

ORIGINS OF THE WELFARE STATE IN AMERICA

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Standard theory views government as functional: a social need arises, and government, semi-automatically, springs up to fill that need. The analogy rests on the market economy: demand gives rise to supply (e.g., a demand for cream cheese will result in a supply of cream cheese on the market). But surely it is strained to say that, in the same way, a demand for postal services will spontaneously give rise to a government-monopoly Post Office, outlawing its competition and giving us ever-poorer service for ever-higher prices.

Indeed, if the analogy fails when even a genuine service (e.g., mail delivery or road construction) is being provided, imagine how much worse the analogy is when government is not supplying a good or service at all, but is coercively redistributing income and wealth.

When the government, in short, takes money at gun point from A and gives it to B, *who* is demanding *what*? The cream-cheese producer on the market is using his resources to supply a genuine demand for cream cheese; he is not engaged in coercive redistribution. But what about the government's taking from A and giving the money to B? Who are the demanders, and who are the suppliers? One can say that the subsidized, the "donees," are "demanding" this redistribution; surely, however, it would be straining credulity to claim that A, the fleeced, is also "demanding" this activity. A, in fact, is the reluctant supplier, the coerced donor; B is gaining at A's expense. But the really interesting role here is played by G, the government. For apart from the unlikely case where G is an unpaid altruist, performing this action as an uncompensated Robin Hood, G gets a rake-off, a handling charge, a finder's fee, so to speak, for this little transaction. G, the government, in other words, performs his act of "redistribution" by fleecing A for the benefit of B and of himself.

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Once we focus on this aspect of the transaction, we begin to realize that G, the government, might not just be a passive recipient of B's felt need and economic demand, as standard theory would have it; instead, G himself might be an active demander and, as a full-time, paid Robin Hood, might even have stimulated B's demand in the first place, so as to be in on the deal. The felt need, then, might be on the part of the governmental Robin Hood himself.

WHY THE WELFARE STATE?

Why has government increased greatly over this century? Specifically, why has the welfare state appeared, grown, and become ever-larger and more powerful? What was the functional need felt here? One answer is that the development of poverty over the past century gave rise to welfare and redistribution. But this makes little sense, since it is evident that the average person's standard of living has grown considerably over the past century-and-a-half, and poverty has greatly diminished.

But perhaps inequality has been aggravated, and the masses, even though better off, are upset by the increased income gap between themselves and the wealthy? English translation: the masses may be smitten with envy and rankle furiously at a growing income disparity. But it should also be evident from one glance at the Third World that the disparity of income and wealth between the rich and the masses is far greater there than in Western capitalist countries. So what's the problem?

Another standard answer more plausibly asserts that industrialization and urbanization, by the late 19th century, deprived the masses, uprooted from the soil or the small town, of their sense of community, belonging, and mutual aid.¹ Alienated and deracinated in the city and in the factory, the masses reached out for the welfare state to take the place of their old community.

Certainly it is true that the welfare state emerged during the same period as industrialization and urbanization, but coincidence does not establish causation.

One grave flaw in this urbanization theory is that it ignores the actual nature of the city, at least as it had been before it was effectively destroyed in the decades after World War II. The

¹Harold Wilensky put it baldly and succinctly: "Economic growth is the ultimate cause of welfare state development." Harold Wilensky, *The Welfare State and Equality* (Berkeley: University of California Press, 1975), p. 24.

city was not a monolithic agglomeration but a series of local neighborhoods, each with its own distinctive character, network of clubs, fraternal associations, and street corner hangouts. Jane Jacobs's memorable depiction of the urban neighborhood in her *Death and Life of Great American Cities* was a charming and accurate portrayal of the unity in diversity of each neighborhood, of the benign role of the "street watcher" and the local storekeeper. Large city life in the United States by 1900 was almost exclusively Catholic and ethnic, and both the political and social life of Catholic males in each neighborhood revolved, and still, to an extent, revolves, around the neighborhood saloon. There the men of the neighborhood would repair each evening to the saloon, where they would drink a few beers, socialize, and discuss politics. Typically, they would receive political instruction from the local saloon keeper, who was generally also the local Democratic ward heeler. Wives socialized separately, and at home. The beloved community was still alive and well in urban America.

On deeper historical inquiry, moreover, this seemingly plausible industrialism explanation falls apart, and not only on the familiar problem of American exceptionalism, the fact that the United States, despite industrializing more rapidly, lagged behind European countries in developing the welfare state. Detailed investigations of a number of industrialized countries, for example, find no correlation whatsoever between the degree of industrialization and the adoption of social insurance programs between the 1880s and the 1920s or the 1960s.²

More strikingly, the same findings hold true *within* the United States, where American exceptionalism can play no role. The earliest massive social welfare program in the United States was the dispensing of post-Civil War pensions to aging veterans of the Union Army and their dependents. Yet, these post-Civil War pensions were more likely to aid farmers and

²Thus, Flora and Alber find no correlation between levels of industrialization and social insurance programs of 12 European nations between the 1880s and the 1920s. Peter Flora and Jens Alber, "Modernization, Democratization, and the Development of Welfare States in Western Europe," in Peter Flora and Arnold Heidenheimer, eds., *The Development of Welfare States in Europe and America* (New Brunswick, N.J.: Transaction Press, 1981), pp. 37–80. Likewise, Collier and Messick find no relation between industrialization and the adoption of social insurance programs in 59 nations between the 1880s and the 1960s. David Collier and Richard Messick, "Prerequisites versus Diffusion: Testing Alternative Explanations of Social Security Adoption," *American Political Science Review* 69 (1975): 1299–315. Cited in Theda Skocpol, *Protecting Soldiers and Mothers: The Political Origins of Social Policy in the United States* (Cambridge, Mass.: Belknap Press of Harvard University Press, 1992), pp. 559–60.

small townsmen than residents of large industrial cities. County-level post-Civil War pension studies in Ohio in the late 1880s, the peak years for these pension payments, demonstrate a negative correlation between the degree of urbanism, or percentage of people living in homes rather than on farms, and the rates of receipt of pensions. The author of the study concluded that “generally, pensions were distributed to predominantly rural, Anglo-Saxon areas,” while the major city of Cleveland had the lowest per capita rate of receipt of pensions.³ Furthermore, pioneers in unemployment insurance and other social legislation were often the less-industrialized and more-rural states, such as Wisconsin, Minnesota, Oklahoma, and Washington state.⁴

Another standard view, the left-liberal or “social-democratic model,” as its practitioners call it, holds that the welfare state came about not through the semi-automatic functioning of industrialization, but rather through conscious mass movements from below, movements generated by the demands of the presumptive beneficiaries of the welfare state themselves: the poor, the masses, or the oppressed working class. This thesis has been summed up boldly by one of its adherents. Everywhere, he says, the welfare state has been the product of

a highly centralized trade union movement with a class-wide membership base, operating in close coordination with a unified reformist-socialist party which, primarily on the basis of massive working class support, is able to achieve hegemonic status in the party system.⁵

Certainly, much of this thesis is overdrawn even for Europe, where much of the welfare state was brought about by conservative and liberal bureaucrats and political parties, rather than by unions or socialist parties. But setting that aside and concentrating on the United States, there has been, for one

³Heywood Sanders, “Paying for the ‘Bloody Shirt’: The Politics of Civil War Pensions,” in *Political Benefits*, Barry Rundquist, ed. (Lexington, Mass.: D.C. Heath, 1980), pp. 150–54.

⁴Edwin Amenta, Elisabeth Clemens, Jefren Olsen, Sunita Parikh, and Theda Skocpol, “The Political Origins of Unemployment Insurance in Five American States,” *Studies in American Political Development* 2 (1987): 137–82; Richard M. Valley, *Radicalism in the States: the Minnesota Farmer-Labor Party and the American Political Economy* (Chicago: University of Chicago Press, 1989); and Skocpol, *Protecting Soldiers*, pp. 560–61.

⁵Michael Shalev, “The Social Democratic Model and Beyond: Two Generations of Comparative Research on the Welfare State,” *Comparative Social Research* 6 (1983): 321. A similar sentiment is: “the welfare state is a product of the growing strength of labour in civil society.” John Stephens, *The Transition from Capitalism to Socialism* (London: Macmillan, 1979), p. 89.

thing, no massively supported socialist party, let alone one which has managed to achieve “hegemonic status.”

We are left, then, with labor unions as the only possible support for the social-democratic model for the United States. But here, historians, almost uniformly starry-eyed supporters of labor unions, have wildly exaggerated the importance of unions in American history. When we get past romantic stories of strikes and industrial conflicts (in which the union role is inevitably whitewashed if not glorified), even the best economic historians don't bother informing the reader of the meager quantitative role or importance of unions in the American economy. Indeed, until the New Deal, and with the exception of brief periods when unionization was coercively imposed by the federal government (during World War I, and in the railroads during the 1920s), the percentage of union members in the labor force typically ranged from a minuscule 1 to 2 percent during recessions, up to 5 or 6 percent during inflationary booms, and then down to the negligible figure in the next recession.⁶

Furthermore, in boom or bust, labor unions, in the free-market environment, were only able to take hold in specific occupations and areas of the economy. Specifically, unions could only flourish as skilled-craft unions (a) which could control the supply of labor in the occupation because of the small number of workers involved; (b) where this limited number constituted a small fraction of the employer's payroll; and (c) where, because of technological factors, the industry in question was not very actively competitive across geographical regions. One way to sum up these factors is to say, in economists' jargon, that the employers' demand schedule for this type of labor is inelastic, that is, that a small restriction in the supply of such labor could give rise to a large wage increase for the remaining workers. Labor unions could flourish, moreover, in such geographically uncompetitive industries as anthracite coal, which is found in only a small area of northeastern Pennsylvania; and the various building trades (carpenters, masons, electricians, joiners, etc.), since building construction in, say, New York City, is only remotely competitive with similar construction in Chicago or

⁶The percentage of union membership to the American population, aged 15–64, amounted to only 1.35 in 1871, 0.7% in 1880, and, after the development of the AFL and the modern labor movement in 1886, totaled 1.0% in 1890 and 1.9% in 1900. Lloyd Ulman, *The Rise of the National Trade Union* (Cambridge, Mass.: Harvard University Press, 1955). The best works on trade union memberships in this period are still Leo Wolman, *The Growth of American Trade Unions, 1880–1923* (New York: National Bureau of Economic Research, 1924), and Leo Wolman, *Ebb and Flow in Trade Unionism* (New York: National Bureau of Economic Research, 1936).

Duluth. In contrast, despite determined efforts, it was impossible for unions to prosper in such industries as bituminous coal, which is found in large areas of the U.S., or clothing manufacture, where factories can move readily to another, non-unionized area.

It was a shrewd understanding of these principles that enabled Samuel Gompers and the craft unions in his American Federation of Labor to flourish, while other, more radical and socialistic unions, such as The Noble Order of the Knights of Labor, collapsed quickly and faded from the scene.⁷

It should be obvious, then, that the advent and growth of the welfare state in the United States had little or nothing to do with the growth of the labor movement. On the contrary, the growth of labor unionism in America—during World War I and during the 1930s, its two great spurts of activity—were brought about by governmental coercion from above. Labor unions, then, were an effect rather than a cause of the welfare state, at least in the United States.

YANKEE POSTMILLENNIAL PIETISM

If it wasn't industrialism or mass movements of the working class that brought the welfare state to America, what was it? Where are we to look for the causal forces? In the first place, we must realize that the two most powerful motivations in human history have always been ideology (including religious doctrine), and economic interest, and that a joining of these two motivations can be downright irresistible. It was these two forces that joined powerfully together to bring about the welfare state.

Ideology was propelled by an intensely held religious doctrine that swept over and controlled virtually all Protestant churches, especially in "Yankee" areas of the North, from 1830 on. Likewise, a growing corollary ideology of statism and corporate socialism spread among intellectuals and ministers by the end of the 19th century. Among the economic interests promoted by the burgeoning welfare state were two in particular. One was a growing legion of educated (and often overeducated) intellectuals, technocrats, and the "helping professions" who sought power, prestige, subsidies, contracts, cushy jobs from the welfare state, and restrictions of entry into their field via forms

⁷For the classic exposition of Gompersian unionism by an economist and student of John R. Commons, the Wisconsin institutional economist who was virtually Gompers's theoretician, see Selig Perlman, *A Theory of the Labor Movement* (New York: Augustus M. Kelley, 1949); also see the companion volume by Perlman, *A History of Trade Unionism in the United States* (New York: Macmillan, 1922).

of licensing. The second was groups of big businessmen who, after failing to achieve monopoly power on the free market, turned to government—local, state, and federal—to gain it for them. The government would provide subsidies, contracts, and, particularly, enforced cartelization. After 1900, these two groups coalesced, combining two crucial elements: wealth and opinion-molding power, the latter no longer hampered by the resistance of a Democratic Party committed to laissez-faire ideology. The new coalition joined together to create and accelerate a welfare state in America. Not only was this true in 1900, it remains true today.

Perhaps the most fateful of the events giving rise to and shaping the welfare state was the transformation of American Protestantism that took place in a remarkably brief period during the late 1820s. Riding in on a wave from Europe, fueled by an intense emotionalism often generated by revival meetings, this Second Great Awakening conquered and remolded the Protestant churches, leaving such older forms as Calvinism far behind. The new Protestantism was spearheaded by the emotionalism of revival meetings held throughout the country by the Rev. Charles Grandison Finney. This new Protestantism was pietist, scorning liturgy as papist or formalistic, and equally scornful of the formalisms of Calvinist creed or church organization. Hence, denominationalism, God's Law, and church organization were no longer important. What counted was each person's achieving salvation by his own free will, by being "born again," or being "baptized in the Holy Spirit." An emotional, vaguely defined pietist, non-creedal, and ecumenical Protestantism was to replace strict creedal or liturgical categories.

The new pietism took different forms in various regions of the country. In the South, it became personalist, or salvational; the emphasis was on each person's achieving this rebirth of salvation on his own, rather than via social or political action. In the North, especially in Yankee areas, the form of the new Protestantism was very different. It was aggressively evangelical and postmillennialist, that is, it became each believer's sacred duty to devote his energies to trying to establish a Kingdom of God on Earth, to establishing the perfect society in America and eventually the world, to stamp out sin and "make America holy," as essential preparation for the eventual Second Advent of Jesus Christ. Each believer's duty went far beyond mere support of missionary activity, for a crucial part of the new doctrine held that he who did not try his very best to maximize the salvation of others would not himself be

saved. After only a few years of agitation, it was clear to these new Protestants that the Kingdom of God on Earth could only be established by government, which was required to bolster the salvation of individuals by stamping out occasions for sin. While the list of sins was unusually extensive, the PMPs (postmillennial pietists) stressed in particular the suppression of Demon Rum, which clouds men's minds to prevent them from achieving salvation; slavery, which prevented the enslaved from achieving such salvation; any activities on the Sabbath except praying or reading the Bible; and any activities of the Anti-Christ in the Vatican, the Pope of Rome and his conscious and dedicated agents who constituted the Catholic Church.

The Yankees who particularly embraced this view were an ethno-cultural group descending from the original Puritans of Massachusetts, and who, beginning in rural New England, moved westward and settled upstate New York ("the Burned-Over District"), northern Ohio, northern Indiana, northern Illinois, and neighboring areas. As early as the Puritan days, the Yankees were eager to coerce themselves and their neighbors; the first American public schools were set up in New England to inculcate obedience and civic virtue in their charges.⁸

The concentration of the new statist in Yankee areas was nothing short of remarkable. From the Rev. Finney on down to virtually all the Progressive intellectuals who would set the course of America in the years after 1900, they were, almost to a man, born in Yankee areas: rural New England and their migrant descendants in upstate and western New York, northeastern Ohio (the "Western Reserve," originally owned by Connecticut and settled early by Connecticut Yankees), and the northern reaches of Indiana and Illinois. Almost to a man, they were raised in very strict Sabbatarian homes, and often their father was a lay preacher and their mother the daughter of a preacher.⁹ It is very

⁸Those two great ideological and political opponents of the late 1880s and early 1890s, Grover Cleveland and Benjamin Harrison, embodied this battle within the Presbyterian Church. Cleveland, an old-fashioned Calvinist Presbyterian from Buffalo, was the son of a Calvinist clergyman, a Democrat, a "wet" on liquor, and a personal *bon vivant*; the prim, dour Harrison was a pietist Presbyterian from Indiana, and a Republican. See Richard Jensen, *The Winning of the Midwest: Social and Political Conflict, 1888-1896* (Chicago: University of Chicago Press, 1971), pp. 79-80.

⁹Rural, because urban New England centers such as Boston had gone Unitarian during the 18th century. The Unitarians, on the other hand, were allied to the PMPs in advocating a more secular version of the coercive Utopian Kingdom to be achieved by government. On Unitarianism, Calvinism, and the Kingdom of God on Earth, especially as it dominated the public school movement in the 19th century, see the important but neglected work by Rousas John Rushdoony, *The Messianic Character of American Education: Studies in the History of the Philosophy of*

likely that the propensity of the Yankees, in particular, to take so quickly to the coercive, crusading aspect of the new Protestant pietism was a heritage of the values, mores, and world outlook of their Puritan ancestors, and of the community they had established in New England. Indeed, we have in recent years been strikingly reminded of the three very different and clashing groups, all Protestants, who came from very different regions of Great Britain, and who settled in different regions of North America: the coercive, community-oriented Puritans from East Anglia who settled in New England; the manor-and-plantation-oriented Anglian Cavaliers who came from Wessex and settled in the Tidewater South; and the feisty, individualistic Presbyterian Borderers who came from the border country in northern England and southern Scotland and who settled in the Southern and Western back country.¹⁰

The Rev. Charles Grandison Finney, who essentially launched the pietist sweep, was virtually a paradigmatic Yankee. He was born in Connecticut; at an early age, his father joined the emigration by taking his family to a western New York farm, on the Ontario frontier. In 1812, fully 2/3 of the 200,000 people living in western New York had been born in New England. While a nominal Presbyterian, in 1821 at the age of 29, Finney converted to the new pietism, experiencing his second baptism, his “baptism of the Holy Spirit,” his conversion being greatly aided by the fact that he was self-educated in religion, and lacked any religious training. Tossing aside the Calvinist tradition of scholarship in the Bible, Finney was able to carve out his new religion, and to ordain himself in his new version of the faith. Launching his remarkably successful revival movement in 1826 when he was an attorney in northeastern Ohio, his new pietism swept the Yankee areas in the East and midwest. Finney wound up at Oberlin College, in the Western Reserve area of Ohio, where he became president, and transformed Oberlin into the preeminent national center for the education and dissemination of postmillennial pietism.¹¹

Education (Nutley, N.J.: Craig Press, 1979), pp. 18–32, 40–48.

¹⁰See the massive and fascinating work by David Hackett Fischer, *Albion's Seed: Four British Folkways in America* (New York: Oxford University Press, 1989). Whether or not these Borderers, or Scotch-Irish, are Celtic is controversial, with Fischer denying it, and most other authorities, notably Grady McWhiney and Forrest McDonald, maintaining this thesis.

¹¹On Finney and the revival movement, see Bernard A. Weisberger, *They Gathered at the River: The Story of the Great Revivalists and their Impact Upon Religion in America* (Boston: Little, Brown, 1958). Also see the classic work by Whitney R. Cross, *The Burned-Over District: The Social and Intellectual History of Enthusiastic Religion in Western New York, 1800–1850* (New York: Harper Torchbooks, 1950).

The pietists quickly took to statist paternalism at the local and state level: to try to stamp out Demon Rum, Sabbath activity, dancing, gambling, and other forms of enjoyment, as well as trying to outlaw or cripple Catholic parochial schools, and expanding public schools as a device to Protestantize Catholic children, or, in the common phrase of the later 19th century, to “Christianize the Catholics.” But use of the national government came early as well: to try to restrict Catholic immigration, in response to the Irish Catholic influx of the late 1840s; to restrict or abolish slavery; or to eliminate the sin of mail delivery on Sunday. It was therefore easy for the new pietists to expand their consciousness to favor paternalism in national economic affairs. Using big government to create a perfect economy seemed to parallel employing such government to stamp out sin and create a perfect society. Early on, the PMPs advocated government intervention to aid business interests and to protect American industry from the competition of foreign imports. In addition, they tended to advocate public works, and government creation of mass purchasing power through paper money and central banking. The PMPs therefore quickly gravitated toward the statist Whig Party, and then to the vehemently anti-Catholic America (or “Know Nothing”) Party, finally culminating in all-out support for the Republican Party, the “party of great moral ideas.”¹²

On the other hand, all religious groups that did not want to be subjected to the PMP theocracy—Catholics, High Church (or liturgical) German Lutherans, old-fashioned Calvinists, secularists, and Southern personal salvationists—naturally gravitated toward the laissez-faire political party, the Democrats. Becoming known as the “party of personal liberty,” the Democrats championed small government and laissez faire on the national economic level as well, including separation of government and business, free trade, and hard money, which included the separation of government from the banking system.

The Democrat Party was the champion of laissez faire, minimal government, and centralization from its inception until its takeover by the ultra-pietist Bryanite forces in 1896. After 1830, the laissez-faire Democratic constituency was greatly strengthened by an influx of religious groups opposed to Yankee theocracy.

¹²On the enormous, but neglected, importance of anti-Catholicism and the co-opting of Know Nothings in the Republican rise to major party status, see William E. Gienapp, “Nativism and the Creation of a Republican Majority in the North before the Civil War,” *Journal of American History* 72 (December 1985): 529–59.

If postmillennial Protestantism provided a crucial impetus toward State dictation over society and the economy, another vital force on behalf of the partnership of government and industry was the zeal businessmen and industrialists eager to jump on the bandwagon of state privilege. Vital to the Republican coalition, then, were the big railroads, dependent on government subvention and heavily in debt, and the Pennsylvania iron and steel industry, almost chronically inefficient and in perpetual need of high tariffs to protect them from import competition. When industrialists, as was often the case, were at one and the same time Yankee postmillennial pietists seeking to impose a perfect society, and also inefficient industrialists seeking government aid, the fusion of religious doctrine and economic interest became a powerful force in guiding their actions.

YANKEE WOMEN: THE DRIVING FORCE

Of all the Yankee activists in behalf of statist “reform,” perhaps the most formidable force was the legion of Yankee women, in particular those of middle- or upper-class background, and especially spinsters whose busybody inclinations were not fettered by the responsibilities of home and hearth. One of the PMPs’ favorite reforms was to bring about women’s suffrage, which was accomplished in various states and localities long before a constitutional amendment imposed it on the entire country. One major reason: it was obvious to everyone that, given the chance to vote, most Yankee women would be quick to troop to the ballot-box, whereas Catholic women believed their place to be at home and with the family, and would not bother about political considerations. Hence, women’s suffrage was a way of weighting the total vote toward the postmillennialists and away from the Catholics and High Church Lutherans.

The impact of the revivalist transformation of Protestantism in the 1820s and 1830s upon female activism is well described by the feminist historian Carroll Smith-Rosenberg:

Women’s religious movements multiplied. Female revival converts formed Holy Bands to assist the evangelist in his revival efforts. They gathered with him at dawn to help plan the day’s revival strategies. They posted bills in public places urging attendance at revival meetings, pressured merchants to close their shops and hold prayer services, and buttonholed sinful men and prayed with them. Although “merely women,” they led prayer vigils in their homes that extended far into the night. These women for the most part

were married, respected members of respectable communities. Yet, transformed by millennial zeal, they disregarded virtually every restraint upon women's behavior. They self-righteously commanded sacred space as their own. They boldly carried Christ's message to the streets, even into the new urban slums.¹³

The early suffragette leaders began as ardent prohibitionists, the major political concern of the postmillennial Protestants. They were all Yankees, centering their early activities in the Yankee heartland of upstate New York. Thus, Susan Brownell Anthony, born in Massachusetts, was the founder of the first women's temperance (prohibitionist) society, in upstate New York in 1852. Susan B. Anthony's co-leader in generating suffragette and prohibitionist women's activities, Elizabeth Cady Stanton, came from Johnston, New York, in the heart of the Yankee Burned-Over District. Organized prohibitionism began to flourish in the winter of 1873–74, when spontaneous "Women's Crusades" surged into the streets, dedicated to direct action to closing down the saloons. Beginning in Ohio, thousands of women took part in such actions during that winter. After the spontaneous violence died down, the women organized the Women's Christian Temperance Union (WCTU) in Fredonia (near Buffalo), New York, in the summer of 1874. Spreading like wildfire, the WCTU became the outstanding force for decades on behalf of the outlawry of liquor.

What is less well known is that the WCTU was not a one-issue organization. By the 1880s, the WCTU was pushing, throughout states and localities, for a comprehensive statist program for government intervention and social welfare. These measures included the outlawing of licensed brothels and red-light districts, imposition of a maximum 8-hour working day, the establishment of government facilities for neglected and dependent children, government shelters for children of working mothers, government recreation facilities for the urban poor, federal aid to education, mothers' education by government, and government vocational training for women. In addition, the WCTU pushed for the new "kindergarten movement," which sought to lower the age when children began to come under the purview of teachers and other educational professionals.¹⁴

¹³Carroll Smith-Rosenberg, *Disorderly Conduct* (New York: Alfred A. Knopf, 1985), pp. 85–86.

¹⁴See Ruth Bordin, *Woman and Temperance: the Quest for Power and Liberty, 1873–1900* (Philadelphia: Temple University Press, 1981). On the postmillennialists and women suffrage, see the excellent work by Alan P. Grimes, *The Puritan Ethic and Woman Suffrage* (New York: Oxford University Press, 1967).

**PROGRESSIVES AND THE GRADUAL
SECULARIZATION OF POSTMILLENNIAL PIETISM:
ELY, DEWEY, AND COMMONS**

A critical but largely untold story in American political history is the gradual but inexorable secularization of Protestant postmillennial pietism over the decades of the middle and late 19th century.¹⁵ The emphasis, almost from the beginning, was to use government to stamp out sin and to create a perfect society, in order to usher in the Kingdom of God on Earth. Over the decades, the emphasis slowly but surely shifted: more and more away from Christ and religion, which became ever-vaguer and woollier, and more and more toward a Social Gospel, with government correcting, organizing, and eventually planning the perfect society. From paternalistic mender of social problems, government became more and more divinized, more and more seen as the leader and molder of the organic social whole. In short, Whigs, Know-Nothings, and Republicans were increasingly becoming Progressives, who were to dominate the polity and the culture after 1900; a few of the more radical thinkers were openly socialist, with the rest content to be organic statist and collectivists. And as Marxism became increasingly popular in Europe after the 1880s, the progressives prided themselves on being organic statist middle-of-the-roaders between old-fashioned dog-eat-dog laissez-faire individualism on the one hand, and proletarian socialism on the other. Instead, the progressive would provide to society a Third Way in which Big Government, in the service of the joint truths of science and religion, would harmonize all classes into one organic whole.

By the 1880s, the focus of postmillennial Christian endeavor began to shift from Oberlin College to the liberal “New Theology” at Andover Theological Seminary in Massachusetts. The Andover liberals, as Jean Quandt points out, stressed “the immanence of God in nature and society, a concept derived in part from the doctrine of evolution.” Furthermore, “Christian conversion . . . came more and more to mean the gradual moral improvement of the individual.” Thus, says Quandt, “Andover’s identification of God with all the regenerating and civilizing forces in society, together with its Arminian emphasis on man’s moral achievements, pointed toward an increasingly secular

¹⁵But see the illuminating article by Jean B. Quandt, “Religion and Social Thought: The Secularizing of Postmillennialism,” *American Quarterly* 25 (October 1973): 390–409. Also see James H. Moorhead, “The Erosion of Postmillennialism in American Religious Thought, 1865–1925,” *Church History* 53 (March 1984): 61–77.

version of America's transfiguration."¹⁶ Professor Quandt sums up the gradual but fateful change as a change that amounted to "a secularization of the eschatological vision." As Quandt writes:

The outpourings of the Holy Spirit which were to usher in the kingdom of the 1850s were replaced, in the Gilded Age and the Progressive Era, by advances in knowledge, culture, and ethical Christianity. Whereas evangelical Protestantism had insisted that the kingdom would come by the grace of God acting in history and not by any natural process, the later version often substituted the providential gift of science for redeeming grace. These changes toward a more naturalistic view of the world's progress were paralleled by a changing attitude toward the agencies of redemption. The churches and the benevolent societies connected with them were still considered important instruments of the coming kingdom, but great significance was now attached to such impersonal messianic agencies as the natural and social sciences. The spirit of love and brotherhood . . . was (now) often regarded as an achievement of human evolution with only tenuous ties to a transcendent deity.¹⁷

Progressive intellectuals and social and political leaders reached their apogee in a glittering cohort which, remarkably, were almost all born in precisely the year 1860, or right around it.¹⁸

Richard T. Ely was born on a farm in western New York, near Fredonia, in the Buffalo area.¹⁹ His father, Ezra, a descendant of Puritan refugees from Restoration England, came from a long line of Congregationalist and Presbyterian clergy. Ezra, who had come from rural Connecticut, was a farmer whose poor soil was suited only to grow barley; yet, as an ardent prohibitionist, he refused to give his sanction to barley, since its main consumer product was beer. Highly intense about religion, Ezra was an extreme Sabbatarian who prohibited games or books (except the Bible) upon the Sabbath, and hated tobacco as well as liquor.

Richard was highly religious but not as focused as his father; he grew up mortified at not having had a conversion experience. He learned early to get along with wealthy benefactors, borrowing a substantial amount of money from his

¹⁶Quandt, "Secularization," p. 394.

¹⁷Quandt, "Secularization," p. 396.

¹⁸See the impressive list of the 1860 and environs cohort of Progressives in Robert M. Crunden, *Ministers of Reform: The Progressives Achievement in American Civilization, 1889-1920* (New York: Basic Books, 1982), pp. 275-76.

¹⁹For a biography of Ely, see Benjamin G. Rader, *The Academic Mind and Reform: the Influence of Richard T. Ely on American Life* (Lexington: University of Kentucky Press, 1966).

wealthy Columbia classmate, Edwin R.A. Seligman, of the New York investment-banking family. Graduating from Columbia in 1876, in a country where there was not yet a Ph.D. program, Ely joined most of the economists, historians, philosophers, and social scientists of his generation in traveling to Germany, the land of the Ph.D., for his doctorate. As in the case of his fellows, Ely was enchanted with the third way or organic statism that he and the others thought they found in Hegel and in German social doctrine. As luck would have it, Ely, on his return from Germany with a Ph.D. at the young age of 28, became the first instructor in political economy at America's first graduate university, Johns Hopkins. There, Ely taught and found disciples in a glittering array of budding statist economists, social scientists, and historians, some of whom were barely older than he was, including Chicago sociologist and economist Albion W. Small (b. 1854), Chicago economist Edward W. Bemis, economist and sociologist Edward Alsworth Ross, City College of New York president John H. Finlay, Wisconsin historian Frederick Jackson Turner, and future president Woodrow Wilson.

During the 1880s, Ely, like so many postmillennial pietists remarkably energetic, founded the American Economic Association and ran it with an iron hand for several years; he also founded, and became the first president of, the Institute for Christian Sociology, which pledged "to present . . . (God's) kingdom as the complete ideal of human society to be realized on earth." Ely also virtually took over the summer evangelical Chautauqua movement, and his textbook, *Introduction to Political Economy*, because a best-seller, largely by being distributed through, and becoming required reading for, the Chautauqua Literary and Scientific Circle, for literally a half-century. In 1891, Ely founded the Christian Social Union of the Protestant Episcopal Church, along with the avowedly socialist Rev. William Dwight Porter Bliss, who was the founder of the Society of Christian Socialists. Ely was also enamored of the socialist One Big Union Knights of Labor, which he hailed as "truly scientific" and lauded in his book *The Labor Movement* (1886); the Knights, however, collapsed abruptly after 1887.

Discouraged about not getting a full professorship at Hopkins, Ely, moving through his old student Frederick Jackson Turner, who was teaching at Wisconsin, managed to land not only a professorship at that university in 1892, but also became director, with the highest salary on campus, of a new institute, a School of Economics, Political Science, and History. A gifted academic empire-builder, he managed to acquire funding for an

assistant professor, a graduate fellow, and a large library at his institute.

Ely brought his favorite former students to Wisconsin, and Ely and his former and later students became the key advisors to the administration of Robert M. La Follette (b. 1855), who became the Progressive governor of Wisconsin in 1900. Through La Follette, Ely and the others pioneered welfare-state programs on a state level. Significantly, La Follette had gotten his start in Wisconsin politics as an ardent prohibitionist.

The key to Ely's thought was that he virtually divinized the State. "God," he declared, "works through the State in carrying out His purposes more universally than through any other institution."²⁰ Once again, Professor Quandt sums up Ely best:

In Ely's eyes, government was the God-given instrument through which we had to work. Its preeminence as a divine instrument was based on the post-Reformation abolition of the division between the sacred and the secular and on the State's power to implement ethical solutions to public problems. The same identification of sacred and secular . . . enabled Ely to both divinize the state and socialize Christianity: he thought of government as God's main instrument of redemption.²¹

It must not be thought that Ely's vision was totally secular. On the contrary, the Kingdom was never far from his thoughts. It was the task of the social sciences to "teach the complexities of the Christian duty of brotherhood." Through such instruments as the industrial revolution, the universities, and the churches, through the fusion of religion and social science, there will arrive, Ely believed, "the New Jerusalem" "which we are all eagerly awaiting." And then, "the earth [will become] a new earth, and all its cities, cities of God." And that Kingdom, according to Ely, was approaching rapidly.

A striking example of the secularization of a postmillennial-progressive leader is the famed founder of pragmatist philosophy and progressive education, the prophet of atheistic higher Democracy, philosopher John Dewey (b. 1859). It is little known that in an early stage of his seemingly endless career, Dewey was an ardent preacher of postmillennialism and the coming of the Kingdom. Addressing the Students' Christian

²⁰Sidney Fine, *Laissez Faire Thought and the General-Welfare State: A Study of Conflict in American Thought, 1865-1901* (Ann Arbor: University of Michigan Press, 1956), p. 180.

²¹Quandt, "Secularization," p. 403.

Association at Michigan, Dewey argued that the Biblical notion of the Kingdom of God come to earth was a valuable truth which had been lost to the world, but now, the growth of modern science and the communication of knowledge has made the world ripe for the temporal realization of “the Kingdom of God . . . the common incarnate Life, the purpose . . . animating all men and binding them together into one harmonious whole of sympathy.” Science and democracy, exhorted Dewey, marching together, reconstruct religious truth; and with this new truth, religion could help bring about “the spiritual unification of humanity, the realization of the brotherhood of man, all that Christ called the Kingdom of God . . . on earth.”

For Dewey, democracy was “a spiritual fact.” Indeed, it is the “means by which the revelation of truth is carried on.” It was only in democracy, asserted Dewey, that “the community of ideas and interest through community of action, that the incarnation of God in man (man, that is to say, as an organ of universal truth) becomes a living, present thing.”

Dewey concluded with a call to action: “Can anyone ask for better or more inspiring work? Surely to fuse into one the social and religious motive, to break down the barriers of Pharisaism and self-assertion which isolate religious thought and conduct from the common life of man, to realize the state as one Commonwealth of truth—surely, this is a cause worth battling for.”²² Thus, with Dewey the final secularization is at hand: the truth of Jesus Christ was the unfolding truth brought to man by modern science and modern democracy. Clearly, it was but one small step for John Dewey, as well as for other, similarly situated progressives, to abandon Christ and to keep his ardent faith in government, science, and democracy to bring about an atheized Kingdom of God on earth.²³

If Richard T. Ely was the leading PMP and progressive in economics and the social sciences, the leading progressive activist was his indefatigable and beloved No. 2 man, Professor John Rogers Commons (b. 1862). Commons was a student of Ely’s at Johns Hopkins graduate school, but even though he flunked out of graduate school, he continued ever afterward as Ely’s right-

²²Crunden, *Ministers of Reform*, pp. 57–58. Also see Quandt, “Secularization,” pp. 404–5.

²³Dewey, as H.L. Mencken put it, was “born of indestructible Vermont stock and a man of the highest bearable sobriety.” Dewey was the son of a small town Vermont grocer; his mother was an ardent evangelical Congregationalist. H.L. Mencken, “Professor Veblen,” in *A Mencken Chrestomathy* (New York: Alfred A. Knopf, 1949), p. 267.

hand man and perpetual activist, becoming professor of economics at the University of Wisconsin. Commons was a major force in the National Civic Federation, which was the leading Progressive organization pushing for statism in the economy. The National Civic Federation was a big-business-financed outfit that wrote and lobbied for model legislation on a state and federal level favoring state unemployment insurance, federal regulation of trade, and regulation of public utilities. Further, it was the dominant force for progressive policies from 1900 until U.S. entry into World War I. Not only that, Commons was a founder and the leading force in the even more explicitly leftist American Association for Labor Legislation (AALL), powerful from 1907 on in pushing for public works, minimum wages, maximum hours, and pro-union legislation. The AALL, financed by Rockefeller and Morgan industrialists, was highly influential in the 1920s and 1930s. The executive secretary of the AALL was for many decades John B. Andrews, who began as a graduate assistant of Commons at the University of Wisconsin.

John R. Commons was a descendant of the famed English Puritan martyr John Rogers. His parents moved from rural Vermont to the heavily Yankee, rabidly PMP Western Reserve section of northeastern Ohio. His father was a farmer, his extremely energetic mother a schoolteacher and graduate of the virtual PMP headquarters, Oberlin College. The family moved to northeastern Indiana. Commons's mother, the financial mainstay of the family, was a highly religious pietist Presbyterian and an ardent lifelong Republican and prohibitionist. Ma Commons was anxious for her son to become a minister, and when Commons enrolled in Oberlin in 1882, his mother went with him, mother and son founding and editing a prohibitionist magazine at Oberlin. Although a Republican, Commons voted Prohibitionist in the national election of 1884. Commons felt himself lucky to be at Oberlin, and to be in at the beginnings there of the Anti-Saloon League, the single-issue pressure group that was to become the greatest single force in bringing Prohibition to America. The national organizer of the league was Howard W. Russell, then a theological student at Oberlin.

At Oberlin, Commons found a beloved mentor, James Monroe, professor of political science and history, who managed to get two Oberlin trustees to finance Commons's graduate studies at Johns Hopkins. Monroe himself was a deeply religious PMP, a protectionist and prohibitionist, and for 30 years had been a Republican Congressman from the Western Reserve. Commons

was graduated from Oberlin in 1888 and proceeded to Johns Hopkins.²⁴ Before going to Wisconsin, Commons taught at several colleges, including Oberlin, Indiana University, and Syracuse, and helped found the American Institute for Christian Sociology, on behalf of Christian Socialism.

Not only did Commons go on to Wisconsin to become the major inspirer and activist of the “Wisconsin Idea,” helping to set up the welfare and regulatory state in that region, several of his doctoral students at Wisconsin were to become highly influential in the Roosevelt New Deal. Selig Perlman, who was appointed to the Commons Chair at Wisconsin was, following his mentor, the major theoretician for the policies and practices of Commons’s beloved American Federation of Labor. And two of Commons’s other Wisconsin students, Arthur J. Altemeyer and Edwin E. Witte, were both high officials in the Industrial Commission of Wisconsin, founded by Commons to administer that state’s pro-union legislation. Both Altemeyer and Witte went on from there to be major founders of Franklin Roosevelt’s Social Security legislation.²⁵

YANKEE WOMEN PROGRESSIVES

The Elys, Commonses, and Deweys might have been more notable, but the Yankee women progressives provided the shock troops of the progressive movement and hence the burgeoning welfare state. As in the case of the males, gradual but irresistible secularization set in over the decades. The abolitionist and slightly later cohort were fanatically postmillennial Christian, but the later progressive cohort, born, as we have seen, around 1860, were no less fanatical but more secular and less Christian-Kingdom oriented. The progression was virtually inevitable; after all, if your activism as a Christian evangelist had virtually nothing to do with Christian creed or liturgy or even personal reform, but was focused exclusively in using the force of government to shape up everyone, stamp out sin, and usher in a perfect society, if government is really God’s major instrument of salvation, then the role of Christianity in one’s practical activity began to fade into the background. Christianity became taken for granted, a background buzz; one’s practical activity was designed to use the government

²⁴See John R. Commons, *Myself* (Madison: University of Wisconsin Press, [1934] 1964).

²⁵See Joseph Dorfman, *The Economic Mind in American Civilization, 1918–1933* (New York: Viking, 1959), 4, pp. 395–98.

to stamp out liquor, poverty, or whatever is defined as sin, and to impose one's own values and principles on the society.

Not only that, but by the late 19th century, as the 1860 cohort came of age, there arose greater and more specialized opportunities for female activism on behalf of statism and government intervention. The older groups, the Women's Crusades, were short-run activities, and hence could rely on short bursts of energy by married women. However, as female activism became professionalized, and became specialized into social work and settlement houses, there was little room left for any women except upper-class and upper-middle-class spinsters, who answered the call in droves. The settlement houses, it must be emphasized, were not simply centers for private help to the poor; they were, quite consciously, spearheads for social change and government intervention and reform.

The most prominent of the Yankee progressive social workers, and emblematic of the entire movement, was Jane Addams (b. 1860). Her father, John H. Addams, was a pietist Quaker who settled in northern Illinois, constructed a sawmill, invested in railroads and banks, and became one of the wealthiest men in northern Illinois. John H. Addams was a lifelong Republican, who attended the founding meeting of the Republican Party at Ripon, Wisconsin in 1854, and served as a Republican State Senator for 16 years.

Graduating from one of the first all-women colleges, the Rockford Female Seminary, in 1881, Jane Addams was confronted by the death of her beloved father. Intelligent, upper class, and energetic, she was faced with the dilemma of what to do with her life. She had no interest in men, so marriage was not in the cards; indeed, in her lifetime, she seems to have had several intense lesbian affairs.²⁶

After eight years of indecision, Jane Addams decided to devote herself to social work, and founded the famed settlement house, Hull House, in the Chicago slums in 1889. Jane was inspired by reading the highly influential English art critic John Ruskin, who was an Oxford professor, Christian Socialist, and bitter critic of laissez-faire capitalism. Ruskin was the charismatic leader of Christian Socialism in England, which

²⁶Recent feminist historians have been happy to overcome the reluctance of older historians, and have proudly "outed" the lesbianism of Addams and many other spinster Yankee progressive activists of that epoch. Probably these feminists are right, and the pervasive lesbianism of the movement is crucial to a historical understanding of why this movement got under way. At the very least, they could not simply follow other women and make a career of marriage and homemaking.

was influential in the ranks of the Anglican clergy. One of his disciples was the historian Arnold Toynbee, in whose honor Canon Samuel A. Barnett, another Ruskinian, founded the settlement house of Toynbee Hall in London in 1884. In 1888, Jane Addams went to London to observe Toynbee Hall, and there she met Canon W.H. Freemantle, close friend and mentor of Canon Barnett, and this visit settled the matter, inspiring Jane Addams to go back to Chicago to found Hull House, along with her former classmate and intimate lesbian friend Ellen Gates Starr. The major difference between Toynbee Hall and its American counterparts is that the former was staffed by male social workers who stayed for a few years and then moved on to build their careers, whereas the American settlement houses almost all constituted lifelong careers for spinster ladies.

Jane Addams was able to use her upper class connections to acquire fervent supporters, many of them women who became intimate and probably lesbian friends of Miss Addams. One staunch financial supporter was Mrs. Louise de Koven Bowen (b. 1859), whose father, John de Koven, a Chicago banker, had amassed a great fortune. Mrs. Bowen became an intimate friend of Jane Addams; she also became the treasurer, and even built a house for the settlement. Other society women supporters of Hull House included Mary Rozet Smith, who had a lesbian affair with Jane Addams, and Mrs. Russell Wright, the mother of the future-renowned architect Frank Lloyd Wright. Mary Rozet Smith, indeed, was able to replace Ellen Starr in Jane Addams's lesbian affection. She did so in two ways: by being totally submissive and self-deprecating to the militant Miss Addams, and by supplying copious financial support to Hull House. Mary and Jane proclaimed themselves "married" to each other.

One of Jane Addams's close colleagues, and probable lesbian lover, at Hull House was the tough, truculent Julia Clifford Lathrop (b. 1858), whose father, William, had migrated from upstate New York to Rockford in northern Illinois.²⁷ William Lathrop, an attorney, was a descendant of the eminent English Nonconformist and Yankee minister, the Reverend John Lathrop. William became a trustee of the Rockford Female Seminary, and

²⁷On Jane Addams and her friends and colleagues, see Allen F. Davis, *American Heroine: The Life and Legend of Jane Addams* (New York: Oxford University Press, 1973). For a critical assessment of Addams, see Christopher Lasch, *The New Radicalism in America, 1889-1963: The Intellectual as a Social Type* (New York: Random House, 1965), pp. 3-37. It is all too clear that, in her 1910 autobiography, Jane Addams lied by ennobling her motivation for founding Hull House, claiming that it was the sheer horror of watching a bullfight in Spain. None of that alleged horror shines through her letters at the time.

was elected Republican U.S. Senator from Illinois. His daughter Julia was graduated from the Seminary earlier than Addams, and then went on to Vassar College. Julia Lathrop moved to Hull House in 1890, and from there developed a lifelong career in social work and government service. Julia founded the first Juvenile Court in the country, in Chicago in 1899, and then moved on to become the first female member of the Illinois State Board of Charities, and President of the National Conference of Social Work. In 1912, Lathrop was appointed by President Taft as head of the first U.S. Children's Bureau.

Ensnared in the federal government, the Children's Bureau became an outpost of the welfare state and social work engaging in activities that eerily and unpleasantly remind one of the modern era. Thus, the Children's Bureau was an unremitting center of propaganda and advocacy of federal subsidies, programs, and propaganda on behalf of the nation's mothers and children—a kind of grisly foreshadowing of “family values” and Hillary Rodham Clinton's concerns for “the children” and the Children's Defense Fund. Thus, the Children's Bureau proclaimed “Baby Week” in March 1916, and again in 1917, and designated the entire year 1918 as “The Year of the Child.”

After World War I, Lathrop and the Children's Bureau lobbied for, and pushed through Congress in late 1921, the Sheppard-Towner Maternity and Infancy Protection Act, providing federal funds to states that set up child hygiene or child welfare bureaus, as well as providing public instruction in maternal and infant care by nurses and physicians. Here we had the beginnings of socialized medicine as well as the socialized family. This public instruction was provided in home conferences and health centers, and to health care professionals in each area. It was also chillingly provided that these states, under the carrot of federal subsidy, would remove children from the homes of parents providing “inadequate home care,” the standard of adequacy to be determined, of course, by the government and its alleged professionals. There was also to be compulsory birth registration for every baby, and federal aid for maternity and infancy.

Julia Lathrop was instrumental in persuading Sheppard-Towner to change the original bill from a welfare measure to those unable to pay into a bill designed to encompass everyone. At Lathrop put it, “The bill is designed to emphasize public responsibility for the protection of life just as already through our public schools we recognize public responsibility in the

education of children.” The logic of cumulative government intervention was irresistible; it’s unfortunate that no one turned the logic the other way and instituted a drive for the abolition of public schooling.

If none of the opponents of Sheppard-Towner went so far as to call for the abolition of public schooling, James A. Reed (D-Mo.), the staunch laissez-faire Senator, did well enough. Caustically, Senator Reed declared that “It is now proposed to turn the control of the mothers of the land over to a few single ladies holding government jobs in Washington. . . . We would better reverse the proposal and provide for a committee of mothers to take charge of the old maids and teach them how to acquire a husband and have babies of their own.”²⁸ Perhaps Senator Reed thereby cut to the heart of the motivation of these Yankee progressives.

At about the same time that Jane Addams and friends were founding Hull House, settlement houses were being founded in New York and Boston, also by spinster Yankee females, and also under the inspiration of Toynbee Hall. Actually, the founder of the first ephemeral settlement in New York was the male Stanton Coit (b. 1857), born in northern Ohio to a prosperous merchant, and a descendant of the Puritan Massachusetts Yankee, John Coit. Coit obtained a Ph.D. from the University of Berlin, worked at Toynbee Hall, and then established the short-lived Neighborhood Guild settlement in New York in 1886; it failed the following year. Inspired by this example, however, three Yankee lesbians followed by founding the College Settlement Association in 1887, which established College Settlements in New York in 1889, and in Boston and Philadelphia several years later. The leading female founder was Vida Dutton Scudder (b. 1861), a wealthy Bostonian and daughter of a Congregational missionary to India. After graduating from Smith College in 1884, Vida studied literature at Oxford, and became a disciple of Ruskin and a Christian Socialist, ending up teaching at Wellesley College for over 40 years. Vida Scudder became an Episcopalian, a frank socialist, and a member of the Women’s Trade Union League. The two other founders of the College Settlements were Katharine Coman (b. 1857), and her long-time lesbian lover Katharine Lee Bates. Katharine Coman was born in northern Ohio to a father who had been an ardent abolitionist and teacher in upstate New York and who moved to a farm in Ohio as a result of wounds suffered in the Civil War. Graduating from the University of Michigan, Coman

²⁸Skocpol, *Protecting Soldiers and Mothers*, pp. 500-1.

taught history and political economy at Wellesley, and later became chairman of the Wellesley department of economics. Coman and Bates traveled to Europe to study and promote social insurance in the United States. Katharine Bates was a professor of English at Wellesley. Coman became a leader of the National Consumers League and of the Women's Trade Union League.

The founder of the concept of the Children's Bureau, Florence Kelley, who lobbied for both the Children's Bureau and Sheppard-Towner, was one of the few women activists who was in some way unique and not paradigmatic. In many ways, she did share the traits of the other progressive ladies. She was born in 1859, her father was a wealthy, lifelong Republican Congressman from Philadelphia, William D. Kelley, whose devotion to protective tariffs, especially for the Pennsylvania iron industry, was so intense as to earn him the sobriquet "Pig Iron" Kelley. A Protestant Irishman, he was an abolitionist and Radical Republican.

Florence Kelley differed from her colleagues on two counts: (1) she was the only one who was an outright Marxist, and (2) she was married and not a lesbian. However, in the long run, these differences did not matter very much. For Kelley's open Marxism was not, in practice, very different, in policy conclusions, from the less-systematic Fabian socialism or progressivism of her sisterhood. As such, she was able to take her place at the end of a spectrum that was not really very far from the mainstream of non-Marxian ladies. On the second count, Florence Kelley managed to dispose of her husband in fairly short order, and to palm off the raising of her three children onto doting friends. Thus, home and hearth proved no obstacle to Florence Kelley's militancy.

Graduating from Cornell, Florence went to study at the University of Zurich. There she promptly became a Marxist, and translated Engels's *Condition of the Working Class in England* into English. In Zurich, Florence met and married a Russian-Jewish Marxist medical student, Lazare Wischnewetsky, in 1884, moving with her husband to New York, and having three children by 1887. In New York, Florence promptly formed the New York Consumers League, and got a law passed for inspecting women in factories. In 1891, Florence fled her husband with her kids, and went to Chicago for reasons that remain unknown to her biographers. In Chicago, she gravitated inevitably to Hull House, where she stayed for a decade. During this time, the large, volcanic, and blustery Florence Kelley helped to

radicalize Jane Addams. Kelley lobbied successfully in Illinois for a law creating a legal-maximum eight-hour work day for women. She then became the first chief factory inspector in the state of Illinois, gathering about her an all-socialist staff.

Florence Kelley's husband, Dr. Wischnewetsky, had been pushed off the pages of history. But what about her children? While Florence went about the task of socializing Illinois, she was able to pass off the raising of her children onto her friends Henry Demarest Lloyd, prominent leftist *Chicago Tribune* journalist, and his wife, the daughter of one of the owners of the *Tribune*.

In 1899, Florence Kelley returned to New York, where she resided for the next quarter-century at what was by then the most prominent settlement house in New York City, the Henry Street Settlement on the Lower East Side. There, Kelley founded the National Consumers League, and was the chief lobbyist for the federal Children's Bureau and for Sheppard-Towner. She battled for minimum wage laws and maximum-hours laws for women, fought for an Equal Rights Amendment to the Constitution, and was a founding member of the NAACP. When accused of being a Bolshevik in the 1920s, Florence Kelley disingenuously pointed to her Philadelphia blue blood heritage—how could someone of such a family possibly be a Marxist?²⁹

Another prominent and very wealthy Yankee woman in New York City was Mary Melinda Kingsbury Simkhovitch (b. 1867). Born in Chestnut Hill, Massachusetts, Mary Melinda was the daughter of Isaac Kingsbury, a prominent Congregationalist and Republican merchant. She was the niece of an executive of the Pennsylvania Railroad, and a cousin of the head of Standard Oil of California. Graduating from Boston University, Mary Melinda toured Europe with her mother, studied in Germany, and was deeply moved by socialism and Marxism. Becoming engaged to Vladimir Simkhovitch, a Russian scholar, she joined him in New York when he acquired a post at Columbia. Before marrying Simkhovitch, Mary Melinda became head resident of the College Settlement in New York, studied socialism further, and learned Yiddish so as to be able to communicate better with her Lower East Side neighbors. Even after marrying Simkhovitch and acquiring two children, Mary Melinda founded her own

²⁹On Kelley, see Dorothy Rose Blumberg, *Florence Kelley: The Making of A Social Pioneer* (New York: Augustus M. Kelley, 1966). Also, see Kathryn Kish Sklar, "Hull House—the 1890s: A Community of Women Reformers," *Signs* 10, no. 4 (Summer 1985): 685-777.

settlement at Greenwich House, joined the New York Consumers League and Women's Trade Union League, and fought for government old-age pensions and public housing.

Particularly important for New York statism and social reform were the wealthy and socially prominent Dreier family, which gave rise to several active daughters. The Dreiers were German-Americans, but they could just as well have been Yankees, since they were fervent—if not fanatical—German evangelical pietists. Their father, Theodore Dreier, was an emigrant from Bremen who had risen to become a successful merchant; during the Civil War, he returned to Bremen and married his younger cousin, Dorothy Dreier, the daughter of an evangelical minister. Every morning, the four Dreier daughters and their brother, Edward (b. 1872), were swathed in Bible readings and the singing of hymns.

In 1898, father Dreier died, leaving several million dollars to his family. Eldest daughter Margaret (b.1875) was able to dominate her siblings into engaging in radical and philanthropic activities at her beck and call.³⁰ To dramatize her altruism and alleged "sacrifice," Margaret Dreier habitually wore shoddy clothes. Active in the Consumers League, Margaret joined, and heavily financed, the new Women's Trade Union League in late 1904, joined by her sister Mary. Soon, Margaret was president of the New York WTUL and treasurer of the national WTUL. Indeed, Margaret Dreier presided over the WTUL from 1907 until 1922.

In the spring of 1905, Margaret Dreier met and married the Chicago-based progressive adventurer Raymond Robins (b. 1874). They had met, appropriately enough, when Robins delivered a lecture on the Social Gospel at an evangelical church in New York. The Robinses became the country's premier progressive couple; Margaret's activities scarcely slowed down, since Chicago was at least as active a center for the welfare reformers as New York.

Raymond Robins had a checkered career as a wanderer and nomad. Born in Florida, deserted by his father and absent a mother, Robins wandered around the country, and managed to earn a law degree in California, where he became a pro-union progressive. Prospecting gold in Alaska, he saw a vision of a flaming cross in the Alaska wilds, and became a social-gospel-

³⁰The one sister who slightly broke the Dreier mold was Katherine (b. 1877), an artist and patroness of modern art who, interested in organic philosophy, became pro-Nazi during the 1930s.

oriented minister. Moving to Chicago in 1901, Robins became a leading settlement house worker, associating, of course, with Hull House and “Saint Jane” Addams.

Two years after the Robins–Dreier marriage, sister Mary Dreier came to Robins and confessed her overwhelming love. Robins persuaded Mary to transmute her shameful secret passion on the altar of leftist social reform, and the two of them engaged in a lifelong secret correspondence based on their two-person “Order of the Flaming Cross.”

Perhaps the most important function of Margaret Dreier for the cause was her success in bringing top female wealth into financial and political support of the leftist and welfare-state programs of the Women’s Trade Union League. Included among WTUL supporters were Anne Morgan, daughter of J. Pierpont Morgan; Abby Aldrich Rockefeller, daughter of John D. Rockefeller, Jr.; Dorothy Whitney Straight, heiress to the Rockefeller-oriented Whitney family; Mary Eliza McDowell (b. 1854), a Hull House alumna whose father owned a steel mill in Chicago; and the very wealthy Anita McCormick Blaine, daughter of Cyrus McCormick, inventor of the mechanical reaper, who had already been inducted into the movement by Jane Addams.³¹

We should not leave the Chicago scene without noting a crucial activist and academic transition to the next generation. An important academic wealthy spinster was Sophinisba Breckenridge (b. 1866), who came from a prominent Kentucky family, and was the great-granddaughter of a U.S. Senator. She, too, was not a Yankee, but she was pretty clearly a lesbian. Unhappy as a lawyer in Kentucky, Sophinisba went to the University of Chicago graduate school and became the first woman Ph.D. in political science in 1901. She continued to teach social science and social work at the University of Chicago for the rest of her career, becoming the mentor and probable long-time lesbian companion of Edith Abbott (b. 1876). Edith Abbot, born in Nebraska, had been secretary of the Boston Trade Union League, and had studied at the London School of Economics, where she was strongly influenced by the Webbs, leaders of Fabian Socialism. She lived and worked, predictably, at a London Settlement House. Then Edith studied for a Ph.D. in economics at the University of Chicago, which she earned in 1905. Becoming an instructor at Wellesley, Edith soon joined her

³¹See Elizabeth Ann Payne, *Reform, Labor, and Feminism: Margaret Dreier Robins and the Women’s Trade Union League* (Urbana: University of Illinois Press, 1988).

slightly younger sister Grace at Hull House in 1908, where the two sisters lived for the next dozen years, Edith as social research director of Hull House. In the early 1920s, Edith Abbott became Dean of the University of Chicago School of Social Service Administration, and co-edited the school's *Social Service Review* with her friend and mentor, Sophonisba Breckenridge.

Grace Abbott, two years younger than Edith, took more of an activist route. The Abbott sisters' mother had come from upstate New York, and graduated from Rockford Female Seminary; their father was an Illinois lawyer who became Lieutenant Governor of Nebraska. Grace Abbott, also living at Hull House and a close friend of Jane Addams, became Julia Clifford Lathrop's assistant at the federal Children's Bureau in 1917, and, in 1921, succeeded her mentor Lathrop as head of the Children's Bureau.

If the female social reform activists were almost all Yankee, by the late 19th century, Jewish women were beginning to add their leaven to the lump. Of the crucial 1860s cohort, the most important Jewess was Lillian D. Wald (b. 1867). Born to an upper-middle-class German and Polish-Jewish family in Cincinnati, Lillian and her family soon moved to Rochester, where she became a nurse. She then organized, in the Lower East Side of New York, the Nurses' Settlement, which was soon to become the famed Henry Street Settlement. It was Lillian Wald who first suggested a federal Children's Bureau to President Theodore Roosevelt in 1905, and who led the agitation for a federal constitutional amendment outlawing child labor. While she was not a Yankee, Lillian Wald continued in the dominant tradition by being a lesbian, forming a long-term lesbian relationship with her associate Lavina Dock. Wald, while not wealthy herself, had an uncanny ability to gain financing for Henry Street, including top Jewish financiers such as Jacob Schiff and Mrs. Solomon Loeb of the Wall Street investment-banking firm of Kuhn-Loeb, and Julius Rosenwald, then head of Sears Roebuck. Also prominent in financing Henry Street was the Milbank Fund, of the Rockefeller-affiliated family who owned the Borden Milk Company.

Rounding out the important contingent of socialist-activist Jews were the four Goldmark sisters, Helen, Pauline, Josephine, and Alice. Their father had been born in Poland, became a physician in Vienna, and was a member of the Austrian Parliament. Fleeing to the United States after the failed Revolution of 1848, Dr. Goldmark became a physician and chemist, became wealthy by inventing percussion caps, and

helped organized the Republican Party in the 1850s. The Goldmarks settled in Indiana.

Dr. Goldmark died in 1881, leaving eldest daughter Helen as the head of the family. Helen married the eminent Felix Adler, philosopher and founder of the Society for Ethical Culture in New York, a kind of Jewish Unitarianism. Alice married the eminent Boston Jewish lawyer Louis Dembitz Brandeis, helping to radicalize Brandeis from moderate classical liberal to socialistic progressive. Pauline (b. 1874), after graduating from Bryn Mawr in 1896, remained single, did graduate work at Columbia and Barnard in botany, zoology, and sociology, and then became assistant secretary of the New York Consumers League. Even more successful an activist was Josephine Clara Goldmark (b. 1877), who graduated from Bryn Mawr in 1898, did graduate work in education at Barnard, and then became publicity secretary of the National Consumers League, and author of the NCL's annual handbooks. In 1908, Josephine became chairman of the new NCL Committee on Legislation, and she, her sister Pauline, and Florence Kelley (along with Alice) persuaded Brandeis to write his famed Brandeis brief in the case of *Muller v. Oregon* (1908), claiming that the Oregon maximum-hours law for women was constitutional. In 1919, Josephine Goldmark continued her rise by becoming secretary of the Rockefeller Foundation's Committee for the Study of Nursing Education. Josephine Goldmark culminated her career by writing the first hagiographical biography of her close friend and mentor in socialistic activism, Florence Kelley.³²

THE NEW DEAL

It was not long before these progressives and social reformers exerted an impact on American national politics. The Progressive Party was launched in 1912 by the Morgans—the party was headed by Morgan partner George W. Perkins—in a successful attempt to nominate Theodore Roosevelt, and thereby destroy President William Howard Taft, who had broken with his predecessor Roosevelt's Pro-Morgan policies. The Progressive Party included all the spearheads of this statist coalition: academic progressives, Morgan businessmen, social-gospel Protestant ministers, and, of course, our subjects, the leading progressive social workers.

³²Josephine Goldmark, *Impatient Crusader: Florence Kelley* (Champaign: University of Illinois Press, 1953).

Thus, delegates to the national Progressive convention of 1912 in New York City included Jane Addams, Raymond Robins, and Lillian D. Weld, as well as Henry Moskowitz of the New York Society of Ethical Culture, and Mary Kingsbury Simkhovitch of New York's Greenwich House. True to its feminist stance, the Progressive Party was also the first, except for the Prohibition Party, to include women delegates to the convention, and the first to name a woman elector, Helen J. Scott of Wisconsin. After the success of the Progressive Party in the 1912 elections, the social workers and social scientists who had flooded into the Party were convinced that they were bringing the pristine values (or rather, non-values) of "science" to political affairs. *Their* statist proposals were "scientific," and any resistance to such measures was, therefore, narrow and opposed to the spirit of science and social welfare.

In its permanent organization of 1913, the Progressive Party adopted "A Plan of Work" proposed by Jane Addams just after the election. Its major division was Progressive Science, headed by New York social worker, attorney, and sociologist Frances A. Kellor. Assisting Frances Kellor as director of the Legislative Reference Bureau, a department of the Progressive Science division, was Chicago pro-union labor lawyer Donald Richberg, later to be prominent in the Railway Labor Act of the 1920s and in the New Deal. Prominent in the Party's Bureau of Education was none other than John Dewey. But particularly important was the Party's Department of Social and Industrial Justice, headed by Jane Addams. Under her, Henry Moskowitz headed the Men's Labor committee, and upper-class philanthropist Mary E. McDowell headed Women's Labor. The Social Security Insurance committee was headed by Paul Kellogg, editor of the leading social work magazine, *Survey*, while Lillian Wald played a prominent role in the Child Welfare committee.³³

More important than the heady few years of the Progressive Party, however, was the accelerating accumulation of influence and power in state and federal government. In particular, the ladies' settlement-house movement exerted enormous influence in shaping the New Deal, an influence that has been generally underrated.

Take, for example, Mary H. Wilmarth, daughter of a gas-fixture manufacturer, and one of the upper-class Chicago socialites who had been brought into the group of wealthy

³³On the Progressive Party, see John Allen Gable, *The Bull Moose Years: Theodore Roosevelt and the Progressive Party* (Port Washington, N.Y.: Kennikat Press, 1978).

supporters of Hull House. Soon, Mary Wilmarth was to become one of the major financial supporters of the radical Women's Trade Union League. Mary's sister, Anne Wilmarth, married a Progressive Chicago attorney, the curmudgeon Harold L. Ickes, who soon became legal counsel for the WTUL. During the New Deal, Ickes was to become Franklin Roosevelt's high-profile Secretary of the Interior.

At the other end of the social and ethnic spectrum from the Wilmarth sisters was the short, fiery, aggressively single Polish-American Jewess, Rose Schneiderman (b. 1882). One of the most frankly left-wing figures among the female agitators, Miss Schneiderman emigrated to New York in 1890 with her family, and at the age of 21 became the organizer of the first women's local of the Jewish Socialist United Cloth Hat and Cap Makers Union. Rose was prominent in the WTUL, and played a key role in organizing the International Ladies Garment Workers Union, landing on that union's Executive Board. Rose Schneiderman was appointed to the Labor Advisory Board during the New Deal.

From Florence Kelley's National Consumers League, there came into the New Deal Molly Dewson, who became a member of Franklin Roosevelt's Social Security Board, and Josephine Roche, who became Assistant Secretary of the Treasury in the New Deal.

But there were significantly bigger fish to fry than these few lesser figures. Perhaps the leading force emerging from the women's statist, social-welfare movement was none other than Eleanor Roosevelt (b. 1884), perhaps our first bisexual First Lady. Eleanor fell under the influence of the passionately radical London prep school headmistress, Madame Marie Souvestre, who apparently set Eleanor on her lifelong course. Back in New York, Eleanor joined Florence Kelley's National Consumers League, and became a lifelong reformer. During the early 1920s, Eleanor was also active in working for, and financially supporting, Lillian Wald's Henry Street Settlement, and Mary Simhkovitch's Greenwich House. In the early 1920s, Eleanor joined the WTUL, and helped to finance that radical organization, agitating for maximum-hour and minimum-wage laws for women. Eleanor became a close friend of Molly Dewson, who later joined the Social Security Board, and of Rose Schneiderman. Eleanor also brought her friend, Mrs. Thomas W. Lamont, wife of the then-most-powerful Morgan partner, into her circle of social-reform agitators.

The woman who rose highest in rank during the New Deal,

and who was highly influential in its social legislation, was Madame Frances Perkins (b. 1880), Secretary of Labor, and first female Cabinet member in U.S. history. Frances Perkins was born in Boston; both parents, who came from Maine, were active Congregationalists, and her father, Fred, was a wealthy businessman. Frances went to Mt. Holyoke in 1898, where she was elected class president. At Mt. Holyoke, Frances was swept up in the intense religious-pietist wave sweeping that college; every Saturday night, each class would conduct a prayer meeting.

The leader of what we might call the “religious Left” on the campus was American history professor Annabelle May Soule, who organized the Mt. Holyoke chapter of the National Consumers League, urging the abolition of child labor, and of low-wage sweatshops, another prominent statist cause. It was a talk at the Mt. Holyoke by the charismatic Marxist and national leader of the NLC, Florence Kelley, that changed Frances Perkins’s life and brought her on the road to lifelong welfare-state reform.

In 1913, Frances Perkins was married, in a secret ceremony, to economist Paul C. Wilson. Wilson was a wealthy, cheerful, but sickly social reformer, providing Frances a good entree into municipal reform circles. While the marriage was supposed to be a love match, it is doubtful how much the marriage meant to the tough-minded Perkins. Her friend, the unmarried welfare-activist Pauline Goldmark, lamented that Frances had married, but added that she “did it to get it off her mind.” In a gesture of early feminism, Frances refused to take her husband’s name. When she was named Secretary of Labor by Franklin Roosevelt, she rented a house with a close friend, the powerful and prodigiously wealthy Mary Harriman Rumsey, daughter of the great tycoon E.H. Harriman. The Harriman family was extremely powerful in the New Deal, an influence that has been largely neglected by historians. Mary Harriman Rumsey, who had been widowed in 1922, was head of the Maternity Center Administration in New York, and under the New Deal, she was chairman of the Consumer Advisory Committee of the National Recovery Administration.³⁴

The close interrelation between social work, female activism, and extremely wealthy financiers is seen in the career of Frances Perkins’s close friend Henry Bruere (b. 1882), who had been Wilson’s best friend. Bruere was born to a physician in St.

³⁴On Mrs. Perkins, see George Whitney Martin, *Madame Secretary: Frances Perkins* (Boston: Houghton Mifflin, 1976).

Charles, Missouri, went to the University of Chicago, attended a couple of law schools, and then did graduate work in political science at Columbia. After graduate school, Bruere resided at College Settlement and then University Settlement, and then went on from there to become Personnel Director at Morgan's International Harvester Corporation.

From then on, Bruere's life was a revolving door, going from social agencies to private corporations and back again. Thus, after Harvester, Bruere founded the Bureau of Municipal Research in New York, and became president of the New York City Board of Social Welfare. From there, it was on to Vice-president of Metropolitan Life, and the CEO of the Bowery Savings Bank, which became his operating base from the late 1920s until the early 1950s.

But Henry Bruere still had plenty of time for good works. In the late 1920s and early 1930s, Bruere was a member of the Executive Committee and Board of the Welfare Council of New York City, leading the drive for government unemployment relief. Bruere was appointed by Perkins as chairman of the New York State Committee on the Stabilization of Industry in 1930, which presaged the National Recovery Administration idea of coerced government cartelization of industry. During the New Deal, Bruere also became an advisor to the federal Home Owners Loan Corporation, Federal Credit Association, to unemployment and old-age insurance, and was an advisor to the Reconstruction Finance Corporation. Bruere also became executive assistant to William Woodin, Roosevelt's first Secretary of the Treasury.

In the meanwhile, however, and this should be underscored, in addition to the high federal posts and social-welfare jobs, Bruere also hobnobbed with the financial greats, becoming a director of Harriman's Union Pacific Railroad, and a Treasurer of Edward A. Filene's left-liberal Twentieth-Century Fund. Filene was the millionaire retailer who was the major sponsor of the legal activities of his friend and oft-time counselor, Louis D. Brandeis.

As we can see from the case of Henry Bruere, after Yankee women pioneered in welfare and social-work organizations, men began to follow suit. Thus, heavily influenced by their stays at Hull House were the prominent journalist Francis Hackett; the distinguished historian and political scientist Charles A. Beard, who had also stayed at Toynbee House in London; the man who would become one of the most preeminent state-cartelists in American industry, Gerard Swope, head of the Morgans' General

Electric Company; and the man who would become one of the major social and labor activists for John D. Rockefeller, Jr., and eventually the Rockefellers' man as Liberal Premier of Canada for many years, William Lyon Mackenzie King.

But perhaps the most important of the male social workers who became prominent in the New Deal was the man who became Roosevelt's Brain Truster, Secretary of Commerce, and eventually the shadowy virtual (if unofficial) Secretary of State, Harry Lloyd Hopkins (b. 1890). Hopkins, along with Eleanor Roosevelt, might be considered the leading statist social worker and activist of the 1880s cohort, the generation after the 1860s founders.

Hopkins was born in Iowa, the son of a harness maker, who later operated a general store. Following in the Yankee pietist social gospel mold, Hopkins's Canadian mother, Anna Pickett Hopkins, was a gospel teacher and had become president of the Methodist Home Mission Society of Iowa. Hopkins graduated from Grinnell College in Iowa in 1912, in the social sciences. Moving to New York, Hopkins promptly married the first of three wives, the Jewish heiress Ethel Gross. Hopkins plunged into the settlement-house movement, becoming a resident of the Christodora House in New York before his marriage. He then went to work for the Association for Improving the Condition of the Poor (AICP), and became a protégé of the general director of the AICP, John Adams Kingsbury (b. 1887). Kingsbury, no relation to the wealthy Mary Kingsbury Simkhovitch, had been born in rural Kansas to a father who became a Socialist high school principal in Seattle. Kingsbury, on graduation from Teachers College, Columbia, in 1909, went into professional social work.

During the Reform Administration of New York Mayor John Purroy Mitchell, Kingsbury became Commissioner of Public Charities in New York, and Hopkins was executive secretary of the Board of Child Welfare, serving on the Board together with such rising social-reform luminaries as Henry Bruere, Molly Dewson, and Frances Perkins.

From 1917 to 1922, Hopkins administered the Red Cross in the South, returning to New York to become assistant director of the AICP, while Kingsbury became CEO of the highly influential Milbank fund, which financed many medical and health projects, and was in the Rockefeller orbit. Kingsbury funded a major project for the New York Tuberculosis Association after Hopkins became its director in 1924. Kingsbury became more and more openly radical, praising to the skies the alleged

medical achievements of the Soviet Union, and agitating for compulsory health insurance in the United States. Kingsbury became such an outspoken agitator against the American Medical Association that the AMA threatened a boycott of Borden's milk (the major business of the Milbank family), and succeeded in getting Kingsbury fired in 1935. But not to worry; Harry Hopkins promptly made his old friend Kingsbury a consultant to Hopkins's make-work Works Progress Administration.

How did Harry Hopkins rise from being a settlement-house worker to one of the most-powerful people in the New Deal? Part of the answer was his close friendship with W. Averill Harriman, scion of the Harriman family; his friendship with John Hertz, partner of the powerful investment-banking firm of Lehman Brothers; and his association with the rising political leader of the powerful Rockefeller family, Nelson Aldrich Rockefeller. Indeed, when Hopkins was made Secretary of Commerce in the New Deal, he offered the Assistant Secretary post to Nelson Rockefeller, who turned it down.

THE ROCKEFELLERS AND SOCIAL SECURITY

The Rockefellers and their intellectual and technocratic entourage were, indeed, central to the New Deal. In a deep sense, in fact, the New Deal itself constituted a radical displacement of the Morgans, who had dominated the financial and economic politics of the 1920s, by a coalition led by the Rockefellers, the Harrimans, Kuhn Loeb, and the Lehman Brothers investment-banking firms.³⁵ The Business Advisory Committee of the Department of Commerce, for example, which proved highly influential in drawing up New Deal measures, was dominated by the scion of the Harriman family, W. Averill Harriman, and by such Rockefeller satraps as Walter Teagle, head of Standard Oil of New Jersey. Here we have space to trace only the influence of the Rockefellers, allied with the Wisconsin progressives and the graduates of the settlement houses, in creating and imposing on America the Social Security System. Here, too, was the end product of a gradual but sure process of secularization of the messianic ideal of the postmillennial pietists. Perhaps it is only fitting that a movement that began with postmillennial Yankee harridans going out into the streets and trying to destroy saloons

³⁵See Thomas Ferguson, "Industrial Conflict and the Coming of the New Deal: The Triumph of Multinational Liberalism in America," in *The Rise and Fall of the New Deal Order, 1930-1980*, S. Fraser and G. Gerstle, eds. (Princeton, N.J.: Princeton University Press, 1989), pp. 3-31.

would conclude with Wisconsin social scientists, technocrats, and Rockefeller-driven experts manipulating the levers of political power to bring about a top-down revolution in the form of the welfare state.³⁶

Social Security began in 1934 when President Franklin Roosevelt commissioned a triad of his top officials to select the membership of a Committee on Economic Security (CES), which would draw up the legislation for the Social Security system. The three officials were Secretary of Labor Frances Perkins, Director of the Federal Emergency Relief Administration Harry Hopkins, and Secretary of Agriculture Henry A. Wallace. The most important of this triad was Perkins, whose department came closest to jurisdiction over social security, and who presented the Administration's viewpoints at Congressional hearings. Perkins and the others decided to entrust the all-important task to Arthur Altmeyer, a Commons disciple at Wisconsin who had been secretary of the Wisconsin Industrial Commission and had administered Wisconsin's system of unemployment relief. When Roosevelt imposed the corporatist-collectivist National Recovery Administration (NRA) in 1933, Altmeyer was made director of the NRA Labor Compliance Division. Corporatist businessmen heartily approved of Altmeyer's performance on the task, notably Marion Folsom, head of Eastman Kodak, and one of the leading members of the Business Advisory Council.

Altmeyer's first choice to become chairman of the CES was none other than Dr. Bryce Stewart, director of research for the Industrial Relations Councilors (IRC). The IRC had been set up in the early 1920s by the Rockefellers, specifically John D., Jr., in charge of ideology and philanthropy for the Rockefeller empire. The IRC was the flagship scholarly and activist outfit to promote a new form of corporatist labor-management

³⁶The Rockefellers were originally ardent postmillennialist Baptists, John D. Sr., hailing originally from upstate New York. John D. Jr., headed the moral as well as philanthropic wing of the Rockefeller Empire, heading a grand jury in New York City in 1920 dedicated to stamping out vice in that city. After World War I, however, the Rockefeller family's hand-picked personal minister, the Reverend Harry Emerson Fosdick, spearheaded the drive of "liberal Protestantism," a secularized version of postmillennialism, in order to repel a rising tide of premillennialist "fundamentalism" in the church. Harry Fosdick became head of the Federal Council of Churches of Christ, the mainstream liberal Protestant organization. In the meanwhile, John D., Jr., made Fosdick's brother, Raymond Blaine Fosdick, head of the Rockefeller Foundation and eventually John D., Jr.'s official biographer. Fosdick had been a settlement house worker. The Fosdicks were born in Buffalo to a New England Yankee family. On the Fosdicks, see Murray N. Rothbard, "World War I as Fulfillment: Power and the Intellectuals," *Journal of Libertarian Studies* 9, no. 1 (Winter 1989): 92-93, 120.

cooperation, as well as promoting pro-union and pro-welfare-state policies in industry and government. The IRC also set up influential Industrial Relations departments in Ivy League universities, notably Princeton.

Bryce Stewart, however, was hesitant about so openly taking charge of the Social Security effort on behalf of the IRC and the Rockefellers. He preferred to remain behind the scenes, do advisory consulting to the CES, and co-direct a study of unemployment insurance for the Council.

Turned down by Stewart, Altmeyer turned to his successor as secretary of the Wisconsin Industrial Commission, Commons disciple Edwin E. Witte. Witte became Executive Secretary of the CES, with the task of appointing the other members. At the suggestion of FDR, Altmeyer consulted with powerful members of the BAC, namely Swope, Teagle, and John Raskob of DuPont and General Motors, about the makeup and policies of the CES. Altmeyer and Witte also prepared names for FDR to select an Advisory Council to the CES, consisting of employer, union, and “citizen” members. In addition to Swope, Folsom, and Teagle, the Advisory Council included two other powerful corporatist businessmen. The first, Morris Leeds, was president of Leeds & Northrup, and a member of the corporate, pro-union, pro-welfare-state American Association for Labor Legislation. The second, Sam Lewisohn, was vice-president of Miami Copper Company, and former president of the AALL. Selected to head the Advisory Council was an academic front man, the much-beloved Southern liberal, Frank Graham, president of the University of North Carolina.

Altmeyer and Witte appointed as the members of the key Technical Board of the CES three distinguished experts, Murray Webb Latimer, J. Douglas Brown, and Barbara Nachtrieb Armstrong, who was the first female law professor at the University of California at Berkeley. All three were IRC affiliates, and Latimer and Brown were, indeed, eminent members of the Rockefeller-IRC network. Latimer, chairman of the Railroad Retirement Board, was a long-time employee of the IRC, and had compiled the IRC’s study of industrial pensions, as well as having hammered out the details of the Railroad Retirement Act. Latimer was a member of the AALL, and helped administer insurance and pension plans for Standard Oil of New Jersey, Standard Oil of Ohio, and Standard Oil of California.

J. Douglas Brown was head of Princeton’s IRC-created Industrial Relations Department, and was the point man for the

CES in designing the old-age pension plan for Social Security. Brown, along with the big-business members of the Advisory Council, was particularly adamant that no employers escape the taxes for the old-age pension scheme. Brown was frankly concerned that small business not escape the cost-raising consequences of these social security tax obligation. In this way, big businesses, who were already voluntarily providing costly old-age pensions to their employees, could use the federal government to force their small-business competitors into paying for similar, costly, programs. Thus, Brown explained, in his testimony before the Senate Finance Committee in 1935, that the great boon of the employer “contribution” to old age pensions is that

it makes uniform throughout industry a minimum cost of providing old-age security and protects the more liberal employer now providing pensions from the competition of the employer who otherwise fires the old person without a pension when superannuated. It levels up cost of old-age protection on both the progressive employer and the unprogressive employer.³⁷

In other words, the legislation deliberately penalizes the lower-cost, “unprogressive,” employer, and cripples him by artificially raising his costs compared to the larger employer. Also injured, of course, are the consumers and the taxpayers who are forced to pay for this largess.

It is no wonder, then, that the bigger businesses almost all backed the Social Security scheme to the hilt, while it was attacked by such associations of small business as the National Metal Trades Association, the Illinois Manufacturing Association, and the National Association of Manufacturers. By 1939, only 17 percent of American businesses favored repeal of the Social Security Act, while not one big business firm supported repeal.

Big business, indeed, collaborated enthusiastically with social security. When the Social Security Board faced the formidable task of establishing 26 million accounts for individuals, it consulted with the BAC, and Marion Folsom helped plan the creation of regional SSB centers. The BAC got the Board to hire the director of the Industrial Bureau of the

³⁷Jill Quadagno, *The Transformation of Old Age Security: Class and Politics in the American Welfare State* (Chicago: University of Chicago Press, 1988), p. 112; Jill Quadagno, “Welfare Capitalism and the Social Security Act of 1935,” *American Sociological Review* 49 (October 1984): 641. Also see G. William Domhoff, *The Power Elite and the State: How Policy is Made in America* (New York: Aldine de Gruyter, 1990).

Philadelphia Chamber of Commerce to serve as head registrar, and J. Douglas Brown was rewarded for his services by becoming chairman of the new, expanded Advisory Council for the Social Security Administration.

The American Association for Labor Legislation was particularly important in developing the Social Security system. This leftist social-welfare outfit, founded by Commons and headed for decades by his student John B. Andrews, was financed by Rockefeller, Morgan, and other wealthy corporate liberal financial and industrial interests. The AALL was the major developer of disability and health insurance proposals during the 1920s, and then in 1930 turned to work on model state bills for unemployment insurance. In 1932, Wisconsin adopted the AALL's plan and, under the force of AALL lobbying, the Democratic Party incorporated it into its platform. In developing Social Security, key CES Technical Board and Advisory Council posts were staffed with AALL members. Not only that, but in early 1934, Secretary Perkins asked none other than Paul Rauschenbush, the AALL's Washington lobbyist, to draft a bill for Social Security which became the basis for further discussions in the CES. The AALL was also closely associated with Florence Kelley's National Consumers League.

Paul Rauschenbush had a fascinating pedigree in his own right. Paul was the son of the leading Social-Gospel Baptist minister Walter Rauschenbush. Paul studied under John R. Commons, and was the principle author of the Wisconsin unemployment insurance law. There was even more of a progressive cast to Rauschenbush, for he married none other than Elizabeth Brandeis, daughter of the famed progressive jurist. Elizabeth also studied under Commons, and received a Ph.D. from Wisconsin. What's more, she was also a close friend of the Marxist Florence Kelley, and helped edit her aunt Josephine Goldmark's loving biography of Kelley. Elizabeth also helped write the Wisconsin unemployment compensation law. She taught economics at Wisconsin, rising to the post of full professor.

We can conclude by noting, with historian Irwin Yellowitz, that all these reform organizations were dominated and funded by "a small group of wealthy patricians, professional men, and social workers. Wealthy women, including some from New York society, were indispensable to the financing and staffing."³⁸

³⁸Irwin Yellowitz, *Labor and the Progressive Movement in New York State, 1897-1916* (Ithaca, N.Y.: Cornell University Press, 1965), p. 71. See in particular J. Craig Jenkins and Barbara G. Brents, "Social Protest, Hegemonic Competition, and Social Reform: A Political Struggle Interpretation of the American Welfare State,"

American Sociological Review 54 (December 1989): 891–909; and J. Craig Jenkins and Barbara Brents, “Capitalists and Social Security: What Did They Really Want?” *American Sociological Review* 56 (February 1991): 129–32.