or support and when he retired in 1935, there was no official farewell to mark his departure.

The Air Corps learned from the weaknesses exposed by the air mail operation. The old attitudes that assumed flying in daytime and good weather gave way to approaches that made use of instruments and radio communications. AACMO deficiencies alerted the nation to the needs of the Air Corps for better aircraft and equipment, and within a short time, the open-cockpit biplanes were rendered obsolete by a new generation of fighters and bombers. The Air Corps that entered World War II was an entirely different force than the one that had been ordered to carry the air mail seven years before. ■

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