

# We Need A WPA For Our Time

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Continuing high levels of unemployment call for a large-scale government job creation program like the WPA\* from the 1930s. While President Obama made a start in this direction with the American Recovery and Reinvestment Act in 2009, it was only a fraction of what was needed. Yet even this small program brought protests. Antigovernment sentiment in general accounts for some of this reaction. In addition, conventional wisdom often dismisses job creation programs as inefficient “make-work” and a waste of taxpayer monies.

A clear-eyed evaluation of government job creation tells a different story. Developed to provide work for people normally expected to be employed, participants in these programs have been treated with some respect, paid wages based on market rates, and provided work in a variety of innovative and socially useful projects. While these programs were not without problems, a careful look at the record shows that the pluses far outweighed the minuses, and that many negative assessments were based on grossly exaggerated claims which are not supported by the evidence. Other problems were virtually assured by constraints and contradictory goals imposed on the programs. In order to argue effectively for new work programs, it is helpful to understand both the contributions and the limitations of the previous ones.

## ***Public employment programs: part of our heritage***

Although government job creation programs have at times been considered “un-American,” nothing could be further from the truth. They have a long history in the US and have been enacted periodically, especially when rising unemployment has caused protest. For example, during the Embargo of 1807, a mass meeting of unemployed seamen led New York City to put them to work on projects such as building the new city hall and cleaning and repairing streets. Public works projects were set up by cities during recessions and depressions from the early 1800s through the first few years of the Great Depression of the 1930s. They were primarily developed for white, male heads-of-households, although some sewing projects were set up for women and for men unable to work outdoors.

## ***Job programs in the Great Depression***

The largest and most innovative public employment programs were established in the 1930s as part of the New Deal. During this most severe depression in the 20th century, unemployment rose to 25 percent in 1933 and was still nearly 15 percent in 1940. While

the WPA is the best known of the depression era programs, it was preceded by the even more innovative and controversial FERA (Federal Emergency Relief Administration) and CWA (Civil Works Administration).

The FERA was the first of the New Deal relief programs. (Welfare was called relief until the 1950s.) It was established in May 1933 in response to the tremendous suffering and need, as local relief agencies had been running out of funds. The FERA was a relief program, as recipients had to prove that they were sufficiently needy in order to receive aid. Some cash and in kind relief, like food, were dispensed, but the primary focus was getting people back to work. Projects were set up quickly, and were often continuations of earlier work tests (programs that required people to prove they were not lazy and deserved aid), as the program rolls quickly grew to 1.7 million people (of approximately 12 million unemployed).

While the programs of the New Deal's first 100 days stemmed the economic slide, the economy remained mired in depression. By the fall 1934 as the first New Deal winter approached, unemployment registered a disastrous 22 percent, and the administration believed that something grand needed to be done in order to avert another Depression winter of heightened despair and increased protest. The answer was the CWA, the most expansive jobs program thus far in U.S. history. While the FERA was a relief program, the CWA was an *employment* program, as participants did not have to be certified as eligible for relief. In a sense, their status as unemployed was sufficient proof of their need. The CWA was rapidly put into effect and by January 1934 there were 4.3 million people on the rolls. Perhaps not surprisingly, conservatives and employers of low-wage labor bitterly complained that the CWA was too large, paid wages that were too high, and was an inefficient waste of government resources. In response the program was cut just two months after it began, as hours were reduced and it was announced that the entire program would soon be ended.

The CWA was phased out over the next two and a half months, and the FERA was resumed (along with the Rural Rehabilitation Program for people in rural areas and small towns). It lasted through the spring 1935, when it was replaced by the WPA. WPA rolls fluctuated widely, reaching a peak of 3.3 million people in November 1938, when the election of many conservatives brought the New Deal to an end and government policies in general became more restrictive. Then followed a steady decline in WPA rolls, and there were only 42,000 people left when it closed on June 30, 1943, by which time mobilization for World War II had ended the Depression and brought unemployment below 2 percent of the labor force.

While these programs were frequently accused of being useless "make-work," the opposite is true. They literally changed the face of America. Participants not only performed useful work. Most of it would not otherwise have been done, and the country would have been poorer as a result. Workers built and repaired 1 million miles of roads and 200,000 public facilities, including schools, playgrounds, courthouses, parks and athletic fields, swimming pools, bridges, and airports, drained malarial swamps, and exterminated rats in slums. They created works of art, gave concerts, set up theaters throughout the country, even in small towns, set up nursery schools, served over 1.2 billion school lunches to needy children, gave immunizations, taught illiterate adults to read and write, and wrote state

guidebooks, classics that are still in use. They sewed 383 million coats, overalls, dresses and other garments, and, using surplus cotton collected by the Agricultural Adjustment Administration, made more than a million mattresses that were given to destitute families, as were the garments.

In addition to the FERA, CWA, and WPA, the Civil Conservation Corps (CCC) and the National Youth Administration (NYA) were established to provide work for young people. (Another type of New Deal program, the Public Works Administration stimulated private employment through publicly-financed construction projects.) The innovative CCC targeted unemployed young men, whom the program housed in camps located in every state. (At Eleanor Roosevelt's insistence, some camps were established for young women, but their presence remained minuscule.) Most CCC workers were poorly educated, and had never held a steady job. They were given food, clothing, shelter, medical care, and, eventually, educational services. Most of their wages, which were similar to those of Army privates, were sent to their needy families. This was America's first massive conservation program. For example, CCC workers planted 2 billion trees, including many on burned or eroded hillsides, stocked nearly a billion fish, and built a network of fire-lookout towers, roads, and trails. In addition to conserving many lives of that generation, the CCC left future generations a legacy of land, water, and forestry preservation.

The NYA gave part-time jobs to out-of-school young men and women as well as high-school and college students. Students generally did clerical jobs, but many worked in their fields of interest. Some college students helped faculty with research, including the late Lynn Turgeon, who was a member of the National Jobs for All Coalition and who himself became a professor.

Public employment programs were terminated in the early 1940s when World War II ended the Great Depression. Except for small programs during the 1960s, jobs programs were not created again until the 1970s. The Comprehensive Employment and Training Act (CETA) was the major program of the decade. A Public Service Employment (PSE) component provided a range of socially useful work. For example, CETA workers developed community recreation and arts programs, set up screening clinics in hospitals, and weatherized low-income homes. They worked in law enforcement agencies, day care and senior centers, battered women's shelters, and even in some activist organizations. In fact, many non-profits remained in existence or became more effective in part because of CETA workers.

### ***Public employment programs: problems and progress***

Although past fair work programs have much to commend them, they had two serious limitations. First, *they never provided enough jobs*: they have never served all those eligible for them. Even at the peak of the massive programs of the 1930s, WPA jobs were provided for 4.4 million—only one-third—of the unemployed. Yet this experience shows that, given the will, the government was able to provide decent work for many millions while meeting urgent social needs. This was at a time when both the labor force and the government were far smaller and the country much poorer than it is today. Second, *the programs continued the existing discrimination based on race and gender*. This was most blatant in the 1930's programs: participants were disproportionately white males, who were typically paid more

than women and people of color. But discrimination is not inherent to such programs. The New Deal preceded the Civil Rights Act and women's movement by decades, and discrimination was still rampant and legal throughout society. Most blacks still lived in the South, disenfranchised and in near peonage, and southern Democrats wielded enormous power.

Some progress was made in the 1970s, as CETA improved pay and occupational equity for women and people of color. By 1978 there were special training programs for teenage mothers; for women who had raised their families but had few marketable skills; and for women to learn higher-wage, non-traditional trades usually closed to them. Low-income trainees could take these courses because they received stipends and were reimbursed for expenses. Then, in 1981, even though unemployment was rising rapidly, the Reagan Administration terminated PSE, already cut back sharply by the Carter Administration, and Congress allowed the entire CETA program to end the following year.

### ***Public employment programs: constraints led to criticisms***

Federal job creation programs have always been subjected to unremitting criticisms. Projects were seen as inefficient and unnecessary "make-work; participants replaced regular government employees and program funds were substituted for state and local moneys; wages were too high; and programs were rife with graft, corruption, and mismanagement. There is little validity to many of these criticisms, but some reflect contradictions imposed on programs rather than inherent flaws.

Most problematic for the FERA, CWA, and WPA was the mandate to create as many jobs as possible with their funds, but not replace regular government workers or compete with the private sector. This made economic and political sense to Congress, but left the programs vulnerable to attack. To illustrate, construction projects, especially road-building, employed large numbers of manual laborers. Workers often used picks and shovels, not the grading and paving machinery used by private firms. Thus, public work was less efficient than private, that is, more labor was used. But that was following the mandate to create the maximum amount of work possible—to **make** work.

The restriction against replacing public workers also generally made sense since ordinary government services should be provided by people hired through normal labor market channels. Yet during the 1930s many municipalities had such low tax revenues that necessary services were cut. (Higher unemployment meant that there was less income to tax). Rural schools were especially hard hit as lack of funds led many towns to close them for all or part of the year. Responding to this need, one FERA project reopened rural schools, providing work for unemployed teachers and education for children.

Not surprisingly, when clearly useful goods were produced in an efficient manner, the projects came under scathing criticism and were shut down. This was the fate of some innovative projects, like the mattress-making project and the project to reopen factories. None of the goods produced were sold through normal market channels. They were given to relief recipients or used in public facilities such as hospitals. Nevertheless, the projects were lambasted for competing unfairly with the private sector. In fact, they provided goods that otherwise would largely have been unavailable or unaffordable for the users.

Critics regularly castigated the WPA as “leaf-raking.” (Such maintenance services were prohibited in 1934. However, leaf-raking, like housework, is necessary but unappreciated: no one notices whether leaves are raked, garbage is collected, or snow is shoveled or whether the dishes are washed, the floors are swept, and dinner is prepared unless these tasks are not done.) Mainly, critics used “boondoggling,” “make-work,” and “leaf-raking” to berate these programs. While some “make-work” did exist, mainly due to restrictions on what programs could do, these were the exception. Just a partial list of the WPA accomplishments (above) shows the absurdity of these charges.

The far smaller programs of the 1970s were even more constrained than their 1930s’ predecessors — but were also subjected to intense criticism. While the 1930s’ programs peaked at about 30% of the unemployed, the maximum reached on CETA was only about 12% of the unemployed, though in a much larger labor force.

More importantly, the scope of the programs was much narrower. Construction and projects to produce goods for needy families were gone. All that remained were services. Yet services, especially those provided by government, are easy to target as “make-work.” The basic assumption is that if the services were useful, the private sector would already be providing them. Further, many now believe that the private sector is far more efficient than the government since the latter is not subject to profitability criteria. The magic of the bottom line is assumed to result in the best possible organization of production — even though there is little factual evidence to support this view.

CETA was also plagued by charges of “fiscal substitution,” i.e. the substitution of federal funds for state and local funds and of CETA workers for regular government employees. These charges increased in intensity through the 1970s. However, the severe recession of the mid-1970s, along with state initiatives to limit taxes, caused a shortfall in state tax revenues, so that many government services would not have been provided without CETA. Since some of these services had previously been provided by government agencies, it looked like substitution even though it was not.

Critics in both the 1930s and the 1970s also complained that wages in work programs were set too high, thus attracting workers from private sector employment. In fact, during the 1930s this could happen only in exceptional circumstances since there were never enough jobs for those who needed them. WPA workers who refused reasonable private jobs could be discharged.

Finally, allegations of graft and corruption were often heard in the 1930s and the 1970s. Although these criticisms are commonly made of a range of government programs, the consequences are very different depending on the program criticized. Wasteful spending by the military or Central Intelligence Agency (CIA) involvement in illegal activities have led to little fundamental change in either of these institutions. In contrast, attacks on social programs for in effect providing economic options for the poor frequently lead to their limitation or abandonment. More to the point, there is scant evidence of widespread abuse or waste. Indeed, some programs most derided by foes, like the WPA cultural projects, are now highly regarded. They helped sustain the talents of many artists, such as Ben Shahn, Willem de Kooning, and Jackson Pollock, and writers like Richard Wright, Arthur Miller and Studs Turkel.

## ***Public job creation: needed along with training and support services***

To evaluate public employment programs, it is important to see the constraints imposed on them and to respond to time-worn criticisms, especially charges of inefficiency and “make-work.” Historically, government employment programs have been put in a no-win position: programs that turn out goods and services not produced by the private sector are criticized as inefficient or make-work, while those that replicate goods produced by the private sector are condemned as “socialist.”

We need to revive large-scale government job creation programs. We can build on what we have learned from past programs—both their strengths and their shortcomings—and adapt them to current conditions. We can learn from the range and scope of the New Deal programs, and from the education and training programs of the 1960s and 1970s. Work in the home raising children or caring for the sick or infirm should be recognized as “real” and socially necessary, worthy of social subsidy—but not only for welfare recipients. We need child care, paid parental leave, children’s allowances, and more elder care.<sup>1</sup> Rather than the devolution of federal programs to the states, we need federal job creation and provision of welfare, education and training. Only the national government can command the necessary resources, impose uniform, minimum standards and design programs which avoid a competitive race at the state and local level to shed financial responsibility.

There is much that needs to be done that a public employment program can do, such as repairing our crumbling roads and bridges, building a high-speed railroad system, developing recreation programs for teens, and adding teachers’ aides to classrooms. Funds for job programs can easily be found.<sup>2</sup>

The private sector won’t create enough decent-paying JOBS FOR ALL. Nor will it meet the nation’s human and infrastructure needs. It’s up to us to pressure the government to do what the private sector can’t or won’t do.

\*WPA=Works Progress Administration

### **Notes:**

1. See *Uncommon Sense #17: Needed: A National Commitment to Families*.
2. Philip Harvey has calculated that job creation programs can largely pay for themselves. See *Uncommon Sense #14, Responding to Rising Unemployment: Can We Afford Jobs for All?*, and his *Learning from the New Deal* [Jobs Programs], p. 19] Additional funds could be made available by reinstating more progressive income taxes, cutting corporate welfare benefits, cutting excessive military expenditures, requiring those responsible for the bank failures to pay (instead of taxpayers), and imposing taxes on speculative flows of foreign currency or very short-term holdings of stocks and bonds (which would also help stabilize the economy).

Nancy E. Rose is author of *Put to Work: The WPA and Public Employment in the Great Depression* (New York: Monthly Review Press, 1994; 2nd ed. 2009) and *Workfare or Fair Work: Women, Welfare, and Government Work Programs* (New Brunswick, NJ: Rutgers University Press, 1995). Program data and statistics are from these books.

Other sources: Nels Anderson, *The Right to Work*. New York: Modern Age Books, 1938; Josephine Chapin Brown, *Public Relief 1929-1939*. New York: Holt, Rinehart and Winston, 1940; reprint edition New York: Octagon Books, 1971; Helen Ginsburg, *Full Employment and Public Policy in the United States and Sweden*. Lexington, MA: Lexington Books, 1983; Donald S. Howard, *The WPA and Federal Relief Policy*. New York: Russell Sage Foundation: 1943, reprint New York: Da Capo Press, 1973; William E. Leuchtenburg, *Franklin D. Roosevelt and the New Deal 1932-1940*. New York: Harper Colophon, 1963; Sar Levitan and Frank Gallo, *Spending to Save: Expanding Job Opportunities*. Washington, DC: George Washington Univ. Center For Social Policy, 1992; Arthur W. Macmahon, John D. Millett, and Gladys Ogden, *The Administration of Federal Work Relief*. New York: Da Capo Press, 1971; Bonnie Fox Schwartz, *The CWA, 1933-1934: The Business of Emergency Employment in the New Deal*. Princeton: Princeton University Press, 1984; Edward A. Williams, *Federal Aid for Relief*. New York: Columbia University Press, 1939.

#### **APPENDIX: ON WORKFARE** [See also Goldberg, [The Right to Work and to Welfare](#)]

People have a legal right to food stamps if they meet the statutory requirements, but since 1996 there has been no legal right to cash assistance. And so welfare, generally speaking, has not cushioned the impact of the recession..some advocates of welfare reform seemed to consider poverty a voluntary condition, one curable with a quick kick in the pants and the opportunity to work for minimum wage. There were not enough jobs even then, but, blinded by the economic boom of the 1990s, the authors of TANF [welfare “reform”] seemed to think that the business cycle had been abolished and that prosperity would take us only onward and upward. [Peter Edelman and Barbara Ehrenreich [Washington Post, 12/6/09](#)]

#### **Workfare is not the same as job creation programs**

Job creation programs are meant for unemployed people normally seen as working for wages, so programs generally pay market wages and provide socially useful work. In contrast, workfare is a worktest. It is designed for welfare recipients, and assumes that only lack of motivation, not lack of jobs or lack of child care, keeps welfare recipients out of paid employment. Workfare, which has proliferated since the early 1980s, forces relief recipients to do additional work outside the home in order to remain eligible for welfare. Typically, workfare programs pay little attention to participants’ skills. But regardless of the kind of work performed, workfare is not a job. Unlike other workers, people on workfare assignments do not receive a wage in the traditional sense and, under the current welfare law, they lack rights of other American workers, such as the Earned Income Tax Credit, and credit/eligibility for Social Security and unemployment compensation.

People sometimes “work off” their welfare payments in a Community Work Experience Program. For example, workfare participants in New York City have done park maintenance and street cleaning. There is nothing demeaning about those jobs. In fact, pruning trees, keeping parks in ship-shape, and streets clean are important jobs that contribute to the quality of life. New York’s Sanitation and Parks Department jobs are highly prized, but that is because workers are employees, with decent wages, benefits and working conditions. People on workfare, however, work off their benefits at what amounts

to a fraction of a regular worker's pay. More often, welfare recipients are pushed into the low-wage labor market where they usually find jobs paying close to the minimum wage. That is, if they can find jobs at all.

The welfare law signed by President Clinton in 1996, justified as "ending welfare dependency" by forcing recipients off the rolls and into paid work, worsened this situation. The law disregards the economic hazards of the low-wage labor market: low wages, which usually come without health benefits, are simply not enough to live on, let alone cover the costs of child care or health care.[1] And the law ignores the value of work in the home raising children. Since it is not paid work, it is not considered real work. It is "real" work only when women are paid to care for someone else's children.

Not only that. Because workfare increases the number of job seekers without increasing the number of jobs, it tends to further depress wages, standards, and security for millions of workers and weaken unions. Many regular workers would be shocked to learn that workfare threatens not only welfare recipients. It also threatens them, since they are forced to compete for the same number of jobs with those lacking any protection. In contrast, fair work creates additional jobs and thus reduces the pool of job seekers. This strengthens the ability of workers to maintain and even raise their wages and work standards.

In sum, workfare, which stigmatizes and humiliates the poor, undermines wages and standards for all workers while fair work strengthens their position. These relationships are not widely understood by workers, although they are by business. As a result, workfare has been politically popular, while public employment programs have been the target of effective, unremitting criticisms by conservatives and business.

Notes:

1. The end of welfare also means the end of Medicaid eligibility, sometimes after a short transition period.

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