



---

*The Influences of Frances Perkins on the  
National Labor Relations Act and the  
Social Security Act*

---

Rense Steijns

s1045781

Supervisor: Dr. G. Di Tommaso

Faculty of Arts

Bachelor Thesis in American Studies

15-06-2024

ENGELSE TAAL EN CULTUUR

Teacher who will receive this document: Mr. Di Tommaso

Title of document: The Influences of Frances Perkins on the National  
Labor Relations Act and the Social Security Act

Name of course: Bachelor Thesis American Studies

Date of submission: June 15, 2024

The work submitted here is the sole responsibility of the  
undersigned, who has neither committed plagiarism nor colluded in  
its production.

Signed

A handwritten signature in black ink, appearing to read 'R. Steijns', with a stylized flourish at the end.

Name of student: Rense Steijns

Student number: s1045781

**Abstract**

The Great Depression led to mass unemployment and poverty, creating a societal support base for a social safety net and progressive labor legislation. The process of implementing this was spearheaded by Labor Secretary Frances Perkins under the New Deal.

This thesis will analyze Perkins' role in the creation of two specific pieces of legislation: the National Labor Relations Act (also referred to as Wagner Act) and the Social Security Act, both enacted in 1935. The goal of this thesis is to gauge the influence of Frances Perkins on Franklin Roosevelt and the processes of the creation of the two acts. This will be achieved by examining primary, archival sources in combination with academic literature on Frances Perkins and the two acts. This analysis will highlight how Perkins' convictions and pragmatism were crucial in passing progressive labor legislation and establishing social security in the United States.

**Keywords:** Great Depression, New Deal, Frances Perkins, Franklin Roosevelt, social work, pragmatism, labor legislation, Social Security

## Table of Contents

<b>Chapter 1. Introduction.....</b>	<b>5</b>
1.1 Introduction.....	5
1.2 State of the Academic Field .....	5
1.3 Academic and Social Relevance .....	6
1.4 Research Questions and Methodology.....	7
<b>Chapter 2. From Social Worker to Cabinet Secretary.....</b>	<b>8</b>
2.1 Introduction.....	8
2.2. Perkins’s Pragmatism.....	8
2.3 First Roles as a Public Official.....	9
2.4 First Woman Cabinet Member.....	12
2.5 Conclusion.....	13
<b>Chapter 3. Frances Perkins and the National Labor Relations Act.....</b>	<b>14</b>
3.1 Introduction.....	14
3.2 The State of Labor .....	14
3.3 The Blue Eagle.....	15
3.4 The Wagner Act.....	17
3.5 Conclusion.....	18
<b>Chapter 4. Frances Perkins and the Social Security Act.....</b>	<b>20</b>
4.1 Introduction.....	20
4.2 Playing the Long Game.....	21
4.3 The Committee on Economic Security.....	22
4.4 Combatting the Courts.....	23
4.5 Passing the Social Security Act.....	24
4.6 Conclusion.....	26
<b>Conclusion.....</b>	<b>27</b>
<b>Bibliography.....</b>	<b>29</b>

## Chapter 1. Introduction

### 1.1 Introduction

In October 1929, the high-flying bullish optimism of the Roaring Twenties collapsed when the stock market crashed. The Great Depression saw industrial production halve and about a third of the workforce become unemployed. The United States was one of the only Western countries without a social safety net, unemployment insurance or workers' compensation. Charities ran out of resources and turned away the hungry. Those who were sick could not afford going to the doctors; the doctors had to join the breadlines.

Democrat Franklin Delano Roosevelt took the Oval Office in 1933 promising 'a new deal' for the American people. The New Deal became a series of programs and reforms to alleviate the Depression. Roosevelt is often credited with creating the New Deal. However, it was mainly his Cabinet, and particularly his Secretary of Labor Frances Perkins, that was instrumental in creating the policies of the New Deal.

Frances Perkins became the first woman to serve in a presidential cabinet when she was appointed by Roosevelt in early 1933. Perkins was supported by Roosevelt throughout their four terms together. She helped draft progressive labor legislation and chaired over twenty committees during her tenure. Perkins played a key role in creating the social safety net the United States still knows today.

This thesis will research that role. It aims to answer the following research question: What was the influence of Frances Perkins on the creation of the National Labor Relations Act and the Social Security Act?

### 1.2 State of the Academic Field

Literature used in this thesis can be categorized into three categories. The first category of literature consists of (auto)biographies. The most recent and thorough autobiography is Kirsten Downey's *The Woman Behind the New Deal: The Life of Frances Perkins, FDR's Secretary of Labor and His Moral Conscience* (2009). Downey uses recollections of Frances Perkins and her family as well as archival materials to make a detailed reconstruction of Perkins' life. Similarly, Frances Perkins' autobiography *The Roosevelt I Knew* (1947) describes her political journey in detail. It is particularly useful as she includes personal accounts of meetings with Roosevelt and other influential people in her circle. Perkins's personal accounts and Downey's biography will be referenced frequently to maintain structure and present a chronological account. As first-hand accounts are vulnerable to biases and exaggeration, academic literature will be used to verify any doubtful claims made. This second category of literature includes Stephen Miller's *The New Deal As A Triumph of Social Work* (2016). This book analyzes how Perkins's period as a social worker influenced her worldview and extrapolates these influences to the beginnings of her political career in the New York legislature. Other books and journal articles will be used to connect Frances Perkins's beliefs and convictions

with the specific pieces of legislation analyzed in this thesis. These include Margaret Levi's "Opening Access, Ending the Violence Trap" (2017) which discusses the state of labor in the early 1930s and briefly analyzes the impact of the National Labor Relations Act. Similarly, Nancy Altman's *The Battle for Social Security: From FDR's Vision to Bush's Gamble* (2005) discusses the creation of the Social Security Act in the historical contexts of the 1920s. Lastly, David Kennedy's *Freedom From Fear: The American People in Depression and War, 1929-1945* (1999) explores the drafting of the Social Security Act and the first stages of the New Deal with Roosevelt as the main protagonist. This is compelling as his political expertise is highlighted and shows his perspective on the relationship with Perkins. The third category of literature used in this thesis are primary, archival sources such as memorandums and minutes from Senate hearings, in addition to interviews with Frances Perkins on microfiches. These primary sources were accessed at the Roosevelt Institute for American Studies in Middelburg and provided first-hand accounts of the inner workings of creating the Wagner Act and Social Security Act. The sources contained direct communication between Perkins and Roosevelt, offering a unique insight into their working relationship.

### 1.3 Academic and Social Relevance

The academic field has only recently begun to recognize Frances Perkins as one of the most important people behind the New Deal. This can be attributed to a male bias in historical research. Only in the past two decades has research on Frances Perkins been incorporated into the greater narrative of the New Deal. As shown previously, existing literature on Perkins consists largely of broader accounts, both as a retelling of Perkins' life and as the New Deal as a whole. This thesis aims to narrow this down to provide an analysis of how Frances Perkins influenced the creation of the Wagner Act and the Social Security Act. Concurrent to this is how Perkins' influenced Franklin Roosevelt. This is something that has not been written about explicitly and this thesis aims to close this research gap by illustrating her role from the inception of both bills, highlighting how Perkins managed to navigate differing opinions and adversities to create legislation which resembled her ideals and convictions to the greatest extent.

Studying the influence of Frances Perkins on these specific pieces of legislation highlights the effectiveness of pragmatic governance. It offers prospects on how to convert commitments to social justice and equity into comprehensive reform. Perkins's tenure is also a case study in women's leadership in male-dominated political landscapes and is applicable to the current challenges and opportunities for gender equality in politics and public service. Lastly, understanding the historical fundamentals and development of the American social safety net and labor laws is relevant for current debates on these issues.

## 1.4 Research Questions and Methodology

The research question central to this thesis is: What was the influence of Frances Perkins on the creation of the Wagner Act and the Social Security Act? To answer this question, multiple sub-questions are posed in the upcoming chapters:

In chapter 2, the main questions are: How were Frances Perkins's convictions and ideals formed? How did Perkins and Roosevelt work together? How did Perkins convince Roosevelt to support her? These questions will be answered by analyzing Perkins's early social work, then giving an overview of their early working relationship and working methods.

The sub-question central to chapter 3 is: What was the influence of Frances Perkins on the creation of the Wagner Act? To answer this question, the thesis will give an overview of the legislative events leading up to the Wagner Act as well as the socioeconomic causes for its creation. Then, the chapter will analyze how Perkins thought about the bill and how she influenced Roosevelt and the people drafting the legislation. Lastly, the chapter will highlight how Perkins and Roosevelt together managed to maintain as much control as possible over the Wagner Act, while simultaneously appeasing Congress and the American public.

In chapter 4, the main sub-question is similar to that of the previous chapter, however now the influence of Frances Perkins on the creation of the Social Security Act will be discussed. It will also provide an overview of the socioeconomic background and follows Perkins as the central figure taking the initiative on creating the bill. The chapter will analyze her role and highlight the challenges she had to overcome to get the bill passed.

This research uses two case studies of specific pieces of legislation to make an analysis of the influences of Frances Perkins. The study of these legislative acts, combined with publications highlighting the socioeconomic circumstances, aims to give a definitive conclusion of how Frances Perkins was involved in the creation of these acts. The research is largely based on interpretations on narrative and first-hand accounts of Frances Perkins and others within the Franklin Roosevelt administration. Microfiches of extensive interviews with Frances Perkins will be used, as well as Congressional and Presidential records containing correspondence to and from Perkins.

## Chapter 2. From Social Worker to Cabinet Secretary

### 2.1 Introduction

The first meeting between Frances Perkins and Franklin Roosevelt was at a tea dance in New York City in 1910. Perkins, while studying at Columbia University, was surveying social conditions in the Gramercy Park neighborhood in New York City. Franklin Roosevelt had recently emerged on the political scene, owing his popularity through his shared surname with Theodore Roosevelt who had been the President until the year prior. Perkins was an “ardent admirer” of Theodore Roosevelt, and after reading his inaugural address she “felt that the pursuit of social justice would be my vocation.”<sup>1</sup> Perkins was not particularly impressed by Franklin Roosevelt during their first encounter, nor when they met again several years later. This would change after they began their professional relationship in early 1920s.

This chapter will analyze Perkins’s social work and how this strengthened her convictions, which she would also bring to state government. Section 2.3 will analyze Perkins’ first role as a public official. This is also the beginning of the working relationship between Roosevelt and Perkins. Section 2.4 will pick up at the point where Roosevelt is elected President and will discuss the appointment of Perkins as Secretary of Labor.

### 2.2 Perkins’s Pragmatism

When Roosevelt and Perkins met for the first time, she was working for the National Consumers’ League. As a representative of the league, Perkins traveled to Albany to advocate for the fifty-four-hour bill. This was a piece of legislation introduced by “the undoubtedly corrupt” Democratic politician Thomas McManus.<sup>2</sup> McManus was part of Tammany Hall, a powerful political machine in New York that, through political patronage and corruption, exerted a strangulating grip over the New York Democratic Party. The fifty-four-hour bill introduced a limit on the workweek for women and children. This was part of a nationwide legislative process of enacting maximum working hours for women. By 1921, only four states did not have such laws.<sup>3</sup> Florence Kelly, general secretary of the Consumers’ League, implored Perkins not to support a bill that excluded any women from the weekly limit. However, this ‘line in the sand’ was exploited by both opponents and proponents of the bill. The New York State Assembly added an amendment that excluded women cannery workers, a compromise the League was unwilling to take. In an act of bravery, Perkins disobeys her superiors and pushes the bill to a vote. After a nail-biting voting procedure, the fifty-four-hour bill passes.

---

<sup>1</sup> Perkins, Frances. *The Roosevelt I Knew*. Penguin Books (2011), 13.

<sup>2</sup> Perkins, The Roosevelt I Knew, 14

<sup>3</sup> Goldin, Claudia. “Maximum Hours Legislation and Female Employment: A Reassessment.” *Journal of Political Economy* 96, no. 1 (1988), 189.

Perkins' collaboration with McManus and her support for the bill showcased her pragmatism and ability to compromise. For Perkins, the pursuit of social justice trumped "the idealistic world of social work," and she placed the greater good above her ideals.<sup>4</sup> This was a political tactic she would employ throughout her career.

Franklin Roosevelt during this time was a member of the New York State Senate, in which the Democrats held a majority, in addition to the House and the Governorship. Roosevelt did not involve himself actively with the fifty-four-hour bill, which to Perkins was "a measure of the progressive convictions of the politicians of 1910."<sup>5</sup>

The Democratic party was divided over a controversial Senate appointment, and Roosevelt was involved in the struggle. Senate elections at this time in U.S. history were held by the state legislatures. The Democratic candidate, William Sheehan, was supported by Tammany Hall. Franklin Roosevelt led a faction known as the 'Insurgents', who blocked Sheehan's nomination believing the appointment was ripe with "dirty politics."<sup>6</sup> It was an extremely brave decision for a young senator to take in his first one hundred days in office. After a seventy-four-day deadlock and with over sixty ballots cast, Tammany Hall and the Insurgents agreed on a compromise candidate.

For Roosevelt, it was a major political victory. He had taken on a decades old established political machine as a novice senator and won. Roosevelt showed to a national audience "leadership, a courage bordering on audacity, adhesiveness and a dramatic sense of timing."<sup>7</sup> Perkins emphasized with the frustrations of the Tammany Hall Democrats towards Roosevelt. For Perkins, Roosevelt "did not seem different to innumerable young men she knew educated in private schools and who had gone to Harvard."<sup>8</sup> However, she did admire his 'application of honesty and intelligence in government.' Roosevelt's politically strategic move during the Senate appointment struggle paid off. Following the 1912 Democratic Convention, President Wilson appointed Roosevelt as Assistant Secretary of the Navy, a prestigious position that Theodore Roosevelt had occupied fifteen years prior.

### 2.3 First Roles as a Public Official

This position put Franklin Roosevelt in the national spotlight, and after World War I, he was nominated as James Cox's running mate in the presidential election of 1920. After losing the election to Warren Harding, Roosevelt was struck with polio, leaving him largely paralyzed from the waist down. His illness had not only had a great impact on his physique but also significantly impacted his demeanor. Perkins recalled that Roosevelt "underwent a spiritual transformation." He became

---

<sup>4</sup> Miller, Stephen Paul, *The New Deal as a Triumph of Social Work: Frances Perkins and the Confluence of Early Twentieth Century Social Work with Mid-Twentieth Century Politics and Government*, Palgrave Macmillan US (2016), 26.

<sup>5</sup> Perkins, *The Roosevelt I Knew*, 41.

<sup>6</sup> Perkins, *The Roosevelt I Knew*, 36.

<sup>7</sup> Gunther, John. *Roosevelt In Retrospect, A Profile in History*. Harper New York (1950), 204.

<sup>8</sup> Perkins, *The Roosevelt I Knew*, 15.

“conscious of human frailty” and “having been through the depths of trouble, he understood the problems of the people in trouble.”<sup>9</sup> Despite his physical limitations, Roosevelt remained politically active. In 1928, Governor Al Smith, a longtime friend of Roosevelt, sought the presidency and asked Roosevelt to succeed him as Governor of New York. As Smith lost the presidential election to Republican Herbert Hoover, and while the newspapers erroneously declared the New York gubernatorial race for the Republicans, it was Franklin Roosevelt who was elected Governor of New York. Perkins, who had been Chair of the Industrial Board under the Department of Labor since 1924, impressed Roosevelt through her work. The two frequently discussed policy together through their mutual connection with Al Smith and found that they agreed on many issues. Perkins was promoted by Roosevelt to Industrial Commissioner. Al Smith, who had appointed Perkins as chair, contested her promotion by Roosevelt. Smith “proclaimed that men would never take orders from a woman” and that there would be “a revolt among factory inspectors and other male government officials” were she promoted.<sup>10</sup> Despite this, neither Roosevelt nor Perkins feared the would-be misogynist critics and proceeded with the appointment. From the beginning of their professional relationship, Roosevelt stood up for Perkins and gave her the go-ahead on the progressive legislative policies she wanted to implement.

The main policies Perkins wanted to focus on were implementing a limit on women’s working hours, controlling child labor, banning night work, as well as correcting defects in workers’ compensation. The workers’ compensation program severely lacked oversight. Perkins recalled a case where a man who had lost his arm in an industrial accident settled with his employer for \$1,000 when he was entitled to \$6,000. When asked why he settled, the man said, “They were educated men; they wouldn’t fool a poor man like me.”<sup>11</sup> Perkins recommended an oversight board to handle such cases on behalf of the injured workers.

Perkins approached her job as Industrial Commissioner with the same conviction and dedication she had displayed in previous jobs. Her personal commitment to social reform was based on scientific investigations as well as empirical observations.<sup>12</sup> During her studies, Perkins visited factories and collected data about working conditions. This challenged her assumptions, influenced by her parents, that poverty is a result of laziness, alcoholism, or overspending. During her studies, she discovered first-hand that poverty has social causes. Perkins started her career as a social worker at a time when this was not deemed a valid profession; rather, it was viewed as volunteer charity work.<sup>13</sup> For Perkins, social work was “a conviction that something ought to be done” and a dynamic activity.<sup>14</sup> She spent

---

<sup>9</sup> Perkins, *The Roosevelt I Knew*, 23.

<sup>10</sup> Downey, Kirstin. *The Woman Behind the New Deal: The Life of Frances Perkins, FDR’S Secretary of Labor and His Moral Conscience*, Doubleday (2009), 112.

<sup>11</sup> Reminiscences of Frances Perkins, Columbia University Oral History. Book II, 24.

<sup>12</sup> Miller, *The New Deal as a Triumph of Social Work*, 6.

<sup>13</sup> Miller, *The New Deal as a Triumph of Social Work*, 8.

<sup>14</sup> Miller, *The New Deal as a Triumph of Social Work*, 9.

her first period in New York volunteering in settlement houses, establishments where the rich and poor would convene with the goals of sharing knowledge and understanding, and ultimately alleviating poverty. Perkins provided food and shelter for impoverished families, most of who were immigrants. She would see first-hand how employers would often refuse to pay their employees by conjuring up fees and charges. Perkins therefore devised a technique where she would confront the employer's landlords and warn them their tenants were not fulfilling their obligations. She could not yet address the underlying imbalances of power, but by spending her younger years engaging in social work, Perkins learned and expanded her moral convictions, which she would later apply in state and national politics.

In the first years of Roosevelt's governorship, Perkins made progress in labor legislation and social justice programs, but great irregularity in employment remained. Even as the stock market was at record highs, many people were unemployed, and the turnover rate was high. As the stock market collapsed in 1929, unemployment became Roosevelt's main agenda point. Despite the flourishing economy of the Roaring Twenties, Perkins, through her work, saw that these boom years were not all that prosperous for everyone. The stock market crash was merely a symptom of the underlying problems, not the cause. Perkins realized that this economic depression could become a breeding ground for consensus on economic and labor policies she had been envisioning for the past decades.<sup>15</sup> The importance of unionization became apparent to Perkins as virtually none of the workers in the factories she visited were properly represented. The facilitation of unions and the provision of insurance would become Perkins' major policy goals while tackling the crisis at hand.

To best convince Roosevelt of the severity of the crisis, Perkins made sure that Roosevelt saw the situation in person. She organized a visit to a rural sweater mill where Roosevelt could meet with the employees and ensure he understood the desperation of the people involved. This was a practice she had used throughout her career. As an investigator for the Factory Investigation Commission, she frequently brought the Governor and members of the Commission to canneries and factories so that they could see and experience the conditions the workers had to endure. These experiences "brought conviction to the members of the Commission that conditions in industry were frequently bad; that they were correctable by practical means; and that correction by lawful process would benefit industries as well as workers."<sup>16</sup>

In 1930, as the Depression was worsening, Perkins set about using the tools at her disposal to push for reform. She convinced Roosevelt to create the Commission on Stabilization of Employment. At the time, there was no federal labor legislation and any attempts at implementing unemployment insurance or a minimum wage had been struck down by the courts. At the behest of Perkins, Roosevelt invited the governors of New York's neighboring states to devise a multi-state

---

<sup>15</sup> Downey, *The Woman Behind the New Deal*, 125.

<sup>16</sup> Perkins, *The Roosevelt I Knew*, 23.

unemployment insurance system. She also suggested employing the services of the up-and-coming firm IBM to mechanize the system of filing workers' unemployment claims. In the same year, President Hoover issued a press statement claiming the "Depression was almost over" and that employment numbers had jumped 4 percent.<sup>17</sup> Perkins was outraged, knowing the statistic was false. At a press conference, she stated that "the President of the United States has deceived the people about this matter of employment. It is worse, not better. It's a cruel deceit because people will believe it."<sup>18</sup> Realizing she did not inform Roosevelt prior to holding the press conference, she called him apologizing profusely. Roosevelt responded with laughter and said: "It's a fine statement and I am glad you made it."<sup>19</sup> Since that press conference, and after her statements became headline news, Perkins had established herself as a national authority on labor statistics. She would be called to 'fact-check' whenever President Hoover commented on the Depression and unemployment. The concise action of Roosevelt and Perkins saw the Governor gain momentum in the run-up to the 1932 election, particularly when compared to President Hoover's perceived inaction to counter the crisis. The Democratic convention that year saw Roosevelt nominated as their nominee for the presidential election. Aside from the majority of his party, Roosevelt enjoyed the endorsement of the Women's Division of the DNC. Women by this time were a powerful part of the electorate, although it turned out not to be as critical as previously thought. Roosevelt won the election in a landslide, securing 57% of the vote.

#### 2.4 First Woman Cabinet Member

As the rumors about Roosevelt's cabinet position were circulating, Perkins publicly denied ambitions for the Labor position. Her name was rarely mentioned as a woman had never previously held a Cabinet position.<sup>20</sup> It was Perkins's friends and fellow progressive feminists she knew from her time as a social worker who lobbied publicly for her nomination. They sent letters to labor organizations and wrote newspaper articles endorsing Perkins for the Cabinet post.<sup>21</sup> This campaign had a great effect, leading to a February 1933 meeting between Roosevelt and Perkins. In anticipation of the meeting, Perkins had drawn up an extensive list of demands were she to be selected. These demands would entail a complete overhaul of labor legislation. It contained a federal minimum wage, a maximum of working hours per week, unemployment and old-age insurance, the abolition of child labor, the creation of a federal employment service, unemployment relief and health insurance.<sup>22</sup>

---

<sup>17</sup> Downey, *The Woman Behind the New Deal*, 128.

<sup>18</sup> *Ibidem*.

<sup>19</sup> Perkins, *The Roosevelt I Knew*, 60.

<sup>20</sup> Downey, *The Woman Behind the New Deal*, 132.

<sup>21</sup> French, Patrick "The Ghost in the Machine: Frances Perkins' Refusal to Accept Marginalization," University of Missouri (2014), 12.

<sup>22</sup> French, "The Ghost In the Machine", 14.

Perkins had great doubts about the possibilities realizing these ideals. The Supreme Court had routinely struck down progressive labor policies. In 1918, the Court ruled that federal restrictions on child labor violated states' rights to regulate production, and in 1923, it stated that setting a minimum wage for women was illegal, regardless of whether their wage was enough to live on.<sup>23</sup> Perkins was not sure if Roosevelt shared her goals. "Nobody knew, least of all the President-elect, whether the most important thing was to balance the budget, to conserve the trees out in the wilderness, or to feed the unemployed."<sup>24</sup>

Nevertheless, Perkins laid out her proposals to Roosevelt in that February 1933 meeting. In an hour-long meeting, Roosevelt gave Perkins his support, and she was officially chosen as Secretary of Labor. The decision was celebrated by the League of Women Voters, although there was pushback as well. As soon as Perkins' appointment was made public, the president of the American Federation of Labor (AFL), William Green, criticized Roosevelt's decision. Green was "keenly disappointed" with Roosevelt's decision, stating "the Secretary of Labor should be representative of labor, one who understands labor, labor's problems, labor's psychology, collective bargaining, industrial relations and one who enjoys the confidence of labor". Labor could "never become reconciled to the selection made."<sup>25</sup> Perkins did not allow herself to be insulted by what she called the "deep, lower endocrine excitement that men experience when they hear of a woman's elevation." She did not respond to Green's comments publicly and instead invited him for a meeting. During the meeting, Perkins and Green settled their differences and established an amicable relationship that would last throughout her tenure.<sup>26</sup>

## 2.5 Conclusion

Perkins, through her collaboration with Tammany Hall on the fifty-four-hour bill, showcased her pragmatism and political convictions. She was willing to disobey her superiors to pass legislation that improved the lives of as much people as possible, even if it meant making compromises. The passage of the bill meant her ascension to the national spotlight. Perkins incorporated her social convictions and experiences of injustices into her political work. She ensured that policy makers of all ranks witnessed the conditions of workers. Through these visits, Perkins recognized the importance of unions and proper worker representation. It was also a way of exerting influence on Roosevelt by showing the issues clearly and concisely. This direct style of communication was similarly used by Perkins to relay her demands to Roosevelt while she was considered as Secretary of Labor. The historic appointment paved the way for progressive labor legislation and the implementation of a social safety net.

---

<sup>23</sup> Downey, *The Woman Behind the New Deal*, 137.

<sup>24</sup> *Ibidem*.

<sup>25</sup> "Green Hits Choice of Miss Perkins", *Evening Star*, 03-01-1933.

<sup>26</sup> Downey, *The Woman Behind the New Deal*, 397.

## Chapter 3. Frances Perkins and the National Labor Relations Act

### 3.1 Introduction

In March of 1933, Roosevelt and his Cabinet were sworn in and began their work. Even though the ‘New Deal’ that was promised by Roosevelt during the campaign had no details or form in 1933, there were concepts and ideas that Roosevelt had committed himself to. These ideas were on the agenda and up for debate in the new Cabinet. The New Deal was to “remove capitalism’s worst excesses without destroying its essentially entrepreneurial value.”<sup>27</sup> The first series of bills enacted by Roosevelt were intended to stabilize the nation’s economy by reforming the banking system. After this, Roosevelt shifted the focus to industrial recovery.

This chapter will focus on the National Labor Relations Act of 1935, also known as the Wagner Act. First, a brief overview will be provided of the state of labor legislation and workers’ rights before 1933. Then, the precursor to the Wagner Act, the National Industrial Recovery Act (NIRA) will be discussed, from its creation to its demise. In section 3.4, the creation of the Wagner Act will be analyzed, highlighting Frances Perkins’ views on this legislation and her influences on President Roosevelt and the people drafting the bill.

### 3.2 The State of Labor

Before Roosevelt took office, labor laws systematically favored employers over workers. The legality of unionism did not mean a right to organize and there was no legal representation or legitimization of collective actions. This was particularly visible during strikes. “While labor sought to interpret strikes and walkouts as temporary absences, many firms interpreted strikes as a permanent disruption of employment, making it legal for them to hire new employees (seen by workers as strikebreakers).”<sup>28</sup> The Red Scare of 1919 saw multiple major strikes which, combined with Socialist electoral gains, led to fear among a part of the American public and government. Membership of the AFL halved from four million members in 1919 to less than two million in 1933. These fears of ‘revolutionary’ labor movements had not subsided by the early 1930s. The pushback against protesting workers by employers grew. Employers dismissed workers for joining unions, refused to listen to their grievances and used provocateurs to incite violence among workers. The police apparatus was designed to protect property and capital. “The presence of police at a struck plant carried with it the implication that the strikers were lawbreakers and enemies of public order.”<sup>29</sup> The government would also use antitrust laws and injunctions against organized labor. The amount of worker injunctions nearly tripled during the 1920s.<sup>30</sup> There was very little oversight by the federal government on worker’s conditions. This

---

<sup>27</sup> Downey, *The Woman Behind the New Deal*, 171.

<sup>28</sup> Levi, Margaret et al. ‘Opening Access, Ending the Violence Trap. Labor, Business, Government and the National Labor Relations Act.’ University of Chicago Press (2017), 339.

<sup>29</sup> *Ibidem*.

<sup>30</sup> Levi, *Opening Access, Ending the Violence Trap*, 340.

led to strikes, which occurred frequently in the early 1930s, resulting in a drastic increase in lost productive hours; from 600,000 in the first half of 1933 to almost 2.5 million by August of that year.<sup>31</sup> Perkins and Roosevelt saw the increase in strikes as a positive development. “It is an encouraging thing to see people who have the guts to stand up for their own rights.”<sup>32</sup> Both workers and employees called for federal mediation and legislation and Roosevelt and Perkins agreed the time was right to take advantage of the political situation and enact progressive, pro-worker legislation.

### 3.3 The Blue Eagle

Even before Roosevelt was inaugurated, a bill laid before the Congress introduced by Senator Black. The Black Bill, as it became known, introduced a thirty-hour workweek. Perkins was very critical of the Bill. In her mind, Black did not account for the decline in weekly wages if the hours were cut. Perkins advised Roosevelt to support the bill on the condition that an oversight board be implemented to guarantee a minimum wage for certain industries.<sup>33</sup> Roosevelt hesitated. He was in favor of limiting working hours but envisioned a grander program that expanded production and distribution of wealth in the economy, not just limiting it. Roosevelt also had great doubts about the constitutionality of the Black Bill. After testimony from Perkins before Congress, Roosevelt pulled back. The President believed there should be a complete and more comprehensive bill. He was committed to the principle but not to this particular program. Congress, in the meantime, had moved to create its own legislation. Two bills were simultaneously drafted, one led by Senator Robert Wagner and the other by Hugh Johnson. Wagner had played an important role in the passage of the fifty-four-hour bill as he was President pro tempore of the New York State Senate. He considered the United States to be “behind the times on social issues.”<sup>34</sup> Wagner was, according to Perkins, “a very powerful and persuasive man in the Senate at that time.”<sup>35</sup> Johnson was a former Army General and part of Roosevelt’s Brain Trust, his group of advisors. The goal of both bills was to suspend the antitrust acts of Theodore Roosevelt’s administration in favor of voluntary agreements on ‘fair competition’, maximum hours and a minimum wage. At the behest of the AFL, Johnson added a provision that allowed for collective bargaining. Collective bargaining is a form of negotiation between an employer and a union regarding salaries, benefits and working conditions. An agreement reached between these parties would be applicable to all the employees who were part of the union. This provision ultimately became Section 7(a). On Roosevelt’s orders, Wagner and Johnsons bills were combined to become the National Industrial Recovery Act (NIRA), submitted to Congress in May 1933 and signed by President

---

<sup>31</sup> Darby, Julia, and Robert A. Hart. “Wages, Productivity, and Work Intensity in the Great Depression.” *Southern Economic Journal* 75, no. 1 (2008), 92.

<sup>32</sup> Downey, *The Woman Behind the New Deal*, 481.

<sup>33</sup> Perkins, *The Roosevelt I Knew*, 264.

<sup>34</sup> Antoine, Theodore. “How the Wagner Act Came To Be”. *Michigan Law Review*. Vol. 96, No. 6 (1998), 2204.

<sup>35</sup> Perkins, *The Roosevelt I Knew*, 138.

Roosevelt in June of that year. It was the climax of Roosevelt's first one hundred days in office. The NIRA granted executive powers to the President to create branch agencies and included a sunset provision which would nullify the Act in 1935. Section 7(a) guaranteed employees "the right to organize and bargain collectively through representatives of their own choosing" free from their employer's restraints.<sup>36</sup> The National Recovery Administration (NRA) became the leading agency of the NIRA. The NRA was responsible for overseeing the "government-sanctioned cartelization" by controlling production and negotiating prices.<sup>37</sup> It became the most important agency in the First New Deal. Its symbol, a blue eagle with the subtext 'We Do Our Part' was a powerful propaganda tool and became almost synonymous with the New Deal itself.<sup>38</sup> Chair of the NRA was Hugh Johnson. While the NRA was successful in establishing price controls in the cotton and textile industry, the 'Big Ten' industries, among which coal, petroleum, iron, lumber and automobiles (most notably Ford) resisted the NRA. These industries simply ignored the antitrust legislation and imposed their own production quotas and price policies. The Labor and Consumer boards of the NRA were severely underrepresented and in no position to enforce the laws. Disobeying companies simply registered workers under exempt categories like 'learners' or 'cleaners.' Union membership did skyrocket due to Section 7(a). However, the vague wording in the bill relied on management engaging in good faith bargaining with workers. This resulted in company unions being created which were tightly controlled by the employers and granted no real power to the workers. Without proper labor representation, the NRA stood powerless. Hanging over the NIRA since its inception was the legal challenge over its constitutionality. The Act was challenged by several industries, most notable of which the poultry corporations. In May 1935, the Supreme Court unanimously ruled the NIRA unconstitutional, citing the law void for vagueness because of the term "fair competition", which was inadequately defined. The Supreme Court also ruled the Act "an unconstitutional delegation of legislative power."<sup>39</sup> Despite this blow, Perkins and Roosevelt had always envisioned the NIRA to be a temporary act to "stimulate industry."<sup>40</sup> Where the vagueness of Section 7(a) of the NIRA might have meant confusion and frustration for small and medium business owners, for labor organizations it was a call to organize. Section 7(a) had encouraged a massive boost in union membership, but there were not enough experienced officials to steer them. The American Federation of Labor supported a continuation of Section 7(a) as a separate bill as "it would give them such a good grip on the drive for membership."<sup>41</sup> Follow-up legislation of the NIRA and Section 7(a) was required to provide clarity to both employers and workers.

---

<sup>36</sup> National Industrial Recovery Act, Ch. 90, 48 Stat. 195, Title I, Sec. 7(a).

<sup>37</sup> Kennedy, David. *Freedom From Fear: The American People in Depression and War, 1929-1945*, Oxford University Press (1999), 151.

<sup>38</sup> Perkins, The Roosevelt I Knew, 210.

<sup>39</sup> *Schechter Poultry Corp. v. United States*, 295 U.S. 495. 541-542.

<sup>40</sup> Reminiscences of Frances Perkins, Book V, p. 511.

<sup>41</sup> Perkins, Frances. Oral History of Columbia University, Book VI, p147.

### 3.4 The Wagner Act

Under the NIRA, Senator Wagner was chair of a committee which was tasked with overseeing labor disputes. To his frustration, he frequently saw companies lay off entire workforces after critical workers formed a union. As the NRA was powerless in standing up for these workers, Wagner decided new legislation was needed. More specifically, he wanted to mandate that employers deal with unions in collective bargaining, under legal penalty if they refused.<sup>42</sup> This would be a de facto extension and expansion of Section 7(a). Perkins was not in favor of such legislation. She did not want to force employers to adhere to collective bargaining. “A bargain between by collective means, or even between individuals, requires and implies some voluntary action. People may be made to go into the same room, but they can’t necessarily be made to agree.”<sup>43</sup> Wagner countered by stating a further delay would be an injustice to those employers who had agreed to work with their unions. For his new legislation, Wagner took inspiration from a dispute Perkins had settled between a Pennsylvania mill and its owner. The owner of the mill did not recognize the union his workers had just formed as he did not believe they actually wanted a union. In order to enforce their legitimacy, Perkins suggested the workers vote on the forming of a union. She proposed this be done with secret ballots to avoid retaliation. The union won a victory and the workers organized. Wagner was impressed with this solution.<sup>44</sup> He incorporated it into the legislation he was drafting at the time. He wanted to set up a labor board that would compel employers to negotiate with their workers and accept collective bargaining. Perkins was still opposed to Wagner’s bill. She thought it was “wrong headed” and “dangerous for labor’s future relying on a governmental body operating under administrative law. It could easily become a tyrannical administrative body where the government would have the final word and where labor unions would be pushed around like pawns.”<sup>45</sup> Perkins saw to it to convince Roosevelt of her apprehensions of Wagner’s upcoming bill. She talked to him “in such a way as to offer no bias and no opinion of my own.”<sup>46</sup> Roosevelt was equally unsympathetic to the idea and after Perkins laid out Wagner’s reasoning for drafting the bill, he responded “I think it’s a bad idea.”<sup>47</sup> The result of Perkins’s conversations with Roosevelt was that “he never lifted a finger to put the act through the Congress. He never did a thing [...] he hoped it wouldn’t pass.”<sup>48</sup> As Wagner had persuaded the labor leaders, he introduced his bill to Congress in February 1935. This was around the time where the NIRA was approaching its sunset provision. The midterm elections of 1934 saw a substantial strengthening of the liberal wing of the Democratic Party, allowing for favorable odds for Wagner’s bill. Once it became clear to Perkins and Roosevelt that the bill would

---

<sup>42</sup> Downey, *The Woman Behind the New Deal*, 438.

<sup>43</sup> *Reminiscences of Frances Perkins*, Book V, p.240-241.

<sup>44</sup> Downey, *The Woman Behind the New Deal*, 441.

<sup>45</sup> *Reminiscences of Frances Perkins*, Book V, p. 508-509.

<sup>46</sup> *Reminiscences of Frances Perkins*, Book V, p. 509.

<sup>47</sup> *Ibidem*.

<sup>48</sup> *Reminiscences of Frances Perkins*, Book VIII, p.147.

pass, she lobbied heavily to incorporate the proposed labor board (the National Labor Relations Board, or NLRB) in the Department of Labor. She was afraid that “intellectuals without real understanding of employment economics” would control the board.<sup>49</sup> In testimony before Congress, Perkins stated “the danger of too many independent agencies in government is the danger of setting up an executive and administrative system which is so large and complicated that no President can really know what the development is.”<sup>50</sup> When pressed by the Committee Chairman if this connection with the Labor Department would not result in a conflict of interest, Perkins responded that it was the Department’s task to settle disputes and identify the needs of workers. It was therefore not a problem that a potential conflict of interest would arise as the Labor Department had the proper structure and statistical knowledge for dealing with such issues.<sup>51</sup> In a memorandum to the President dated May 18, 1935, Perkins “wanted to underscore the necessity of insisting upon the Board being in the Department of Labor.”<sup>52</sup> Roosevelt shared Wagner’s concerns that a labor board mediating in disputes managed by the Department of Labor would be deemed as too biased and too pro-labor by businesses and the general public. The President ultimately decided to back Wagner on this issue. The National Labor Relations Act, nicknamed the Wagner Act, passed the Senate in May and was signed by President Roosevelt on July 5, 1935. Perkins was instructed by Roosevelt to recommend people to fill the board seats, a job she found “thankless.”<sup>53</sup> However, this was a position that allowed for Perkins to exert great influence over the NLRB, more than she would have had if it was incorporated into the Department of Labor. While Roosevelt had ‘stripped the NLRB from Frances’ domain’, he continued to expect her to monitor it and often consulted with Perkins about its leadership. Roosevelt was afraid that, because of the radical labor changes instated by section 7(a), the NLRB would befall the same fate as its predecessor the NIRA. This would have severely negative impacts on the legitimacy of the Department of Labor and would reflect negatively on Frances Perkins. By allowing the NLRB to become an independent agency, he gave the business leaders and the public the impression that it was unbiased and free from the influence of the Labor Department. In reality, through Perkins’ appointments, Roosevelt was able to maintain a strong grip on the NLRB.

### 3.5 Conclusion

When Roosevelt and his Cabinet were sworn in, there were very few protections for workers to organize. Employers did not recognize unions, fired workers who attempted to unionize or would use violence to quell protesting workers. Perkins had to find solutions, but Congress would make the first moves. Progressive legislation culminated in the National Industrial Recovery Act (NIRA), a bill that

---

<sup>49</sup> Downey, *The Woman Behind the New Deal*, 444.

<sup>50</sup> Senate Hearing before Committee on Education and Labor, March 12 1935. 61.

<sup>51</sup> Senate Hearing before Committee on Education and Labor, March 12 1935. 62.

<sup>52</sup> Memorandum from Secretary of Labor Frances Perkins to President Franklin D. Roosevelt, 05-18-1934.

<sup>53</sup> Downey, *The Woman Behind the New Deal*, 446.

included progressive policies like a maximum of working hours. It also called for government-led cartelization of industries by setting production quotas and price controls. A provision in the NIRA, Section 7(a), called for collective bargaining for employees. As it became clear that the NIRA and its sub-agency responsible, the NRA, was not able to enforce its laws, new legislation was needed. This became particularly necessary as the Supreme Court ruled the NIRA unconstitutional. Senator Wagner was part of the NRA and was frustrated by its lack of power. He created legislation to extend Section 7(a) by creating a labor board that would oversee disputes and federally enforce the right of collective bargaining.

Perkins had great reservations about Wagner's bill from the beginning. The foundations on which it was based, the NIRA and Section 7(a), were seen by both Perkins and Roosevelt as a temporary institution that should not be given the authority that Wagner envisioned for it. Perkins convinced Roosevelt of the risks involved with the NLRB. Consequently, once it became clear that the Wagner Act was going to pass, Perkins insisted the NLRB be placed under her supervision. This was a means of damage control for Perkins as she feared that the board would fall into unskilled hands. While it appears that Wagner successfully convinced Roosevelt to make the NLRB an independent agency, the President was thinking about the bigger picture. Although the NLRB was independent in name and appearance, Roosevelt gave Perkins great influence by selecting the members of the NLRB. Both Roosevelt and Perkins did not support Section 7(a) and they did not support the Wagner Act, however, by giving up control over it publicly, they were able to exert greater control over it behind the scenes than they would have had were it a Labor Department agency.

The process of the creation of the Wagner Act is an example of Perkins' pragmatism and trust in her relationship with Roosevelt and his cunning political strategy. It shows how much Roosevelt valued Perkins' expertise. It also highlights the lengths Perkins and Roosevelt was willing to go through to maintain control of the agencies created under "his" New Deal. Lastly, by not placing the NLRB directly in Perkins' control, he ensured that she would not take the blame for the failures and shortcomings of the NLRB, a way of protecting Perkins.

## Chapter 4. Frances Perkins and the Social Security Act

### 4.1 Introduction

As Perkins and Roosevelt continued expanding the New Deal with progressive labor legislation and job creation programs, there was the ever-present problem of pensions for the elderly. This was a large percentage of the American population that was unable to participate in the growing jobs market but still needed federal assistance. The state of the elderly in the United States was worrisome. The stock market had wiped out the savings and hard-earned dollars of the roughly 6.5 million Americans over the age of sixty-five. Only three hundred thousand of those could rely on public pensions, and one hundred and fifty thousand retirees received pensions from their private employers or unions. Taken together, however, these plans covered less than 0.3% of the workforce.<sup>54</sup> Between 30 to 50 percent of the elderly relied on support from friends, family, and increasingly, charity. When Francis Townsend, a physician from Long Beach, California, saw three elderly women searching for food in a garbage can, he started a political movement. So-called ‘Townsend Clubs’ started appearing across the country. Members of ‘Townsend Clubs’, numbering around three million in 1934, advocated for a \$200 monthly pension for everyone over the age of sixty. The only requirement aside from age was that the recipient must spend the money within thirty days.<sup>55</sup> Frances Perkins did not see much in Townsend’s demands. She had major concerns over where the money would be raised from. Despite this, Perkins recognized the importance and social support of the Townsend Clubs. ”In some districts the Townsend Plan was the chief political issue, and men supporting it were elected to Congress.”<sup>56</sup> The Townsend Plan coincided with the meteoric rise of Huey Long, the controversial Governor of Louisiana. Long, under the slogan “Every Man a King”, proposed a radical wealth-sharing program. The “Share Our Wealth” program called for confiscating the wealth of the nation’s most affluent and paying every family an annual income of \$5,000, around \$23,000 today. Long’s ideas were immensely popular. By 1936, there were 27,000 Share Our Wealth Clubs in all states, with 4.7 million members.<sup>57</sup> Some state legislatures capitalized on the public support by introducing unemployment programs, the most notable of which was in Wisconsin. The Wisconsin Plan was an unemployment compensation scheme based on the principle that the employer was responsible for the stability of their employment. The employer would therefore bear the entirety of the costs, building reserves for each individual employee.

---

<sup>54</sup> Altman, Nancy J. *The Battle for Social Security: From FDR’s Vision to Bush’s Gamble*, Wiley (2005), 1929.

<sup>55</sup> Altman, *The Battle for Social Security*, 1934.

<sup>56</sup> Perkins, *The Roosevelt I Knew*, 373.

<sup>57</sup> Altman, *The Battle for Social Security*, 1933.

## 4.2 Playing the Long Game

However, as these state programs were increasingly challenged and struck down in Courts, the calls for a federal program grew louder. Perkins and Roosevelt had, during their tenure in New York, pushed for state-supported old-age pensions, unemployment insurance and a minimum wage for women and children. Despite their previous commitments, it was Congress that would again make the first move. In 1933, Senator Wagner and Representative David Lewis set about drafting a bill for unemployment insurance. As the bill was working its way through Congress, Perkins kept close eyes on the process, bringing it up in the cabinet “at least every second meeting.”<sup>58</sup> The Wagner-Lewis Bill came before the Ways and Means Committee and held hearings in early 1934. Perkins testified before the Committee in support of the bill. However, as the bill was about to head to a vote, Roosevelt held back. In a memorandum dated April 17, 1934, Perkins expressed her concern. “I didn’t see the Wagner-Lewis Tax Bill for unemployment insurance in the daily papers’ report of the conference you had with the Congress. Don’t forget this will you? You wrote a letter which has gone all over the country and everyone has relied on that as an indication that it will go through.” Perkins then further tried to relay the importance of this bill: “It is probably the only chance in twenty-five years to get a bill like this, and I don’t know of anything that will start unemployment insurance except this. It is very important- do please telephone the Chief Performer on the Hill at once that this must come out of Committee.”<sup>59</sup> Roosevelt never adhered to this request, and to Perkins’s frustration, did not inform her directly.<sup>60</sup>

By presenting more moderate programs in different areas simultaneously, packaged under a single label of “economic security”, Roosevelt hoped to achieve more than what the two bills initially offered, comparable to what happened with the Black Bill and the NIRA. This meant that unemployment insurance had to be put on hold so as not to exceed his political capital for what was to come. Roosevelt envisioned the elements that were now proposed in separate bills as part of one whole program. “It was a comprehensive strategy to put the country on a pathway to sustainable economic and social stability.”<sup>61</sup> Aside from Roosevelt’s political strategy of playing the long game, Perkins suspected that prestige also played a large role. “The President intended to seize ownership of these issues for himself.” “If possible”, Perkins said to an aide, “it will be a campaign issue.”<sup>62</sup> Despite gutting the Wagner-Lewis and Dill-Connery Bills, Roosevelt told the press he was “tremendously” in favor of it.<sup>63</sup>

---

<sup>58</sup> Perkins, *The Roosevelt I Knew*, 372.

<sup>59</sup> Memorandum from Secretary of Labor Frances Perkins to President Franklin D. Roosevelt, 04-17-1934.

<sup>60</sup> Downey, *The Woman Behind the New Deal*, 464.

<sup>61</sup> Kennedy, *David M. Freedom From Fear*, 258.

<sup>62</sup> Kennedy, *Freedom From Fear*, 261.

<sup>63</sup> *Ibidem*.

### 4.3 The Committee on Economic Security

President Roosevelt decided to adjourn the overworked Congress over the summer. In the meantime, Perkins would work on a sweeping “economic security package”. This would include not only unemployment insurance, but also old-age pensions, health insurance and federal assistance for the handicapped and widowed women with children. Roosevelt insisted on having a watertight program that could be presented when the Congress reconvened in January. As Perkins had gauged the interest of the other Cabinet members in the unemployment program, she recommended to President Roosevelt that a cabinet committee be assigned to oversee the study. Roosevelt agreed, reasoning that he would have complete oversight over the committee and would keep it out of the public eye.<sup>64</sup> Perkins and Roosevelt set up the committee together. Perkins would set the agenda and pick the people; Roosevelt would then ceremoniously appoint them and attach his prestige to the project. So too, would the process for the committee on this economic security package develop. Roosevelt chose Perkins to lead committees because of her invaluable skills and expertise, however a major reason was also the fact that Perkins informed Roosevelt about every step along the way and did not disclose anything to the public. “I don’t want to wake up and read in the paper what this committee is about to report,” he told the Cabinet.<sup>65</sup>

On June 29 Roosevelt announced Executive Order 6757, establishing the Committee on Economic Security (CES). It was intended to create a program to provide “security against the hazards and vicissitudes of life.”<sup>66</sup> The CES consisted of the Secretaries of the Treasury, Agriculture, as well as the Attorney General and the Federal Emergency Relief Administrator. The foundations of the Committee were very sound. Having the Attorney General on board meant any legal and constitutional issues would be resolved before the program was brought to Congress and then inevitably challenged in courts by business. The inclusion of the Treasury Secretary meant that the financing of the program would satisfy the fiscally conservative members of Congress. Roosevelt was eager to pass new reform after the failure of the NIRA and was wary of the Republican challenge in the 1936 election. The CES set to work with Roosevelt’s arbitrary deadline of Christmas 1934 looming. It was decided early on that the new program ought to be a blend of the existing relief programs combined with unemployment and old-age insurance.<sup>67</sup> Roosevelt advised Perkins to “be economical” and “borrow people around the government.”<sup>68</sup> Economists, lawyers and statistical experts from every Department as well as international experts from the International Labor Organization provided invaluable help to the CES. During cabinet meetings, resident Roosevelt often reminded members of the CES to “make it simple- very simple. So simple that everyone will understand it.” He did not hold back on his

---

<sup>64</sup> Perkins, *The Roosevelt I Knew*, 374.

<sup>65</sup> Downey, *The Woman Behind the New Deal*, 121.

<sup>66</sup> Downey, *The Woman Behind the New Deal*, 467.

<sup>67</sup> Perkins, *The Roosevelt I Knew*, 376.

<sup>68</sup> Perkins, *The Roosevelt I Knew*, 377.

ambition for the program. “There is no reason why everybody in the United States should not be covered. I see no reason why every child, from the day he is born, shouldn’t be a member of the social security system [...] If he is out of work, he gets a benefit. If he is sick or crippled, he gets a benefit.”<sup>69</sup> While Perkins had great admiration for the “bold conception of universal coverage,” she did have reservations. “I felt that it was impractical to try to develop and administer so broad a system before we had some experience and machinery for the preliminary and most pressing steps.”<sup>70</sup> Perkins knew that this vision would be tempered by the political and economic reality of the United States in the early 1930s. She felt that the political climate was not right for such radical and universal legislation. Most of the country, in particular the Southern Democrats who played a key role in securing a majority in Congress, were at least apprehensive about social insurance.<sup>71</sup> Perkins was particularly worried about the financials of the plan, and feared that Roosevelt, “because he was looking at the broad picture, could skip over that difficult problem.”<sup>72</sup> As the CES convened in early 1934, each participating department had its own visions and ideas of what the new social security program should and should not consist of. Secretary of Commerce Harry Hopkins recommended that the unemployment and old-age payments should be made a matter of civil right instead of a matter of need. Aside from this being a radical implementation for a country that did not already have a social insurance system, it went against the one thing Roosevelt was adamantly opposed to including in the New Deal, namely ‘the dole’. The President intended to establish social insurance not as a civil right, but as a property right.<sup>73</sup>

#### 4.4 Combatting the Courts

Something that was agreed upon early on was that the social insurance program should be a centralized, federally administered system. This would be easiest to manage and would prevent the bureaucratic quagmire that would result from a collection of state-run systems. However, this approach would violate the deeply ingrained tradition of states’ rights and would raise doubts about the limits of the federal government’s power.<sup>74</sup>

From the outset, the legality and constitutionality of the social security program was a major point of concern for the CES. The Supreme Court had recently made hostile decisions that worried the Committee. Four Justices, nicknamed “the battalion of death,” were “notoriously hostile to virtually any expansion of federal power over industry and commerce, not to mention the far bolder innovation of federal initiatives respecting employment and old age.”<sup>75</sup> Unemployment insurance was vulnerable.

---

<sup>69</sup> Perkins, *The Roosevelt I Knew*, 378.

<sup>70</sup> *Ibidem*.

<sup>71</sup> Kennedy, *Freedom From Fear*, 262.

<sup>72</sup> Perkins, *The Roosevelt I Knew*, 379.

<sup>73</sup> Kennedy, *Freedom From Fear*, 266.

<sup>74</sup> Kennedy, *Freedom From Fear*, 263.

<sup>75</sup> *Ibidem*.

In charge of solving the problem of constitutionality in drafting the bill was Thomas Eliot, a young Harvard graduate. Aside from dealing with the courts, Eliot soon faced opposition from the President as well. When hearing of the plans to federalize the social insurance program, Roosevelt said: “Oh no, we’ve got to leave all that we can to the states. All the power shouldn’t be in the hands of the federal government. Just think what would happen here if Huey Long became president!”<sup>76</sup> The CES now had to deviate from a completely federal welfare system to a federal-state system. Perkins took solace in the fact that if the Supreme Court were to strike down the federal law, the state laws would remain, albeit heterogeneous.<sup>77</sup>

The solution to the problem of the Courts would come from an unlikely ally. Frances Perkins made use of her large social network to get a glimpse behind the scenes at the highest court in the nation. Justice Brandeis’s daughter was married to a Wisconsin lawyer and proponent of unemployment insurance. While he could not endorse legislation publicly, privately, Brandeis became in favor of unemployment insurance and thought of a way to impose a federal program that would hold up constitutionally. His daughter would share these details with Perkins and Wagner at a New Year’s party in 1934.

At another party several weeks prior, Perkins had a conversation with another sympathetic Supreme Court Justice, Justice Stone. After discussing the uncertainties of the constitutionality of the upcoming program, the Justice had whispered to Perkins: “The taxing power of the Federal Government, my dear; the taxing power is sufficient for everything you want and need.”<sup>78</sup>

The next morning, Perkins tasked Wagner with introducing a bill in the Senate. The plan was to offset states’ contributions to the benefit reserves against federal payroll taxes. This way, the premiums that were paid in covered the benefits being paid out. Furthermore, via this system, the states were incorporated into the federal premium system and coerced into enacting unemployment insurance laws.<sup>79</sup>

#### 4.5 Passing the Social Security Act

However, this only accounted for the people who were employed. For the old-age pensions and the unemployed, a different system had to be devised. There was a debate within the CES whether workers, in addition to employers, should contribute to unemployment insurance premiums. Perkins believed only employers ought to make contributions, as unemployment “should be regarded as a natural risk of industry.”<sup>80</sup> Another point of contention was the implementation of a “merit rating,” where differentiation between industries would be made dependent on the unemployment rate of the

---

<sup>76</sup> Eliot, Tomas H. *Recollections of the New Deal: When the People Mattered*, Northeastern University Press (1992), 95-98.

<sup>77</sup> Kennedy, *Freedom From Fear*, 263.

<sup>78</sup> Perkins, *The Roosevelt I Knew*, 383.

<sup>79</sup> Kennedy, *Freedom From Fear*, 265.

<sup>80</sup> Perkins, *The Roosevelt I Knew*, 387.

respective industry. With the deadline set by Roosevelt fast approaching, Perkins called a meeting with the relevant department heads. There were several problems at hand that had to be solved before a bill was presented to Congress, many caused by Roosevelt's stipulation of his visions on the program in public speeches. This put the CES in a precarious position as the Committee was created by Roosevelt and stood under his authority. The President insisted that the insurance should be funded by worker's contributions, rather than an increase in general taxation. He wanted to use government funds as little as possible, and no money should come out of the Treasury.<sup>81</sup> Another problem was the workers who were approaching sixty-five years of age and did not have enough time to build up an adequate pension. Roosevelt did not want to accumulate deficit and would also not accept a delay in the program's start. "The Congress can't stand the pressure of the Townsend Plan unless we have a real old-age insurance system. Nor can I face the country."<sup>82</sup> Treasury Secretary Henry Morgenthau proposed raising the rate of the contributions to fund the benefit payments. Secondly, he insisted on excluding farm laborers, domestic servants and workers of companies with fewer than ten employees from the old-age coverage. Perkins reluctantly accepted these amendments. "This was a blow. But there were enough people afraid of the deflationary effects of this large money collection, enough people afraid of too large a system [...] to make it a foregone conclusion that if the Secretary of the Treasury recommended limitation, limitation there would be."<sup>83</sup> At this point, Perkins was 'happy to have accomplished something at all'. Managing the CES was like "driving a team of high-strung unbroken horses."<sup>84</sup> Nevertheless, she regretted the way in which her and Roosevelt's original ambitions had been watered down. Health care was excluded from the bill. Unemployment insurance was dependent on workers' contributions and taxes for old-age insurance were expanded. The most disappointing outcome for Perkins was that almost 10 million workers excluded due to Morgenthau's amendments - a disproportionate number of them black farm and domestic workers- had been denied old-age coverage altogether at the stroke of a pen.<sup>85</sup> Another blow for Perkins was that the Social Security Board, set up to administer the program, was not incorporated into the Department of Labor as per her wishes. She had advocated this to President Roosevelt in a memo dated March 15, before the bill went through testimony in the Ways and Means Committee. "As soon as the matter got into Congress it became obvious that it was the same old story."<sup>86</sup> Rather than delay the bill, Perkins accepted that the Social Security Board was to be an independent agency.

The Social Security Act passed with overwhelming majority and was signed into law by President Roosevelt on August 14, 1935. According to Perkins, it was "the cornerstone of his administration"

---

<sup>81</sup> Kennedy, *Freedom From Fear*, 267.

<sup>82</sup> Perkins, *The Roosevelt I Knew*, 393.

<sup>83</sup> Perkins, *The Roosevelt I Knew*, 398.

<sup>84</sup> Kennedy, *Freedom From Fear*, 269.

<sup>85</sup> *Ibidem*.

<sup>86</sup> Perkins, *The Roosevelt I Knew*, 401.

and “he took more satisfaction from it than from anything else he achieved on the domestic front.”<sup>87</sup> The groundwork for the modern American welfare state was established, however, according to Perkins it was merely the “practical, flat-footed first steps.”

#### 4.6 Conclusion

As the Depression was raging on, several states had proposed wealth sharing and insurance policies. Roosevelt, pressured by the popularity of the Townsend Plan and Huey Long’s wealth sharing programs in Louisiana, wanted to enact nationwide social insurance, old-age pensions, unemployment benefits and a minimum wage. There were acts before Congress, however Roosevelt, once again proving his political strategic vision, wanted to capitalize on the public sentiment and enact one major reform package instead of sponsoring separate bills. Roosevelt instructed Perkins to head a committee to explore the possibilities for a federal social security program, showcasing his trust in Perkins.

Despite her leadership over the committee, it was Roosevelt who set out the general ambition of the program. He would frequently intervene in the project and set limitations on what he wanted the program to exclude. Perkins skillfully navigated through Roosevelt’s restrictions and never lost track of the intended goals.

Perkins used her social abilities to gain the confidence of two Supreme Court justices and receive information on how to ensure the act would not be struck down by the courts. When it became clear that the scale and reach of the program would be limited due to budgetary and fiscal issues, Perkins acquiesced, once again highlighting her pragmatism and ability to compromise.

Frances Perkins was essential in passing the Social Security Act. Her ideas of combatting injustices faced by the working class were shaped during her time as a social worker in New York. Now, two decades later, she was leading the committee responsible for creating the most extensive federal program to date that would benefit tens of millions of Americans. Her ability to persuade people to confide valuable information to her was crucial for ensuring the legality and constitutionality of the Social Security Act. It also allowed her to effectively lead a committee consisting of people with different backgrounds and worldviews to create radical legislation, which is still the subject of debate today.

---

<sup>87</sup> Perkins, *The Roosevelt I Knew*, 402.

## Conclusion

This thesis provided an analysis of the influences of Frances Perkins on two specific pieces of New Deal legislation: The Wagner Act and the Social Security Act. First, a brief background was provided giving an overview of the social circumstances of the Great Depression. An overview was then given on the state of the academic research on Frances Perkins and what this thesis adds to the discussion.

This thesis then provided information on the first encounter of Perkins and Roosevelt, before analyzing how Frances Perkins' shaped her pragmatism and turned her convictions and ideals into political success. By placing the greater good above her own ideals, Perkins showed herself willing to compromise. Perkins clearly communicated her vision and made sure that policy makers saw firsthand the troubles people faced as they combatted the Great Depression, first in gubernatorial politics and later nationwide. This provided context of how her commitments to combating injustices were shaped before becoming part of Roosevelt's administration.

The thesis then examined how Perkins implemented these convictions and political strategies by analyzing Perkins' role in the creation of the Wagner Act. This specific case study was chosen for analysis because, on the one hand, Perkins agreed with the foundations of the act and her handling of union conflicts directly inspired Wagner to create this legislation. On the other hand, she was vehemently opposed to the mechanisms and the eventual structure of the act. This perspective is missing from current literature, which credits Perkins with the creation of the Wagner Act while not sufficiently highlighting her reservations and oppositions to it. Perkins's role in the creation of the Wagner Act is compelling because Perkins, while unable to persuade Roosevelt and Wagner of her vision of the act and not being directly involved with its creation, did maintain great control over of the act by hand-picking the people responsible for its implementation.

The following chapter analyzed Perkins' contribution in creating the Social Security Act. This piece of legislation was something Perkins advocated for for decades and compromised of many of the demands Perkins laid out to Roosevelt before her appointment as Labor Secretary. She was entrusted with leading the committee responsible for its creation, in contrast to her background position during the creation of the Wagner Act. She skillfully navigated constitutional and budgetary constraints and took an active role in convincing Roosevelt and other cabinet members of the importance of the bill. Where during the creation of the Wagner Act she engaged in 'damage-control' to limit the act in its scope, Perkins worked to make the Social Security Act as broad as possible, ensuring as many people as possible would benefit. She once again showcased her ability to compromise and engage in pragmatism when the limits of the act became apparent to her.

Similarities of her role in both acts are her attempts to maintain as much control as possible over the implementation of the acts. Her influences on the Social Security Act are more direct and public, which matches the current academic findings. Her role in the creation of the Wagner Act is more subtle and in the background, and less emphasized and understood by current scholars. Despite

this, Frances Perkins was crucial in ensuring both acts stood through the tests of constitutionality and future Republican administrations. Her vision and convictions of combatting injustices, shaped through her social work, survived the cut-throat, male-dominated systems of state and later Presidential politics and make her an example of a politician that works to improve the lives of as much people as possible.

The research in this thesis could have been improved through several changes. For one, a piece of legislation from later in the Roosevelt administration could be chosen to analyze how Perkins navigated a hostile Congress. For the legislation discussed in this thesis, Perkins was able to rely on Democratic majorities in both chambers. Due to limitations in scope, the aftermaths of both studied acts could also have been examined, as these are still being amended to this day.

More research related to this thesis could focus on different cabinet members within Roosevelt's administration. Another suggestion for further research is to highlight Perkins' relationship with the labor organizations, which was briefly discussed in this thesis.

## Bibliography

- Altman, Nancy J. *The Battle for Social Security: From FDR's Vision to Bush's Gamble*, Wiley (2005).
- Antoine, Theodore J. "How The Wagner Act Came to Be: A Prospectus." *Michigan Law Review* 96, no. 8 (August 1, 1998). <https://doi.org/10.2307/1290171>.
- Darby, Julia, and Robert A. Hart. "Wages, Productivity, and Work Intensity in the Great Depression." *Southern Economic Journal* 75, no. 1 (2008): 91–103. <http://www.jstor.org/stable/20112029>.
- Downey, Kirstin. *The Woman Behind the New Deal: The Life of Frances Perkins, FDR'S Secretary of Labor and His Moral Conscience*, Doubleday (2009).
- Eliot, Tomas H. *Recollections of the New Deal: When the People Mattered*, Northeastern University Press (1992).
- "Green Hits Choice of Miss Perkins." *Evening Star*, 03-01-1933.
- French, Patrick "The Ghost in the Machine: Frances Perkins' Refusal to Accept Marginalization," University of Missouri (2014).
- Goldin, Claudia. "Maximum Hours Legislation and Female Employment: A Reassessment." *Journal of Political Economy* 96, no. 1 (February 1, 1988): 189–205.
- Gunther, John. *Roosevelt In Retrospect: A Profile in History*. Harper New York (1950).
- Kennedy, David M. *Freedom From Fear: The American People in Depression and War, 1929-1945*, Oxford University Press (1999).
- Levi, Margaret et al. 'Opening Access, Ending the Violence Trap. Labor, Business, Government and the National Labor Relations Act.' University of Chicago Press (2017).
- Memorandum from Secretary of Labor Frances Perkins to President Franklin D. Roosevelt, 04-17-1934.
- Memorandum from Secretary of Labor Frances Perkins to President Franklin D. Roosevelt, 05-18-1934.
- Miller, Stephen Paul. *The New Deal as a Triumph of Social Work: Frances Perkins and the Confluence of Early Twentieth Century Social Work with Mid-Twentieth Century Politics and Government*, Palgrave Macmillan US (2016),
- National Industrial Recovery Act, Ch. 90, 48 Stat. 195, Title I, Sec. 7(a).
- Perkins, Frances. *The Roosevelt I Knew*. Penguin Books (2011).
- Reminiscences of Frances Perkins, Columbia University Oral History Books II-VII.
- *Schechter Poultry Corp. v. United States*, 295 U.S. 495.
- Senate Hearing before Committee on Education and Labor, March 12 1935.

