



FEDERAL WORKS AGENCY  
WORK PROJECTS ADMINISTRATION

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COLONEL HARRINGTON ADDRESSES NATIONAL ASSOCIATION OF COUNTY OFFICIALS

The following address was delivered by Colonel F. C. Harrington, Commissioner of the Work Projects Administration, before the National Association of County Officials, at Houston, Texas, Thursday, April 11, 1940, at 11 A.M. (CST):

I welcome the opportunity to talk to a meeting of representatives of County officials throughout the nation, because County officials have been partners with the WPA in conducting a great joint enterprise. The very basis for the successful conduct of a work program lies in the cooperation of local units of government with the Federal government in devising and operating such a program. Furthermore, it is very timely to discuss this matter just now, because the question as to whether a public work program is the proper means with which to attack the problem of unemployment is one that will be very much before the public in the next few months.

It is my intention to devote the first part of my talk to a rather general analysis of the unemployment problem in the United States and of the methods which have been and can be adopted to alleviate it. Following that I will pass to a discussion of some more specific matters concerning the WPA as now operated which I know are of interest to you in your capacity as County officials.

Widespread unemployment began to appear in the United States about ten years ago, shortly after the crash of 1929. The high point was reached

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in 1933, at which time some twelve to fourteen millions of our people were out of work. By 1937 this number had been approximately cut in half due to industrial recovery. Unfortunately this recovery proceeded so rapidly that overproduction resulted and a recession began which increased unemployment. The recession was checked by the end of 1938, and by December, 1939, industrial production, aided to a considerable degree by war orders in the autumn months of that year, had reached an all-time high. However, beginning in January of this year a decline set in and industrial production has dropped shortly. We are hopeful that the bottom has been reached and that an upturn will occur in the near future, but we are faced with the great problem of having at this time about nine million unemployed people in the United States.

It may not be amiss at this point to insert a few remarks relative to the European war and its possible effect upon unemployment in this country. Upon the outbreak of the war last September, it was widely proclaimed that war orders would produce such a high degree of industrial activity in this country that unemployment would cease to be a problem. The very rapid upswing in production which I have just mentioned made it appear for some weeks that this point of view might have some validity.

However, analysis of the possibilities of war orders having a sufficient effect upon our trade to bring about any considerable reduction in unemployment will show that there is little to expect along this line. In the first place war orders are concentrated in a limited segment of our

industries. Secondly, the increased employment which they provide is very nearly offset by the unemployment which results from the curtailment of our export trade in other directions due to war conditions.

In a nation-wide broadcast last autumn I made the prediction that war orders could not be relied upon to solve our unemployment problem. I wish that I might have been wrong, but subsequent events have proved the correctness of that prophecy. As I have just said, the stimulation of purchasing due to the war has passed and industrial production has declined rapidly in the first three months of this year. As a matter of fact, the European war is a considerable threat to our domestic situation because the termination of that war, for which we are all devoutly hoping, may very well lead to economic dislocations which will render our domestic problem even more acute.

There has recently been rather widespread public discussion, led by a widely read columnist, to the general effect that the unemployment estimates are greatly exaggerated and that the total number of unemployed in the United States, aside from those now working on WPA, is about two million. The implication of this discussion has been that unemployment estimates have been greatly exaggerated in order to justify the spending of large amounts of public money on a work program and on relief.

I do not think I need to convince a meeting of County officials of the realities of unemployment, as I know that your offices are daily besieged by unfortunate people who are out of jobs and in need. The only comment which I wish to make upon this question is that the most conservative of the unemployment estimates which are made, that of the National Industrial

Conference Board, showed unemployment in January, 1940, to be 9,296,000. The estimates of both the national labor organizations, the American Federation of Labor and the Congress of Industrial Organizations, gave considerably higher figures. The National Industrial Conference Board is an organization which is financed by private industry, and I think it is rather ridiculous to believe that such an organization would produce inflated estimates of unemployment which would become the basis for increased expenditures of funds raised largely from industry by taxation.

Admitting then the reality and magnitude of unemployment at this time, what can be done about it? It is now generally admitted that there is a public responsibility toward the people who cannot find jobs. This is no longer questioned by any considerable segment of public opinion. There is, however, a great deal of discussion as to the means and methods through which this responsibility should be discharged, and it may be expected that this debate will occupy a large place in the press and on the platform and radio through the next few months.

The principal alternative methods of meeting the unemployment problem are through a public work program, Federally administered and controlled, or through a system of grants-in-aid of Federal funds to States. The former method is the one which has been in operation for four and a half years under the WPA and under which we are now in the month of April employing 2,100,000 persons. I propose to discuss it briefly, but before passing to that discussion I would like to say that the alternative, that is, the grants-in-aid method, is not at all new or untried. It was in effect under the Federal

Emergency Relief Administration in the years from 1933 to 1935 and abandoned because it was unsatisfactory.

The WPA has been in actual operation for approximately four and a half years. The results which it has produced through the operation of projects are visible in every County of the United States, and these visible assets are supplemented by invisible assets in the form of the improvement of health, education, recreation, and other forms of welfare which have been brought about by the WPA. We have recently completed an inventory of WPA accomplishments and made it public, and I believe that this record of accomplishments presents a definite argument for the work program idea which cannot be overturned by any fair-minded person who will examine this question upon its merits.

The attack upon the work program idea is principally that its cost is excessive. On the day that I dictated this speech there appeared in the pages of an influential Eastern newspaper an editorial devoted to the subject. This editorial, after admitting the fact that widespread unemployment existed, stated that some other means than the work program should be adopted to deal with it. The conclusion arrived at in the editorial was stated as follows:

"So a system of relief that will provide more aid to the unemployed at less cost is urgently needed. That can be accomplished if we make up our minds to replace the present centralized work-relief system with decentralized agencies administered by local authorities with the aid of Federal grants."

I think it would be interesting to analyze the above conclusion by

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trying to see where this saving will be made. The WPA is at present employing persons at an average monthly cost in Federal funds of \$62, which is divided roughly into \$54 for wages, \$6 for materials and equipment, and \$2 for administration. I challenge anyone to reduce the \$2 administration cost under any system. The \$6 spent for materials and equipment could be saved if no work is done or if the so-called work that is done is confined entirely to what can be accomplished with the bare hands. This, of course, is not a work program. But even assuming that the \$6 item is completely saved, it represents less than ten percent of the present Federal cost. Certainly, therefore, the extensive saving must come out of the item of wages; in other words, out of the hides of the unemployed. We estimate that the average WPA worker's paycheck supports 3.8 persons, and I believe it pretty difficult for any reasonable minded person to claim that \$54 per month is an excessive amount to provide for the support of a family group of that size.

Furthermore, it is not fair to count the outlay from Federal and local treasuries as the actual cost of a work program without giving a compensating credit for the wealth that is produced. No corporation keeps its books on such a basis. One has only to travel about in this country to see visible, tangible evidence of created wealth in the form of buildings, bridges, roads, water and sewer systems, airports, and many other facilities for public benefit which will endure through decades to come. If against the cash outlay on the work program one enters a compensating credit for what has been created, the true cost of the work program becomes very much

less than that which is currently stated by its opponents.

The grants-in-aid principle is put forward as a plan for "returning relief to the States." Aside from the emphasis that is put upon the large savings to be effected, which I believe I have just exploded, the further argument is advanced that the program will be better administered under local control. Personally I cannot believe that this is so. The handling of Federal funds under local control in connection with the Federal Emergency Relief Administration was, as I have previously stated, highly unsatisfactory in many places. But more important than that, even, is the fact that a return to this system means, in effect, the substitution of the dole for the work idea.

The proponents of the grants-in-aid plan do not discuss it as a dole. The reason is that public opinion in the United States is very definitely opposed to a dole as the means of meeting our problem of unemployment so far as able-bodied persons who are out of a job are concerned, and the plan is therefore wrapped up in a lot of language which conceals its real purport. Anyone, however, who is really familiar with the situation and has had experience in this field can readily see that the grants-in-aid plan, in addition to its other disadvantages, would almost inevitably lead to an extensive use of direct relief for the able-bodied unemployed through the medium of a dole or to so-called local work programs which in their futility will surpass any "leaf raking" that was ever done under the WFA.

The attack upon the work program as embodied in the WFA is receiving assistance from certain organizations which claim that the effect

of it is to take work away from contractors. An impartial analysis will show that this charge has little validity. By far the larger part of the projects which are undertaken by the WPA would not be performed if Federal assistance were not forthcoming in the form of the payment of wages to workers. I do not believe that it is necessary to prove that to this audience, because I think that you know from your personal observation that few of the projects which we have executed in your communities would have been undertaken if the Counties had had to bear the entire cost. In other words, the work which WPA has been doing is, in general, work that would not otherwise have been done, and therefore it constitutes an addition to the volume of construction that would normally be carried on.

In this respect it is pertinent to state that in so far as public work is concerned, contractors during the past few years have had a larger volume of work financed directly or indirectly by the Federal government than at any time in history. It is also true that in connection with the WPA program very large expenditures have been made to contractors in connection with the rental of their equipment for use on WPA projects.

I feel that this attack upon WPA is unfair and unwarranted. In effect it amounts to demanding that able-bodied persons on the relief rolls should not be given jobs at which they can work and retain their self-respect. The matter was stated very bluntly in a resolution which was recently passed by a State chapter of the organization which has taken the lead in this matter. This resolution stated that the WPA should be retained as a relief agency but that its operation should be confined "to work of a non-permanent character."



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In other words, WPA workers were to fiddle around on "leaf raking" jobs. You cannot fool these workers, and I think it would be better, and certainly more honest, to let them sit in idleness on a dole rather than to make a pretense that they are employed in useful activities.

At this point I would like to stress the fact that we are striving continually to improve and perfect the WPA organization and its methods of operation. It is, after all, only about four and a half years old, and that is a short time in which to organize so vast an enterprise on an efficient basis. We do feel that we have come a long way in that period, but are by no means smugly satisfied with ourselves and propose to continue our effort to incorporate improvements in our methods of operation.

In connection with the question of the efficiency of the WPA I would like to say that I think one of the greatest single improvements that we have made has been the adoption of a uniform 130 hours of work per month for all classifications of workers. This was made effective on the first of last July and therefore has had nine months of trial in which to prove itself. The previous arrangement under which various classifications of workers worked differing numbers of hours per month to earn the security wage resulted in great confusion and many complications on our jobs, and I sincerely hope that we shall never have to return to it.

And now I wish to discuss with you gentlemen certain matters which concern you as sponsors of WPA projects--particularly rural projects. The WPA program is, to a larger extent than is generally realized, a county-sponsored program. There is a general impression that the WPA is overwhelmingly a municipal program. It is of course true that a considerable amount of

our national unemployment is concentrated in cities. But in terms of total project expenditures, municipalities sponsor about half of our work; and of the remainder, nearly half is sponsored by county governments. Moreover, in many States the counties are our most important sponsors.

This is especially true in Southern and Western States, where there are few township projects and county work is more extensive. In 1937, reviewing the first two years of our program, we found that total expenditures on county projects had been higher than such expenditures on municipal projects in over half of the States.

For the country at large we found that county projects accounted for nearly one-fourth of the total expenditures on the whole WPA program. And in particular the counties were sponsoring over one-third of all highway, road, and street projects. The counties were also the chief sponsors of our goods projects.

More recent figures on projects approved for operation indicate that the counties are continuing to hold up their end of the program. Road work, including especially county work on rural roads, continues to be a very large part of our program. Last November the number of workers employed on rural road improvement projects was in excess of 437,000.

I do not think I need to emphasize further the extent of the WPA work with which you gentlemen are concerned. Dealing with the WPA has become one of the largest administrative responsibilities of the county governments that you represent.

And, speaking for the WPA, let me say that our dealings with

county governments are recognized as a serious responsibility. In this joint Federal-local system of ours by which we provide work for the needy unemployed, it is our responsibility as well as yours to see that this work is used to create community improvements and benefits. As Commissioner of the Work Projects Administration, I am interested in seeing that your counties get the fullest possible benefits from our joint efforts.

County projects are of course not entirely rural projects, but they are predominantly rural, and they constitute a fair measure of rural needs, in such matters as roads, schools, and hospitals, sanitation and public health. In our newly published inventory we have no breakdown showing rural projects separately from others, except with respect to roads. Out of our total mileage of new and improved roads, a very large proportion -- amounting to well over 350,000 miles--consists of secondary, rural and farm-to-market roads. I shall offer no estimate as to what proportion of the WPA's 4,000 new and 28,000 improved schools are rural, or of the consolidated type that serves rural needs; nor shall I try to estimate how many of the new and improved hospitals on our list are county hospitals; but I think you will agree with me that the number is large.

I need only refer briefly to the public health work done by the WPA in rural areas, and to the sanitary construction and malaria control projects, by which our rural population has benefited. In all these fields we know that rural needs have been extensive and often acute. And the WPA has welcomed the opportunity to be of service to our rural population in meeting these needs.

One of the essentials of efficiency in our joint program is planning on the part of the sponsors. The best work that has been done has been in those communities where the officials have looked ahead to foresee what work could be carried out along the lines of community improvement and have sponsored such projects in order that they might be approved and be ready for operation when the WPA had funds and labor available.

I know that real planning costs time and money if it is carried to the point where adequate plans and specifications are available in advance for the jobs that are to be undertaken. However, I know of no investment that can be made on the part of communities that will yield a better return than an investment in real, efficient long-range planning. When well-conceived long-range plans exist and competent technical services are available, every project that is carried out can be made to count significantly toward a comprehensive program of community improvement.

I know the view is often expressed that the uncertainty surrounding WPA appropriations is so great that the spending of time and money on planning is not justified. I think, however, that there is sufficient certainty that a Federal work program will be continued for some years to come to make it worth your while to be in a position to make the best possible use of the opportunities which that program will provide.

Another matter that is of direct practical interest to you as sponsors of WPA projects is, of course, the requirement in the current Appropriation Act that on projects approved subsequent to January 1, 1940, the State average of sponsors' contributions shall be at least 25 percent of

the total cost.

This provision is mandatory. Every State Administrator has to abide by it, and I have to enforce it. We can exercise our discretion in regard to individual projects only on condition that the whole State averages up to the 25 percent level. And in practice this means that if we ask less than 25 percent of some sponsors we must ask more than 25 percent of others. Many practical considerations will necessarily enter into the question of which sponsors should pay less and which more than 25 percent. I will mention only one. It is reasonable to expect rural counties with low wage rates to carry a somewhat higher percentage of sponsors' contributions than cities which have high wage rates.

Needless to say, I recognize that some communities, rural as well as urban, have smaller financial resources than others--certain stranded communities none at all. Cooperation between the State government and local governmental units can be helpful in meeting these cases. Aside from such hard cases, I am frank to say that I am generally in favor of substantial sponsors' contributions, because they mean more money spent for materials, and thus result in substantial and lasting improvements for the community.

I wish to mention here the matter of politics in connection with the WPA, which will be particularly important during the next few months in view of the national campaign. The President has repeatedly and emphatically stated that politics and the WPA should be completely divorced. In his message of January 5, 1939, he said:

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"No one wishes more sincerely than I do that the program for assisting unemployed workers shall be completely free from political manipulation. However, any one who proposes that this result can be achieved by turning the administration of a work program over to local boards is either insincere or is ignorant of the realities of local American politics.

"It is my belief that improper political practices can be eliminated only by the imposition of rigid statutory regulations and penalties by the Congress, and that this should be done. Such penalties should be imposed not only upon persons within the administrative organization of the Works Progress Administration, but also upon outsiders who have in fact in many instances been the principal offenders in this regard. My only reservation in this matter is that no legislation should be enacted which will in any way deprive workers on the Works Progress Administration program of the civil rights to which they are entitled in common with other citizens."

It was subsequent to this recommendation that Congress embodied in a WPA Appropriation Act the first stringent prohibitions against political activity. These have been continued in our later Appropriation Acts and subse-

quently in what is known as the Hatch Act.

I wish to state to you in all sincerity that it is my intention to enforce these provisions to the utmost. I know perfectly well that in a campaign year and with some two million people on the WPA program there will be efforts made in some localities to convince workers that their best interests lie in voting for this or that candidate or in making them believe that they should contribute to the campaign of certain candidates.

By way of illustrating our policies in this connection, I wish to quote excerpts from a notice which was sent to every WPA worker with his pay check in connection with a very hot primary campaign that was recently carried on.

"Before the first primary election last month I advised you of certain regulations pertaining to political activity. I wish to remind you now that these regulations are still in force. They must be obeyed. The WPA is not supporting any candidates for any office. You are not under obligation to vote for or against any candidates. If you are qualified you can vote as you please. No one can threaten to have you fired for any political reason. No one can promise you a better WPA job in return for your support. No one can ask you for money for any political campaign. This is against the law. You do not owe your job to politics--you will not lose it because of your vote."

In conclusion I wish to say that the unemployment problem is not one for partisan treatment or one that should be in any way involved with

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party politics. It is a great national problem irrespective of the party which is in office. Its solution requires patience and understanding, fairness and good will, and non-partisan cooperation. I believe that it will eventually be solved within the framework of our American institutions, but it is not a problem of the moment only.

I wish to close my address by quoting from a Presidential message of April 27, 1939, on work relief. Although this was written prior to the outbreak of the European war, it is just as true today as it was at that time. In that message the President said:

"In any consideration of the problem of unemployment relief, it must be borne in mind that the program adopted to meet it must be envisioned to extend over a considerable period of time. The reason for this is that this nation, in common with the entire world, is undergoing a process of readjustment, particularly in connection with the production and distribution of goods. Until our economic machinery can be realigned to meet present-day conditions the problem of unemployment will persist and the measures adopted to deal with it must, therefore, be carefully thought out and their operation planned to extend well into the future."

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