

## Frances Perkins Leaves a Legacy

Social Security operates as an economic safety net for Americans in retirement and those with work-related disabilities. When people lose their jobs, they can rely on unemployment insurance to help cushion the blow. As they look for a new job, the Employment Service is there to help. In most jobs, the minimum wage applies. When employers ask their employees to work overtime, they must pay most of them for the extra hours. When people go to work, it is usually safe.

Frances Perkins, the first woman to hold a Cabinet position, brought all of these worker protections into being. Yet few wanted her in the job, in part because she was a woman. When she agreed to serve, she faced two key ethical dilemmas. First, how could she speak hard truths to those in power without being seen as disruptive or disloyal? Second, how could she balance her compassion for those in need and drive to achieve with the need to be collaborative, at a pace that did not build resistance to her vision?

*As you read her story, please note what stands out for you in how she addressed these ethical dilemmas in order to leave such a profound legacy.*

On February 22, 1933, Frances Perkins prepared to meet with Franklin D. Roosevelt, a week before his inauguration. She knew why he had summoned her. She knew him quite well, in fact. She had met him in 1910 when she first arrived in New York but only came to admire him after his polio seemed to strengthen his understanding of the struggles of the less fortunate. When he became governor, he had asked her to serve as head of the New York State Industrial Commission, where she strengthened worker safety and protections, such as unemployment insurance, which was a novel idea (and hotly debated) at the time. She also became a national authority on employment statistics, countering President Hoover's assertion in 1930 (to FDR's delight) that the Depression was almost over. During FDR's tenure, she became close with Sara Roosevelt, his mother, and Eleanor, his wife. She also had made it a point to study Roosevelt - to know how he thought and even to read his gestures. She met with him for an hour every 7-10 days. As she later noted: "I learned the trick of repeating things to him - telling him three times - because I discovered that held it in his memory . . ."1

Now, at the height of the depression, FDR would ask what no woman had ever been asked - to serve as a Cabinet secretary. She planned to tell him he should appoint a union official instead. It was well-known that labor did not consider her one of their own. Some in the Department of Labor had even threatened to resign rather than serve under a woman (and not one would offer to help her transition into her new post when she was confirmed).

Nevertheless, she was ready if he insisted. When he did, she laid out an ambitious plan that took in everything from cleaning house of corrupt elements in the department to putting people back to work through public works projects, dealing with child labor, ensuring a minimum wage, a national system of unemployment insurance and an old-age pension system. FDR balked at the last two, saying he could not support the "dole"- people getting handouts for not working. She was ready for that, expressing her belief that these systems could be designed like insurance, with businesses and individuals paying in advance against the time when they might need help. "[Y]ou don't want me for Secretary of Labor if you don't want these things done," she told him. "I'd be an embarrassment to you because when I start a thing, I round up the cohorts. I get out advisory committees who really become supporters of the idea. You get a public demand for it the next thing you know."2

FDR expected nothing less. Perkins had degrees from Mount Holyoke, Wharton and Columbia at a time when just 3 percent of women graduated from college. She had worked in Jane Addams's famous Hull House in Chicago, focused on worker rights and protection in New York City, the national Committee on Safety (focused on cleaning up workplaces and fire safety), as well as the New York State Industrial Commission. She had built a network as varied as writers Jacob Riis and Upton Sinclair, social reformers and socialites, and politicians from Tammany Hall to Teddy Roosevelt. She even changed her name (from Fannie to Frances, to sound more substantial and gender neutral), her political affiliation (from Republican to Democratic), and her stated age (now two years younger).

Perkins was passionate about improving the lives of Americans. "Out of our first century of national life, we evolved the ethical principle that it was not right or just that an honest and industrious man should live and die in misery. He was entitled to some degree of sympathy and security," she would say in her first book, *People at Work*, in 1934.

She had a quick mind and a flair for working with people. When she found out that, in New York City, the “dirty” Tammany Hall politicians were the ones who could get things done, she befriended them. She also had the political savvy to navigate in a male-dominated political and business world. She kept a folder titled "Notes on the Male Mind" in which she recorded experiences and observations that would help her influence those - mostly men - who held power. She recorded: "I learned from this that the way men take women in political life is to associate them with motherhood . . . So behave, dress, and so comport yourself that you remind them subconsciously of their mothers." This led her to change the way she dressed and to adopt a more matronly physical presence.<sup>3</sup> Frances Perkins was determined, yet realistic.

After her confirmation, she bided her time. At official functions, she asked to be seated with wives of Cabinet members rather than with the office-holders. At Cabinet meetings, she let men speak first. FDR's Vice-President, John Nance Garner recalled: “She didn’t interrupt. She didn’t butt in . . . She kept still until the president asked her what she had to say. Then she said it. She said it loud enough so I could hear [Garner was hard of hearing]. She said it plain and distinct.”<sup>4</sup>

The first year of Roosevelt’s presidency had to be focused on getting people back to work, through such programs as the Civilian Conservation Corps, in which Frances played a major role. She was also building a reputation through creative resolution of labor-management disputes. She knew FDR’s intimates, from Harry Hopkins to Henry Morgenthau, and she gained their trust through her honesty and hard work.

But she had not forgotten her commitment to the unemployed and the aged. “I promise to use what brains I have to meet problems with intelligence and courage,” she said as early as 1929, when she was a New York State Industrial Commissioner. “I promise that I will be candid . . . I promise . . . the whole truth so far as I can speak it.”

She began carefully: “I took it upon myself to mention unemployment insurance at least every second meeting of the Cabinet – just to mention it so that it wouldn’t die; so it wouldn’t get out of people’s minds.” Of the nation’s 6.5 million people who were sixty-five or older, she knew that only 450,000 were covered by any kind of public or private pension. The depression had eviscerated much of these savings, and, except for a few states, unemployment insurance was unavailable or ineffective. Thus, when someone was laid off, not only was their job lost but so was their purchasing power, which resulted in depressing the economy further.

Perkins told the president that now “is probably our only chance in twenty-five years” to get a bill through Congress. “[T]he real roots of the Social Security Act were in the great depression,” she would say years later. “Nothing else would have bumped the American people into a social security system except something so shocking, so terrifying, as that depression.”

“When I got to my office as Secretary of Labor, I found . . . over 2,000 plans” for curing the depression. One of these was the Townsend Plan, crafted by a California physician and drawing widespread support. It called for the federal government to give every senior \$200 a month. Perkins viewed this as a non-starter, for both cost and political reasons. Her grand plan was to

combine unemployment, old-age, and health insurance in a bill for cradle to grave coverage, but she needed something that would fly politically.

Roosevelt approved launching an unemployment compensation effort first, despite opposition from business, but then publicly pulled back. Perkins was furious, marched to the White House, and the next day FDR backed off and encouraged a more comprehensive approach.

She had learned how to work with him. She developed an approach in which she would list options in a one-page memo, go over them, and then have him decide what he wanted to do. She would then ask: "Do you authorize me to go ahead with this? Are you sure?" After further discussion, she would force him to revisit his decision, including acknowledging the opposition he could expect. She would not end the meeting until he had committed a second time.<sup>5</sup>

In June 1934, she proposed that he establish a group to prepare a bill to present to Congress in January. FDR and Perkins liked using committees - she saw them as a tool for getting support and getting programs right. "It is our American habit to arrive at what we think by talking things out together," she said. "These discussion centers are the actual birth places of public opinion."

Yet, as the idea germinated, she recalled that: "I suddenly became frightened as I saw what the committee might be . . . [an] investigatory committee - that would take 10 years to make a report." She recommended instead a powerful Cabinet-only committee, supplemented by experts. She suggested that the Attorney General chair it to get it viewed more favorably by Congress, but FDR insisted she take the helm. Given her careful reading of the members of the Cabinet and the political realities, she named the people she wanted.

The committee faced multiple challenges. It lacked funds to operate, so she raised money herself and borrowed staff from other departments. The experts had their own ideas, many of which would not fly politically. They sniped at Frances in the press when they didn't get their way. She put up with it. The press had never warmed to her, and she was always wary of reporters because they seemed more intent on finding something wrong than in accurately assessing the real causes of the problems society faced.

There were Constitutional questions. Would the Supreme Court uphold social insurance mandated by the government? She counted votes and assessed the likely "swing" justices. She approached two whose opinions would be critical. At a party where her friend, Justice Harlan Stone, was present, she confided her worries to him. While he told her he could not comment on pending legislation, he offered a bit of crucial advice: "The taxing power, my dear, the taxing power." So she rested unemployment and old-age insurance on that foundation. Rather than a "dole," people and businesses would be taxed, and their taxes put aside for the future.

Throughout, Perkins encouraged debate and worked toward consensus. The committee met throughout the fall, and only Frances attended every meeting. The group made proposals, rejected them, and then revisited the issue, again and again. Near the end of December, with its deadline looming, she locked the committee in her Georgetown home, put a bottle of Scotch on the table, and kept them at in until 2 a.m., when they finally produced a unanimous report.

On January 17, 1935, ten months after the effort began, Roosevelt sent legislation to the Hill. As it made its way through Congress, she accepted amendments and compromises, counting on the fact that getting a law passed which could later be modified was better than getting no law at all.

When it became clear that old-age insurance was popular but unemployment insurance was more controversial, she flipped their positions in the bill to put the more acceptable measure first. Ultimately, she had to give up health insurance when the American Medical Association called it “socialized medicine” and Congress balked. She even had to accept an amendment placing the Social Security Board in her department but barring her from hiring its personnel. Sen. Pat Harrison (D-MS) insisted on this as payback for an old slight. When he had first come to see her, her staff had kept him waiting too long and he left in a huff.

“We did a great deal of educating,” she said about the bill. “I made over 100 speeches myself . . . and practically everybody else who had anything to do with the scheme made many, many speeches.” She got fifty prominent Americans to sign a joint letter in support of the bill. In a national radio address on February 25, 1935, she said: “We have come to learn that the large majority of our citizens must have protection against the loss of income due to unemployment, old age, death of the breadwinners and disabling accident and illness, not only on humanitarian grounds, but in the interest of our National welfare.”

The amended bill passed the House 371-33 and the Senate 77-6 on August 9, 1935. FDR signed it five days later. FDR took pride in the fact that, since social security was funded by workers' contributions and each worker had an account of his or her own, it would be nearly impossible to abolish.

Maurine Mulliner, an assistant to Senator Robert Wagner (D-NY) who helped shepherd the bill to passage, soon joined the Social Security Board. “I don’t think that President Roosevelt had the remotest interest in a Social Security bill or program,” she said. “He was simply pacifying Frances.”

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<sup>1</sup> This case is based mostly on **The Woman Behind the New Deal: The Life and Legacy of Frances Perkins**, by Kirstin Downey, New York, NY: Anchor Books, 2009. This quote can be found on page 104.

<sup>2</sup> *Ibid.*, p. 123

<sup>3</sup> Brooks, David, **The Road to Character**, New York, NY: Random House, 2015, p. 34

<sup>4</sup> *Ibid.*, p. 136

<sup>5</sup> Brooks, p. 42.