

C-D  
4097











University of California

General Library/Berkeley

Regional Oral History Office

Frank Bane

PUBLIC ADMINISTRATION AND PUBLIC WELFARE

An Interview Conducted by  
James R.W. Leiby

Berkeley

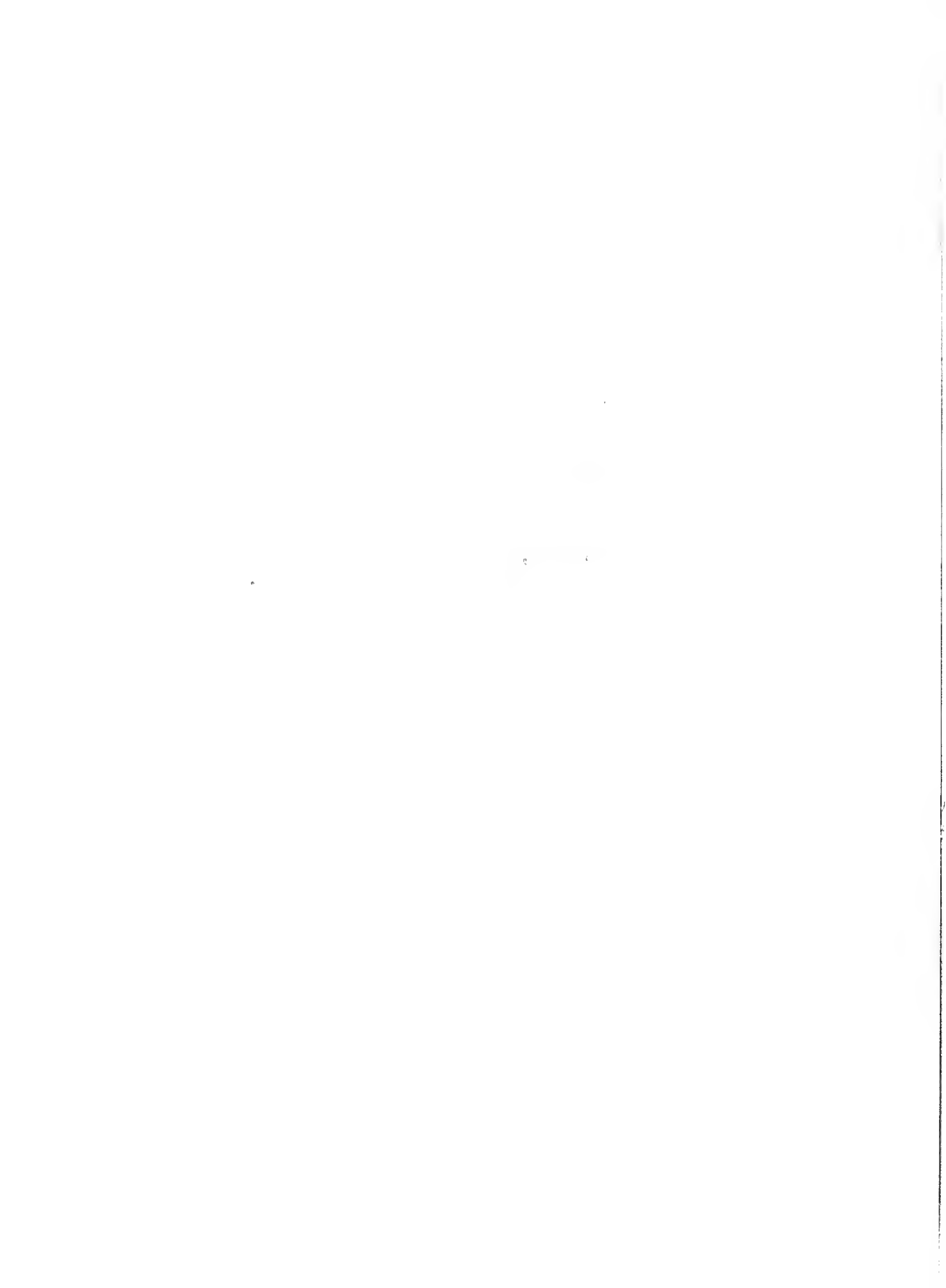
1965





Picture on page following:

Frank Bane  
Chairman, Advisory Commission  
on Intergovernmental Relations,  
Washington 1963







All uses of this manuscript are covered by an agreement between the Regents of the University of California and Frank Bane, dated 15 February 1965. The manuscript is thereby made available for research purposes. All literary rights in the manuscript, including the right to publish, are reserved to the General Library of the University of California at Berkeley. No part of the manuscript may be quoted for publication without the written permission of the University Librarian of the University of California at Berkeley.



These things I saw, and  
part of them I was

Virgil, Aeneid, Book II, ll. 5-6









## PREFACE

The Regional Oral History Office was established to document the recent history of our society by means of tape recorded interviews with persons who have been significant in that history. Such a person is Frank Bane, whose contributions and participation in the development of public welfare programs and concepts and public administration techniques make him a prime mover in that field. When Associate Professor of Social Welfare James R.W. Leiby proposed that he interview Frank Bane for the oral history collection, the plan was accepted with enthusiasm and arrangements were made to record and transcribe the sessions with financial assistance from the Institute of Social Sciences of the University.

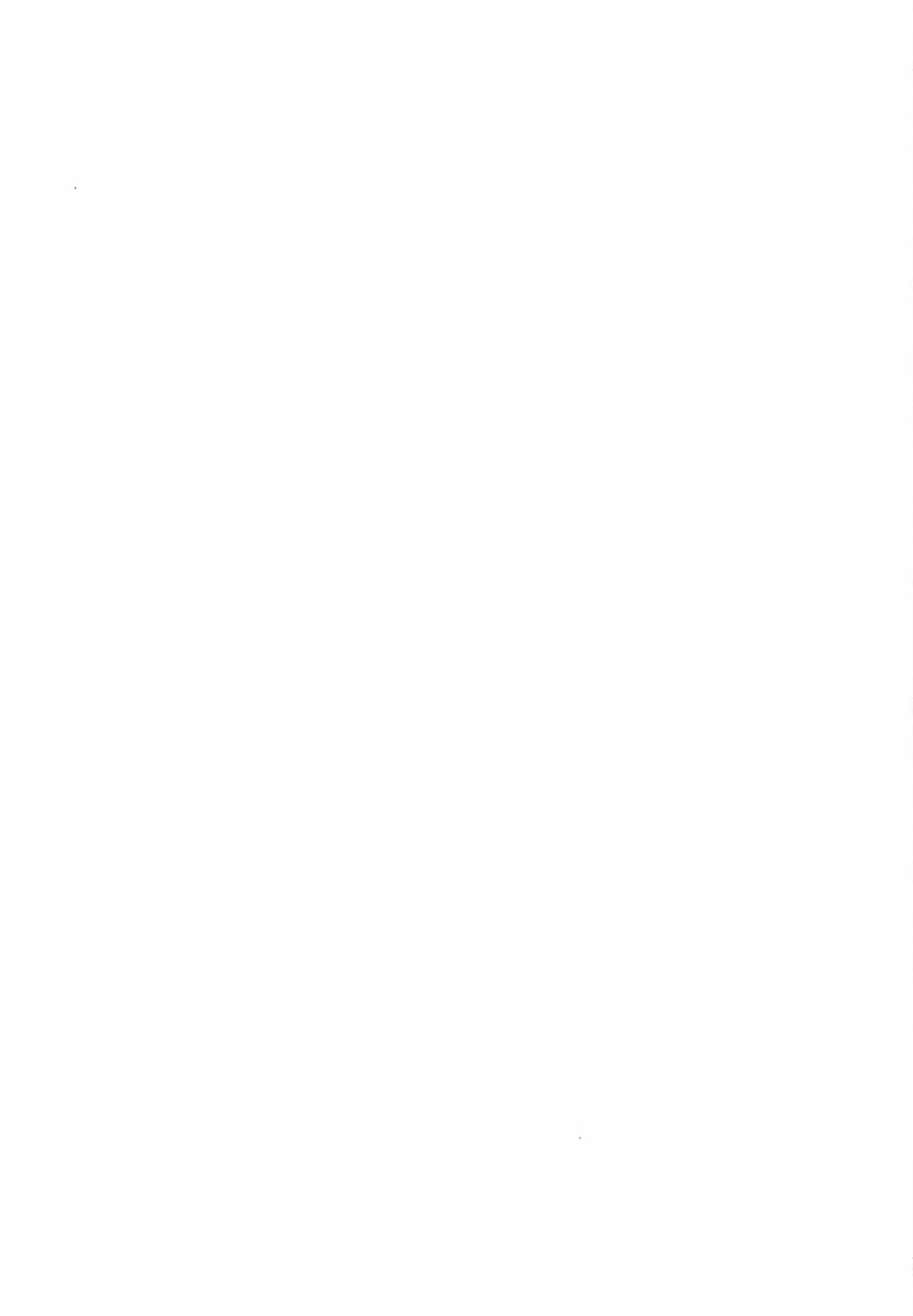
Professor Leiby organized and conducted five tape recorded sessions with Frank Bane during January 1965 while Professor Bane was at the University serving as a Regents Professor. Transcribing and editorial work was then done by the Regional Oral History Office, after which the transcript was mailed to Professor Bane for his corrections and approval. He went over the manuscript carefully, making many small corrections of detail or wording but leaving the transcript basically unchanged. The following manuscript is copied from his edited version.



The reader is referred to the catalog of the oral history collection for other interviews on public welfare and public administration. The Regional Oral History Office is under the administrative supervision of Professor A. Hunter Dupree, director of the Bancroft Library.

Willa K. Baum,  
Head, Regional Oral  
History Office

Room 486 The General Library  
University of California  
Berkeley, California  
September, 1965



## INTRODUCTION

I first heard of Frank Bane in 1960 when I was working on a history of public welfare in New Jersey. I had found it difficult to see how the various agencies at work there fitted into a pattern. Then, as I followed the historical record, I came across a report on the subject, made to the Governor and published in 1949, by Mr. Bane and Geoffrey May. The analysis was so clear that I immediately looked these gentlemen up and found out that Bane was the executive of the Council of State Governments and May was an associate of his. I also learned that Bane had been secretary of the Virginia State Board of Charities and Corrections beginning in 1920, that he had later reorganized that department and also the welfare department of Knoxville, Tennessee, in the 1920's, and that in the momentous decade that followed he had become the first executive of the American Public Welfare Association, the Social Security Board, and the Council of State Governments.

I learned much more about Mr. Bane and his works in the next few years, and so when he was appointed Regents Professor last fall, [1964] available to students and faculty, I arranged an





interview. My thought was simply that he might fill me in on the history of services in New Jersey, on which I had written, by this time, a hefty manuscript. Sure enough, he not only knew most of the people who figured in my story, but he knew where they had come from and where they went later; he could put characters and events in a broad context that was fascinating and instructive. It struck me that few people saw the big picture as well as he. Accordingly I arranged to tape a series of interviews with him about his career in public welfare and public administration, as a venture in oral history.

The setting was his office, a penthouse on Barrows Hall with a splendid view of the lower campus and the bay. The (laughter) recorded in the transcript is a pale reflection of the genial mood and comic insights of Mr. Bane's stories, and type does not convey his charming Southern speech and manners.

The Institute of Social Sciences of the University of California at Berkeley paid a part of the cost of the transcribing and editing done by the skilled staff of the Regional Oral History Office.

James R.W. Leiby  
Associate Professor  
Department of Social  
Welfare

September, 1965  
University of California  
Berkeley, California



FRANK BANE

from Who's Who,  
1958-1959

Executive Director Council of State Governments; born Smithfield, Virginia, April 7, 1893; son of Charles Lee and Carrie Howard (Buckner) Bane; A.B., Randolph-Macon College, 1914; student at Columbia University, 1914-15; married Lillian Greyson Hoofnagle, August 14, 1918; children--Mary Clark, Frank.

Principal high school Nansemond County, Virginia, 1914; superintendent of schools, 1916-17; secretary Virginia State Board of Charities and Corrections, 1920-23; director of Public Welfare Knoxville, Tennessee, 1923-26, associate professor of sociology, University of Virginia, 1926-28; commissioner of public welfare, Virginia, 1926-32; member of the President's Emergency Employment Commission, 1930-31; director of the American Public Welfare Association, 1932-35; lecturer in public welfare administration, University of Chicago, since 1932; general consultant to the Federal Emergency Relief Administration, 1933; consultant on public welfare administration, National Institute of Public Administration, 1930, Brookings Institute, 1931-35; executive director of Federal Social Security Board, 1935-38; director of the Division of State and Local Cooperation; advisory commission of the Council of National Defense, 1940-41; member of civilian protection board, Office Civilian Defense, 1941; director of field operations, Office of Price Administration, 1941-42; homes utilization division, National Housing Authority, 1942; secretary-treasurer Governors' Conference, since 1938; executive director Council of State Governments since 1938.

Served as cadet-pilot Aviation Corps, U.S. Army, World War I. Member American Political Science Association, Phi Kappa Sigma. Democrat. Methodist.

Club: Quadrangle

Contributor to various magazines.



## TABLE OF CONTENTS

|  |     |
|--|-----|
| PREFACE, by Willa Klug Baum  | 1   |
| INTRODUCTION, by James R.W. Leiby  | 111 |
| FRANK BANE, from <u>Who's Who</u>  | v   |
| TABLE OF CONTENTS  | vi  |
| PREPARING FOR A CAREER   | 1   |
| VIRGINIA STATE BOARD OF CHARITIES AND<br>CORRECTIONS, 1920-1923                | 6   |
| REORGANIZING THE VIRGINIA STATE DEPARTMENT OF<br>WELFARE, 1926-1932            | 24  |
| DIRECTOR OF PUBLIC WELFARE, KNOXVILLE,<br>TENNESSEE, 1923-1926                 | 56  |
| TEACHING AT THE UNIVERSITY OF VIRGINIA, 1926-1932                              | 71  |
| PUBLIC ADMINISTRATION IN THE 1920s   | 75  |
| PROFESSIONAL ASSOCIATIONS  | 93  |
| <u>National Conference of Social Work</u>                                      | 93  |
| <u>Hiring Social Workers</u>   | 97  |
| <u>Consulting in Public Administration</u>                                     | 103 |
| AMERICAN PUBLIC WELFARE ASSOCIATION, 1932-1935                                 | 111 |
| <u>National Conference of Social Work and Public<br/>    Welfare Officials</u> | 111 |
| <u>Organizing and Financing the Association</u>                                | 115 |



|  |     |
|--|-----|
| <u>Emergency Relief</u>  | 122 |
| Reconstruction Finance Corporation                                     | 123 |
| State Emergency Relief Programs  | 125 |
| Committee on Economic Security   | 149 |
| Private vs. Public Relief Agencies                                     | 150 |
| Direct or Work Relief  | 161 |
| <u>Continuing Activities of the Association</u>                        | 172 |
| FEDERAL SOCIAL SECURITY BOARD, 1935-1938                               | 176 |
| <u>A Survey of European Institutions</u>                               | 176 |
| <u>Appointed Executive Director</u>                                    | 180 |
| <u>Administrative Organization</u>                                     | 187 |
| <u>State Plans</u>   | 203 |
| <u>Problems in Particular States</u>                                   | 211 |
| <u>Field Offices and Service</u>                                       | 219 |
| <u>Leaving the Social Security Board</u>                               | 226 |
| <u>Reflections on Policy and Administration</u>                        | 228 |
| <u>Reflections on Policy and Administration,</u><br><u>(Continued)</u> | 232 |
| COUNCIL OF STATE GOVERNMENTS   | 244 |
| <u>Organizing the Council</u>  | 244 |
| <u>Mobilizing State Governments for War</u>                            | 256 |
| <u>Official Positions During the War</u>                               | 270 |
| <u>Post War Activities of the Council</u>                              | 272 |
| Mental Health Study  | 272 |
| Other Activities: Study of State Purchasing                            | 276 |
| SUMMARY: PUBLIC WELFARE AND PUBLIC ADMINISTRATION                      | 279 |
| PARTIAL INDEX  | 282 |





## PREPARING FOR A CAREER

(Interview of January 5, 1965)

**Leiby:** I knew from Who's Who that you were born in Smithfield, Virginia, in 1893, and that you graduated from Randolph-Mason College in 1914. What was the curriculum you studied at Randolph-Macon?

**Bane:** As you know it was a typical, small, four-year liberal arts college. But I specialized, to the extent that we did specialize in those days, in political science and history. The same professor, in those days, taught both political science and history. We had a faculty of about a dozen people and a student body of approximately a hundred seventy-five or eighty. So the faculty members teamed up occasionally.

**Leiby:** This was in relation to your thought that you would become a lawyer?

**Bane:** Probably. But also because of my interest in political science as I knew it in those days. As a matter of fact we used to call it political



Bane: economy in the early teens.

Leiby: Then you went to Columbia through the recommendation of your friend.

Bane: Yes. I went to Columbia in 1914-15. I went up there with the idea of getting a start in law.

Leiby: Were you in the law school?

Bane: Yes, I was in the law school. The dean of the law school at that time was an old friend of yours, George W. Kirchwey. He not only was the dean of the law school but he also taught. He taught real property. In fact he had written a book called, Real Property.

Leiby: And he taught criminal law.

Bane: He also taught criminal law.

Leiby: Do you remember what courses you had at Columbia?

Bane: I took mostly law but in addition thereto, because I like the individual and I was casually interested in what he was doing, I audited courses that were taught by Professor Edward T. Devine. He was teaching social welfare administration and general administration. I did that, as I recall, largely at the suggestion of Dean Kirchwey.

Leiby: What was the suggestion?



**Bane:** I met Professor Devine at Dean Kirchwey's house. And we had discussed what he was doing and what my interests were. So Kirchwey suggested to me one day that I might be interested in sitting in in Devine's courses. Which I did upon occasions.

**Leiby:** What sort of lecturer was Devine? Did he have formal lectures?

**Bane:** Yes, he had formal lectures. But he also had seminars. I remember one seminar that he had, which was entitled, "Where Does Your Prejudice Start?" He would ask a series of questions and then some hands would begin to go up. That's the kind of a lecturer he was.

**Leiby:** Do you remember any of the students?

**Bane:** No. I remember a number of the visiting professors that used to come in on occasion, and meet with the class or talk with the seminar.

**Leiby:** John Ellis was there about that time. He was a high school teacher. He was in history. He worked with James Shotwell.

**Bane:** Shotwell and Charles Hazen were the great history professors there at that time.

**Leiby:** He went then and taught high school in Engelwood,



Leiby: New Jersey. You went back and taught school then in Virginia.

Bane: Yes. I was principal of a rural high school in Nansemond County, Virginia for a year. And then I became Superintendent of Schools in Nansemond County.

Leiby: Had you given up the law more or less?

Bane: At least, I had deferred the law. I had gone into teaching because, in those days, those were the jobs that were immediately available. So I started in teaching. I went on to Superintendent of Schools. I was enjoying it. And then the war came along and I went in the army. When I came back I went back into teaching.

Leiby: Did you get overseas?

Bane: No, I didn't.

Leiby: What did you do in the army?

Bane: The closest I got to overseas was Langley Field. I fought most of the war in Kelly Field, Texas.

Leiby: You weren't in the air corps, were you?

Bane: In the air corps. But, technically, not in the air corps because there was no air corps. The air was a division of the signal corps in 1917. We did





Bane: observation, primarily. I was sent to the University of Texas for ground school work, then I went to Kelly Field. And there I stayed, and stayed, and stayed. I even became an instructor in engines for a short time. (Laughter)

In November, 1918 they transferred us to Langley Field, Virginia, to get ready to go overseas. The armistice came and within ten days of the armistice we were all mustered out. I went back to the Nansemond County school system.



VIRGINIA STATE BOARD OF CHARITIES AND CORRECTIONS,  
1920-1923

Leiby: When was your first acquaintance with welfare work in Virginia?

Bane: My first acquaintance with welfare work in Virginia was a casual acquaintance, primarily because of my acquaintance with two gentlemen who had been involved in welfare work in Virginia for many years, Dr. Samuel C. Hatcher who was Vice-President of Randolph-Macon College while I was there ( he was Chairman of the State Board of Charities and Corrections) and Dr. J.P. Mastin who was a friend of Dr. Hatcher's. I had met him at Dr. Hatcher's house on the campus at Ashland. But my acquaintance with each of those gentlemen was casual. One day I got a telephone call from Dr. Mastin, who was Secretary of the State Board of Charities and Corrections, asking me to meet him in Norfolk, Virginia, about twenty miles from Suffolk, where I was Super-



Bane: intendent of Schools in Nansemond County. I went down to see him, having no idea what he wanted. The upshot of the matter was that he told me that he was going to retire, since he was past sixty-five years of age. He had discussed the matter with the State Board of Charities and Corrections, had cleared it with the governor, and he offered me the job of Secretary of the State Board of Charities and Corrections on the ground that I had had some little training with Dr. Devine at Columbia University. I knew something about the problem. And also I'd been with Dean Kirchwey.

Leiby: Then the job really came to you.

Bane: Yes. It was a complete surprise.

Leiby: And, at that time, you had no idea of going into welfare administration. And then you said you'd consider it, I suppose.

Bane: Yes. I said I'd consider it. "I had to go back and talk it over with Mrs. Bane. And I'd let him know within a week." I went home and talked it over with Mrs. Bane. We had come from Richmond originally-- that is, she had--so we decided to take the job and



Bane: to go back.

Leiby: What did Dr. Mastin tell you about the job?

Bane: He told me what the State Board of Charities and Corrections was. I knew, in general, what their duties and responsibilities were. He elaborated on it. And he told me, in addition, that he thought the time had come in Virginia to expand the welfare activities beyond the current duties and responsibilities of the State Board of Charities and Corrections. As I remember, he said, "That being so, I think we need a younger man."

I asked him if I should take the job would he stick around for two or three months until I got my feet on the ground, until I learned the ropes, which he agreed to do. He did, which was an enormous help to me in getting started. In those days, the State Board of Charities and Corrections was what might be called an inspection agency. It had no responsibility for any institutions or any agencies. It had the right to inspect and we talked about the right to supervise, but supervise in a very loose





Bane: fashion.

Leiby: Supervise men? Inspect?

Bane: Inspect and report. What we did was to inspect and report to the legislature, to the Governor, and, from time to time, to the local officials and to the press. The Board was charged with seeing to it that the institutions and agencies in the welfare field in Virginia were conducted in an effective and efficient and humane manner.

Leiby: Now who did the inspecting, did you?

Bane: I did and we had four or five people on the staff. We had a staff, altogether, including stenographers and so on, of eight or ten people.

Leiby: That's a fairly substantial organization.

Bane: Yes. We had three persons, other than myself, who traveled around the state, primarily to the county courthouses, inspecting jails, alms houses; and also traveled all over the state inspecting private institutions for the mentally ill, state institutions, reformatories, industrial schools, etc.

Leiby: Did the Board members themselves inspect very much?

Bane: The Board members tried once a year to make a tour of the major state institutions. We used to set



Bane: aside four or five days, take two cars, get out on the then gravel roads, and drive from Staunton to Williamsburg and from Williamsburg to Piedmont and around the state where the institutions were located.

Leiby: How many Board members were there?

Bane: Five.

Leiby: Had they been in office for some time?

Bane: Many of them had been in office for years. Dr. Samuel C. Hatcher had been on the Board for many years. Dr. W.F. Drewry, who was a medical doctor whose interest was primarily in mental health, had been on the Board for many years. He was a very interesting person. He had been enormously interested in general welfare, as well as his specific field. He was Superintendent of the Central State Hospital in Virginia for a great many years, which was a hospital for the colored insane at Petersburg. Then he was on the Board for a while. Then, later, when we reorganized the Department of Welfare, he got off the Board because the Board, for all intents and purposes, ceased to exist.

Leiby: This was after you came on? Was this 1923?



**Bane:** This was 1926. I came on in 1921. I persuaded him to come with the Board as a member of the staff to help us set up mental health clinics.

**Leiby:** Won't you say something else about the relation of the Board to private agencies. It inspected local public agencies and reported on them, was there any difficulty in reporting? Were your reports much read or resented?

**Bane:** There was not as much difficulty as I would have liked. I should have been perfectly delighted to trade mere attention for more difficulty. I mean by that that we got into some controversies, but, in the early days, we were not strong enough to be strongly resented, shall I say. That changed after a while with reorganizations. We would submit reports, and unless the report got into the newspapers and caused some kind of a scandal, everybody pursued the even tenor of their ways.

**Leiby:** How did you pick your inspectors? I guess you inherited some of them.

**Bane:** I inherited the three people when I went there. And thereafter we picked them on a very interesting basis. I hasten to say we never had, while I was there, any major political pres-



Bane: sure with respect to the selection of our staff. When I say major I mean from the governors, I worked with four of them, or from state legislators. We might have a suggestion from individual people around the state, which we took or not as we pleased. But this is the way we selected our people. There was a man named Arthur W. James, who is now in Richmond. He was approximately my age and he'd gone to William and Mary College. He also had an educational background. I talked with him about being my chief assistant. He was interested. So we made a deal. He would come with me as my chief assistant provided he would go to Harvard for six months and take a course specifically in the general welfare area. We would pay him half of his salary while he was at Harvard. So Arthur James went to Harvard and took this course and came back.

Leiby: Was that in the School of Public Administration?

Bane: Yes. It was just getting started.

Then he came back with us. And years later he succeeded me. He is still in Richmond with





Bane: the Department of Conservation and Development.

Leiby: Could you say something about the relation of the State Board to private agencies?

Bane: In the early days, before the first reorganization into the Welfare Department, the State Board had very little connection with private agencies, officially. We associated with them constantly.

I was on the board of the Associated Charities in Richmond, Virginia. It was the private social work organization in Richmond. The Associated Charities later became the Family Welfare Society, and then later the Family Service Society.

Leiby: Were there very many private agencies in Virginia?

Bane: Richmond and Norfolk and Roanoke each had an Associated Charities organization. They were small, three or four people. They had small appropriations. But they were getting away from the old-fashioned poor relief concept.

Leiby: There was a professional school of social work in Richmond.

Bane: Yes. It was run by a Dr. Hibbs. He was a Ph.D. He operated the school first as an independent school, then it became associated with William and Mary. It is now a definite branch of William



Bane: and Mary.

Leiby: How large was the school at that time?

Bane: It was a sizable school. I would guess it had about a hundred people mostly from the South -- Virginia, North Carolina.

Leiby: It trained social workers. Where did it market its product?

Bane: Primarily in the private social agencies in Virginia and North Carolina, at that time. That is, in the early 1920s. The market expanded greatly in the late 1920s.

Leiby: I'd like to ask about the connection between the members of the State Board and private agencies in Virginia? In New Jersey the State Board people are characteristically very much associated with private agencies and they exercise a kind of supervision over local public agencies, or they sought to.

Bane: The same thing, to some extent, existed in Virginia, particularly through the State Conference of Social Work, which had been started by Dr. Mastin immediately before the First World War, around 1914-15. They had this annual meeting, all the private agencies and all the public agencies got together. The private agencies, of course,



**Bane:** were a great source of support for this developing public agency. One day I almost lost all of their support by attempting to be brief, concise, and, perhaps, even cute. Before a legislative committee one time, one disagreeable member of the committee kept insisting that he didn't know what welfare was. And, finally, he asked me the specific question, "Just what was a welfare commissioner?" On the basis of my almost total inexperience, I said, "A welfare commissioner was a general counsel for the crazy, the crooked, and the broke." (Laughter) Whereupon I almost lost all of my social work support in the state. It took me almost a year to live that down.

**Leiby:** What were the main interests of this State Board of Charities and Corrections in those days? You said they were interested in helping public welfare.

**Bane:** Their major interest was in doing something about local institutions, on the one hand, the jail and the alms house. That was definite and specific. And, secondly, about devising schemes or plans or programs, or providing facilities which would en-



Bane: able them to do two or three things that were very much in the public mind:

1) Get children out of jails, where they were held pending trial; 2) Expand the juvenile court system; 3) Abolish, to the extent that they could, the local county alms houses and establish regional institutions for what were then called the aged and the infirm.

Leiby: Now this program would put them in some sort of opposition to the local public officials, wouldn't it?

Bane: In certain areas, but not in the particular area that I mentioned. Sheriffs would be glad if they could get children out of jail.

Leiby: There were lots of vagrants, but not serious criminals.

Bane: Yes, that's true. The overseers of the poor were not powerful, politically. They probably made \$250 a year or something of that kind. They didn't do anything much. But, later, when we got into another matter having to do with local institutions we had a direct, powerful, and for many years a successful opposition of





Bane: local officials, namely sheriffs, when we tried to abolish the fee system.

Leiby: When was the fee system abolished?

Bane: The fee system wasn't abolished until quite a number of years after I left--probably in 1935-36. They started to abolish it by a gradual development in 1926, after the so-called Byrd reorganization. But it took eight or ten years to grow out of it.

Year after year when I was with the Welfare Department, we would introduce a bill to abolish the fee system and put all sheriffs on a salary basis. And year after year, in the first few years that I was there, the bill was bottled up in committee. The last two or three years it got out on the floor to be defeated. But that meant progress. A few years later they passed it.

Leiby: It seems then that the Virginia Board, in a way, sort of stood between the people in the private agencies and the local public people. That is, you had something that you wanted to do with the local public agencies. And the ideas of what you wanted to do came mostly from the private



Leiby: agencies.

Bane: To a very large extent the private agencies were doing the experimenting, the demonstrating, the promoting, and the urging of governmental expansion. Notable among the private agencies, in addition to Associated Charities, was a developing movement, which was brand new in Virginia, of what was called the Community Chest; federated agencies in a given city; Richmond, Norfolk, and Roanoke were the three that had them at that time.

Leiby: In the 1920s already Richmond, Norfolk, and Roanoke had federated financing.

Bane: They were just beginning to develop.

Leiby: What would you say were the characteristic interests of politicians in welfare in Virginia? We hear in the history of public welfare a great deal about politics and my understanding is that politics was less important in Virginia than in other places.

Bane: In the general welfare field in Virginia,



Bane: while I was there, and I'm reasonably certain it exists to a large extent even now, politics did not play any great part in the welfare field. So far as state government was concerned, they thought about the welfare field as including the hospitals for the mentally ill, the tubercular sanatoria, and the industrial schools and so on. The state, as an agency, that is the Governor and the state legislators, didn't bother much about local welfare one way or another. They left that largely to the boards of supervisors in the counties because there was no political pay-off in being overseer of the poor. So far as the penal or delinquent end of it was concerned, the sheriff was an elected official. He carried his own weight and looked after himself, very well, incidentally. The only time the state as such got involved was when something like the fee system argument would come up. Then the sheriffs would descend on Richmond en masse and defeat any bill that we would introduce. (Laughter)



Leiby: Then the operation of the spoils system, the letting of jobs and contracts, was not really very worthwhile. It wasn't worth enough for them to care about.

Bane: That's right.

Leiby: You were interested, of course, in administration and services on the State Board. You wanted a professional administration, more service oriented sort of operation. At what points would this bring you into difficulties with the local politicians?

Bane: They would usually say, "We are, too, but we don't have the facilities or the money. If you get us the money to do this we'll do anything that you say, if you pay for it." That was the usual, eternal, and ever-lasting argument against any particular project. We would say, on the other hand, "It doesn't take much money to clean this jail up. What you need is soap and water and elbow grease." That was our constant argument there. We would insist that the ever-lasting odor of disinfectant in all jails was per se a confession of bad housekeeping. So our job





Bane: was to clean up the jails, aside from getting children out of jails. Finally, we developed a definite program in welfare departments to abolish local jails. We stumped all over the state to abolish local jails as a place to keep convicted misdemeanors. We have to have the jails to hold witnesses and to hold people overnight. But once a person was convicted, we urged that they be taken out of jail and sent to regional farms, and a number were established in Virginia, where they could serve out their sixty or ninety days at least doing something.

Leiby: These were called farms? We called those penitentiaries.

Bane: These were farms. They just handled misdemeanors.

Leiby: Drunks?

Bane: Drunks and people of that kind. And they were established by agreement and participation of the local units.

Leiby: Which is to say counties.

Bane: The counties and the cities. For instance, Richmond had a local farm which we finally



**Bane:** established there, which also took care of the prisoners from Henrico and Chesterfield Counties, by agreement. But they were not state institutions. They were local institutions.

**Leiby:** These were regional; now, who financed them?

**Bane:** The counties and the cities. They financed certain aspects of them. Of course, the state paid for all prisoners in jail on the fee system basis. When a person went to jail, for whatever purpose, if he was just picked up or if he was sentenced or held as a witness, the state, on a fee basis, paid the cost of his care in jail. And, therefore, the more persons a sheriff had in jail, the more money he got.

**Leiby:** I always thought it was the county taxpayers.

**Bane:** No sir. In Virginia the sheriff was a state officer. Elected locally, but a state constitutional officer.

**Leiby:** In other words the state treasury paid the fees of everybody in jail.

**Bane:** Yes. So the more persons a sheriff had in jail



Bane: the more he made. Hence his opposition to the abolition of the fee system, until they worked out a scheme years later to pay him a salary, a little bit more than he got in fees.

Leiby: In New Jersey sheriffs would get \$10,000-\$15,000 a year, from their fees.

Bane: That was the situation in Virginia. One of the best paid state officials in Virginia when I was there, if not the best, was the city sergeant in the city of Richmond. It was the largest jail in the largest city.

Leiby: A real plum. (Laughter)

Bane: A real plum, yes indeed.



**Picture on page following:**

**Frank Bane  
Commissioner of Public Welfare  
of Virginia,**

**1920's**









REORGANIZING THE VIRGINIA STATE DEPARTMENT OF  
WELFARE, 1926-1932

Leiby: When you went into the State Department, there was a real reorganization. When you became Secretary of the State Board of Charities and Corrections, you developed these extramural agencies and did quite a lot in that line, both for mental hygiene clinics and probation and parole. The idea of these, as I understand it, is connected with prevention and rehabilitation. Can you say something about who was specifically interested in these ideas. Who was promoting these things?

Bane: We mentioned, a few moments ago, the State Conference of Social Work in Virginia, which was the organization where the public and private organizations and agencies worked together and developed programs, suggestions, resolutions, and so on. So the State Conference of Social Work recommended to the then governor, Westmoreland Davis, that he appoint a Children's Code Commission



Bane: to review the statutes having to do with children and, at the same time, to recommend a reorganization of the State Board of Charities and Corrections into what was called, then, a modern welfare department.

Leiby: So this was connected with child welfare.

Bane: It started off with a child welfare push. Again, there were three or four objectives: to establish a statewide system of juvenile courts; to get children out of jail; to set up detention homes in connection with juvenile courts. That was the major impetus at the time. As someone used to say down in Virginia, in those days, "The way to get something through the state legislature is to shake the children at them." So the drive was through the child welfare program.

Leiby: It also fits into the idea of prevention.

Bane: Yes, the general idea of prevention and education. The commission was appointed and its chairman was J. Hoge Ricks. He was one of the most prominent juvenile court judges. He was from Richmond and was president of the juvenile court judges association for a couple years. He



**Bane:** was chairman and the most interested people in the state from the private agencies were on this commission. Mrs. Louis Brownlow, for instance, was on this commission. She is the wife of Louis Brownlow, who had been Commissioner of the District of Columbia and was later City Manager of Petersburg. She had come to Virginia with all kinds of ideas--good ideas--from the District of Columbia as to how they were handling this problem. The commission worked for about a year. It came in with a report that was ninety per cent adopted by the state legislature. The first recommendation was to establish a State Department of Welfare, to appoint a Commissioner of Public Welfare, to maintain the Board in an advisory capacity, and a whole series of extremely forward looking, at that time, measures and proposals in the realm of care of dependent, delinquent, and handicapped children. For instance, let me emphasize again that Virginia's immediate concern was to get children out of jail.

**Leiby:** Were these city children or country children?





Bane: Mostly city children, some country children.

Leiby: This was mostly a city problem.

Bane: Mostly. But a child would be picked up for this, that, or the other and referred, maybe, to a juvenile court. But even if he were referred to a juvenile court the only place you had to detain him was in a jail in many instances. And as soon as he'd be sent to jail, everybody would raise Cain if they knew anything about it. We tried to see that they did know something about it. That was one of our major problems. With that in mind, perhaps because that situation had affected the conscience of the state, the legislature adopted a child welfare act which provided:

- 1) That there should be a statewide system of juvenile courts in every county in the state.
- 2) That juvenile courts should have exclusive, original jurisdiction, with respect to all children under eighteen years of age.
- 3) And it provided--and this was more or less revolutionary, at that time, that if any juvenile court judge, for any reason, decided that a child was delinquent to such an extent



Bane: that he had to be removed from his home or his regular environment, the only thing that the judge could do with the child would be to commit him to the Department of Public Welfare.

Leiby: He did not sentence.

Bane: He did not sentence, he couldn't send him to any jail or anywhere else. He couldn't send him to a reformatory. He could just send him to one place if he decided the child had to be separated from his home because of delinquency. He was allowed only one recourse and that was to commit him to the Department of Public Welfare, period. The act then went on to provide that the Department of Public Welfare should set up necessary facilities, employ necessary staff to handle this duty and responsibility which was given to them under this act. That, of course, meant that: 1) That within the central department we had to get additional social workers; 2) We had to set up a mental health clinic for diagnosis; and 3) We had to develop immediately and quickly some type of detention home--children's detention home. Because we couldn't put a child in jail. So that was the



**Bane:** beginning of the expansion of the department into an operating agency. From that development within the department itself, it naturally followed that the next thing we thought about was what we were going to do with the problem out in the communities, in the various counties. So the second part of the program provided for the establishment of county welfare departments--boards--in each of the hundred counties in Virginia and in each of the twenty-two cities. In Virginia the city is separate from the county. It's a separate entity. So we had welfare boards in the cities as well as in the counties.

**Leiby:** That's good, isn't it?

**Bane:** Well, you generally think something is good if you're used to it. I'm used to that system, so I've always liked it.

**Leiby:** I'm just astonished at the powers granted to the department under this and the powers granted to the juvenile courts. I would have expected that the lawyers would have howled over taking the prerogative of sentence away from the judge.

**Bane:** Our problem, initially, wasn't taking the sentence



Bane: away from the judge. Our problem, initially, was to establish a system of juvenile court judges.

Once we established a system of juvenile court judges, those judges were in favor of having the sentence taken away from them.

Leiby: Were these really separate judges? In New Jersey, for example, the juvenile court judges are our old friends with another hat.

Bane: No, no. In practically all instances they were separate individuals.

Leiby: Especially prepared?

Bane: No, not necessarily. But especially interested. I remember Suffolk, Virginia where I had been, which was a town then of about twelve or fifteen thousand people, the county seat, we selected a very competent lawyer--up-and-coming young lawyer--who had a major interest, and made him juvenile judge. He was delighted to have the assignment. He took a major interest in it. It was a way for him to get some experience and at the same time do a public service. So in the small places that's the way it was. In the larger places...

Leiby: You chose these?





Bane: Oh no, they were chosen by the County Board of Supervisors and the regular district or circuit judges, as we called them.

Leiby: Did you make recommendations?

Bane: Occasionally, when we were asked--which we were frequently in the early days. We were not only asked to make recommendations, we were asked sometimes to persuade somebody to take it.

Leiby: This must have been quite a show to set up. I mean, that's a detention home in a hundred counties.

Bane: We didn't try to do that. We set up detention homes in the larger cities. And we could transport from the smaller counties to these centers. There were maybe ten detention homes in the state.

Leiby: But then you needed at least one diagnostic clinic. Did you have more?

Bane: From the one diagnostic clinic we then began to spread the system of traveling clinics. And from traveling clinics we developed the idea and the system--this was after I left--of clinics in certain centers, for instance in Bristol, Roanoke, Lynchburg, Norfolk, Alexandria, and Richmond.

Leiby: These were state financed?



Bane: Yes.

Leiby: State financed and connected with the Department of Welfare.

Bane: Yes.

Leiby: The county didn't finance them. How were they housed?

Bane: Generally they were housed very poorly in a small room, many times a basement room of a local hospital or of the courthouse. It was very embryonic in the beginning.

Leiby: The children were referred to the department...

Bane: The children could be referred to the clinics by the juvenile court. Or, if the juvenile court committed them and they came to the department, then they would be referred to the clinics by the department.

Leiby: And then after that you made a decision about this disposition.

Bane: It was either foster home, or perhaps an industrial school for an indeterminate term, or sometimes probation.

Leiby: Who decided upon release? Did the school have a board of managers and they would decide?

Bane: Yes. Once they went to industrial school they were



Bane: out of our hands.

Leiby: A very enlightened program.

Bane: I thought it was a ground-breaking program at the time. There were some interesting developments with respect to it.

You remember that the act provided that the juvenile courts should have exclusive original jurisdiction with respect to all children under eighteen charged with any offense.

Leiby: Even murder, even a capital offense.

Bane: That's right, any offense. They had exclusive original jurisdiction. We had a circuit judge in Roanoke, Virginia by the name of Judge Hart. He was known far and wide as a very strict and very stern judge. Judge Hart used to say that he ran his court, that's what he was there for. Some children, three or four boys, and maybe some of them were older than eighteen, were arrested along with a girl sixteen years old stealing an automobile, in the Roanoke area. The judge submitted the whole case, along with the little girl, to the grand jury for indictment. We objected. The judge said he was going to try all



Bane: those cases. Automobile stealing had to stop. He would stop it. Whereupon, as we did frequently in those days, the Welfare Department employed on a case basis a lawyer to handle our case with respect to this child in the Roanoke Circuit Court. The lawyer that we employed was Cliff Woodrum, who later went to congress. The airport in Roanoke is named the Cliff Woodrum Airport. We instructed Cliff to take exception to the jurisdiction of the court because it was a circuit court and the Child Welfare Act provided that the juvenile court should have exclusive original jurisdiction. Then we told him to be the worst lawyer that he could possibly be. After having noted his exception, we wanted to lose the case because we had discussed the matter at length with the Attorney General of Virginia, Colonel John R. Saunders, and there was no difference of opinion between Colonel Saunders and the Welfare Department as to what the law meant. So we knew perfectly well that if the case came up on appeal, and we were going to appeal it, that the Attorney General of Virginia would plead error and we would get a Supreme Court decision. Well, Judge Hart





Bane: had been around quite a while and he was experienced, and he had read the minutes of the previous meetings. So to our surprise and great disappointment when Cliff Woodrum noted his exception, the Judge agreed with him. He threw the case out. (Laughter) So we didn't get our Supreme Court decision.

Leiby: You spoke about foster families. Had you had a foster family program?

Bane: The private agencies like the Associated Charities had. But the state, as such, had had no foster home care program until the reorganization of 1922.

Leiby: Was it possible for a court to commit a child to foster care?

Bane: Yes.

Leiby: Did the state pay in that case?

Bane: I would imagine it did. But I wouldn't be certain.

Leiby: I can imagine that foster care would be an important resource for the department.

Bane: Yes.

Leiby: Then you must have built up a foster care program.

Bane: We started immediately to build up a foster care program in 1922.



Leiby: Did you use private agencies or did you build up your own?

Bane: We built up our own staff as rapidly as we could, and we used private agencies at the same time. That was when we brought into the department Gay Shepperson, May Hankins, who later was Commissioner of Welfare in Washington, D.C., & Emily Dinwiddie.

Leiby: When did you get Gay Shepperson? She'd been with the Children's Bureau.

Bane: No, she'd been in charge of the social work section of the American Red Cross.

Miss Hankins had been with the Children's Bureau. She used to come down as an adviser.

And Miss Emily Dinwiddie had been with the Associated Charities in Philadelphia.

Leiby: All of these people were more or less professional.

Bane: Oh they were professional.

Leiby: Really professional. Now when did this reorganization of child welfare go through?

Bane: 1922.

Leiby: You'd been there for two years then. Did you have much to do in this commission that made the study of



Leiby: the children's code?

Bane: We over in the department acted as more or less a secretary for the commission. We kept the minutes, we assembled the material, we developed the agenda.

Leiby: You worked with them.

Bane: Yes. To the extent that they had a secretariat, we were it.

Leiby: What were the obstacles in selling this program?

In the first place, I gather, you wanted local governments to set up their own county boards.

And you would say that these mental hygiene clinics and probation and parole are very useful in prevention and rehabilitation. In studying this the problem I've had is that everybody's in favor of prevention and rehabilitation, and yet it's a long hard battle to get them to finance it. I mean you go to them and you say, "Look in the long run we're going to save you money." Then what do they say to you?

Bane: Well, they say, if they are honest and direct and they're not speaking to the press, "That's all right about the long run saving us money, but what we're concerned about is our budget right here this



Bane: year, right now when we are about to run a deficit and somebody says we have to increase taxes. You take care of the long run. We're interested in the immediate present." That's the usual stock answer when you're sitting down and talking with a budget director about that kind of a problem.

Leiby: Then you'd have to persuade them.

Bane: Yes. And the way to persuade them is the age old technique; you get a great many people to come in before the committee--influential people--to urge it. And you use examples. There are many more examples now than you had in those days. You could use the example now of what we've done in TB, what we've done in pneumonia, what we've done in polio recently. The only example we had in those days, that I can recall, is what we'd done in diabetes. Insulin had just come in and everybody was interested in diabetes. And we'd use that as an example.

Leiby: Now it occurs to me that there's another way that you might do this. You might try to gather some sort of empirical evidence that this really works. In other words you might say, "This is a theory





Leiby: about how it works. And here's a kind of empirical validation for this." I think this is the way we would go at it today.

Bane: Yes, we would go at it that way today. We used to attempt to go at it that way. But it's an awfully difficult thing. Delinquency, human beings, they don't test tube very well. They don't act the same way under all circumstances. We used to find it very difficult to prove much in that field, be it reasonable or not.

Leiby: Or to put another construction on this, there's no real evidence that these things work.

Bane: No.

Leiby: I don't know if there is now, but certainly in the 1920s.

Bane: Well even now. Let's take the field of mental illness, which is subject to much more scientific appraisal than delinquency. You and I remember the various experiments that were carried on twenty or twenty-five years ago, in that area. Doctor Henry Cotton in New Jersey with his fecal infection, Dr. De Jarnette in Virginia with his sterilization law, and all kinds of various and sundry experiments. But we could never demonstrate that such and such action



Bane: would yield such and such a result, even to the extent of a specific known mental illness. Even if we were certain that we knew what the trouble was, we never had any direct cure, like insulin for diabetes, or sulfa drugs for pneumonia.

Leiby: Well there was salvarsan.

Bane: It was helpful in quieting, but it never cured anything.

Leiby: But it arrested.

Bane: Yes, it arrested.

Leiby: In other words the problem you had in trying to persuade somebody that it's a good idea to set up this kind of local service because it keeps them out of the institution and it gets them out of the institution, and it's better for them and it's cheaper--all these wonderful arguments-- the problem was not simply that you had to say, "This is going to cost you money but it's worth it in the long run." The problem also was that you had to go very easy on making claims.

Bane: Yes. And you had to base it largely on a humanitarian appeal, rather than on dollars and cents. In 1923 we were not dealing with big institutions. We weren't in the realm of big money.



Bane: We did get into that in 1926. In '23 we were dealing with money, but not big money. We had great support from all private agencies, church organizations, and especially the League of Women Voters. They did an excellent job. And as I said a few moments ago eighty to ninety per cent of this program was passed. Our chief difficulties were:

- 1) Inertia. Everybody was interested in roads in those days. We were just beginning to build highways. And all the fight in the legislature was over a bond issue for roads. And incidentally in that same legislature the bond issue for roads was defeated. The gentleman who was leading the opposition to the bond issues with the slogan "Pay as you go" was a gentleman by the name of Harry F. Byrd. (Laughter) He's been in favor of pay as you go ever since. And ever since those days he has stood for, more or less as a badge, economy and governmental efficiency.
- 2) Money. We emphasized that here was a situation that needed some money but not too much. The humanitarian appeal was what we used more than anything else.

Leiby: So basically it was a humanitarian appeal and it was made by many distinguished and honorable witnesses



Leiby: giving testimony.

Bane: That's right.

Leiby: Now tell me this, would you have thought very much of attempting some kind of empirical validation? I mean, they did catch Cotton out. They did perform a series of observations that proved conclusively that Cotton's theories didn't work. Would this have occurred very much to you, then?

Bane: It didn't in those days. We were operating in a very narrow field. We wanted to set up a better department that would function effectively in this field and not be merely an inspection and advisory agency. And we wanted very definitely to do something about the children's situation. We wanted also to tie the two things together and have an effective organization in the children's field, which we could spread to general dependency and general delinquency and mental illness.

Leiby: So your basic interest was in humanitarian service. And your interest in administration, in those days, would have been connected with giving the child a good social worker, or a good mental hygienist,





Leiby: insofar as you could determine what these were.

Bane: Yes. And the big economic arguments didn't come in until 1926. Then they came in with a bang.

Leiby: You said this 1926 reorganization of the Department of Welfare was under Governor Harry Byrd.

Bane: Yes, Byrd became governor in 1925-26. Of course, he had been in the state senate for years. And in addition to having been in the state senate he'd been Chairman of the State Democratic Committee. In 1926 he took office. He had a rather strenuous campaign against another member of the state senate, a gentleman named Mapp. Mapp had been a leader of the prohibition forces in Virginia. And he had the support of the famous or notorious character, depending on your point of view, Bishop James Cannon.

Leiby: One of H.L. Mencken's friends. (Laughter)

Bane: That's right. He was a great promoter and supporter of Mapp. Byrd was elected.

Leiby: Was this for the nomination?

Bane: It was in the primary. They didn't have conventions in those days in Virginia. And in those days the November elections between the two parties didn't amount to anything. Mapp was supported by one group and Byrd by another group. You might say that Mapp



**Bane:** was supported by the clerical group, interested primarily in prohibition. Byrd, whereas he was a prohibitionist also, everybody was in Virginia in those days, was supported by the political organization groups, the so-called county organizations or county rings, depending on whether you approve of them or disapprove of them. Byrd was handily elected. It developed that you had in the governor's office a person who had overwhelming political support in the state. He had been in politics since he was a young boy. He'd been in the state senate for many years. His father, Richard Evelyn Byrd, had been speaker of the house of representatives in Virginia for a number of years.

**Leiby:** How old was Harry Byrd when he became governor?

**Bane:** He was about thirty-six or seven. He is now seventy-seven. On occasions we used to say something about our being young men. He's between five or six years older than I am. He came in with a definite, specific reorganization program.

He had control of the legislature and he knew it. So he set up a top notch--in New York you would



Bane: call it a blue ribbon committee--on the reorganization.

The head of the commission was a man by the name of W.T. Reid, who was at that time President of Larus Tobacco Company that makes Edgeworth tobacco.

The commission decided to employ a consulting firm to come into Virginia and make a study of the state government and submit recommendations to the commission. It employed what was called in those days the National Institute of Public Administration of which Luther Gulick was director.

Luther and his group came to Virginia and made the study in 1926. They submitted an elaborate plan for changing the government very materially. Perhaps a dozen constitutional amendments. Byrd and his commission took the plan almost lock, stock and barrel, and put it through. It changed the status of many elected officials. We had seven or eight officials in Virginia that had been elected--the constitution provided they could be elected by the people-- Byrd got rid of all of that. It provided that all state officials in Virginia should be appointed, with the exception of the Governor, the Lieutenant-Governor and the Attorney General. It did away with the old \$5,000



**Bane:** limitation on the Governor's salary, that had existed since 1901. It did away with the oath that all state officials had to take that, "They would not fight a duel with a deadly weepon," as the justices of the peace used to say. They reorganized the constitution and established Byrd's reputation as one of the ablest governors that this country had.

**Leiby:** What was Byrd interested in--efficient government to save money?

**Bane:** Primarily he was interested in efficient government. He was also interested in economy. His great stock in trade in those days was economy, has continued to be economy. But as governor he was as much if not much more interested in efficiency than he was in sheer economy. He did more for the Welfare Department and for other departments than any governor we'd ever had before that.

**Leiby:** Did he have an idea of what Gulick was going to say in the report?

**Bane:** Oh, not in the beginning. But certainly, as they went along, Gulick had constant conferences with the governor.

**Leiby:** So he wanted to reorganize the government. He didn't





Leiby: have any ideas in particular. I guess he did have some ideas.

Bane: Yes he did. He had some ideas but not in detail. What he wanted was an effective and efficient governmental machine.

Leiby: So he called in the Public Administration boys from New York.

Bane: That's right. And he made a contract with them.

Leiby: And they made a study and he bought the study.

Bane: Yes. And what is equally important or more important, he put it through.

Leiby: So this is when public administration as a science, as it were, begins to...

Bane: Come into state government and begins to come into the Welfare Department. The Welfare Department, from then on, began to think much more in terms of economics than it had before.

Leiby: How had the Welfare Department fared in Gulick's study? He undoubtedly had a chapter on it.

Bane: Oh yes. First he recommended that the Commissioner of Public Welfare, instead of being appointed by a board, be appointed by the governor, subject to the approval of the senate.

Leiby: This was to establish responsibility.

Bane: To serve at his pleasure--indeterminate term. Then



Bane: he suggested that all of the major state institutions, the penitentiary, the state industrial schools, the hospitals for the mentally ill be brought into the Welfare Department and that the Welfare Department be made an operating agency.

There was one concession to the old system. Whereas the welfare commissioner would be ex-officio a member of all of the boards, the one concession was to keep the boards for the various institutions-- the local boards. So then the welfare commissioner couldn't immediately control the entire operation of every institution, nor could he, on his own, and without the advice of a board, appoint a superintendent of say, the Western State Hospital. That authority was lodged in the board.

The welfare commissioner, to repeat, was ex-officio a member of all the boards, which meant to all intents and purposes that he



**Bane:** was the representative of the governor on each of those boards. He carried a great amount of weight.

**Leiby:** Now hitherto had the State Board inspected state institutions?

**Bane:** Yes.

**Leiby:** But it had had no operating control.

**Bane:** None whatever, no operating participation.

**Leiby:** They merely inspected and reported to the governor.

**Bane:** That's right.

**Leiby:** And now what this did was to make the superintendent of the institution responsible to the commissioner of welfare.

**Bane:** And also responsible to his board. His board had charge of all local operations. But for its over-all big problems, like his budget and things of that kind, he worked with the welfare commissioner.

**Leiby:** Did he submit a common budget?

**Bane:** Each institution submitted an individual budget, then were put together, consolidated.

**Leiby:** When did the consolidated budget come in?

**Bane:** After 1926.

**Leiby:** So in other words this is a very considerable power.



Bane: Surely. That was the Byrd reorganization, that power. And that got us into the field of economics, as well as into the field of humanity.

Leiby: Now would you expand a little on this, about economics.

Bane: Well I remember the major economic question that came up so frequently. I became sick and tired of it. The per capita cost of a particular patient in a hospital. Everything had been run on that basis for many years. We tried during my years there to expand and elaborate that approach to the problem. We never got very far while I was there. But we succeeded in pushing up the per capita costs. So long as we were stuck to a per capita cost business, which is always tied back to what you had in years before, we pushed up ten cents-twenty cents, etc.

Leiby: In other words, compared with other states.

Bane: Yes. We tried once to wipe the slate clean and say, "Let's forget the past. What is an adequate per capita cost? Let's start from here." But we never made too much progress with that.

Money began to be a problem because hospitals, aside from education and highways, was the biggest single expenditure of state government, the most





Bane: expensive facilities that we had. We had five of them. That is we had four hospitals and one institution for the epileptic and feeble minded.

Leiby: Were there any county institutions?

Bane: No, just state institutions. Of course we had a lot of senile people in the county alms houses who couldn't get into the hospitals for the mentally ill.

And, I would guess, 35% or maybe more of all the people in state hospitals for the insane were senile, aged people.

Leiby: I'm interested in this per capita cost basis. I know for years, and I guess still is, a primary consideration. And it has the merit that this is something you can figure out and you can compare. If you're going to manage institutions you need some sort of bookkeeping, obviously. And this is a very handy device.

Bane: Oh that's good. I wasn't objecting to the cost accounting phases of it. What I used to object to was being tied back to the per capita costs that we had five, ten, or fifteen years ago. The budget people



**Bane:** would always say, " Well we have to go gradually, two or three steps at a time, fifteen cents, twenty cents ,." etc. We had a budget director in my later years in Virginia, a grand gentleman, but if there ever was a meticulous person he was it. He's still a grand old friend of mine although we used to fight like cats and dogs. His name was Bradford. He was there for twenty-odd years. I would come in and sit down and he would say, "Now the per capita costs..." I would say, "My Lord, do we have to go into that again?" (Laughter) I would want to start with the per capita costs now, never mind what the per capita costs were ten years ago. Times are different. Times had changed.

**Leiby:** But even if you could get a per capita cost on the basis of a standard--what you wanted essentially was to formulate standards.

**Bane:** I wanted some modern standards. I used to say, "Yes we have this per capita cost but this is when we called our hospitals asylums for the insane. Now we're talking about hospitals, not asylums. It's a different proposition. Let's start with another standard of per capita cost."



Leiby: Would there be any other unit of service--per capita cost doesn't measure unit of service, does it?

Bane: It does within limits. It measures very adequately and effectively the problem of food; the problem of shelter, heat, light, and power; the problem of clothing. But how do you measure per capita cost when you get into the question of physicians and so on? Unless you just take eighteen physicians and divide them by 1,800 patients and say one physician to a hundred patients.

Leiby: The Public Administration people were very much interested in accounting. I know, in New Jersey, this is the way we got to those institutions. We'd come out with per capita costs very different, why? Then you have to explain it and justify it. Was there any speculation about other measures of service? I'm interested in this, generally speaking. You must have thought, "If we could only isolate service costs."

Bane: Yes, we used to think in terms, in addition to per capita costs, about patient doctor ratio, patient nurse ratio. We used to try and get away from the per capita costs when we were thinking about these things. We used to think, also, in terms of



Bane: types of buildings for certain kinds of patients.

Leiby: This is important. Or prisoners for that matter, you know, minimum custody prisoners.

Bane: Yes. These enormous four and five story buildings that they built back in the eighteenth century for hospitals and asylums. We began to get away from those and build one story buildings for certain kinds of patients, particularly the elderly. We even built ramps instead of steps for elderly and senile patients. I notice in the housing for the elderly in the housing programs now they emphasize ramps instead of steps.

Leiby: Where did you get the idea of doctor patient ratio? Did you ask some doctor?

Bane: From quite a number of people. When I went with the Welfare Department my technical training left much to be desired. So I used to take my vacations and go on busmen's holidays. I had met a number of people in New York in this field. So I would go to visit them. The National Mental Health Committee, in those days, was my source of information, ideas, and data, Clifford Beers and George Stevenson. In the realm of prisons





**Bane:** and the general field of delinquency it was Hastings Hart. He was with the Russell Sage Foundation.

**Leiby:** And Kirchway was with...

**Bane:** The New York School of Social Work after he came back from Sing Sing. And then I would go around and visit various and sundry hospitals in other states. That's when I met and knew and stayed with Dr. Cotton in New Jersey. He told me at length and showed me in detail what he was doing about what he called, I think, focal infection. I went to Massachusetts with Dr. George M. Kline, the Mental Health Commissioner, and with Dr. Fernald who was in charge of mentally retarded children.

**Leiby:** Suppose we come back to the general character of the states you visited tomorrow.

**Bane:** Fine. Tomorrow at the same time.



DIRECTOR OF PUBLIC WELFARE, KNOXVILLE, TENNESSEE,  
1923-1926

(Interview of January 6, 1965)

**Leiby:** Yesterday we were talking mostly about state welfare in Virginia. I know from 1923 to 1926 you moved to Knoxville as Director of Public Welfare. How did you happen to get interested in the job at Knoxville?

**Bane:** When I was Commissioner of Public Welfare in Virginia there was a gentleman by the name of Mr. Louis Brownlew, who was City Manager of Petersburg, Virginia. Prior to going to Petersburg Louis Brownlew had been one of the commissioners of Washington, D.C. In fact, he had been chairman of the district commissioners, running the city of Washington.

**Leiby:** A much better chairman than that city deserved.

**Bane:** A much better chairman than you would expect under the type of government which the city of Washington has. It's the old type of government, the old commission type, whereby they divide up the



**Bane:** activities of the city among three commissioners, each commissioner taking a certain branch of the government and being responsible therefore. Brownlow as commissioner had been responsible in Washington for welfare activities, for the police, and for finance. So when he went to Petersburg he was greatly interested in the welfare activities in Petersburg, which were at that time almost non-existent. He began to look to the state for a great deal of help in setting up Petersburg's local welfare agencies of one kind or another.

**Leiby:** Brownlow hadn't begun his academic career then.

**Bane:** No, not yet. He was in public administration, mostly local administration. As a matter of fact throughout his life Brownlow was almost exclusively in local administration and probably the country's greatest authority on public administration in the locality. He branched off a little bit into the federal government when he made the study of the federal government for President Roosevelt. Brownlow and I were acquainted in Virginia and, in fact, became quite friendly. Brownlow was offered



**Bane:** the job of City Manager of Knoxville, Tennessee. He came to see me in Richmond one night, and told me he was going to take that job and that they were going to set the city government up in five major departments. Of course, a law department with a general counsel. All government agencies have a general counsel. And then a Department of Public Works, a Department of Public Safety, a Department of Finance, and a Department of Welfare. He asked me if I would accept the job as Director of Public Welfare for the city of Knoxville, to set up a brand new department. Knoxville had just adopted a new charter and a new city manager form of government. I was starting from scratch more or less in organizing a welfare department in a reasonably sized city-- probably 150,000 population.

**Leiby:** A considerable metropolis.

**Bane:** At that time it was the third largest city in the state; Memphis, Nashville, Knoxville, and then Chattanooga. I was young and adventuresome and I liked Brownlow, and so I agreed to take the job.

In that department we had the usual welfare





Bane: activities; The health bureau, the recreation bureau, the city institutions, and we had the licensing of various private institutions of one kind or another in the welfare or health fields.

I spent three years in Knoxville, working on the task of setting up a municipal welfare department. Knoxville was a very interesting city in those days. The first thing that interested me was the health work or lack of health work in the city. This was 1923 and Knoxville still had a considerable amount of smallpox.

They had a city pesthouse in 1923, which startled me.

Leiby: That's an eighteenth century innovation.

Bane: Soon after we got started and had gotten our feet on the ground, Brownlew and I talked about the smallpox question. We were in the process of developing the city budget. So I announced to the press, with the collaboration and consent of Brownlew, that after this particular year, which was 1923, we were going to eliminate all ap-



Bane: appropriations for the city pesthouse. We were going to substitute: 1) A compulsory system of vaccination in the public schools; and 2) We were going to set up a clinic where anybody could be vaccinated if they wanted to, free of charge. Thereafter we were going to operate on the general thesis that we believed in liberty--public health liberty. If anybody wanted to have and insisted upon having smallpox, the city wasn't going to pay for it. We'd let him pay for it himself.

Well at that the newspaper people began to ask all kinds of questions every day. And every day I was talking about smallpox, until the Chamber of Commerce sent a committee down to see me one day. They said, "You are ruining business. You've convinced the people in the neighborhood and in the countryside that we have an epidemic of smallpox in town." I said, "We have." We had something like twenty-odd cases. That to me is an epidemic of smallpox. They said, "We're going to see Mr. Brownlow about it." Mr. Brownlow was my boss. They went to see Mr. Brownlow. Mr. Brownlow



Bane: suggested to them that he thought that they could make a trade with me. He was reasonably convinced if they (the committee from the Chamber of Commerce) would help me pass a city ordinance for compulsory vaccination of school children and would encourage people to be vaccinated, I would quit talking about smallpox. They came over. We made that deal. I quit talking about smallpox. We put through compulsory vaccination of school children. We set up the clinic. Many people came in to be vaccinated. The next year we abolished the pesthouse.

Leiby: I would imagine that it was the Chamber of Commerce people who supported Brownlow at first.

Bane: Very much so.

Leiby: The city manager came in, this was a businessman's idea.

Bane: Exactly. And they were, to all intents and purposes, his kitchen cabinet, you might say.

Leiby: So you convinced them.

Bane: Maybe they convinced themselves, that this was a good idea from a business point of view, not to have the reputation of having smallpox in town. We set up quite an elaborate, for a small city, health bureau, and a rather large municipal hospital.



Leiby: This was a municipal, general hospital.

Bane: Yes. Knoxville General Hospital. We had a problem there, of course, which was the problem of staffing. I brought an outside superintendent in, which was very beneficial from the standpoint of the hospital but immediately got me into controversy with all of the doctors--not all, a number of the doctors. That situation worked out and we got the hospital accredited, with the usual number of nurses in proportion to patients, and by requiring certain minimum things such as the use of gloves in surgical operations. (Laughter)

We had the job of setting up a recreation system. Mr. Brownlow had always been a great proponent of organized recreation; municipal playgrounds as well as parks. So we submitted a proposition to establish various and sundry playgrounds, and we put it in the budget. Also, we put in the city budget a provision for supervisors of these playgrounds. In retrospect that was one of the most interesting experiences we had in Knoxville. Two members of the





Bane: Council opposed that item for supervisors of playgrounds. Said they, "It is proposed--the most outrageous proposal we've ever heard of--it is proposed that we use city money to pay people to teach children to play. Any old child can play. The job is to teach him to work." (Laughter) That was a very very interesting experience.

That started me, to a considerable extent, in the business of local government administration, which I hadn't had too much of except in a supervisory capacity in Richmond. I stayed there for three years.

Leiby: Did you have much to do with poor relief in Knoxville?

Bane: The poor relief situation in Knoxville was what it was everywhere--rather standard, utterly inadequate, but usual. We had the county alms house. And we had the city overseers of the poor, which we took over in the Welfare Department. We put two social workers on the staff. We got one from the New York School of Social Work and one from the Chicago School of Social Work.

Leiby: Professional social workers?

Bane: Yes. Both had come from Tennessee. That helped



Bane: to offset criticism of what I'd done before. (Laughter)  
As a matter of fact in that government Brownlow, who was the city manager, was from out-of-state; James Otey Walker, head of the Department of Public Safety, fire and police, was an outsider; I was head of the Welfare Department; and I brought in an outsider to be head of the hospital.

Leiby: Which was the most expensive.

Bane: The most expensive, the most controversial, the most potentially explosive institution was the hospital.

Leiby: It had not been accredited.

Bane: No, it had not been accredited

Leiby: You got it accredited.

Bane: We got it accredited with all the headaches that would go with that kind of a reorganization when you're dealing with professional groups as well as with the general public. To repeat, three of us were from out of the state. Two of us were from Virginia.

Whenever we went to any hotel, dining room, or restaurant where



Bane: they had an orchestra, the orchestra always started up "Carry Me Back to Old Virginia." (Laughter)

Many years later the attorney general of Tennessee was a man named Roy Beeler, quite a lawyer. When we were in Knoxville, Roy Beeler had been city attorney just before the city manager form of government came in. So, when the city manager form of government came in, Roy Beeler was out of a job.

A lawyer by the name of Edgerton was appointed as head of the law department and general counsel for the city. Roy was a delightful gentleman and occasionally we would speak on the same platform. Especially when the administration was promoting a bond issue to build a viaduct over the Southern Railroad tracks. Of course, we were for it. Roy was against it. He was just against the administration. We would speak on the same platform occasionally, around the different wards. I would speak for the bond issue. Beeler would speak afterwards. He would say, "My dear friends and my fellow townsmen." (Laughter) "Do you really think that if you vote this bond issue this foreigner is going to put all of that money into building the viaduct? Do you really think so?"



Bane: That would be his speech. Afterward he and his wife would come over to Mrs. Bane and myself and say, "It's early. Let's go on home and play bridge for the rest of the evening." (Laughter) It was all in the game of more or less benevolent politics.

Leiby: You were spending lots of money in Knoxville.

Bane: We were spending a great deal of money at that time.

Leiby: How did you raise it--local property taxes?

Bane: Before we went to Knoxville--as soon as the new council came in--they found themselves with a whale of a deficit. So they, thank the Lord, had levied a very much increased property tax before we got there. The Brownlow administration got there in time to inherit the revenue from the increased tax rate. The first year or two we had no acute financial problem.

Leiby: And you had businessmen backing good government.

Bane: Yes.

Leiby: Good government men hiring outside experts to come in and improve the services.

Bane: That was the general pattern.

Leiby: These services were quite different from the sorts





Leiby: of things you were doing in Virginia. Did you have a child welfare agency or operation?

Bane: No, we had no child welfare operation. Of course, we had the children's section of the health department clinic. But we had no foster plan or arrangement of that kind. All that was handled by the county, to the extent that it was handled. We had no adoption procedures in the department. They were handled by the courts. And we had little connection with the courts.

Leiby: No probation.

Bane: No probation. Again, that was in the courts.

We had a judge in Knoxville in those days by the name of Williams, who was very jealous of his prerogatives.

He insisted that we should stay out of his backyard, which we did, since the charter so provided.

Leiby: To get back to poor relief, what did the social workers do?

Bane: They investigated income, administered means tests, and that's just about it.

Leiby: Social investigation.



Bane: Social investigation to determine how much--and we experimented a little bit in Knoxville with cash grants.

Leiby: Instead of grants in kind.

Bane: Instead of grants in kind, instead of the grocery order. If a person was a certain kind of a person, meaning by that if most of his life he had earned and expended his own money, we would give him a cash grant, which was new at that time. And, in retrospect, it didn't kick up too much opposition.

Still most of it was on the old grocery order basis--the order on the corner grocery store.

Leiby: Did these social workers take the place of the overseers of the poor? Or direct them?

Bane: They gradually took their place. By the time we left Knoxville in 1926, the social work unit had taken over the entire job of the overseers of the poor.

Leiby: Did you have a centralized intake?

Bane: Yes, we had a centralized intake. And in those days whenever I went into a social worker's office her first question was always, inevitably, "Don't you want to see my records?" Records had just begun to



Bane: play a large part in social work.

Leiby: When you as administrator walked in.

Bane: Exactly.

All social workers played up records in those days. So we started a records system. We had pretty good records. We worked very closely with the local private agency in town, which was a local Associated Charities.

Leiby: Family Service.

Bane: Family Service, which at that time was called Associated Charities, which was headed by a Miss Bignall. She had been there for a number of years and she was one of my best supporters.

Leiby: So there was something constructive or preventive, some sort of case work going on.

Bane: Yes. And, of course, we had other institutions. We had the Institution for Delinquent Women, called Camp Home. A man by the name of Camp had given his big house to the city. We had, also, a small tubercular sanitorium.

Leiby: A municipal tubercular sanitorium.



Bane: Yes, a small one of about twenty beds, which we tried to keep for temporary care until the state sanitorium could take over.





TEACHING AT THE UNIVERSITY OF VIRGINIA, 1926-1932

Leiby: Then you went back to Virginia as Welfare Commissioner.

Bane: Then I went back to Virginia. That's when Byrd came in as governor in 1926.

At the same time the University of Virginia was talking with me about my coming to the University as Professor of Sociology.

So I went back to Virginia as Welfare Commissioner and with the permission of Governor Byrd and the group in our own office, I would go over to the University of Virginia at Charlottesville twice a week. At

first it was just once a week and then it was twice a week, giving courses in what they called "Pure and Applied Sociology," which really meant public welfare administration or applied social work.

Leiby: What kind of students did you have in these courses?

Bane: Interestingly enough we had about a fifty-fifty split as between men and women. The public admin-



Bane:     istration side of it attracted the men and the social work side attracted the women.

          Of course, at that time, a woman had to be an applicant for a graduate degree to get into the University of Virginia. All of the undergraduates were men.

Leiby:    You were in sociology, not political science.

Bane:     **Yes.**

Leiby:    What sort of things did you talk about in your class?

Bane:     We talked about the general principles of social work. We talked about the organization and operation of welfare departments. We talked about the day to day duties of a public welfare administrator or a social worker, as the case may be. And I imagine upon occasions we branched out a little bit into what might be termed social philosophy.



Leiby: Do you remember what sort of reading you could find?

Bane: Yes. The reading that we had mostly was Mary Richmond's book in the realm of social work. And in the realms of public administration we dealt mostly with pamphlets and studies of the Brookings Institute in Washington, the National Institute of Public Administration, Gulick's outfit, and other general text books in public administration. There was a professor at Columbia by the name of John A. Munro who had written an excellent text book.

Leiby: He was in political science.

Bane: We used both political science text books and social work text books.

In the Department of Sociology, there was just one full-time professor at that time.

Leiby: I see. You were just on a visiting status.

Bane: I came in once a week at first and later it was twice a week. The course was denominated, which interested me at the time, applied sociology. What they were trying to emphasize was that Professor House, he was the sociology professor, was dealing in



Bane: principles and theories and I was supposed to be pragmatic.

Leiby: Did this teaching weigh very heavily in your decision to come back to Virginia?

Bane: Yes, it weighed rather heavily from two points of view. I had had some experience in the field. I liked it. I still do. And another attraction was that state salaries in those days were not too large.

The salary the University of Virginia paid me supplemented the salary which the state paid me.

I had a growing family, and I needed the money.

Leiby: I suppose your main attraction, however, was the administration.

Bane: By that time I was in administration to stay.

Leiby: And this was a real challenge that Byrd offered you.

Bane: Yes, to reorganize the department. Said he, "We're going to put all the welfare agencies, departments, and institutions in one department. And I'd like you to run it."





PUBLIC ADMINISTRATION IN THE 1920s

Leiby: What strikes me as I listen to you is that, in a way, you seem to be sort of riding on a rising tide. That is, you got in on the reorganization of 1921 in the Virginia department; then you got in on the reorganization in Knoxville. I mean, people were interested in this. People wanted to do this. You were getting opportunities. And you were getting means to work with.

Bane: There was a stirring, as we used to say, in that field. As you say, it was coming along about the time I was coming along agewise. And I was riding it. But I had no idea at that time what a tide this was going to be--would turn into--and how I was eventually going to be riding along with it.

Leiby: From my point of view as I study the history of the 1920s, these reorganizations were going on all over the country. Knoxville, Tennessee was not a place that you would expect to be out for real



Leiby: modern city managers and there they were. And this was going on all over in places like Knoxville; in Virginia for that matter. Suddenly in the mid 1920s they change over to really a modern welfare structure. And I know that there were a great variety of state reorganizations in the 1920s. For the most part I'm impressed by the character of the executives who came into these jobs. They were young men. I know in New Jersey John Ellis was thirty-five when he ran--and that was big money, that was all of the New Jersey institutions in one department. And you were in Virginia. I think Louis Brownlow was a pretty young man.

Bane: Yes, Brownlow was just 12 years older than I was. That would have made him in his middle forties.

Leiby: But I can't imagine them hiring a thirty-five year old man to run the New Jersey department today.

Bane: Probably not. The market would be better today. There would be more people to choose from. In those days when you were in the welfare field if you were looking for someone that had any particular background, there weren't many. As witness, I imagine, in New Jersey when John Ellis



Bane: died and they began to look for a person they went out of the state and got Sanford Bates, an experienced executive

Leiby: Who was on the market.

Bane: Who was on the market, but an older man. Then when Bates resigned or retired, why still they went out of New Jersey and got John Tramburg. Virginia followed pretty much the same pattern, not as consistently as that. Although, as I think I said yesterday, when I left Virginia in 1931 of the four directors who handled eighty-five per cent of the state's money, three of them were from out of state. I was the only one who had been to the manor born, so to speak.

Leiby: In a historical sense this strikes me as a moderately important development. It suggests the development of a nationwide market and a nationwide group of people to fill the market. That is, there is a group of young executives who are coming up. They know one another. They're in touch with one another. And they're in a position to staff these various jobs.

Bane: And you might say, in addition, a growing consciousness on the part of people that government was an



Bane: important business and should be handled by someone who knew his business.

Leiby: Both the politicians and the businessmen thought this. Both the Chamber of Commerce and Harry Byrd thought the government ought to be run like a business.

Bane: As an example, during that period the city manager form of government spread all over the country. It started, incidentally, in Virginia. The first city manager form of government was in the city of Staunton, Virginia. And for many years the largest city to have a city manager form of government was Norfolk, Virginia, which had a city manager form of government in the early days--two or three years after Staunton started it. Norfolk adopted it and employed a man named Ashburn to be city manager. Ashburn had been city manager of Staunton. He was about the only person who was available who had definite experience as a city manager. So they employed him and he stayed in Norfolk for twelve or fifteen years. Norfolk was just coming out of the First World War, the navy was on the make. When the navy is on the make Norfolk





Bane: prosperous. It always has been a navy town. It wanted a top notch type of government. They picked the one experienced city manager in the country, and off they went with it. That kind of thing was more or less in the air at that time.

Leiby: Students of public administration like Gulick and Brownlow looked upon their jobs in a really practical way. They really looked for great advances in municipal government, first of all.

Bane: They started mostly in municipal government. We used to insist, in those days, that municipal government, and to a large extent, state government, was to all intents and purposes a commodity. It was collective house-keeping, if you please.

It's a commodity to the extent that you can buy as much as you want, as little as you want, of good quality or shoddy quality. And generally speaking, you get what you pay for. For instance, take municipal government, practically all that they do is collective housekeeping. Most of



Bane: the things local governments do my grandfather and his family did for himself, one way or another. He took care of the road that went by his farm. He was warranted to do so. If he didn't do it himself, individually, he had to employ someone to take care of that road and he had to pay him. He took care of his own aged parents, he even looked after his well.

One of my most interesting recollections, after I'd gone with the state of Virginia as Welfare Commissioner, my uncle, who lived on our old home place in Virginia, wrote me to come to see him. I went up, and he was in a row with the county health officer, who had just been appointed in Stafford County, Virginia. He had sent some young men out there to inspect his well. And they had trespassed on his property! His well was all right. It had been all right for generations. "And what was all this business about germs anyway." (Laughter) So we used to take care of our own health.

Insofar as education is concerned, in the East particularly, before the turn of the



Bane: century most people who sent their children to high school, if they could afford to do it, sent them to private schools. And the states abounded in academies for boys and seminaries for girls. Now government comes along and takes over most of that.

But we have learned to want many, many of these things. And we have learned to insist that our governments equip themselves to provide these various commodities in an adequate and effective manner.

Leiby: Suppose--this idea of government as a commodity and standards of measuring service--I suppose this was one of the most important ideas of the 1920s.

Bane: That's what we were urging in the 1920s, that government is a technical business requiring competent trained personnel. We used to say, "In



Bane: the health field we're going to spend a lot of your money on two things: Inspection of the dairies that supply milk and inspection of the milk itself. And we're going to examine the water that comes out of the Holston River, four or five times a day." And they would say, "Four or five times a day?" And we would say, "Yes, all to keep you from having typhoid fever and other diseases. If you don't want it inspected, if you want to take a chance on typhoid and other diseases that you used to have, cut it out."

Leiby: They weren't so keen for that. The health field then was one field where you could make a real case for prevention.

Bane: We used it not only in that particular field but we used it as an argument for other fields. But we couldn't be as specific. We couldn't point to definite results. We couldn't say, for instance, "If you set up this playground in this neighborhood it will reduce your crime twenty five percent.\* But we could use the same kind of an argument. "It will keep them off the streets, it will keep children out of the back alleys, it will keep them out of





Bane: 'mischief.'

Leiby: Now local government is housekeeping, it's a commodity. And you're trying to get across the idea that you get what you pay for here. And there are standards. And one should not just think of the costs but also of the standards. You say this is peculiarly true of local communities. You wouldn't characterize state government as collective housekeeping?

Bane: Yes. I said it's primarily true of local governments. It's almost equally true of state governments. For instance in state governments, where does seventy-five to eighty cents of every dollar of state revenue go? First it goes into education, which is the biggest expenditure. Then it goes into welfare and highways, which are second and third in almost all states. Then it goes into health and conservation.

Take a look at those services. Every one a century ago was largely an individual family job. It was not until the turn of the century that they became primarily public services.

Leiby: With standards. It would be true that your local governments were more interested in direct service.

Bane: And then they brought the states into it.



Leiby: And the states are not so much interested.

Bane: They're not very interested in operating them, except highways they are interested in standards; for instance, let's take education. When I first went to Nansemond County we were just getting out of a system that had been prevalent there for a long time. The system was that on the third Monday in July at the county courthouse an examination would be given for teachers to teach in the first, second, third, fourth, and fifth grades, local examinations set up by the county itself with no particular state standards or state certification. The state came into the picture and when they did they came in, as they always do, through financial help. And standards always followed financial help--whether it's federal to state or state to locality. So the first thing that the state did when they came into the picture with what they called an equalization fund was to require certain standards.

Leiby: Of teacher selection.

Bane: Exactly. A uniform method of certification.

The same thing applied in roads. Up until 1916 in Virginia we had no state highway department. Roads were the county's business. And working on



Bane: the roads was a very interesting operation. You dug out the ditches in the wintertime and threw the mud in the middle of the road, so the road would drain. And in the springtime you hitched a pair of mules to a heavy drag and filled in the ruts. It was 1914 before there was a yard of concrete road in the state of Virginia. Initially then there were two stretches about nine miles each, one from Hopewell to Petersburg, the rail head, and that stretch was built by the Du Pont Company who had built a plant at Hopewell. And the other was from Lee Hall, Virginia, to Newport News, Virginia. The navy built that one. It was built for the navy, not as a federal road building program. The warehouses for the navy were at Lee Hall and the docks were at Newport News.

Leiby: Then in 1916 came the Federal Highway Act.

Bane: And the state set up a State Highway Department and they began to get into the road-building business in a big way.

Leiby: And insist on certain standards. It was more difficult to do this in welfare wasn't it?

Bane: In those days they used to say, "The road business is easy to get into because roads are concrete. And wel-



Bane: fare is so abstract."

Leiby: Let's get back to this group of people who are taking the administrative jobs in the 1920s. You said that in the 1920s you went around and visited people. I suppose you did this at Knoxville, too, didn't you?

Bane: Yes.

Leiby: And then as Virginia's Welfare Commissioner you'd take your vacations and go to visit people. Now who were some of the people you visited?

Bane: To repeat what we discussed yesterday, when I went to Virginia as welfare commissioner, I did not have a complete and thorough training in the field of welfare administration. So I immediately ran into problems that I didn't know too much about or wondered about. So I started visiting people around the country that I thought were competent in this field. The first place I started to go was New York because I'd had some experience at Columbia.

Leiby: You had personal associations there.

Bane: Yes, with George W. Kirchwey. And through him I met Hastings Hart. And those two happened to be, at that time, perhaps, the leading authorities in the country





Bane: in the field of penology. The problem that was giving me most trouble was, perhaps, the problem of mental health and mental hospitals. So I started using my vacations to visit hospitals that I had heard were good or had read about.

Leiby: How did you hear and where did you hear?

Bane: I would get Survey Magazine, the Mental Health Association had a magazine, the American Psychiatric Association had a magazine.

Leiby: There was Mental Hygiene. So you really read those.

Bane: I would read those magazines. And while I was in New York seeing these other people, I would go around to the National Committee for Mental Hygiene. That was being run by a man named Clifford W. Beers, who had once been a mental patient, incidentally. And his chief assistant was a young man by the name of George W. Stevenson. They would suggest places for me to go. One of them that I went to visit was the Trenton State Hospital in New Jersey and its then superintendent, Dr. Henry Cotton.

Leiby: They really sent you to Cotton!

Bane: They sent me to Cotton.

Leiby: My, my!



Bane: And they also sent me to Massachusetts, to Foxboro and several **other** hospitals up there. Also, to one of the psychiatric clinics right outside of Boston.

In prisons it was suggested that I go out to Illinois. They were building a brand new prison in the form of a circle, which was supposed to be escape proof. It is interesting to note that I was out there at the dedication of that prison. I'd hardly gotten back to Richmond and gotten settled in my office before three people escaped from this escape proof prison. (Laughter) I visited all around the country with these people. And, of course, as always happens, I would say, "Come down and see what we're doing. Give us a little advice on this." They would become interested. And pretty soon we were visiting back and forth.

Another person was Mr. Homer Folks in New York. And another was C.C. Carstens. He was head of the Child Welfare League of America. And he's the person that used to recommend social workers for our children's bureau in Virginia.



Bane: So what the Virginia Department turned out to be was largely an outgrowth of the distilled ideas of about fifteen or twenty people all around the country.

Leiby: You would think that progress would come from New York, Pennsylvania, Illinois, and Massachusetts. These would be the places with the big problems and the professional people and the forward looking programs. Do you remember these states in that connection?

Bane: Yes. Not only in New York State but in New York City itself there was a group of people who had come from all around and were running these large agencies of one kind or another, like the Child Welfare League.

Leiby: Private, national agencies.

Bane: Yes. Like the New York State Charities Aid Association that Homer Folks was running, the Russell Sage Foundation, with Hastings Hart.

And that was the chief center. In addition, Boston was quite a center in those days, especially in the field of mental health. And New Jersey with its Dr. Johnstone and Alex Johnson and its Vineland experiment, everybody went there, including myself.

Leiby: What about Illinois? Illinois had had a reorganization, one of the first states to do so.



Bane: It was the first, in 1917, under Governor Frank Lowden. It set the pattern for state reorganizations for the next twenty years. When Lowden became Governor of Illinois he had what most states had in those days, a loose conglomeration of agencies, semi-independent, each doing a particular job without reference to the whole pattern, and most of the heads of them elected by the people. The directors of agriculture, education, conservation, and even of fish and game. So, Lowden initiated a study of the government and developed a pattern, which was the cabinet pattern. All of us took that pattern, I think, perhaps too much--too slavishly adhered to the pattern. But through the next twenty years, practically every state government that was reorganized wanted to create:

- 1) A responsible organization;
- 2) An effective organization; and
- 3) An organization that could be operated by one person who could control costs to some extent. And out of that idea grew the executive budget. Immediately following the executive budget came state personnel departments, on the old theory that government essentially is people





Bane: and money.

Leiby: Do you remember hearing anything about California in those days?

Bane: I didn't hear too much about California in those days.

Leiby: Did you visit it?

Bane: I did not visit it for very obvious reasons; appropriations were small, it cost a lot of money to go to California. So as far west as I went in those days was Chicago and Springfield, Illinois.

Leiby: How about in the South? There were some interesting things going on in Alabama and North Carolina.

Bane: Alabama particularly, yes. There was a Mrs. Tunstall who was for many years welfare commissioner in Alabama. And in the realm of child welfare activities she did an outstanding job, one of the best in the country. She never got into the institutional phase. But in child welfare and in extramural welfare she did an excellent job. And, by the way, her assistant in those days was a young girl by the name of Loula Dunn, who made a national reputation first by being with Harry Hopkins and his outfit and then succeeding Mrs. Tunstall as the welfare commissioner in Alabama. For ten or twelve years she has been director of the



Bane: American Public Welfare Association. She just resigned last month.

Leiby: How is it that Alabama gets a forward looking child welfare program?

Bane: Personalities mostly. This should not be taken too seriously, but this was Mrs. Tunstall's explanation of why Alabama did well in this field. She used to say from many a platform around the country that when she first became commissioner her department didn't amount to much because she couldn't get any money and it was a red-headed stepchild of the legislature and the governor's office and everything else. And year after year she butted her head against that stone wall of where and how are we going to get the money to run this department? And then she had an inspiration as to how to solve the problem. She acted upon that inspiration and did solve the problem. She married the Speaker of the Legislature in Alabama and thereafter they lived happily ever after, in the family and in the Welfare Department. (Laughter) That was Mrs. Tunstall's story And I think there was a great deal to it.

Leiby: She went to great lengths to get political support.

Bane: She would say, "Anything for Welfare." (Laughter)



PROFESSIONAL ASSOCIATIONS

National Conference of Social Work

Leiby: Could we get into the origin of the Public Welfare Association? Did you attend the meetings of the National Conference of Charities?

Bane: Yes. It was first the National Conference of Charities and Corrections and then it became the National Conference of Social Work. I used to attend those meetings regularly.

Leiby: You regularly attended the meetings. What were they like?

Bane: Mostly they were speeches and papers--speeches in the large meetings, the general meetings; what they called papers in the group meetings--or discussions of day-to-day operations, shop talk. But out of those meetings there began to develop among us-- people like Sanford Bates and John Ellis, Mrs. Tunstall, and Mrs. Bosh of North Carolina -- the idea that those conferences should be directed a little bit more toward the public problem rather than dealing



Bane: almost exclusively with the technique of the operation of a private agency or the technique of casework. In those days there was a section of the National Conference of Social Work, Section Nine, which was called Public Welfare Officials Section; and it always had the back room. We were regarded if not as politicians, as people who have to handle the day-to-day routine dishwashing jobs in the general area; that we didn't have time for the philosophy or the scientific approach to these problems. And that if we did have the time we wouldn't know how to do it.

Leiby: How do you suppose they got this status? Originally the National Conference was set up by state boards.

Bane: That's right. I think they got that reputation primarily because, with the development of social work as a specific and technical profession, they began to get more and more leery of what they regarded, particularly in New Jersey, as politics. Stay away from those contaminated people. I used to say, with a reasonable degree of accuracy, that when Harry Hopkins came to Washington as





Bane: Director of the Federal Emergency Relief Administration he had a suspicion that every politician had horns and a tail. He would avoid them at all costs. After a while, after working with them there in Washington, he found that they were really interested in what he was trying to do. And, furthermore, they could help him enormously.

Leiby: Could you characterize the group that seemed to you, as you attended these meetings, to dominate the conference? They would be from private agencies, but could you characterize them more specifically than that?

Bane: I would say that it was a group that had embarked on what, in those days, was to a large extent a new profession. For some reason or other, sometimes it was a related reason, they had gotten into this profession--some from the ministry, some from medicine, some from education--and they were very anxious to establish social work as a profession in the public mind- with certain definite standards. We talked a great deal in those days about standards.

Leiby: Meaning standards of service.



Bane: Standards of service and standards of training for the service. And they thought that the standards could be best implemented through private agencies, such as the Family Welfare Agency and related agencies, the National Children's Bureau in the public sector.

Leiby: So in general then, just as you would go to the Child Welfare Association in New York because they would be the ones who would help you, the importance of these national agencies was that insofar as anybody could set a standard, they set them.

Bane: They set them. And insofar as anybody could promote a certain level of service, they promoted it.

Leiby: They were the authority to whom you as an administrator would turn. You're not an expert on child welfare, you go out and hire an expert. Whom do you hire? You hire them.



Hiring Social Workers

Leiby: This is a little digression. When I talk to you and many others about the 1920s they talk about the unfolding opportunities. If you had a little background you could go a long way. And yet if you look at the writings of people who were in the schools of social work, or civics, or philanthropy, or what have you, they're always complaining about the low salaries paid to social workers. As a man who runs a child welfare operation you must hire social workers. And you're looking for them and can't find them. On the other hand they turn out people and they don't give the impression that people are writing them all the time saying, who can we employ?, we'll offer this much. This seems to be a little incongruous.

Bane: Yes. Everybody always complains about low salaries, especially in certain areas, particularly in salaries for teachers. Teachers' salaries beginning about that time began a rise. In recent years the rise has been rather substantial. We were used to



Bane: teachers then, we weren't used to social workers.

We could sell our budget bureaus a little bit better on providing a somewhat better salary for a social worker by more or less emphasizing that here is a special kind of teacher. We would say here is a person with a graduate degree. They always thought of the salaries in the range of teacher's salaries.

We used to be able to justify a little additional salary by saying, yes, this is a teacher all right but a teacher with additional specialized training.

Leiby: You would have thought that competition would have forced up the price.

Bane: Yes, but somehow or other it didn't seem to work that way. Although then, as now, and I'm certain the social work group would agree to this, the big salaries were paid at the top and it went downward too steeply when it got down to the third and fourth echelons.

Leiby: I have a feeling that the professional schools of social work were in fact much more interested and perhaps were pressured into training case workers





Leiby: who were directly involved in service. And they were not really training administrators.

Bane: They weren't training administrators—that is, not many.

Leiby: You must have been in a position where people called you up and said, "Who can we hire? We've got a job here." And you didn't say, "Write Edith Abbott," the Dean of the Chicago School of Social Service Administration.

Bane: No, not for an administrative job. The emphasis was on casework and it was not on administration. It was not on administration until the days of the depression. Early in the depression the FERA set aside a certain amount of money which they would give as a grant to schools of social work to train certain kinds of social workers. They were interested in a social work background but with an administrative aspect to it as well.

Leiby: They were interested in administrators who knew something about social work.

Bane: Yes. And Edith Abbott once said to me, "I'm getting too many women here. And I want Harry (Hopkins) to send me men." FERA designated many of the people, then, to go to these schools. She said



Bane: to me, "You tell Harry to send me some men and I mean some sure enough men. I don't care if they chew tobacco and spit on the floor." (Laughter)

Leiby: Did you talk very much to Edith Abbott about personnel problems?

Bane: We used to talk a great deal because we lived in the same block after we moved to Chicago.

Leiby: How about when you were going to New York? Did you ever talk to Porter Lee [Director of the New York School of Social Work] very much about personnel problems?

Bane: Yes. That's what I talked to him mostly about. Porter Lee and Walter Petit [professor at the New York School of Social Work] both talked about personnel problems with me. Incidentally, we established such a relationship there that it continued with Porter Lee for years afterwards. Porter Lee and myself were both on Hoover's first Committee on Emergency Employment. It probably grew out of that relationship.

Leiby: When you talked to them about personnel, what did you talk about? Did you ask to hire?

Bane: Yes. I would say, "I want two or three people, this kind of people." For instance, a medical



Bane: social worker to help me set up mental hygiene clinics; or I want a caseworker; or I want someone who has had some experience in running a clinic in a penal institution.

Leiby: My impression is that graduates of schools of social work could not command higher salaries than people who didn't have advanced training. If you had a year of social work you could get a job easier but you couldn't really command much of a higher salary. You hired some of these people. Was this your impression?

Bane: No. I would say if they had some social work background, especially if they had a considerable amount--sometimes I used to say, a specific package in this area, educationwise--that they could command a higher salary.

Leiby: So as an employer, then, you paid for what you got.

Bane: We paid for what we got. To take a specific instance: In Knoxville we wanted a health officer. We'd had a city physician. In those days a city physician was on the payroll but he just went to see the indigent sick occasionally. We were going to set up a bureau of public health and we wanted a top notch public health person.



Bane: So I went to Johns Hopkins University.

Leiby: The best!

Bane: To see a Dr. Freeman, who, incidentally, was a brother of Douglas Southall Freeman, the editor and historian. He had the best public health school in the country.

Leiby: Yes, yes, the best!

Bane: In addition to that I knew him and knew his family. I said, "Pick me a health officer. I'd like to interview him after you've picked him, but purely from the standpoint of personal characteristics and so on, whether we can get along together. But you pick the man." He picked a Dr. Hagood and loaded him on the train. Freeman used to say, facetiously, that he "Crated him and sent him down." (Laughter) He did load him on the train and said, "Go on down to Knoxville and take this job." We paid him a good salary.

Leiby: You paid out the money and you got the commodity.

Bane: We paid the money and we got the commodity.

Leiby: Was there any other place that you would meet your associates as administrators other than the





Leiby: National Conference of Charities and your informal visiting around?

Consulting in Public Administration

Bane: Oh, maybe we would casually meet each other frequently. For instance, when visiting the Children's Bureau, which was a center at that time, you ran into Tom, Dick and Harry and Alice, Maud, and Kate from around the country.

Leiby: You didn't get acquainted with these people at meetings of the American Political Association?

Bane: No, those people went to other places. I went to the American Political Science Associations for entirely different reasons.

Leiby: Why did you go there?

Bane: First, I was interested in administration; secondly, I had gone to school with those people; and thirdly, so many people in our state legislatures and other government departments were going to these various meetings, and it was more or less the thing to do.



Leiby: John Ellis never went to one, I know that. He went to the American Prison Association. He was a corrections man.

Bane: I didn't go to that meeting as I did to the social work groups. Later I would go occasionally, but not regularly.

Leiby: But your connection with the American Political Science Association was more of a personal thing.

Bane: It was personal, not professional.

Leiby: I mean, you didn't go there to hire people.

Bane: No. I belonged to that association for many, many years. I didn't go as regularly as I did to the National Conference of Social Work.

Leiby: How about the National Institute of Public Administration? You were a consultant for them. When did you first meet Luther Gulick?

Bane: He came to Virginia to do a study in 1926, and I met him then.

Leiby: How old was he then?

Bane: I would guess that he's four or five years older than I am. I would say he was in his early forties then. I was in my middle thirties. Several years afterward he was in Virginia and



Bane: he talked with me about taking a part time job on a spot basis with the National Institute of Public Administration.

Leiby: He wanted to hire you. And, at first, you must have looked to him as a sort of expert.

Bane: Perhaps. He was the head of that outfit. And he liked what we'd done in Virginia. Furthermore, he liked the attitude that we'd had toward the organization of state government, namely, we didn't want anybody between us and the governor. We didn't want any protection. We'd much rather have help and support than protection. We supported his reorganization plan in Virginia for a commissioner appointed directly by the governor. So a couple of years later he asked me to come with the National Institute of Public Administration as a consultant to do spot jobs when they were making state surveys, to take over the welfare end of it.

Leiby: Did they make a living making state surveys?

Bane: That was a large part of their job.

Leiby: What else did they do?

Bane: They did various and sundry research projects. They did demonstration projects. They would go into a department in New York City and reorganize



Bane: the accounting end of it, the reporting end of it, or the filing systems--anything of that kind.

Leiby: Would you say they were sort of a link between academic and practical administration?

Bane: That's what they were and that's what they intended to be.

Leiby: Do you recall any difficulties in establishing this link?

Bane: Not particularly. The difficulties we encountered were neither with the academic profession, on the one hand, nor the practical boys on the other. They didn't think about the philosophical differences. The difficulties were in trying to uproot some vested interest and to get adequate appropriations for specific services. For instance, the first study that I worked on with the National Institute of Public Administration was a study of the state government of Maine in 1929.

Leiby: Yes, I know that study.

Bane: We recommended, in my area, the consolidation-- in a state the size of Maine, with the population of Maine--of the welfare department, as such, and the health department. I didn't put education





Bane: in, so it was not exactly the forerunner of Health, Education, and Welfare on the federal level. But here was the consolidation of related functions in a small state that couldn't afford elaborate, over-all administrative machinery for two departments.

Leiby: Did the National Institute act as a clearing house in any way?

Bane: Somewhat I imagine. I wasn't that close to them.

Leiby: If you wanted to hire someone you would not call Luther Gulick?

Bane: Yes, as an individual.

Leiby: How about the Brookings Institute?

Bane: Brookings was somewhat more elaborate, a larger institution. I also worked with them on the same kind of things. I did studies for them in New Hampshire, in Iowa, in Mississippi, in Alabama.

Leiby: Who was running the Brookings Institute?

Bane: Dr. Albert Hall was the head of their government division. He had previously been president of the University of Oregon. He was a political scientist. They had a staff consisting of Powell, Lewis Meriam, Henry Seiderman and others. You might have known some of them.



Leiby: (Laughter) Oh yes, I've heard of Lewis Meriam,

Bane: He was there. Henry Seiderman was their Finance Chairman, and I was their consultant on over-all management and on welfare.

Bane: Did they do the same kind of thing as the N.I.P.A.?

Leiby: Exactly the same and on the same basis. It was a contract basis for a study over a definite period of time, generally about six months, and submission of a report. In Iowa it involved not only the submission of a report, but then it involved a promotion job--an agreement to go around the country, the state--with the governor--to a dozen meetings or so to discuss the report before the legislature met. Governor Clyde Herring was governor in those days. He later went to the United States Senate from Iowa. He scheduled the meetings, criss crossing the state, Rotary Club meetings, Chamber of Commerce meetings, etc., to discuss this report. We both spoke at each of these meetings.

Leiby: These groups had a small staff and they'd call in consultants--men actually in the field. But their own costs were rather low.



Bane: Yes. Each of them had about half a dozen men on their own staff, mostly in the realm of finance. Because the major problems were generally in the realm of finance.

Leiby: A lawyer perhaps?

Bane: Yes, but he didn't figure--it was more of an economic job than a legal job. You could depend on the state attorney general for legal advice.

Leiby: Was there someone else besides Brookings?

Bane: Yes. Brookings and the National Institute of Public Administration were non-profit organizations. There was another organization in the field, still is, I noticed they just made a study out here in the Western area, Griffenhagen and Associates. They were in Chicago. They do work extensively in this field, both for local and state governments.

Leiby: Who was the man at Griffenhagen?

Bane: Griffenhagen, himself.

Leiby: Oh. Now, where would you meet Luther Gulick and Albert Hall? I mean, they never attended the National Conference, I suppose.



Bane: No, I would go to see them.

Leiby: They never showed up at the National Conference?

Bane: No. But both of them went to the American Political Science Association.

Leiby: Oh. And you'd meet them there. We've just about run out of time.





AMERICAN PUBLIC WELFARE ASSOCIATION, 1932-1935  
(Interview of January 9, 1965)

National Conference of Social Work and Public  
Welfare Officials

Leiby: Last hour we were talking about how you got together with your peers in various associations. And these weren't very satisfactory. Did John Ellis of New Jersey show up at the National Conference?

Bane: Yes. He was very prominent at the National Conference. He was one of the most prominent men in Division Nine, which was known as the Division of Public Welfare Officials, along with Dick Conant of Massachusetts, Grace Abbott of the Children's Bureau, and a number of others that I could mention.

Leiby: In other words, quite a few executives did show up.

Bane: Yes. I would guess from ten to fifteen. Not too many but they were the ones who were generally interested in matters other than their day-to-day operations.



Leiby: How were those programs organized? Do you remember?

Bane: In those days the Secretary of the National Conference was Howard Knight. His office was in Columbus, Ohio. He was primarily interested in private welfare because at that time, in the late '20s, the private welfare social work organizations not only controlled but they dominated the conference. There were only about a dozen or so public welfare officials who came regularly, despite the fact that the conference, when it began as a Conference of Charities and Corrections, was established by public welfare people rather than private. But this Division Nine was a small division and Knight used to write to the people who generally came and ask what they would want on the program. He would set it up as a part of the Conference of Social Work.

Leiby: Did he do this for a living or was this a part time job?

Bane: He did it for a living. It was a full time job. The conference, in those days, had about five thousand members. Only about fifteen or twenty active heads of state departments would attend, if



Bane: that many.

Leiby: How about municipal heads?

Bane: Some of them would attend. I remember a few of them. The one I remember particularly was the head of the Welfare Department in the city of Cincinnati, Fred Heeler.

Leiby: That's good social work out in Cincinnati, good public social workers.

Somewhere along the line you and your colleagues thought that something more was needed. Did you discuss this with Knight at all?

Bane: Yes. In 1929 when the Conference met in Boston at the Statler Hotel, at the first meeting of Division Nine there was a considerable dissatisfaction not only with the program, but with the attendance of public officials, and more importantly, the status or prestige which public officials had in that Conference. Division Nine decided to attempt to do something about it.

Encouraging Division Nine to do just that was a gentleman we'll talk about considerably as we go along, Louis Brownlow. We've mentioned him



Bane: in a previous interview. He had been city manager of Petersburg, Virginia; Chairman of the District Commissioners in Washington; and he used to say that he thought of himself primarily as a public official but also as a social worker. Because generally in city government he would be interested in the social work aspects of government, such as relief, police, probation, health, and things of that kind.

Leiby: What was his status? Was he a professor at this time?

Bane: At that time he was connected loosely with the University of Chicago as a lecturer. But he was just getting ready to go to New Jersey for the City Housing Corporation, a private organization in New York.

They had just employed Brownlow to go to New Jersey to build in a cabbage patch a modern, small city. It was built and was known as Radburn. It was a garden city built for the modern age--no street crossings.

Leiby: Oh yes, and underpasses, oh yes.

Bane: Are you interested in Radburn?





Leiby: Oh, I was in American Civilization.

Bane: One comment about Radburn, after they had the town just about built, they suddenly found out that they had forgotten a very, very serious aspect of life and living. The town was built with beautiful front yards, beautiful back yards, and beautiful side yards, and then the question came up, where do you hang out the wash? (Laughter) That worried Brownlow a great deal. (Laughter)

In any event at this meeting in Boston it was decided to explore the establishment or organization of a separate association of public welfare officials.

#### Organizing and Financing the Association

Bane: We talked it over with Knight at the time and we talked much about the status and prestige of public officials in the welfare field. He was interested, sympathetic, and tolerant, but he didn't know exactly what he could do about it.

That being so, a number of us, Brownlow participating, decided we would explore the matter to see if we could find out how it could be done. A



Bane: small committee was appointed consisting of Grace Abbott, John Ellis, Dick Conant, a Mrs. La Du of Minnesota, and two or three others. We had a meeting during early 1930 to explore the matter further and we found out via Brownlow that a certain gentleman was interested in this subject and probably to the extent of putting money in a project such as the establishment of an Association of Public Welfare Officials . That gentleman was Mr. Beardsly Ruml, who was at that time Director of the Laura Spelman Rockefeller Memorial Fund, which later became the Spelman Fund.

With that in mind various ideas were developed. When the Conference met in 1930 there were some rather definite plans as to how the thing should be done. We had maybe fifteen public welfare officials there. And as someone said later, "Then and there a committee was appointed with power to act,"



Bane: always with the idea that money would probably be available. We rocked along with this committee until the fall of 1930, when two things happened almost simultaneously.

In the fall of 1930, in October I think, I got a telephone call from a man named Joslin, who was one of the secretaries to President Hoover. He said that the President was going to set up an emergency committee for employment and that I would get a telephone call from a Mr. Arthur Woods, who was going to be chairman of the committee. He was going to talk to me about serving on this committee, and Joslin said he hoped I would do so.

Mr. Woods called me and asked me about coming to Washington for a meeting. The date he first suggested was impossible for me because I had an engagement in Washington with this committee to talk about the organization of the American



Bane: Public Welfare Association. So we agreed I would stay over in Washington and talk the next day. So the committee met and decided to organize an association, accepted a proposition from the Laura Spelman Rockefeller Memorial to contribute \$50,000 a year for a period of five years with the hope and expectation that at the expiration of five years the association would be able to take care of itself. The committee then constituted itself into an operating committee to draft a prospectus to be submitted to the Laura Spelman Rockefeller Memorial. Part of the prospectus, of course, was the constitution and by-laws of the organization. The only thing that I remember about the discussion, connected with the constitution and by-laws, was the question of how a director should be appointed and what should be his method of operation and his term of service? It was finally agreed that he would be appointed by a board which would be selected or approved by the Division Nine of the National Conference of Social Work. And that he would serve at the pleasure of the





Bane: board with no term of office. That was the emerging public administration idea of a public official.

The committee then put on its other hat because it was empowered to act. A couple of weeks later, having been assured the \$50,000 a year would be forthcoming over a period of five years, the question was, how to organize? It was agreed that the initial board would be a committee of this ad hoc committee. The first question was who would be chairman? I knew two or three weeks later a lot more of what had gone on before than I knew at the time I went to this committee meeting. As a matter of fact looking back on it in retrospect two or three months later, I realized that although I was a member of the committee, no one was talking much to me. I later found out that there were three people who were doing a great deal of talking among themselves, Grace Abbott, Louis Brownlow, and Beardsly Ruml, the foundation director who was going to put up the funds. To repeat, when the committee met the first ques-



Bane: tion was, who would be chairman? It was moved, seconded, and duly passed that John Ellis would be chairman. The next question was who would be executive director? All of this was happening in a period of just two or three weeks from the first committee meeting.

Grace Abbott nominated a person that she said was a hybrid, a cross between a politician and a social worker. That was her nominating speech. At the end of her speech she suggested that the person was Frank Bane. So that's how I happened to be director. The question was would I accept? I didn't know whether I would accept or not until I could go back to Virginia and talk to Governor John Pollard, who had succeeded Byrd as governor.

I had the opportunity, of course, to tie in this Hoover committee on which I had agreed to serve on a part-time loan basis with this developing situation in the American Public Welfare Association. After a number of conferences over a period of three or four days the Governor said, "If I were you I would take it. This is going to be important in



Bane: the next few years." So I resigned, and with his encouragement took that job.

The first thing I looked for, of course, was staff. The first person that I appointed was Marietta Stevenson, to be assistant director. She was in the Children's Bureau in Washington, had been with them a number of years. But she was also a Ph.D. in political science from the University of Chicago. So there I had another hybrid, or there were two of us on the staff. We set up a little office in the Architects' Building, just off 18th Street--18th and F--in Washington, and began to advise with state welfare departments, commissioners, on development of a program--what the states should do with respect to the accelerating problem of relief.

Leiby: What was the date that you set up the office?

Bane: I would surmise that it was early September, 1931.

Leiby: 1931, so the situation was getting very grave indeed, going into the second winter.

Bane: Yes. And in the meantime, of course, the committee



Bane: for emergency employment had resigned, not with any great fanfare, but individually, because they thought they had done everything they could.

Emergency Relief

Bane: Another committee had been established by the President, called the Gifford Committee. Gifford, who was then President of American Telephone and Telegraph, was chairman, and Croxton, who had been on the first committee, went over with Gifford to maintain a certain continuity.

We were working with more energy and intensity month by month as we assembled a staff on the one hand and as conditions got worse on the other. Early in 1932 we, of course, got into the midst of the discussion of federal relief or no federal relief. And we were divided. Divided to such an extent that we agreed as of the spring of 1932 not to take any position on it.

Leiby: Now is this the Gifford Committee?

Bane: No, the American Public Welfare Association board.





Bane: The Gifford Committee was definitely opposed to any federal aid. But it looked as though something were coming about, namely that sooner or later we would have to have welfare departments operating in every state administering a relief program, however that relief program might be set-up.

#### Reconstruction Finance Corporation

Something happened in Washington very soon that gave the American Public Welfare Association, this new organization, a great shot in the arm and got it off to a running start. Congress, in the early summer of 1932, passed the Reconstruction Finance Act that had been recommended by the administration. The Reconstruction Finance Corporation was established. Due to pressure from both senate and house members, Joe Robinson in the Senate and John Nance Garner in the House, the President agreed to a section in the bill to loan certain monies to the states for relief. That section authorized the appropriation of two or three hundred



Bane: million dollars, to be loaned to the states. It provided that the money would be loaned and must be paid back. If it wasn't paid back by a state, the amount of the loan would be subtracted from federal grants to the state for roads during the next fiscal year.

That did three things: it provided federal money for relief, it got the federal government into the relief picture, and it saved everybody's face.

Leiby: You said that the congressmen who planned this amendment understood perfectly well that the states would not pay back, probably. Did the President understand this?

Bane: Oh, I'm certain he had to understand it. Anyone in government knew that the moment the twenty-fifth state, the majority of one, borrowed the money, you could forget it.

Leiby: There would be a landslide repudiation. (Laughter)

Bane: Yes. Of course, none of it was ever paid back.

Immediately, the Gifford Committee became interested as to how this money was going to be



Bane: allocated and administered. As a matter of fact, Mr. Fred Croxton moved over from the committee to the Reconstruction Finance Corporation. The American Public Welfare Association, then, had a direct connection with the R.F.C. because Croxton had been on the old Hoover committee with me and we worked together on the whole business.

#### State Emergency Relief Programs

So, with the cooperation and support of the R.F.C. the American Public Welfare Association took over the job of negotiating, in an advisory capacity, with the states to set up the necessary machinery which they would need to administer the money which the R.F.C. was going to loan to them.

Leiby: The R.F.C. is a money lending corporation?

Bane: Just a money lending corporation.

Leiby: And they have money to lend to states. But they don't know how to lend it, the procedures, or what



Leiby: to expect in return? They can lend money to banks, they understand that.

Bane: They were lending money to banks, to railroads, to large corporations. But they also could loan money to the states on the application of the governor. If the governor certified that he needed the money for relief, they would loan it to him. But the R.F.C. didn't know what the governor should do with the money once he had it.

Leiby: It should be the condition to the loan.

Bane: They thought, largely at Croxton's instigation, that it would be helpful if some machinery existed somewhere to advise with the states ; on improving existing departments in some states, and setting up new departments in many states. That is how the American Public Welfare Association got into that picture.

And about that time--it's interesting how things developed so rapidly in those days--the Carnegie Corporation indicated to certain people that they were interested in the





Bane: relief picture. Enormous pressure had been brought upon them to make direct contributions to a New York City organization simply to buy food.

Leiby: Do you know who was putting this pressure on?

Bane: Well just everybody around New York.

Leiby: New York public officials?

Bane: New York public officials and private officials. I guess it was private officials mostly because they were conducting most of the relief centers at that time.

Leiby: Yes. And then the Carnegie Corporation would give them the money and they would hand it out.

Bane: Yes. The director at that time was interested in getting into the picture but he didn't want to get into that kind of picture, that is, buying -- and distributing food.

Leiby: There's no future in that. That's not what a foundation is set up to do.

Bane: That's what he talked with us about. So, on his own, he offered two organizations some money. He offered the American Public Welfare Association \$40,000 .



Bane: And he offered the Family Service Organization in New York, Lynton Swift's organization, \$40,000. Needless to say in those days both organizations needing money, we accepted the grant. And we went out immediately to beef up our staff.

Leiby: Did the federal government pay you for your advisory service?

Bane: No, nothing.

Leiby: This was gratis.

Bane: Gratis. We wanted it that way at that time.

Leiby: I see. But the Carnegie Corporation would pay you some extra money.

Bane: Yes, on top of what the Spelman group had given us.

Within a short period of time, over a month or six weeks I would say, we employed Aubrey Williams, Burdette Lewis, Frank Persons, and Howard Hunter. Later, when we got additional money from the Rockefeller people, and the states began to put in a little money, we added people such as Robert Lansdale, who was later in New York as State Commissioner of Social Welfare.



**Bane:** Nothing was more in the public eye. In the next two or three years the American Public Welfare Association prospered, both from the standpoint of grants and from the standpoint of what we were really able to do in setting up welfare departments in the states.

**Leiby:** Can you tell me a little about what you wanted your staff to do and how you went about hiring them? You must have had a job for each person.

**Bane:** Oh we had a job for each of them. They were more or less the same jobs but they were in different territory. The immediate job--the governor would borrow a certain amount of money, then he would immediately raise the question of how he was going to administer this fund? How he was going to handle it? And if he asked the R.F.C. the R.F.C. would say, you public welfare officials--state public welfare officials--you have an organization, why don't you ask them? The governors would ask us. And we would send Burdette Lewis to the Midwest, Frank Persons to the East, Aubrey Williams to the South, and Howard Hunter



Bane: to the West. They worked with the governors right in the state capitols.

Leiby: They were sort of field representatives.

Bane: Field representatives, largely doing the same job. That is, they were attempting to aid the welfare departments already existing, attempting to enlarge the relief and extramural picture in the states that had nothing but a board of control, by setting up a welfare unit in the board of control in states such as Iowa, Minnesota, and Kansas, and organizing a department in states such as Mississippi that had no department at all. Aubrey Williams did the job in Mississippi.

Aubrey came back to Chicago to see me and said he thought maybe that it might be all right, in that state, if we suggested to the governor that he use the money to subsidize various private organizations that were already in the field. I said, "Aubrey, if you make that suggestion to the governor you can't work for us."

We have a principle and a slogan, "public funds should be ad





Bane: ministered by public agencies." Aubrey had come from a private agency in Milwaukee. Aubrey thought about that for two or three days as I suggested, and came back and said that he agreed with us. The next thing I knew Aubrey was going much further in that direction than I was.

(Laughter) When he became converted he was converted lock, stock and barrel as witness his later development of W.P.A. and the National Youth Administration.

Leiby: Now when the governors borrowed the money, did they have to have some sort of state plan?

Bane: No, no state plan. The plan idea came in with the Social Security Act. They borrowed it on the basis of a letter stating that there was a need and they would like to borrow a certain amount of money. Of course, as always, the R.F.C. had taken the gross appropriation and tentatively allocated it in their own minds on a basis of need, population, and things of that kind. So there was a limit to how much a governor could borrow. But he could borrow within limits on the basis of his statement, that there was need, and the states and the localities were not able to handle it.



Leiby: Did your field representatives have any authority?

Bane: None at all.

Leiby: The only authority they had was if the governors didn't listen to them, they'd tell you, you'd tell the R.F.C., and the R.F.C. might frown. So informally they had some authority.

Bane: Informally. But we had no authority.

Leiby: But they did not have to formally submit a plan.

Bane: Not at all.

Leiby: So the working was all informal. As a matter of fact I would suppose there was considerable cooperation.

Bane: Oh yes, a great deal. This money that the governors were getting was money they were borrowing. And they were instructed by the Act to pay it back. Of course most of the governors were as well aware of the facts of political life as Garner and Robinson.

Leiby: Can you tell me something more about each of these individuals--the field representatives? Now you had to hire people to do this job for you. So you had to look around. Can you tell me a little bit more about how you did that?



Bane: We looked around . We talked to a great many people.

Leiby: To whom did you talk?

Bane: Anybody that we ran into. We had to have a staff. We wanted a top notch staff--the best people we could get. And we'd ask for suggestions.

For instance, with respect to Frank Persons, Frank had been Director of the National American Red Cross. He'd left them and gone into business. The business had folded up or was greatly reduced. I found out that Frank was out of a job. The opportunity to get on our staff a man of the stature, background, training, prestige of a former Director of the Red Cross was not to be overlooked. I got on a train immediately and went to see Frank Persons. We made a bargain and he came with us. The same thing applied with respect to Burdette Lewis, who had been Commissioner of Corrections in New York during the Mitchel administration. He had also been in New Jersey and also went into private business and didn't do so well. They were the first two. Aubrey Williams was the third. I think I heard



Bane: about him through a woman by the name of May Hankins , who had worked in Milwaukee.

She was quite a friend of Marietta Stevenson.

Leiby: He had been an executive of the Family Welfare Agency in Milwaukee.

Bane: Yes.

Leiby: They kept running out of funds. (Laughter)

Bane: Yes. And years later Aubrey used to say to me he didn't know in those days where his next rent check was coming from, despite the fact that he had four small boys. So that's the way we assembled our staff. It was done very rapidly, in about six weeks.

Leiby: How about Hunter?

Bane: Hunter had been with the Community Chest in Grand Rapids, Michigan.

Leiby: He was also in private welfare work.

Bane: Yes. That's the way our staff got together. In those days it was quite a staff. We were not hampered by the things a new organization was usually hampered by; money and having to search ad infinitum for people. We had a major





Bane: project, which was the chief interest of the whole country, the job was just to get it done.

Leiby: Yes. Where were you located then? I gather you were in Chicago.

Bane: I started off, as I mentioned to you, in three offices in the Architect's Building in Washington. But that was purely temporary. The agreement was that we would move to Chicago. That was one of the reasons that Laura Spelman Rockefeller and Beardsley Ruml were interested in the American Public Welfare Association. They were planning then to move a group of government organizations to Chicago and establish a governmental center there. So part of our bargain with the Spelman Fund was that within a reasonable time, as soon as was convenient, we would move to Chicago and establish a central office there. When we got to Chicago, already there in the same building, 850 East 58th Street, was the Public Administration Clearinghouse, Louis Brownlow's; the International City Manager's Association with Ridley; the American Municipal League with Paul Betters; and the American Legislators'



Bane: Association with Henry Toll as director. The American Legislators' Association later developed into the Council of State Governments.

Leiby: They were interested in standardizing state legislation.

Bane: Yes.

Leiby: Now, could you say something about how the different states lined up. You're the first person who gets a good look at the way state organizations are set up. You have to work with every state. Did any typical pattern strike you?

Bane: In the beginning, of course, there were three types of organizations in the welfare field. There were the states that had what was, in effect, a welfare department regardless of what they called it. In a pretty big outfit like New Jersey they called it the Department of Institutions and Agencies. And its major concerns and its major expenditures had to do with institutions and specific custodial or treatment agencies of one kind or another. Then there was the department in Massachusetts, which was interested in institutions, but it had an extramural program as well. In Massachu-



Bane: setts the mental health group had a separate department. The corrections people had a separate department.

Leiby: That was true of New York.

Bane: Yes, that was true of New York, also.

Leiby: I believe Pennsylvania, too.

Bane: Pennsylvania was almost entirely institutional, with practically no extramural activities at that time.

Leiby: Your friend Ellen Potter had tried something...

Bane: But she came in a little bit later as I recall. Her interest at that time was primarily in the health field, children's health.

Leiby: That's right, children's health, that's right. And then this branched out into delinquency. She was a doctor, it was health and child welfare that was the link for her.

Bane: The second group of states had small welfare departments, not much in the way of appropriation for central administration, they handled institutions in a partnership way, that is, they had separate boards and had quite an extramural program, North Carolina and Virginia were examples.

There were a number of states that



Bane: had nothing whatever along this line. Each institution was on its own--the prison was on its own, the hospital on its own, and so on. And there was no coordinating machinery at all.

Leiby: And nothing to do with poor relief.

Bane: Nothing whatever to do with poor relief.

That pertained to most, as I recall, of the mountain states, most of the states in the Southwest, and many of the states in the South.

Leiby: Places like Illinois and Ohio would have a department.

Bane: Yes. So our job was to say to the governor, "Here is what you have; here is the money you're borrowing." We would intimate that this was just the beginning, "And you'd better get yourself set up." In many states they would say, "How do we set it up?" We would send a field representative and have him work with the governor a week, sometimes a month.

Leiby: You must have had some sort of model in your mind. When you sent these fellows out, did you give them instructions yourself?

Bane: We would have conferences and say, "This is our plan, this is our program." But, of course, you





Bane: must adjust this to fit the needs of the particular state, you know. We had a pattern, it was a state agency, and a county welfare board like that in Virginia and a number of other states. A state department operating through a county board, with an executive officer or whatever they chose to call him on the state level. The money from the state to the localities would be handled through the executive officer of the county agency.

Leiby: There would be a county welfare board of laymen?

Bane: Yes.

Leiby: And they would hire professionals.

Bane: If they could get professionals. What they usually got in those days was a person with great interest, a considerable amount of natural ability, who, in many instances, had been a teacher. (Laughter) That's what they usually got.

Leiby: At any rate they would hire as well qualified a person as they could get. But the authority would not be with the local political boards of supervisors.



Bane: No , through this county board of welfare.

Leiby: How about the state level department? There would be a qualified executive.

Bane: Yes, in those days, they almost always insisted on a board. In some states it was a board of control that had the authority to select the executive director. In other states it was an advisory board to let the people know what you were doing, but the governor usually appointed the executive.

Leiby: What did you think in terms of the internal organization? There is a qualified executive at the state level. He is either appointed by a board of laymen or he's appointed by the governor, who very likely has an advisory board. Now, did you think of him having any organizational structure under him, in particular, like, for example, departments for child welfare, or old age or anything like that?

Bane: Of course in the new states, the states that were setting up from scratch, we set up initially an organization to deal with relief. The idea, hope and expectation, which was realized in many instances,



**Bane:** was that it would expand into these other fields.  
We didn't try to set up a full outfit all at once.

**Leiby:** Obviously. I'm interested in the political responsibility of these agencies. You were pretty clear in your own mind that the local men who actually handed out the money at the county level, or supervised those who handed it out, these men would be responsible to a county welfare board. You were pretty clear on that.

**Bane:** Definitely.

**Leiby:** At the state level, did you tend toward hoping that there would be a board of laymen?

**Bane:** We used to talk about that. Our pattern, on that particular point, was to set up two alternatives and take no position. Our own staff was split wide open.

**Leiby:** Burdette Lewis would have been solid for the board.

**Bane:** For the board. Aubrey Williams was solid for the board. I was for the executive appointed by the governor. Each of us was following our upbringing, shall I say, and our pre-conceived notions on that point. So we had an alternative and we left it up to the governor. We were not adamant either way.



Leiby: What were some of the things that--these fellows would go out and then they'd come back and they'd talk to you. They'd say, "We've got problems." What were the kinds of problems they'd get, actually? What were the problems of field representatives?

Bane: The first problem, and this not only applied to this particular project, but it applied to all of our field service work with the Governor's Conference over a quarter of a century, was to establish a definite, sympathetic, understanding, working relationship with the governor himself. It's interesting about field work, as I've observed so many times, the first time a field representative of any organization goes in to see a governor if he doesn't know him, the governor is polite, he might be greatly interested, but he's careful. The second time he goes in to see him, he knows something about the business and about you, he relaxes. The third time you go in, it's old home week. By that time you've established a relationship of trust and confidence and the governor wants to get all the





Bane: help he can get. That applied then and it applied down through the years I've worked with the states. That was the first problem.

The next problem was if the governor had machinery or thought he had machinery, he always said--this is almost axiomatic--"I don't want to establish anything new. I want to fit it into the machinery which I have." The question was, then, how you fitted it into the machinery he had and whether it could be fitted in. That was the pattern, as you will remember, in New Jersey, New York, and Massachusetts, where they had strong departments. If they didn't have a department, the problem was how do you establish an agency? Then we came in with our pattern. The minute you began to talk about a pattern and how to set it up, you ran into personalities. And we would urge gently; "This is a man-sized job, don't put a boy in it." Meaning by that, this was a job that required competence and don't put



Bane: somebody in there because his mother loves him or he needs a job. I would say those were the problems.

Leiby: Now, surely your field representatives talked with someone else besides the governor. I mean, they went out and they sized up the situation. They'd have to talk to the governor but they'd also have to make an independent judgment of the situation. Did you tell them who to talk to?

Bane: Yes. As a matter of fact we always made two independent judgments. If we were going into a state to talk to a governor about the situation, especially if we didn't know the governor personally, we went to the welfare people we knew in the state and talked to them before we went to see the governor. So they would be advised that we were working in their state in their field. [And this is what you were going to say to the governor.] Then we talked with the governor and then checked back with the welfare group. As a matter of fact, in New Jersey, the minute I went into that state, or any of our people did, the first person we went to



Bane: see was John Ellis. And we would say, "John, at eleven o'clock this morning we have a date with the governor to talk about this relief situation. This is what we plan to say. What do you suggest? Or what are your ideas?" And he would say, "The governor is this kind of a person. I would approach it this way and not approach it that way." We'd go over and talk with the governor and come to some kind of an agreement, or a tentative agreement. And we'd check back with the welfare department, which was just across the street. And we'd say, "This seems to be the set-up." And then we would work together along the same lines. In almost every state, in those days, there was somebody that some of us knew in the welfare field. And if it wasn't in the welfare field, we knew some people in the political field whose judgment we valued and who we thought could be very helpful.

Leiby: You said there were two independent judgments. Do you mean before and after?

Bane: Before and after.

Leiby: But you talked to--like in New Jersey you talked



Leiby: to John Ellis, you didn't mean you talked to anybody else besides John Ellis?

Bane: There was a lady in New Jersey in those days, Geraldine Thompson. When we were setting up the Association John was chairman and I was the director. So, I was in New Jersey quite frequently. She lived up in Monmouth County and I used to go up there and speak at some of her meetings. We used to talk to people like Geraldine Thompson, people of that kind.

Leiby: Oh yes, Geraldine Livingston Thompson, New York Livingston and Standard Oil Thompson.

Now, you'd know these people primarily, I suppose, through the Public Welfare Association.

Bane: Yes, or National Conference of Social Work, or some people from universities, and the American Political Science Association.

Leiby: But you had a group of people, in an informal way, one way or another you'd have connections. And the principal channel of these informal connections was through channels that had been set up in the 1920s.

Bane: Yes, in one way or another. Which is the technique, if it can be called a technique, which any organiza-





Bane: tion uses in the field service today. If I was setting up a new organization in the public interest and came to California, I'd come by and talk with people at the University here; I'd go down to Los Angeles and talk to people who'd been on our Commission on Intergovernmental Relations; I would go up to Sacramento and talk to people I've known there in the past. It would be the same procedure.

Leiby: Who was associated in the Public Welfare Association? You had a membership?

Bane: Oh yes, we started right away with a membership drive.

Leiby: And who gets to be members? Did institutions? Or did individuals?

Bane: We had three kinds of memberships: departments, institutions, and individuals. We wanted an overall department. We wanted departments, institutions, and we wanted individuals. In fact we wanted anything, in those days, that would give us a source of funds because, as I said a few moments ago, whereas we hadn't agreed to it, we had not objected when the Spelman Fund told us that in five years we



Bane: should be self-supporting. As a matter of fact I employed a young man to head a membership drive, a specific drive for a short period of time, a period of four months. He'd had some experience at this. That young man's name was Louis Livingston. Years later, after I'd gone to the Social Security Administration, a young lady came into my office one Friday and asked me what I was going to be doing on Saturday, the next morning? I said, I worked a half day and that I would do anything she wished. "What do you wish me to do?" And she said, "I'd like for you to give me away." I said, "Who are you going to marry?" She said, "Louis Livingston." That was Marietta Stevenson.

That was the pattern, and that was the program. We had some side interests here and there, but relief and the machinery to take care of it was so pressing all over the country, that we gave ninety - eight per cent of our time to it, until 1934.



Committee on Economic Security

Bane:                   In 1934 people around the country, in the Association and elsewhere, began to talk about social security, and the President set up the Committee on Economic Security. It was interesting that he called it Economic Security and not Social Security. We became very much interested in that committee. As an individual and as a director of the American Public Welfare Association, I gave half my time to working on this developing program.

                  However, we had lost a good part of our original staff in the interim, between April, 1933 and August, 1933. I lost Frank Persons, Aubrey Williams, Robert Lansdale, and Howard Hunter. And we had brought in a new group of people.

                  Ivan Asay, who's now the administrative officer of the Bureau of Standards; Glen Leet, who's now with the United Nations in charge of child care-- Save the Children Foundation; and Alvin Roseman,



Bane: who was with U.N.R.R.A. for a while, then with the A.I.D. program , and now he's at the University of Pittsburgh teaching public welfare administration.

Leiby: The old group was hired away from you.

Bane: Yes. Miss Perkins took Frank Persons to head the Employment Office. Harry Hopkins took Aubrey Williams, Howard Hunter, and Bob Lansdale.

Leiby: Did he go with Hopkins, too?

Bane: For a little while.

#### Private Vs. Public Relief Agencies

Leiby: Would you say something about the administration of relief? There are two questions I'm particularly interested in. One is private and public agencies, if you could expand on that a little more. And the other is direct or work relief.

Bane: The private and public agency controversy we mentioned the other day in passing. The initial reaction of almost all of the private agencies





Bane: was to agree with the prevalent idea, namely that this was an emergency. And underscore emergency. In many states and cities it was underscored to such an extent that the organizations were called the Temporary Emergency Relief Administration, as in New York State. That being the case, the funds appropriated by the states first and later by the federal government should be used to subsidize already existing private agencies in the field--so the argument went.

There were four or five people who promoted that idea with great fervor and much enthusiasm. They were the head of the American Red Cross, at that time it was Judge Payne of Virginia. He was chairman. He had a staff that was urging that point of view, especially in the rural areas, where they'd develop a home service system.

In the cities there was another group that said, "No, it should be administered not by government but through family service agencies."



Leiby: They did case work regularly. They didn't have any money.

Bane: No they didn't have any money but they had the staff and they had the know-how. We didn't then know the phrase "know how," that came in later. (Laughter)

Then there was another group in the cities that agreed with the Family Welfare group , the associations of community chests. The Family Welfare national association was run by a friend of mine , Lynton Swift. The community chests group headed by Allen Burns agreed completely with the private subsidization program because he also was having trouble raising money for the community chests in those days. And going along with them was the National Association of Catholic Charities and my grand old friend Father O'Grady.

We, the American Public Welfare Association, disagreed completely, flatly. We all just agreed to disagree. We had numerous conferences but we always disagreed. So it was a contest. And those gentlemen that I mentioned were all very influential



Bane: in this field. But I had an influential staff, too; Burdette Lewis, Aubrey Williams, Howard Hunter, Bob Lansdale, etc.

Leiby: What about Fred Croxton himself? He was a key man.

Bane: Yes. He had been a public official in Ohio in the Labor Department. But he was also a very able, careful, cautious administrator. So as successfully as anybody I've ever known, he walked straight down the middle in that controversy.

Leiby: Now the nature of the controversy was this: These people said, it's a temporary emergency, it's going to be over soon. We have an organization. The organization is skilled, it's volunteer which means it's inexpensive, relatively. Why set up a public salaried organization? Why go through all this routine when you can simply channel your funds through the existing organization? It will be cheaper, you know it will be well administered. We have our past and you certainly can't cast any aspersions on Home Service, the Red Cross, or the Family Service Agency. What you fellows want to do is hire people to hand out relief. In answer to this you said, public money must be expended by a



Leiby: public agency. And O'Grady could never really understand this. "That's the only thing you say. Why do you keep saying that over and over again?" Now, why did you keep saying that?

Bane: We started out with a philosophy and we reasoned from that philosophy to what turned out to be an accurate fact. Our philosophy was that public funds should be administered by public responsible agencies; to use such public funds that happened to be available and scatter them among Tom, Dick, and Harry, would be to make it impossible to develop an effective, over-all, coordinated program. That was just good political science philosophy to begin with. That was the political scientist in me, if you please, and the administrator. Furthermore, we would insist that this isn't what you think it is. We think this is going to be much more serious, we think that it's high time the states organized themselves to handle this kind of a problem, in fact, organized state welfare depart-





Bane: ments because we think welfare is an important, respectable, large scale function of government and the states better get themselves set to handle it.

Leiby: They say, "Public welfare means the administration of relief by irresponsible officials, that is, political hacks who are just holding down a job. That's what it means, traditionally. What we are talking about is a tradition of service. Traditionally the people who give the service, the people who know something about it, are volunteers. What you're going to do is subsidize a lot of local public welfare operations that aren't worth subsidizing." Is that the sort of arguments you got?

Bane: Oh yes, we got that all the time. And we would immediately say, "From an historical point of view, that isn't true. Initially and traditionally, the job was a public job." We could go back to 1600 if they wished. "Of course it hasn't been done effectively in the light of present day situations, but it's always been accepted as a public job. We've always accepted the general philosophy that local government had the responsibility for the



Bane: welfare of the individual. So, traditionally, government is in this; it's going to get in it more; and it ought to organize itself effectively. Now you say, if you turn it over to government you know perfectly well you're just going to have it handled by a bunch of politicians. It may be so, initially, in some places. But the problem is to get competent people to handle it. If a politician handles it through fraud and graft and so on, get rid of him, get a decent one." We used to use the public university as an example. We said, "They used to say the same thing about education. As late as 1900 you used to say exactly the same thing about education. Look what we've built in public universities and public schools. Welfare is the same kind of a function, namely the responsibility of the public. And the public should equip itself to handle it."

Leiby: This involves, really, a rejection of the old charity organization society philosophy that you do away with public outdoor relief.

Bane: Oh yes.

Leiby: As a matter of fact we haven't done away with public outdoor relief. All you have to do is look at these



Leiby: statistics. Wayne McMillen was beginning to collect these. Did you know Wayne McMillen?

Bane: Yes, I knew Wayne in those days, as soon as I moved to Chicago. By the way, he's here in Oakland now.

Leiby: Yes. I mean, you must have been able to go to these people and say, "Just look at the statistics. Just look at who's handing out the relief, really."

Bane: In the country at large, I mean from one coast to the other, even in those days, much more was going through public outdoor relief than through private agencies. Because the private organizations were centered largely in just a few places.

Leiby: Even there the ratio was as much as two or three to one that weren't, according to McMillen and his statistics. So this argument for private agencies, it seems to me, was not really a very good argument.

Bane: No. Except that it was a good pragmatic argument from the private agencies' point of view. In certain places, doubtless, they could handle it better for a short period of time.

Leiby: So their argument is it's temporary.

Bane: Yes, it's a temporary emergency. And why set up



Bane: all this machinery?

Leiby: This would recur at every state level.

Bane: Yes, they would carry it right to the governor. And that's when Aubrey Williams came back to see me and said, "Maybe that's the best thing to do ." I have already told you that story.

Leiby: Now, what was really involved here , then , was in the first place , the nature of public welfare as a public service. You said , "This is a public service ." And you knew this because you had actually been in it in Virginia. And , at that time , you worked very closely with private agencies. But , nevertheless the work has got to be done. It has got to be paid for out of tax monies, one way or the other. And it's got to





Leiby: be done by public officials who are trained and qualified and responsible as public officials.

Bane: And underscore responsible as public officials.

Leiby: Not as decent men or as philanthropists, but as public officials who are giving a service like the other public services.

Bane: And who would be audited and supervised and investigated, and responsible all along the line. Let me emphasize because perhaps there is some misapprehension here, during all these controversies and many arguments, it was all in the best gentlemanly spirit. We all met together.

Leiby: Even Father O'Grady?

Bane: Father O'Grady used to come to Chicago and come out to our house and stay. And he'd sit there and say, "Frank for God's sake, won't you develop another idea except that public funds should be administered by public agencies?"

Leiby: (Laughter) Well this was a real important matter to him.

Bane: Oh yes, it was so important to him that we had a meeting in Chicago in the middle of 1932 of public and private agencies. The up-



Bane: shot of the meeting was that we agreed --by that time, the middle of '32, the size of the problem was becoming clear--that we should set up public agencies to handle this. After every motion that was made Father O'Grady said, "Please record Father O'Grady as voting, 'No.'" (Laughter) I always had a sneaky feeling--and I would tell him so and we would laugh about it--that maybe Father O'Grady was voting his sentiments and feelings and maybe, again, he was voting the party line. (Laughter) Maybe that's not a good phrase for it. (Laughter) We were great friends. At that time and down through the years we've continued as great friends. And the public and private agencies continued being helpful to us all along the line. Some people have suggested, with a certain degree of accuracy perhaps, from one point of view, that the Red Cross never got over that setback. But I don't know. After that matter was settled, first with the Federal Emergency Relief Administration, then the Civil Works Administration and the Works Progress Administration, along came social security, and it was apparent that the Red Cross was out of that



Bane: picture. But in its disaster relief business and in the various assistance programs of that kind, and in experimental work, they've continued to grow and prosper--and what a job they have done and are doing.

Leiby: There was, in 1932 and 1933, this argument and what happened was that time was on your side.

Bane: Yes, but the economic system was sliding badly and the worse it got the more favorable it was for us--from the standpoint of governmental philosophy and public administration.

#### Direct or Work Relief

Leiby: Pretty soon it became clear that recovery wasn't just around the corner and then they began to have the argument about direct or work relief? Do you remember anything about where this idea came from?

Bane: Yes.

Leiby: What did the American Public Welfare Association have to do with that?

Bane: Just a little background: The type of person on relief in late '33 was an entirely different kind of a person than the person who had been on relief in years gone by. Here



Bane: was a person who'd earned his own living, done well. The great majority who had been put out of work and were destitute, were destitute because of circumstances beyond their control, not due to any handicap either mental or physical. And someone expanded upon the idea that what an unemployed person needed was a job. So the thing to do was provide jobs.

Leiby: Now this was a really new idea.

Bane: This was completely new at that time.

Leiby: Do you remember anything about where this idea came from?

Bane: A lot of people were talking about it. Aubrey Williams developed it into, what we would call now in Washington, a position paper, a memorandum, a prospectus.

Leiby: So Aubrey Williams was the man who took the ball.

Bane: You might be interested sometime in looking at two books dealing with this particular proposition. The first part of Sherwood's book, Roosevelt and Hopkins, deals specifically with this very question which you asked me. And Brownlow's second book, Passion





Bane: for Anonymity, also deals with it in some detail. Aubrey developed this idea and Hopkins suggested that he bring it out to Chicago and discuss it with us. The "us" being Charles Merriam, Edith Abbott, Bob Hutchins, Louis Brownlow, and myself.

Leiby: They didn't have work relief in England, did they?

Bane: No. They had what was called, in this country, the dole. Although the localities might have had some work relief, the national government was on a dole system.

Leiby: Do you remember what Edith Abbott's position was on direct relief?

Bane: She was all for it.

Leiby: She was for work relief.

Bane: Yes indeed, work relief also.

The idea was to set up some kind of an experiment in providing jobs for people out of work and paying them in wages. So four or five of us, one Saturday afternoon--Saturday morning Hopkins had come out to join us along with Williams -- decided to go to a football game together and sit in Bob Hutchins', the President of the University, box and talk



Bane: about it . It so happened that I had three tickets for that football game for myself, my wife, and my daughter. I came home at lunch and said I couldn't go to the football game with them, that I was going to the football game with this group, and so on and so on. That didn't sit very well with either my wife or, particularly, my daughter. And from that good day to this my daughter never liked Harry Hopkins. (Laughter) We went to this football game and sat there in the box and watched Indiana run all over the University of Chicago. Incidentally, that was the last football game the University of Chicago ever played. After that game, they abolished football. But we came away from the meeting on the football field with a work relief plan.

Ten years later, another plan was developed there, on that football field, in that stadium and fieldhouse, at the University of Chicago!

Leiby: The bomb.

Bane: Yes, the bomb. So it was agreed to set up the Civil Works Administration, C.W.A.; to stop al-



Bane: locating money, to allocate jobs. I went back to Washington for a while and took half of my staff for two or three weeks to help get that started.

Leiby: Your initial response to this idea was favorable.

Bane: Very favorable. We took Maine, Vermont, New Hampshire, all the states right down the line and allocated a certain number of jobs to them, on the basis of what we knew by that time was their need. We said, "If you put this number of people to work, in a given length of time, we'll pay them this wage." Immediately, you understand, that put the F.E.R.A., that was sponsoring and operating the C.W.A. into a wage controversy. And added to that, it had administrative troubles. Suffice it to say C.W.A. was admittedly just a winter program. But the minute it went out everybody began to work on how do you continue it? And out of that came the Works Progress Administration that lasted through the depression. It was a straight federal program, W.P.A.; not a federal-state program.

Leiby: From an economic point of view, work relief is a



Leiby: bad idea, or would have been in those days, because it tends to force up wages, it tends to increase taxes, it costs more money. And you want to save money. Everybody wants to economize. So economically it's a bad plan.

Bane: Practically all of the Congress and the economists said exactly what you're saying here. And, incidentally, it's interesting to note in retrospect and was interesting then, that the economists had a great supporter in the political area. His name was Harold Ickes.

Ickes agreed with the economists. "The thing to do if you're going to spend money on work is to spend it on useful public works."

Leiby: Productive--productive investment.

Bane: Exactly. And spend it on building big public works. Then it will filter down, so much for land, so much for cement, so much for labor, and so much for this, that, and the other. And the by-products will be enormous.

A number of us, in particular Hopkins and Williams--of course they were running it, we were supporting them--would say, "That's all very nice, that's beautiful, delightful, interesting. We





Bane: listened to the economists in 1929, '30 and '31. We concede that they are brilliant people but they were definitely wrong. They're wrong now. And whether they're right or wrong isn't the question. Here we have a man who is out of work. He needs a job. He needs it now. He has to have some kind of sustenance."

Leiby: He needs relief.

Bane: First he needs a job. And if he doesn't have that he doesn't have sustenance and must have relief.

Leiby: He needs a job from private, productive industry.

Bane: That's right. He needs the wherewithal, we'll say, to care for his family.

Leiby: There's no question about this.

Bane: Exactly. And he needs it now. He doesn't need it next week. He hasn't any great overriding interest in the gross national product or whether prosperity is around the corner. What he needs is something which will provide him with the wherewithal to take care of his family Saturday night. And the only way to do that and do it rapidly is this program.

Leiby: The traditional way, the way they did it in England, is to give them a relief check, not give them a job.



Bane: That was the traditional way, always had been the traditional way.

Leiby: He needs a relief check.

Bane: Yes. But conceding that, if there is any way whereby you could maintain his skills, maintain his interest, improve his morale, and at the same time provide this relief check -- let's try it.

Leiby: So work was justified. Now, you had to justify the idea of work relief. You had to justify it, first, to the President and then to the congress.

Bane: Just as you say we had to justify it first to the President. And interestingly in this connection, Ickes, as I said before was with the economists and not in favor of this kind of a program. And one of the reasons that he wasn't in favor of it was when C.W.A. was set up and first discussed with the President, it was thought that the President would take it under advisement. He listened to it for about an hour. And he said, "We'll do it. I'll transfer three hundred fifty million dollars or some such amount from the works fund, to finance it."



Bane: The public works fund was administered by Ickes. And there began, right then and there, the feud between Hopkins and Ickes.

Leiby: Were you at the conference at which this idea was broached to the President?

Bane: No, I was over at the office--the W.P.A. office.

Leiby: You must have known though that somebody, presumably Hopkins, was going to the President.

Bane: Oh, yes, we prepared all the papers and so on. He went over and the only person that he took with him at that time was the auditor. To repeat, we thought this was going to be a preliminary presentation to the President. It was something he would think about and probably decide in a couple of weeks. Harry came back flabbergasted and said not only had the President bought it lock, stock, and barrel, but he had provided the money! Harry knew, of course, what that would mean with respect to Ickes. The President also had called in the press and told them--"We'll have this in operation in thirty



Bane: days."

Leiby: The Cabinet didn't decide.

Bane: Nobody, just the President. And it was operating in thirty days.

We set up a little sub-office over at the then Powhatan, now the Roger Smith Hotel. Within thirty days it was rolling. But immediately two slogans developed, which in no time at all were countrywide, one was "leaf-raking" and the second was "leaning on a shovel."

Leiby: Yes. Reflecting the notion that this is the wrong kind of thing for these guys.

Bane: Boondoggling.

Leiby: What they really need is a job in private industry.

Bane: That's right, yes.

Leiby: Where they'll make them work hard. There's no boondoggling in private industry. (Laughter)

When the emergency relief set-up was disbanded, one of the main functions of the American Public Welfare Association, traditionally, is here.

Bane: Yes. When the F.E.R.A. was disbanded, the national government concentrated all of its activities on





Bane: work relief. That left the residual load of relief to the states and localities. And a large part of the residual load was cardiac cases, aged persons, and marginal economic people.

Leiby: And they were a large, large number. (Laughter)

Bane: Yes. Of course, that immediately put us, in the American Public Welfare Association, in the position to say, which we would try, being more or less ladies and gentlemen, not to say too often, "We told you so." Because the states were left with the residual load. And by that time they all had some kind of an organization to handle it.

Leiby: In other words in 1933 you had said, "This is probably going to be a continuing thing. In one way or another public welfare is certainly going to be a continuing thing. You need a public welfare organization, a public welfare administration in your state. You should have had one. But now the need is perfectly evident." And four or five years later you go around saying, "I told you so."

Bane: Not too blatantly -- I hope! By 1935 the federal government was out of direct relief and concentrating entirely on work relief.



Continuing Activities of the Association

Leiby: Were you still with the Public Welfare Association?

Bane: I was still with the Public Welfare Association up until about August, 1935.

Leiby: At this time and later the Public Welfare Association must have been thinking of what they were going to do. They had been advising on emergency relief. Now this job was over. What role did they see for themselves?

Bane: They didn't think the job was over. They thought their job was going to be more or less a continuing job. And they thought and believed that the Association was, if possible, even more necessary once these new organizations had been set up; to establish standards, to develop morale among public officials, etc. As a matter of fact the American Public Welfare Association was first called the American Association of Public Welfare Officials. And they had an enormous training program ahead of them.

Leiby: Training program?

Bane: They were advocating training programs in the various



Bane: states in order to provide the social workers that would be needed in these new welfare departments. It was urging Hopkins, which he did, to establish training programs and to send people to Chicago , the New York School, etc., to take training. The reason they urged Hopkins to do it was because he was the only person who had what we called, in those days, unencumbered money. He could operate, to a considerable extent, on allocations from the President's Emergency Fund. And for little things like grants to colleges for training he didn't have to go back to the Congress for additional funds.

Leiby: What was your staff organization like at that time? Did you continue with the field representatives?

Bane: Oh yes, we continued having field representatives. And I was in the field as much as any of the staff. Our person who ran the shop was still Marietta Stevenson. She was Assistant Director and later Deputy Director. She ran the office.

Leiby: You had a publication.

Bane: Yes, we had the Public Welfare News, which I think



Bane: is still being published.

Leiby: There's still a periodical, yes.

Did you have anything to do with research?

Bane: Not to any considerable degree. To repeat, Marietta was a Ph. D. and had been a research person. And we did some spot, what might be called, utilitarian research. That's what Leonard White used to say we did. He said, "We did the best kind of research one could imagine -- to substantiate our own preconceived notions." And he wasn't too far wrong.

Leiby: What did he have in mind there?

Bane: Oh, he was just being facetious. In other words, we had such and such an idea and we would look around and set up a research project to assemble the necessary data, to support what we wanted to do. That was a facetious remark. What he meant was that we didn't do any fundamental research. And he was right.

Leiby: In other words you were in the position of promoting enlightened policies, essentially.

Bane: Decidedly promoting. I was speaking all over the





Bane: country most of the time.

Leiby: You'd go around and talk to people.

Now these enlightened policies, did the county welfare board continue to be viable?

Bane: Yes indeed, as I understand. I've been away from it for many years.

Leiby: In the 1920s this was a big thing in California, the county welfare boards. In the 1930s it was dropped and now, of course, it's run by the county board of supervisors. There's no county welfare board. And that's my impression over the country.

Bane: Yes. I think they started off with these boards, because it was something new. But now it's, especially in California, the regular board of supervisors. In California counties relief is one of their biggest jobs. It's very expensive. It's not only just a part of government, it's a big part of government.



FEDERAL SOCIAL SECURITY BOARD, 1935-1938

(Interview of January 13, 1965)

A Survey of European Institutions

Leiby: In 1935 you left the Public Welfare Association and became the first Executive Director of the Social Security Board, a position you held until 1938. Could you tell me something about how you were approached for that job?

Bane: I'd better start with a little background. Early in 1934 a great many people in Washington, and certainly around the country, began to wonder when an emergency would cease to be an emergency. And they began to be a little tired of the oft-repeated words temporary and emergency. Many of the organizations in the early days of relief were called temporary emergency organizations of one kind or another, as we have said. There was considerable talk about social security. And the Rockefeller people suggested to me soon after the Committee on Economic Security was appointed by the President to



Bane: devise a social security plan, that I might go to Europe and take a look at the social security programs in Germany, where social security had started under Bismarck, and also in England and France.

Leiby: You speak of the Rockefeller people?

Bane: The Spelman Fund.

Leiby: Under Beardsley Ruml.

Bane: Beardsley Ruml, yes.

Late in June Mrs. Bane and I went to Europe on this assignment. We went first to Germany. And we did the best we could under the circumstances in Germany at that time. But ~~that~~ man in Germany persistently got in our way. We got there immediately after the blood purges of 1934. And just before we left, we stayed there some two or three months. Hindenburg died and Hitler took complete power. So we learned as much as we could from the German departments and agencies, but in retrospect, it seems to me, that they spent part of the time giving us information and the other time jumping up when anybody came in



Bane: and saying, "Heil Hitler!" (Laughter)

Leiby: What sort of information were you looking for?

Bane: We were looking for the background of the first social security program: How it was set up? Why it was set up? But, particularly, we were interested in the organization and operation of the system itself and what it included.

Leiby: You were an administrator looking at a system.

Bane: We were administrators looking at a picture and trying to develop ideas as to how we would set such a program up administratively, if and when we should have one.

We did the same thing in France and in England.

Leiby: To whom did you speak in France and in England?

Bane: I don't recall the individuals' names.

Leiby: Professional administrators.

Bane: In England, it was primarily the Department of Labor. In Germany, it was scattered around in different departments; assistance, unemployment compensation, insurance, and so on. It was different departments in Germany, as it was in France. We weren't





Bane: very successful in getting much information in France because we happened to get to Paris in August. Then and since everybody in Paris in an official capacity, it seemed to us, went out of town in August.

Leiby: Summer vacation.

Bane: Yes, summer vacation.

When we came back we reported at length to the Committee on Economic Security, to which I was a general consultant; and to the Technical Committee, of which I was a member. Then we went to work on the actual report and a little later on the substance of the actual bill.

Leiby: You say, "we." Was there anyone with you?

Bane: No. When I say, "we" went to work on the bill and the substance of the report, I was working with Ed Witte.

Leiby: I meant when you went to Europe.

Bane: Mrs. Bane was the only person with me.

Leiby: I see. Did you bring back any ideas that were influential in your report?

Bane: Yes, we brought back some ideas that, as a matter of fact, were written into our act. The federal-



Bane: state idea we had, of course, before we went.

Leiby: Grants-in-aid, like for highways.

Bane: Exactly. But the German system was similar, to a very large extent. They had their divisions; Bavaria, Rhineland, and so on. And they operated...

Leiby: It was a federal government.

Bane: Yes, it was a federal government.

Leiby: Unlike England and France.

Bane: That's right. So we learned more from Germany than we did from either of the other nations.

Leiby: Did they use grants-in-aid?

Bane: They used grants-in-aid for one activity or another, particularly, in the assistance field. Also, in the unemployment field and in the insurance program it was somewhat similar to the one we developed in this country.

#### Appointed Executive Director

Bane: Then the bill was sent up to Congress. The problem then was to get action on the



Bane: suggested bill. And there, again, the American Public Welfare Association came in very handy because we had representatives in all the states who could explain to their representatives in congress: 1.) what the act was , and 2.) emphasize its importance.

Leiby: So this is a wonderful lobbying device.

Bane: It was an excellent lobbying device and I was repeatedly accused of using the American Public Welfare Association as a lobbying device. I've never denied it. (Laughter)

The act was passed. At that time there was a professor of economics at the University of Chicago , Simeon E. Leland. He is now Dean of Northwestern University, retiring next month. He had a cottage on the dunes outside of Chicago, the Indiana Dunes. The Banes and Lelands lived very close to each other and saw a great deal of each other. Leland suggested, in the late summer, that we go out and spend a week or ten



Bane: days with them at their cottage in the dunes, assuring us that it was a delightful, restful place. No telephones, no visitors, just rest, recreation, and relaxation.

Leiby: This is the summer of 1935.

Bane: Yes.

Leiby: After the bill was passed.

Bane: After the bill was passed. The bill was passed in August and this was late August. One morning a gentleman came down the road in a Model T Ford from the crossroads store, about a mile and a half away. He asked, "Is there a Mr. Bane around here anywhere?" Leland admitted it. He said, "There's a telephone call in my store,"-- that was the only telephone around there-- "I think it's a joke, but they say the White House is calling Mr. Bane." (Laughter) So, Leland and I got into the car and went up to the store and got the White House on the telephone. Marvin McIntyre, the President's secretary, was calling. He said that Mr. John Winant, former governor of New Hampshire, had just been appointed chairman of the Social





Bane: Security Board, the other two members were Arthur Altmeyer of Wisconsin and Vincent Miles from Arkansas.

Leiby: Who was Miles?

Bane: Miles was a lawyer from Arkansas. And he'd been strongly recommended by Joseph Robinson, who was at that time Senator from Arkansas, and the majority leader in the senate.

Leiby: A strong recommendation. (Laughter) Had Miles had any connection with you?

Bane: No, Miles had no connection with me prior to that time.

Leiby: Of course, Altmeyer had.

Bane: Altmeyer was a professional in the field. He had run the Department of Industrial Relations in Wisconsin before 1932. And he had come to Washington with the Roosevelt administration as Assistant Secretary of Labor, when Frances Perkins was appointed Secretary of Labor.

Leiby: And John Winant, had he been governor?

Bane: John Winant had been governor for two terms in New Hampshire. He was a Republican.

Leiby: I suppose Altmeyer was a Republican.

Bane: I would imagine so--a La Follette Republican, or Pro-



Bane: gressive Democrat-- although the question never came up. And I'm reasonably certain that at the time he was appointed he was listed as a Democrat, or was thought of as a Democrat. Because that would have given the Board two Democrats and one Republican.

Winant had been a very progressive governor, an excellent governor of New Hampshire. Working for the Brookings Institute, a couple of years before, I had done a study of the state government of New Hampshire when he, Winant, was governor. So we were well acquainted with each other. Secretary McIntyre said Winant was going to call me the next day or that day about a proposition with the Social Security Administration, at that time the Social Security Board. The President had told him, McIntyre, to call me and tell me that he hoped I would take the job. I asked McIntyre what kind of a job it was and what were the limits and delimits, duties, responsibilities and so forth? He said he didn't know, that Winant would tell me. Winant called me later the same day. The following



Bane: day I went down to Washington and had a long session first with Winant and then with the Board. And I was appointed the Executive Director of this new social security program.

Leiby: What did they tell you?

Bane: They told me what was in the act, which I knew by heart. (Laughter) They told me what the problem was. I knew that also, in some detail. But we discussed, primarily--I raised the question--what was and what was going to be the relationship between the executive director and the board?

Leiby: That's a good question.

Bane: Since I was going to be the executive director, I wanted that point cleared up to the extent possible before I agreed to take the job. And it was agreed that the board was going to be a policy board, concerning itself, primarily, to the extent possible, with questions of policy and broad program. That the executive director would be in charge of administration and that included the supervision and direction of personnel. I asked for two or three days to think



Bane: it over and to go home and talk with my family. I wanted to talk also with the board of the American Public Welfare Association and the people at the University of Chicago. I was lecturing at the University of Chicago at that time. I went back to Chicago, had a meeting of the Public Welfare Board and a meeting with the people at the University of Chicago. And, incidentally, Beardsley Ruml came over to the meeting. He brought along Guy Moffett, who was to succeed Ruml as Director of the Spelman Fund, when he came to the University of Chicago as head of the social science division. We had a long luncheon. Brownlow was there and Meriam was there.

Leiby: The Chicago crowd.

Bane: Yes. And it was decided--and I'm choosing my words carefully--by the group that I ought to take the job. Mrs. Bane agreed, and I did.





Bane: But before we went to Washington we sent a confirming telegram, dealing with the agreements which we had as to what the job would be. Because I knew that it was extremely difficult to separate policy and administration. But we wanted it understood, in any event.

Administrative Organization

Bane: So down to Washington we went and we had four offices, which had been loaned to us, over in the Labor Department Building. They were loaned to us by Frances Perkins. Each member of the board had an office and I had an office. At that time each of us had a secretary. But we had only four offices, so the secretary was in the same office. And that's how and where, the Social Security Board started.

Leiby: How did the board members look upon their own duties? Did they divide them up, like county



Leiby: commissioners? (Laughter)

Bane: No, they never divided them up. We never had the set-up that the Tennessee Valley Authority had initially. They definitely divided up the duties and responsibilities among the three commissioners. One took over-all management, one took power, one took agriculture. Arthur Morgan, for instance, took over-all administration. He was chairman. David Lilienthal took power. Harcourt Morgan, who had been President of the University of Tennessee, took the agricultural part of the program.

Leiby: Acting, in effect, as executive vice-president.

Bane: Exactly. But the board decided and, in fact, that was part of the decision which influenced me to come to the board, that it would always act as a group and that they would act, as far as operation and execution was concerned, through an executive director.

Leiby: There was only one executive vice-president, in other words.

Bane: The board took their duties and responsibilities very, very seriously. They met interminably, morning, noon and sometimes night.



Bane: We had the problem of setting up the administrative machinery and deciding how we were going to handle, from an administrative point of view, the duties and responsibilities as set forth in the act. We had the problem of establishing precedents, as we used to say, in those days. And very soon, almost immediately, I employed as a secretary for board operations, Miss Maurine Mulliner. She was with the Social Security Board and Administration continually, with leaves of absence here and there, up until a year ago when she retired. So it was the board, myself, and Miss Maurine Mulliner as the secretary for board operations, meeting interminably in the early days.

The first thing decided, of course, which, as a matter of fact, was set forth in the act, was that the social security program had three major segments: the public assistance segment, the unemployment compensation segment, and the old age insurance segment. This made it immediately apparent that the first job was to think about top personnel--a director for



Bane: the Bureau of Public Assistance, which included old age assistance, aid to dependent children, and aid for the blind; a director for the Bureau of Unemployment Compensation, which, of course, just had unemployment compensation; and a director of the Bureau of Old Age Insurance.

Leiby: But unemployment compensation was a major thing.

Bane: A major thing and a brand new thing. That had been the great focal point of interest.

Leiby: It had already been decided that this would be a federal-state thing.

Bane: Oh yes, that was decided and written in the act.

Leiby: So, in other words, this man was going to have to deal with forty-eight states.

Bane: Yes. The first person we appointed was the director of the Bureau of Public Assistance, because that was the part of the act that would go into effect first. That would go into effect January 1, 1936. So we had to set up administrative machinery; we had to devise a plan of operations; we had to get state plans in; we had to approve state plans; we had to have a staff for supervision all ready to go by January 1, 1936.





Bane: And that was just four months away.

Leiby: You were getting underway in September.

Bane: We were getting underway just about the first of September.

The question was who would be director of the Bureau of Public Assistance? Of course, we canvassed the country. Several of us knew right much about that field. We decided to offer the job to a top-notch social worker, a top-notch public relations person, a red-headed, Irish girl named Jane Hoey. I called her on the telephone on a Thursday or Friday and the following Sunday I went to New York to see her and offer her the job. Her mother objected strenuously. Her brother, Jim Hoey, who had been Collector of Customs in New York for years, approved enthusiastically. And, ultimately, within the next week, Janie took the job. She came to Washington and started to work.

Leiby: How old was she then? Do you remember?

Bane: Perhaps we shouldn't go into that. (Laughter)  
Coming from where I do I would never dare risk such a guess. But I would imagine that Jane



Bane: was in her early forties.

Leiby: What was she doing at that time?

Bane: She was with the Catholic Charities in New York.

Leiby: With a private agency.

Bane: A private agency. She had been most of her life. But she had had extensive experience, during the relief period in 1933 and early '34, with relief activities in New York State and in New York City.

Leiby: Had you known her?

Bane: I'd known her for a number of years.

Leiby: In what connection?

Bane: National Conference of Social Work, during the relief period.

Leiby: She was one of that crowd and you ran into her. So you knew Jane Hoey well.

Bane: Yes. I knew her well.

Leiby: Was this your idea?

Bane: Yes, it was my recommendation.

Leiby: So you picked her.

Bane: I picked Jane.

Leiby: Quite a sound appointment!



Bane: Well, it turned out admirably from every point of view; from an operating point of view, from the standpoint of association, from the standpoint of accomplishments. It was a good appointment. I admit it.

The next task was to appoint someone to the Bureau of Unemployment Compensation. And, again, we searched the country. The person in the structure that knew more about that field, of course, than anyone was Altmeyer. He had been working in the only state that had a program of that kind. We came to the conclusion that Gordon Wagenet was the best man we knew. Altmeyer was enthusiastic about him. He recommended him. We appointed him. He, also, made an excellent record. He stayed with that organization for twenty years. He set it up from top to bottom.

Leiby: What had he done?

Bane: He had been with some public industrial relations groups in the states. He knew something about workmen's compensation, and public service. He



Bane: also had had some experience with insurance companies. And he was a well-rounded person. I would say he, also, was in his middle forties .

Leiby: Do you remember what he had been doing before he'd been in the public service at the time he was appointed?

Bane: I think he'd been with workmen's compensation, primarily, just before he was appointed. Then we came to the question of Old Age Insurance. That was a tough one. No one of us, that is, no member of the board nor myself, were too well acquainted in the insurance field. So we consulted everyone that we thought had any ideas on the subject . And then we finally came back to Washington.

The railroad retirement system had been operating in Washington. And the person who had been most active in that particular area was Murray Latimer . We ended up appointing Murray Latimer as director of the Old Age Insurance Bureau.

We were over the first hurdle. But in setting up a brand new, big Washington department





Bane: of course you think first in terms of the substance of the job, that is, public assistance, unemployment compensation, and old age insurance. You think first in terms of line operation. And then you think in terms of staff agencies, or staff departments, or staff bureaus. And, first, inevitably, in almost any department in Washington, you have to get a general counsel.

We decided to employ a lawyer by the name of Thomas Eliot, a grandson of the great Charles Eliot, former President of Harvard University.

Tom had been assistant general counsel in the Labor Department. And he had worked extensively with Miss Perkins and all the rest in drafting the act itself. When we agreed on Tom as general counsel and he was appointed, we thought we should be pretty careful about the associate general counsel. Tom was an excellent, careful, cautious, judicious lawyer, shall we say. So we wanted as associate general counsel, someone who was, shall I say, of a more



Bane: adventurous nature. (Laughter) So we appointed a gentleman by the name of Jack Tate, from Tennessee. He is now, incidentally, associate dean of the law department at Yale University. Tom Eliot is Chancellor of Washington University in St. Louis, at the present time. Those two gentlemen have done very well.

As it worked out, and this has often amused me, the way we operated at that time-- when we wanted a "no" answer to any question with respect to the act, we would call Tom Eliot. (Laughter) Whenever we wanted a "yes" answer, we would call Jack Tate. (Laughter) So that worked out admirably.

The next staff agency was, again the inevitable staff agency, Audits and Accounts. We appointed a man by the name of Banning who stayed there a long time, in that most important, but most uninteresting kind of a job.

The Bureau of Research and Statistics. That was one that interested me immensely.



Bane: We spent a lot of time considering personnel for that Bureau. We decided on three people at pretty much the same time; Mr. Walton Hamilton to be director. He was an excellent person, especially on sociological and legal theory. He was enormously interested in not what you have, but where do we go from here? What are going to be the long term trends? We were interested in that also; Winant, the chairman of the board, was particularly interested in that. We agreed to appoint Walton Hamilton as director of this bureau.

Then we were going to need a lot of statistics and a lot of research, which might be called utilitarian research; day before yesterday statistics, a day-to-day operation.

Leiby: Operational statistics.

Bane: Yes. So we appointed two assistant directors; Ewan Clague, who is now director of the Bureau of Labor Statistics and Tom Blaisdell, who is now Professor Emeritus of Political Science at the University of California, right here. His office is right down on the next floor. That's



Bane: the way that bureau was set up.

Leiby: What were the duties of these gentlemen?

Bane: Their duties were to collect and tabulate and get into usable form for the administrators, all the facts, figures, and statistical information that we would need when we began to consider state plans and what grants to make to the states for public assistance, unemployment compensation; and to suggest for Congress, primarily, what would be the long term trends. What we would suggest in terms of amendments to the act? Why? What would be the financial trend and so on?

Leiby: A most important bureau.

Bane: A most important outfit.

The next one was the Bureau of Business Management. They would handle the budget. They would handle the actual processing of personnel. They would handle the mundane and most important and controversial question in Washington, space. Where are you going to put a desk? They would handle supplies. They would have the housekeeping job. And -- this will interest you particularly--for that job I stole a man, al-





Bane: most literally, from an old friend of yours and mine, Sanford Bates. Sanford Bates was director of the Bureau of Prisons. He had an assistant director, James V. Bennett. So, of course, going through channels, I went to see Sanford first. I told him I would like to have Jim Bennett to direct this Bureau and that we could do somewhat better for him, financially and otherwise. Sanford was not enthusiastic about the idea. (Laughter) But, of course, he said, ultimately, as everybody always says, "If you can do better for him and if he wants the job, all right." We offered the job to James V. Bennett, who, incidentally, has just recently retired. Bennett came over, accepted, and did an excellent job with the assignment and the task. Two or three years went by and Sanford Bates decided to retire as director of the Bureau of Prisons, whereupon he, Sanford Bates, stole Bennett back from us to come over to the Bureau of Prisons and succeed him as director.

The fifth and last of the service bureaus



Bane: was what we called a Bureau of Information. All bureaus of that kind in Washington were generally called bureaus of information, rather than bureaus of publicity and public relations. But they're the same thing. They handled our relationship with the press; took the material from the Bureau of Research and Statistics and developed it into pamphlets; developed charts of one kind or another--the usual thing that a bureau of information does.

Leiby: Which I use in my class.

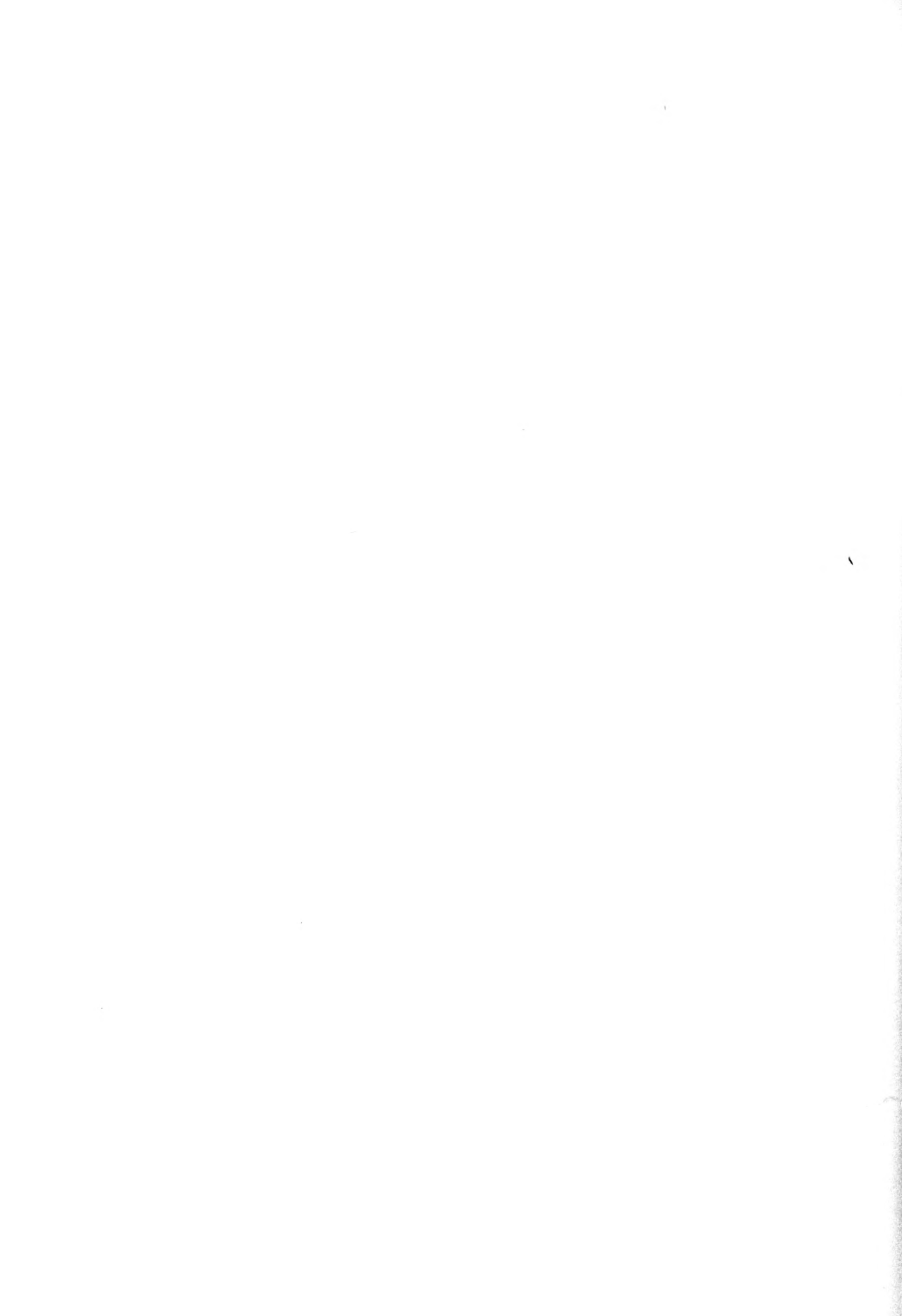
Bane: You do, good.

We employed a gentleman from New York who'd had extensive experience in those fields. His name was Resnick.

Now we were all dressed up and ready to go-- from the standpoint of structure.

Leiby: Were these positions under Civil Service?

Bane: The positions were under Civil Service with the exception of lawyers, policy people, and so-called experts. An expert had to be a person who was considered by the Civil Service Commission to be particularly qualified in the particular area.



Bane: And it had to be a person that we paid more than \$3,600 a year. (Laughter) This was 1935, you remember, and it was during the depression.

Leiby: The reason I asked was because the T.V.A. did not...

Bane: Did not have ; always had their own system.

Leiby: Two things strike me. One is that you evidently had no trouble hiring.

Bane: We had no trouble hiring people, from the standpoint of the availability of people.

Leiby: You got who you wanted right off.

Bane: We got whom we wanted, the top people.

The woods were full of people, literally alive with people, who wanted to work for the Social Security Administration, for two very definite reasons. Just before we started the Supreme Court had declared the National Recovery Administration, N.R.A., unconstitutional.

Leiby: So they were going out of business.

Bane: Also , just before we started the Supreme Court had declared the Agricultural Adjustment



Bane: Administration, A.A.A., unconstitutional. And it seemed to us that every employee of N.R.A. and every employee of A.A.A. landed on our doorstep wanting a job. It seemed to us--also-- that each and every one of them had a letter from his congressman. It got to be such a rush that Miss Heiser, my secretary, for at least a month and maybe much more, set up a two hour period every afternoon at which we did nothing but run an interviewing system. The person with a letter from his congressman would insist that he had to see me, personally, individually, and right now. (Laughter) And thinking, perhaps, that I would be going up on the Hill, I tried to see as many as I could. I saw hundreds of applicants over a month or two.

Leiby: But I get the impression that your appointments represented your judgment.

Bane: Yes, insofar as top personnel was concerned. But these people that I was seeing with letters and so on were told that their applica-





Bane: tions were gone over at another place, I would have a brief interview with them, tell them we were setting up a personnel office, and make arrangements for them to see our personnel officer, who we were in the process of appointing at that time--Henry Aronson. He is still with the Social Security Administration-in H.E.W. now.

State Plans

Bane: Our problem was, of course, to work with the states immediately, directly, helpfully. Every state was clamoring, "What are you going to require in this plan? What should our plan consist of? We have to submit a plan to you before January 1st if we're to participate immediately in all three of the public assistance programs. Tell us what we should do." So we had to devise a manual. "The act requires so and so and so and so. We suggest that you set it up this way, so that it can be handled most expeditiously here in this office. We



Bane: would suggest that you pay particular attention to these various aspects of the problem. We would suggest that you send the plan to us in triplicate. So we will have one for our desk, the lawyers will have one and the auditor will have one." The plans began to come in.

We began to develop a little staff. Jane Hoey and her outfit would be available to go out to a state that was uncertain as to what the plan should be.

Leiby: Can you tell me something about how you formulated the requirements for the plans?

Bane: We discussed them, I assure you, ad infinitum, in board meetings. The board had to pass on it finally.

Leiby: These are practical men.

Bane: These are all practical men.

Leiby: In effect you were testing out the response you would get.

Bane: Exactly. And Jane, of course, was sitting in on all of these conferences as head of the bureau.



Bane: And she was fighting for every principle, as only Jane could fight for such things. We finally just hammered it out--what the plan should include. And it was pretty well agreed upon. By that time a stream of welfare commissioners from the various states was coming in. And we would try all this out on them. "Is this the way it should be? How will it work? What will it do to you? Can you handle this in your territory?" I would say the outline of the initial suggested plan, which we developed to send out to the states, was modified again and again at the suggestion of the states.

Leiby: It was a sort of model.

Bane: A model outline plan.

Leiby: A model of a legislative act.

Bane: Yes. It was a combination of our thoughts and the thoughts of the people out in the states who came and helped us develop it.

Leiby: Were there any particular discussions that you recall very vividly?

Bane: This is interesting, though somewhat facetious.



Bane: We were new and the board was enormously anxious not to make any major mistakes and to set correct precedents. We were conscious of the fact that we were doing something that had never been done before and if we made a boo-boo here and now it might react for years to come. We took this job seriously. The board would discuss most any point for hours, it seemed to me, being an impetuous, impatient person. One problem came up that we discussed so long that it became something of a joke with the board. The question was, "How did the Confederate veteran who was drawing Confederate pensions fit into this picture?" And there was a certain lady in Alabama who came up to advise with us in developing the plan. She was Loula Dunn, who had just become Welfare Commissioner for the State of Alabama; later she became director of the American Public Wel-





Bane: fare Association.

Leiby: What was the decision?

Bane: The decision was to treat them, of course, just like everyone else.

Leiby: Right, a good decision! What was Jane Hoey fighting for?

Bane: What Jane would call standards; merit examinations for all social workers that were going to handle the program.

Leiby: What did Winant think?

Bane: Winant was all for it; so was Altmeyer. And, of course, I was for it. But all of us knew very well that there was no possibility of getting trained social workers in all of these jobs to start with. The bodies just were not available.

Leiby: But a merit system required some sort of qualifications, like another degree.

Bane: Yes, that's why we called it a merit system.

We did our best to persuade all the states to include in their plans a merit system.



Bane: In some states it worked, in some it didn't. We couldn't require that. The act didn't require it. So we just tried to develop it by persuasion.

I might insert right here that purely by accident there developed a situation that enabled us to do what we had wanted to do and had not been able to do except in patches. It enabled us to do it straight across the board. W.P.A. was still operating in 1936 and '37. And there was, of course, as there always had been, a great deal of criticism of that program. The United Press sent a reporter, Tom Stokes, into Kentucky and Pennsylvania to investigate what was happening with respect to W.P.A., from the standpoint of politics -- to look into reports of scandals of one kind or another.

Tom Stokes went into these states, particularly Kentucky. He wrote a series of articles blasting the administration of W.P.A. . Incidentally, he got a



Bane: Pulitzer Prize for those articles. In the articles he mentioned many times Senator Barkley's connection with the happenings. Barkley never denied any of this. He simply said, "The W.P.A. is a federal program. And federal officials are using a federal program to their advantage." Barkley was running for re-election to the Senate. He said he had to use it, "Because social security was a federal-state program administered by the state and Happy Chandler [the Governor of Kentucky] was running against him for the Senate and using the social security program." Mr. Barkley thereupon introduced an amendment to the Social Security Act that-- "All staff in the federal-state program of social security must henceforth be appointed in accordance with a merit system established by the state and approved by the Social Security Board." That's how we got the merit system in the social security program. When politicians fall-out--merit systems sometimes prosper.



Bane: Incidentally, that amendment inserted in the Social Security Act of 1937 has been a section of practically every grant-in-aid program since that time. And the state plan idea, which was developed in the Social Security Act of 1935, has been carried over in practically every federal-state grant program since.

Leiby: As you reviewed these state plans, do you remember any particular difficulties that you came to have to watch out for?

Bane: I don't remember any particular difficulties, initially. Again, this was a new program. Again, every state wanted to qualify as soon as possible.

Leiby: Actually many states did not qualify.

Bane: Many states did not and, therefore, approvals were postponed for quite a while. But they all wanted to do it, generally speaking. Where they didn't qualify it was incompetence (lack of information) in setting up the plan. But the big states qualified pretty





Bane: quickly because they had staffs.

Problems in Particular States

The troubles came later, in the actual operation of the plan. I might mention three of the troubles: Illinois, Ohio, and Oklahoma. I mention those three because in each of those three instances we had to withdraw funds from the states because they were not living up to the plan which they had submitted and the board had approved. And they were, in fact, not living up in some aspects to the law itself.

Leiby: That's the state law.

Bane: The state law, which was, of course, modeled on the federal act.

The first was in Illinois. Interestingly enough, before the Social Security Act was passed and before I went with the Social Security Administration, at Governor Horner's request I had made an appraisal of the situation in Illinois. I was then with the American



Bane: Public Welfare Association. I made the appraisal of that system and drafted a suggested act for him in the light of what I thought Congress would pass, and which it did in the Social Security Act. When we began to look at what was happening in Illinois, we became greatly disturbed. We couldn't find out what was actually happening, from an auditing point of view. We were matching their funds, millions of dollars. Our auditors would come in with the reports that they didn't know whether things were right or wrong. They couldn't find out anything.

Governor Horner had appointed as the first director of the Illinois system a delightful gentleman, who had absolutely no experience in this field whatever. He'd been city manager of a very small city, in fact, just a town. He was completely buried. He just didn't know anything about it at all.



Bane: And we couldn't find out anything. Of course, I went through the usual procedure; first I wrote a letter to the governor about it, no reply; then I wired the governor; and then I telephoned him. We always pursued that one, two, three--letter, wire, and then telephone call. The governor, on the telephone, said he'd get to it as soon as he could. He had a legislature in session and he said he was busy. Well, we were busy too. And we didn't want a financial scandal in our laps.

Leiby: This is a serious thing.

Bane: Yes. The General Accounting Office, as we knew, would be coming along in the next month or so. And they'd be checking all of this. So after much effort to get together and do something, with no response, we cut off funds and set a hearing. The governor, of course, reacted violently. As he had to, of course. (Laughter) A few days later he called up and said, "Let's get together and iron this thing



Bane: out." We got together in a room in a Chicago hotel. Within a morning and afternoon we straightened out the whole business. The question was to get a competent person. The governor took his commissioner of finance, a man by the name of John Weigel, and transferred him over to the W.P.A. program-- a top-notch man. He set up the necessary forms, accounting procedures, and so on. They were all right.

We had a different situation in Ohio. In Ohio we ran into the election of 1936--. We began to get reports from newspaper people. Social security was news in those days. It was new; it was a big program; a lot of money; a great deal of controversy.

Leiby: Sort of like W.P.A.

Bane: Yes. The newspapers were writing about it extensively. We began to get reports of irregularities--gross irregularities--in Ohio.





Bane: So we sent out to Ohio a task force, to investigate. We'd just heard that phrase, "task force." We just loved it and adopted it unanimously. (Laughter) And thereafter, every time we would send out a group, we would call it a task force.

Leiby: The plan had been in operation for about eight months.

Bane: About, yes. We got a wild, frantic telephone call from some member of our task force. They had just come across something that was outrageous, illegal, immoral, and anything else you can think of. The governor, it was alleged, had sent out in the envelopes that enclosed the old age assistance checks, a slip that said, in effect, unless Governor Davey is re-elected the first week of November, in the pending election, this will be your last old age assistance check. That was the story! Well, I knew the press would have that pretty quickly. And I was extremely anxious to beat the press to



Bane: that story. I didn't want them to be in a position to say they had found out and they had pressured a reluctant administration to do something about a Democratic candidate who was running for governor. So, fifteen minutes after we got that telephone call, had checked and verified it as to its accuracy...

Leiby: How did you verify that?

Bane: I just called two or three other people out there. And they all said the same thing immediately. They had access to some elderly people who had these envelopes with their checks. So I asked them to check it immediately.

Then, with the information in hand, I went to see Winant, Altmeyer, and Miles and I said, "This is what we're going to do." And they said, "Surely, do it quick." (Laughter) So we wired the governor and cut off funds and set a hearing.

Leiby: Made an announcement.

Bane: Yes, made an announcement that night as to what the alleged facts were and what we'd done about it. We had a hearing and, incidentally, Davey was



Bane: not re-elected. John Bricker was elected-- the first time he was elected as governor. He cleared up that situation after a little while. But for months thereafter the question was, in congress, whether the amount which we'd taken away from Ohio for a month or two, should be reimbursed to the state.

Leiby: What was the decision on that?

Bane: The decision finally was to reimburse them.

Leiby: You really hated to withdraw funds.

Bane: Surely. What we were doing was just cutting the aged persons' allowances in half. And that's why we didn't fight much the reimbursement on a retro-active basis. It was just giving back to the old folks what they should have had anyway.

Leiby: You meant to hurt the politicians.

Bane: No, we just meant to see to it that the organization would operate in accordance with the statute; and that the people who were entitled to benefits would get the benefits. Of course, sometimes, when we tried to make the organizations operate in accordance with the statutes, in order to do that we



Bane: would temporarily hurt the beneficiaries. It was a tough problem all along the line.

The third state was Oklahoma. Again, we sent a task force. The task force came back with a very interesting and amusing sort of story. They had investigated three or four counties in Oklahoma. The one that I remember best was Cherokee County. In this county approximately one hundred twenty seven per cent, as I recall, of all persons sixty-five years or over were on old age assistance. (Laughter) We notified the governor that we had to withdraw funds. We had a hearing. We sent a group down there that worked with the state department and helped set it up in such a way as to enable the state department to more effectively supervise the local units. Those were the kinds of problems we had initially.





Field Offices and Service

Leiby: You haven't said anything about the field services.

Bane: Each of these bureaus, public assistance, unemployment compensation, and old age insurance, had a field service.

The field services for the Bureau of Public Assistance and the Bureau of Unemployment Compensation were pretty much the same type of service; assistance, a certain amount of supervision, a certain degree of inspection. But in the early days it was primarily a question of assistance. We were depending for inspection on our auditing crowd, largely. They would come along after a month or two to just see what was happening to the money.

Leiby: A field service is an office with some people in it. And you have these for regions, I suppose. How many regions were there?

Bane: We set up twelve regions initially.

Leiby: Did they correspond with the Federal Reserve?

Bane: No. They were our own regions. It probably was



Bane: a mistake but we set up our own regions, con-  
tending that this problem was different. All  
problems are different!

Leiby: In each regional office you had a director.

Bane: We had a director and we had a representative  
of each of the bureaus . That is ,  
public assistance; unemployment compensation;  
old age insurance; a lawyer; a representative  
of the General Counsel; a statistical person;  
an auditor; an information person--all except  
the business manager.

Leiby: In other words, it was a duplication of your  
central office and they were in touch with the  
people in the states.

Bane: And, immediately, the age-old problem that has  
never been settled and hopefully maybe our grand-  
children in federal or state government will de-  
vise a way to settle it--we ran into the problem  
of what is the relationship between the staff in  
Washington and the regional offices?

Here's the way the regional offices were set  
up. We appointed right from my own office, the



Bane: regional director. And he was responsible directly to me. Then we'd have a public assistance representative in that office. I would ask Jane to designate a public assistance representative.

Is that public assistance representative in that regional office primarily responsible to the regional director of that office or is he primarily responsible to the Director of the Bureau of Public Assistance, Jane Hoey in Washington? And the same thing applied across-the-board.

So I drew up executive order number eleven. I did that early in 1936. I left the Social Security Board in the fall of 1938. In that time I had rewritten executive order number eleven at least five times to try to solve that problem. I'm not certain it was in any better shape when I left than it was when I started.

Leiby: Why was it such a problem? In theory?

Bane: In theory it's not such a problem. Representatives should be responsible to the regional directors.



Bane: The regional director should run his office and be in charge of it. But the regional director is a general practitioner. And these representatives of the various bureaus and divisions are specialists. As Jane Hoey used to say, "What does that regional director know about this technical problem of social welfare? He has no basis for judgement." Her favorite phrase was "no basis for judgement." The same thing would happen with the lawyers time and again. They would say, "He's a grand administrator but he doesn't understand the legal aspects and ramifications of this problem." And constantly I was having to settle that kind of an argument.

Leiby: There's a problem in a state and one of the field representatives, the person from public assistance, for example, would go out and say, "The standards of adequacy are really very bad," or something like that. Then they'd come back to the regional office and they'd, presumably, report this to the regional director. But the regional director is a general practitioner.





Leiby: Were these fellows under Civil Service?

Bane: Oh yes.

Leiby: But at any rate he would probably be closer...

Bane: To the administrative aspects, financial aspects of the problem.

Leiby: And to the state authorities.

Bane: Yes.

Leiby: Did they ever have anything to do to clear this guy and complain about him?

Bane: Oh yes. We had decided who we would appoint as Regional Director. I would frequently consult the Senator in the state in which the regional office was going to be located. I'd tell him we're going to appoint so and so and that we planned to make the announcement next week, which would give him an opportunity to...

Leiby: Well, it's only decent to talk to a Senator when you're going to make an appointment.

Bane: Back to your question, the public assistance representative would think something definite should be done.



Bane: The regional director would say, "You just don't push these people around--you understand. We're going to have to take this thing gradually. This is new." Well, maybe the public assistance representative was enthusiastic, impatient, and suffering from a bit of frustration. Maybe she'd been out there before and come back with the same report. Then she'd get in touch with her Washington bureau. And then, of course, Jane would come in to see me. Of course, I would call the regional director. And pretty soon we would have a nice little donnybrook going . This always happens in every new agency when you're starting from the ground up. You have to settle down and not only establish precedents, but you have to become used to each other. And you have to learn to devise ways and means to keep your elbows and knees out of the other fellow's ribs.

Leiby: What strikes me is that although this is awkward for administrators, nevertheless in the



Leiby: long run it's a good idea to have a number of points of view on a subject and have a number of courses of action.

Bane: Why, of course.

Leiby: So this was not really so bad after all.

Bane: Oh no.

Leiby: Of course it might be that occasionally the **public** assistance person was right.

Bane: Yes. And occasionally we'd have exactly the same situation develop in exactly the same way between the regional director and the auditor. Those were the fighting points.

Leiby: You really used the auditor as a kind of inspector.

Bane: **Yes.**

Leiby: And then the auditor might very well come back and talk to the public assistance person.

Bane: Yes. And you'd go out and check on this. When they didn't agree it always landed on our desks.

Leiby: **Yes.**



Leaving the Social Security Board

Leiby: Could you say something about leaving the Social Security Board?

Bane: That's something else that just happened. I had no idea of leaving the Social Security Board.

Leiby: You looked upon this, hopefully, as a long term job.

Bane: Yes, I thought I was going to be there for a number of years.

In August, 1938 the American Bar Association met in Cleveland and I got a telephone call from Henry Toll, who was Executive Director of the Council of State Governments. He asked me to meet him in Cleveland. I thought he wanted to talk to me about something having to do with social security. Or I thought maybe he wanted me to talk at a group meeting of the Bar Association on this subject. So I went over and I found he had something else in mind. He told





Bane: me he was going to retire in the next month or so and he offered me the job as Executive Director of the Council of State Governments. He told me he'd checked with the governors and the board and so on. I said, "Let me think about that a while."

I began to get calls from the governors I'd worked with first in the American Public Welfare Association, then in relief, and then in social security. They said they understood that I'd been offered this job and would I consider it carefully and seriously. They said, it's urgent that you by all means accept it. So I agreed to give Toll an answer in the usual week.

Mrs. Bane and I talked it over at length. I talked with the Board. I talked with the people over at the White House, McIntyre mostly. And we finally decided to take the job with the Council of State Governments.

Social security was operating, it was a going concern.

We had a growing family. I'd come to



Bane: Washington at some sacrifice in salary. My children were now going to private schools. The future looked better with the Council of State Governments than it did with the Social Security Administration.

Leiby: You mean financially?

Bane: Financially. And I've always liked to promote things, start things, expand things. The Governors' Conference had just agreed to combine its operations with the Council of State Governments. They both offered me the job, urged me to take it.

Leiby: So substantially then, it was, in the first place, a financial advantage and also a new challenge.

Bane: Yes.

#### Reflections on Policy and Administration

Leiby: I have one more general sort of question. I'm interested in this business about policy and administration. You say now that you think it's very hard to separate these. Could you give me any example of a case earlier in the



Leiby: Social Security Administration when the really necessary connection between policy and administration came up?

Bane: Let me discuss it briefly from this point of view. If you have a board in this kind of a situation, the better the board is--individual qualifications of the individual members--the worse it is. Because a good man dealing with a problem in which he's enormously interested wants to work at it and work at it strenuously. And every board member was interested, as the Children's Bureau used to say, "In the total child." (Laughter) People would come in to see them about personnel, or about what had happened in a state. And they would discuss it. And pretty soon implied commitments would be made. And people would come in and talk to me as Executive Director as to what should be done about amendments and so on. That was essentially something which eventually would be decided by the board. They go out of my office with certain ideas as to what I thought of it. And again and again we found



Bane: that administration and policy were intertwined. Governor Winant was the type of person who liked to work late at night, like Winston Churchill, and get up late in the morning. I was in the office every morning at about eight o'clock and I was used to going to bed early. Occasionally I used to tell the Governor after he'd called me up and asked me to come over and we had talked until one or two o'clock in the morning, that he'd make a nervous wreck out of me. (Laughter)

Leiby: Would it be fair to sum it up by saying that board members tend naturally to want to become executive vice presidents, because they're interested.

Bane: Yes. Because they're interested, because they're able, and because whatever the arrangement is, if they're on the board and somebody comes in to see them the visitor thinks he is a responsible executive on this job.

Leiby: And Executive Directors tend to want to become board members.

Bane: Just the same way.





Leiby: You're close to the situation.

Bane: Yes. My judgment, on the basis of **the many errors** and mistakes that I made in this field, is that you can't effectively separate policy and administration.



Reflections on Policy and Administration

(Continued)

(Interview of January 14, 1965)

Leiby: At the end of our last meeting you made the striking statement that the better a board is , the worse it is in the sense that the board...

Bane: Meaning by that that the more competent, the more able, the more energetic, the more dedicated a board member is to his task, if it's a board operating through an executive director, the more you have a situation, necessarily and, I think, inevitably, where you have proliferated directorship. The board members, if they're able and competent, albeit they're supposed to deal exclusively with policy, policy gets into administration and they can't avoid it. And, on the other side, an executive director can't possibly avoid doing things time and time again that



Bane: infringe upon the policy making prerogative, be it board or commission. And in many instances inadvertently his executive action will determine policy. Because the board will find itself in the position, as the board did with me once in the Social Security Administration, to either stand by the executive director in what he has done--which is really making policy--or get another executive director.

Leiby: Could you say more about that occasion?

Bane: Yes. It's written up quite extensively, incidentally, in Professor Joseph P. Harris' book, The Advice and Consent of the Senate. Professor Harris is now here in Berkeley, he was for twenty odd years a professor of political science at the University of California. He's now professor emeritus here.

In 1937 we had a controversy -- the Social Security Board -- with the United States Senate, which I had something to do with instigating. You must remember that I was younger in those days than I am now. And perhaps under present circum-



Bane: stances, having acquired as much experience as I have, and , you know, you acquire experience as a result of your bad judgement, I might have done differently. But when we set up the Social Security Administration we were very conscious of the fact that we were doing something brand new, very large, and very significant in the lives of the American people. We wanted to do it right. We insisted that people should be employed solely on the basis of competence and ability and insofar as certain experts were concerned, which were not under Civil Service, we wrote our own personnel requirements. I wrote them, the board approved them. We distributed them to the bureau directors and said, "You be certain to follow these instructions in this personnel manual."

Some time after that a distinguished Senator, one of the most distinguished persons in the Senate, Senator Carter Glass of Virginia, my Senator--I had known him since I was a boy--and incidentally he was Chairman of the Senate Appropriations Committee --





Bane: came to see me about appointing a certain person to a job as an expert in Public Assistance. I hasten to say that Senator Glass was not a politician in the usual, curbstone sense of the word. He was not interested in patronage and never had been. But the Senator, bless his heart, was eleemosynary. (Laughter) A friend of his had come to see him who, incidentally, was not a resident of Virginia. She was a resident of Tennessee. He had known her through his wife. She was a widow with several children. She came to see the Senator and told him that she wanted a job with the Social Security Board. The Senator assured her that he would do everything he could. And so he came to see me about it.

We looked her up, investigated her carefully. The only job in welfare that she'd ever had was as a \$1,200 a year case assistant in the District of Columbia Welfare Department... for about six months. I carefully explained to



Bane: the Senator that she was not competent in this field. She was not experienced enough to be appointed as an expert, and we couldn't recommend her. We couldn't appoint her.

I thought the matter was settled. Some time later he raised the question with me again. And I told him I would look into it a second time, which I did. Some weeks later he came by the office. Previous to that I had been going usually up to see him at his request. He sat down and said, "Frank, when are you going to make this appointment?" The Senator was getting along in years at that time. And I thought, very mistakenly, that he had probably forgotten some of our previous conversations. He had not. I went through the whole file and the whole rigmarole of the discussion again. He sat patiently and listened. When I got through the Senator said, "Yes Frank, that's very interesting. I've heard it all before. But when are you going to make this appointment?" He said, "I want a yes or no answer. Are you



Bane: going to make this appointment or are you not?"

I had written these personnel standards. I had recommended their adoption by the board. I had insisted that our bureau chiefs govern themselves accordingly. The only place that I could appoint this person would be in one of the bureaus. And the only excuse that I could give the bureau chief for suggesting the appointment, was that my own senator had recommended it. I was of the opinion that were I to make such a suggestion on such a basis, that I wouldn't have too much influence thereafter with our bureau chiefs. So I replied briefly, "Senator, we've known each other for many years, since I was a boy. I have valued your good opinion but if you insist upon a yes or no answer, the answer has to be no for the reasons that I've said." The Senator walked out and as he left he said, "Very well Mr. Bane"--I'd become Mr. Bane--"I shall govern myself accordingly." He did!



Bane:           When our budget came before the Appropriations Committee he cut \$500 out of my own individual salary and he cut ten million odd dollars, as I recall, out of our appropriation. Now you see what the Executive Officer had done to the Social Security Board, its policy, and its program. As a result of this action I was way over in policy and program. We would have to readjust all of our affairs because of this action.

          An interesting sidelight on that was that, to repeat, in those days social security was new. There were very few people in congress who knew anything about it except in the most general fashion. The amount that the senate subcommittee had cut out of our appropriation came out of administrative grants by the federal government to the states for the operation and administration of unemployment compensation. When they did that I almost bit my tongue to insure that I would keep quiet, very quiet, make no comment and no protest. The appropriation bill went back





Bane: to the house. By that time every state had been alerted to the fact that they had lost about half the appropriation they were going to get to administer their own unemployment compensation programs. They all screamed to high heaven. And of course it was all put back. That's an example of what can happen inadvertently and without plan, but nevertheless is an instance of an executive action infringing upon policy and program.

Leiby: Not intentionally, quite indirectly.

Bane: Yes. Not intentionally at all. We could name a number of similar instances where the action of a board member hampers to a considerable extent, at least complicates, the operation of an agency through its executive. With all those things in mind and with experience over a period of two years, when the Commission on the Study of Executive Management of the Federal Government--consisting of Louis Brownlow as chairman, Charles Merriam and Luther Gulick--went into



Bane: this matter they recommended the abolishment of the board and the establishment in lieu thereof of the Federal Social Security Agency.

Leiby: When did they make this study?

Bane: 1937. It went through congress in 1938. The board was not entirely abolished. The board was made--the usual one, two step--into an executive and advisory board. An executive officer was appointed with full authority to administer programs. The board reported to him. That executive officer was Paul McNutt, who had been Governor of Indiana.

Leiby: Was this after you had resigned?

Bane: Yes, it was after I left. I left in '38 and congress passed the bill in the latter part of '38 or early '39. It was in the middle of '39 that the actual change was made from the controlling board, from the standpoint of policy and program, over to a single-headed agency with the board left in an operating and advisory capacity-- but subject to the executive officer of the agency.

Leiby: I should think in some ways an advisory board



Leiby: could be a great help.

Bane: An advisory board is a great help. It's an enormous help to any executive in three or four areas. One: it's a cushion between the executive and the general public and between the executive and the legislature. He can always use the advisory board as a friend at court, so to speak--to testify for his legislation, to issue statements to the press, to represent an understanding and sympathetic public. Two: an advisory board is also enormously valuable, if as and when you run into a crisis.

Welfare departments are notorious for having crises--riots in penitentiaries, a charge of murder through neglect in a hospital for the mentally ill, a child dies under questionable circumstances in an institution. That's the time that you thank the Almighty for a good competent advisory board that understands your troubles.

Leiby: And speak to the whole nation.

Bane: Yes.



Leiby: You also might get advice from them.

Bane: Oh yes, you get advice from them constantly.  
(Laughter) I don't mean that it's unsought advice. It usually is advice that you seek. And it usually is knowledgeable and sympathetic advice, if you have the right kind of advisory board. Occasionally you get on an advisory board a person who might be unsympathetic, characterized as a busybody, that will cause you a few minor headaches. It might cost you some time smoothing over some ruffled feelings here and there. But on the whole an advisory committee's assets, in my judgment, far exceed its liabilities.

Leiby: Did the Social Security Board continue to be an advisory board?

Bane: It continued to be an operating and advisory board until the Re-Organization Plan of 1946, when the Board was abolished!

Leiby: I see. And then, presumably, H.E.W. set up





Leiby: another system.

Bane: Advisory boards of one kind or another,  
ad hoc boards.

Leiby: Ad hoc boards, I think, are good from an  
administrator's point of view.

Bane: Again, not only for the reasons I've al-  
ready cited, but for other reasons.



**Picture on page following:**

**Frank Bane  
Executive Director, National  
Governors' Conference, with  
Governor Allen Shivers of Texas,  
Chairman of the National  
Governors' Conference,**

**1952**







COUNCIL OF STATE GOVERNMENTS

Organizing the Council

Leiby: Would you say something now about the beginning of your work with the Governors' Conference.

Bane: At the last interview I mentioned the fact that I got a telephone call from Henry Toll, who was Director of the Council of State Governments, to meet him in Cleveland. The upshot of that, after talking with the governors and the board, was that I took the position of Director of the Council of State Governments with the understanding, which Toll had engineered, and with the implied agreement of the governors who had called me, that the Governors' Conference would consolidate itself with the Council of State Governments. That is, it would come into the Council of State Governments!





Leiby: Could you say something about the back-grounds of these two institutions?

Bane: Yes. The Council of State Governments had been up until two years before I went with it , the American Legislators' Association. It had been getting foundation grants and a little money, very very little, from states themselves. It was concerned primarily with uniform legislation.

Leiby: Standardized.

Bane: Standardized legislation in certain major areas as among the several states.

Leiby: Their main interest was divorce or family?

Bane: Divorce, commercial codes, juvenile probation, non-support, returning--what has been called so many times--runaway fathers, and things of that kind. That had been their major interest.

Leiby: Who was their director?

Bane: Henry Toll from Denver, Colorado.

Leiby: He was a lawyer, I believe.

Bane: He was a lawyer and he had been a State



Bane: Senator in Colorado, a very able man. But he had to return to his own law practice. His senior partners had died, so he resigned. And they were looking for another director. And that's how I happened to go with the Council of State Governments.

To repeat, my first interest was to consolidate the Governors' Conference, which just had a part-time secretary, with the Council, which had by now a very competent albeit small staff. The Governors' Conference came into a cooperative arrangement with the Council of State Governments in December, 1938 or January, 1939.

Leiby: What was the Governors' Conference?

Bane: The Governors' Conference was started in 1908 at the instigation of Theodore Roosevelt, then President, who had been before, as you know, Governor of the State of New York. Roosevelt was greatly interested in conservation. He called all the governors together to talk about conservation. The governors had never before



Bane: worked together in one group.

They met at the White House. They liked meeting together. So then and there they decided to develop a continuing organization known as the Governors' Conference. It went along for years as a conference that met once a year with a part-time secretary that developed a program dealing with some matter of major interest to all of the states. It was just a casual sort of an organization.

In 1938 and '39 the Governors' Conference was beginning to think it should be much more than just a conference; that it should be an operating organization; that it should have a research staff; that it should have an action staff that would render various services to the states in such areas as budgeting and accounting, personnel and planning and what not.

Leiby: Welfare service.

Bane: Welfare. As a matter of fact the idea grew very largely out of welfare because of



Bane: experiences in the depression.

Leiby: It reflects the rising importance of state governments.

Bane: Exactly. And the rising importance of federal-state activities--the development of, shall I say, cooperative federalism.

Toll had initially suggested and I promoted with everything that I could the consolidation of these two agencies. The Governors' Conference voted for it. And immediately because of their strength and their financial situation, their status and prestige, the Council of State Governments skyrocketed.

Leiby: Yes. Instead of having a group of state legislators who are notoriously dubious characters ...

Bane: Well, I'd take some exception to that.

Leiby: But a governor is a potential presidential candidate.

Bane: And then, speaking administratively, when we





Bane: were working through legislators you had to work through a commission or a board or a committee. As soon as the governors came with us and were well coordinated within the structure of the Council, our financial troubles began to ease. We could deal in each state with one person--I'm talking about administrative procedures and finance. We had only to deal with the governors. We were strenuously advocating and promoting the executive budget. The governor made up the executive budget. If you wanted a state to contribute to the Council of State Governments, you had to sell only one man; not go before a committee in the house and the senate and so on as previously. And I learned, to my great delight, that it was almost as difficult to get an item out of the governor's budget as it was to get it in initially. Once the governor put your ap-



Bane: appropriation into his budget, you were set.

Leiby: Would you say something about the finance of the new organization?

Bane: When I went with the Council they had a budget of approximately \$100,000, of which about \$87,000 was furnished by the Spelman Fund. About \$12,000-15,000 came from all the states combined.

Leiby: In what way was this assessed?

Bane: It wasn't assessed. You went before the state legislature; you talked to the House Appropriations Committee; then you went over and you talked to the Senate Appropriations Committee. And you hoped and prayed for the best.

Leiby: You pleaded.

Bane: You pleaded with hat in hand and sometimes heart in mouth, as you thought about the staff back home and the upcoming pay day. You got very little money for an excruciating expenditure of time and energy.

Leiby: Who did contribute?

Bane: In those days just five or six states were actually contributing any-







Bane: thing that amounted to much, I mean, a few thousand dollars. There were a few others that would contribute around two hundred fifty dollars. The state that contributed the most in 1938 was New York State. And as I recall its appropriation was \$5,000. Virginia had about \$1,500 in; South Carolina, interestingly enough--because of a gentleman by the name of Edgar Brown, who was president pro tem of the South Carolina Senate and chairman of the Finance Committee -- \$2,500.

In other words, in those days, you got money from a state if you had an influential legislator who would really see that you got it, as Brown did in South Carolina or a person like Morrisett in Virginia. But once the governors came into the picture it was all different.

Leiby: Whose idea was it to bring the governors in?

Bane: Henry Toll's, initially. I inherited it.

So the governors came in. This would interest you, we had an excellent executive





Bane: committee in the latter part of 1939 and early 1940. At one executive committee meeting I suggested that the states either wanted a Council of State Governments or they didn't. They either wanted a competent research and service agency, or they didn't. The fact that the states should be running around to the foundations getting little dabs of money for this, that, and the other seemed to me to border on the ridiculous.

It was then and there proposed that we write to the Spelman Fund and tell them how much we had appreciated their help over the years, what a grand demonstration job they had done, but tell them as of next July first we would ask for no more money, and send a copy of the letter to each of the governors. It was suggested that we also write the governors that if they wanted an agency they should support it and support it adequately and suggest a scale of appropriations on the part of the states.



Bane: I remember we used Pennsylvania as the "Keystone State" in working out a formula solely on the basis of population. Then we told them that the budget which we then had was around \$100,000, which wasn't enough to do what they wanted to do. So we asked the states to appropriate approximately \$200,000, on the theory expressed by one of the governors "That you might as well be hung for a hog as a shoat." (Laughter) To our great amazement and delight the first year after that, in 1940, the states appropriated \$170,000 to the Council. And it's been going up and up and up ever since. The Council now has an appropriation from the states of about \$650,000 or \$700,000.

Leiby: There's a suggested assessment, I gather, on the basis of population.

Bane: Pure suggestion solely on the basis of population. The Council has no authority to assess anyone. But, of course, in applying this suggestion you start with the states where you have the best opportunity--the big states, where



Bane: the money is. And you work from there.

"Tom did this, maybe you might consider doing that." I remember the years when Dewey was Governor of New York, we were expanding very rapidly. Occasionally I would go to New York to see him about the budget. New York's the biggest state, largest appropriation, bell-wether, so to speak, from the money point of view. I'd go in to see the Governor and I would say, "Governor, you know these various additional assignments that the Governors' Conference has given to the Council--the study of mental health, the study of state and local cooperation, the study of post-war reconstruction and redevelopment--" I would get just about that far. He would say, "Frank, how much money do you want?" I would say, "Governor, to finance these various and sundry activities..."

"I asked you how much money you wanted," said he. I would say, "\$50,000." "Go down the hall and John Burton will put it in the budget. Good evening, come back and see me again sometime."



Leiby: Governor Dewey backed this.

Bane: Oh, enthusiastically. And then, of course, Governor Martin of Pennsylvania would be interested in what Governor Dewey had done. Governor Driscoll would wonder what would be New Jersey's proper share proportionally. And the snowball would roll along nicely.

Leiby: Could you say something about your staff and its development?

Bane: We had and they still have, incidentally, an excellent staff. The people that we had on our staff in the Council of State Governments were people like Hugh Gallagher, Leo Seybold, Brevard Crinfield, Elton McQuery, Herbert Wiltze, Sidney Specter, Frank Smothers, Roy Blakey, Morton Grodzins, William Fredrick, John Seely, etc.

Leiby: How were they organized?

Bane: We had three regional or area offices. The main office was in Chicago. When I started out, we had a branch office in New York and one in San Francisco. It's still here on Sutter Street. It handles the Western part of the country.





**Picture on page following:**

**Frank Bane  
Director of Rationing Administration,  
World War II, with the President of  
the United States Chamber of Commerce,**

**1942**







Mobilizing State Governments For War

Bane:                   The    Council and the Governors' Conference, like everybody else, got mixed up in the most acute, urgent, demanding emergency that we'd ever had, namely, the coming of the Second World War. Whereupon we opened up an additional branch office in Washington, which is there now.

          The Council participated in the organization and administration of practically all of the war agencies that relied upon state participation and state cooperation to be effective.

          The first one was a commission which the President appointed in the late summer of 1940 called the Emergency Commission for Defense, the so-called    Knudsen-Stettinius-Hillman-Budd-Henderson Commission. It was designed to stimulate preparedness, to locate and start to build powder factories, to locate and start to build cantonments, to or-



Bane: ganize scrap drives and things of that kind, to help arrange for the administration of the Selective Service System -- which was administered by the states. The states were indispensable units of our country when it came to getting something done on the local level and getting it done quickly. The set-up was the President, then the governor, then an administrative officer in every county and city under the governor. You even had district administrations, ward and district leaders under your city mayors and your county supervisors. So, you had a government from the President all the way down to the smallest district in the country. And you could move the whole governmental machinery by, figuratively speaking, just pressing a button -- which we did. Most of the work of the Council of State Governments from 1940 to 1945 had to do with the war effort and how you could use that machinery.

The Council and the governors in an





Bane: emergency situation is best illustrated, I think, by how we set up rationing in this country immediately after Pearl Harbor. The week after December 7th, was, of course, another Sunday, December 14th. A meeting was called -- secret, restricted. We hadn't gotten as far, in those days, as to have low secret and top secret. But a secret meeting was called down at the then Office of Price Control. About seven or eight of us from various agencies were there. We shut the door. We had the Capitol Police at the door to see that no one came in except the experts with their charts and drafts.

They came in and set them up and informed us that what we had thought was a have nation, the United States, was decidedly a have not nation. That in one area, rubber, we didn't have enough rubber to take care of even the army's needs for a year and a half. We were completely cut off from all of our



Bane: rubber supply -- Malaya, Burma, the Far East. And we had no such thing in this country as synthetic rubber. They went on to say that there would be other commodities in short supply very quickly, especially sugar.

Leiby: Who were these experts?

Bane: One of the experts, who has been prominent in recent years, who was head of the Price Division in the Office of Price Administration, was John Kenneth Galbraith. He's now at Harvard and he wrote the book The Affluent Society and was, later, Ambassador to India.

Another one of them was Ginsburg, who is now a lawyer in Washington.

A third was Leon Henderson who was in charge of price administration and control.

Leiby: They must have accumulated these facts ...

Bane: They had been accumulating these facts through the Emergency Commission and through



Bane: the Office of Production Management. They knew what the general situation was, with respect to resources. It was an outgrowth of the National Resources Planning Board. They knew how much rubber we had. But they weren't particularly bothered about the situation before Pearl Harbor because there had been no trouble about supplies or transportation until our supply-line was cut off completely immediately after Pearl Harbor. Then we were in trouble. We had no such thing as stockpiles, in those days. We had no stockpile in rubber, except a little one. It could do for a year or so--maybe!

So we had to set up a rationing administration. The question was how to set it up. It was agreed finally, after much argument between the nationalists and the federalists, shall I say. One group wanted to set up a straight national system. And the other said, "We have a system of government, let's use it." It was decided to use the federal



Bane: system.

Leiby: Do you remember who took these various parts?

Bane: The usual state group, of which I was kind of the spokesman, took the federalists' part. And we had a gentleman on the legal staff of the Office of Price Administration, Tom Emerson, now at Yale, who was the primary advocate of the other side. The next day we simply got on the telephone and called all the governors and told them that this was what we were going to do. And they said, "How are you going to handle it?" Then we came to the point. The procedure was interesting.

We set up two long tables down the middle of the floor with a flock of telephones on them. We gave each girl a number of governors, starting alphabetically -- A-B-C-and D-- so and so. And we told the girls to make these calls. "Whenever you get a governor on the line, raise your





Bane: hand." So you walked right around the table and talked to them. (Laughter) The point of the matter was we wanted to ask them a favor. The favor -- when sugar became short -- was that we wanted to borrow their entire public school system to register everybody in the United States, man, woman, and child for ration books. So they could get their proportional part of things like sugar, which was a matter of distribution. Of course, tires, rubber, was a matter of selection. So they agreed to lend us their systems -- the entire school systems -- lock, stock and barrel; from their Commissioners of Education to their county or city superintendents, to the principals of their schools, to the rooms in their schools. The schools were all manned by experts, as far as we were concerned, namely teachers. They could read and write and that was all we wanted them to do in registering these people. We registered, due to that organization, every man, woman and child in the United



Bane: States in three afternoons, Wednesday, Thursday and Friday. We simply said on the radio every day for three days, "Next Wednesday, Thursday and Friday we're going to register people for their rationing books to get certain commodities, sugar for example. If your name begins with an A and ends in an H you register on Wednesday afternoon at your nearest schoolhouse." In those days we had 269,000 schoolhouses in the country-- one in reasonable distance of every individual. "If your name begins with an H and runs through to P or Q, you register on Thursday afternoon." We repeated it and repeated it. I borrowed from Mr. Roosevelt, "Now remember my dear friends, no registration, no ration book, no sugar. It's your problem. We're just trying to take care of you. But we can't if you don't register." (Laughter) We did the whole thing in three afternoons. An acute situation which you could handle through the existing machinery of government that reached every individual in the United States.



Leiby: There was some problem about manpower, too, I suppose.

Bane: Yes. There had been a great controversy when we set up the Social Security System, as I mentioned before, between the people who thought the employment offices and unemployment compensation should be national and other people who thought it should be a national policy and a national program but state administered. The state plan was adopted there also. So the employment offices were state offices, supervised by the federal government, but administered by the states.

When the President wished to set up the War Manpower Commission he called the Executive Committee of the Governors' Conference and asked them to loan to him, the national government, all the employment offices for the duration of the emergency. He was going to set up the War Manpower Commission, in order to shift people rapidly all over the country when and where needed. The governors, of course, agree .

But the governors had been around. Some of them were experienced. They knew that times



Bane: do change and that wars do end. So they were careful to put this agreement with the President into writing. The President requested, in writing, the loan of the employment offices for the duration-- with the understanding that they would be returned at the expiration of the emergency to the states to be state administered. The governors acknowledged the letter and quoted from the President's letter so there could be no misunderstanding whatsoever. In the due course of human events President Roosevelt died, the war was over, a reasonable time had elapsed, the acute emergency had been declared no longer to exist, so the Executive Committee of the Governors' Conference went to see then-President Truman with the letter, and requested the return of the employment offices to the states.

The President, of course, didn't know what the committee wanted to see him about. They had just wired, asking to come in and see him. He hadn't been President long enough to know the intricacies of what was involved in this. So when the governors talked with him he said, "Why sure, I wish there were some more things the states would





Bane: take over and relieve the federal government of all of this pressure." The Governors' Committee went out with that understanding. But as we walked out , one of the governors said to another , "What does that mean?" The other governor said , "It doesn't mean anything. The President doesn't know anything about this. He wasn't briefed on it. Wait until Paul McNutt and the rest of the people have a chance to get to the President and it will be different."  
(Laughter) It was.

We introduced a bill in Congress, which was passed easily, to return the employment offices to the states. The President vetoed it. Congress adjourned. The next year when Congress reconvened we again introduced what might be called a bill to return the employment offices to the states. It was not a bill. It was an amendment to the Appropriations Act -- a rider -- which passed. Of course , the President won't



Bane: veto an appropriation act. So the employment offices were returned to the states.

Leiby: What did McNutt tell the President that made him change his mind?

Bane: McNutt told the President: (1) The employment service should never have been a federal-state system in the first place ; (2) They had had now four or five years of administering it as a national system. It was a crackerjack system, handling the problem admirably. We were going to need a good system in the reconstruction and reconversion period just as much as we did during the war years. It would be the height of folly to upset the existing mechanism. And furthermore I'm reasonably certain -- you see I'm just imagining; I'm thinking what I would have told the President had I been in McNutt's position-- Mr. McNutt probably told him that many of the states really weren't competent to do this job and we would get a hodge



Bane: podge and a patchwork business , and that he must not under any circumstances go through with this agreement. It would be really just a plain calamity. I'm certain the President was convinced that he was right. And that's why he vetoed the bill.

Leiby: What sort of response did you make to this?

Bane: We didn't make any response to the veto because it was a pocket veto. Congress had adjourned.

Leiby: He dodged the issue.

Bane: I wouldn't put it that way. There was no point in discussing it because everybody's mind was made up on all sides. So what we did was to draft a proposed amendment -- a rider -- to the Appropriations Bill. We got some people in the House, on Ways and Means and the Appropriations Committees and on the Senate side, some former gov-



Bane: ernors -- now Senators -- to introduce this amendment. It passed with very little trouble. Some of the people over at the White House did ask me in a rather pointed fashion what I as a political scientist thought of an irrelevant rider being attached to an Appropriations Bill. And I agreed that I thought it was bad practice, very bad. (Laughter)

Leiby: I should imagine that as a former director of the Social Security Administration you would have had considerable sympathy with the notion that state employment offices might very well have stayed with the federal government.

Bane: Perhaps. I think I said to one of your classes that whereas I urged and argued very strenuously for the federal-state system of unemployment compensation in 1935, if I were rewriting the act today, I would be in favor of a national system. Times have changed. Industry is more and more dispersed. Labor is much more mobile and be-





Bane: coming more and more so every year. I think I'd go in that direction in 1965.

Leiby: During the war years, then, the Council of State Governments and the Governors' Conference were instrumental in mobilizing the resources of state and local governments to serve the national interest in fields critical to the war emergency. This was rather an ideal situation because the governors were not reluctant to help; they were eager to help.

Bane: Yes, eager! Everybody, during the war, from governor on down was asking everyone else just one question, "What can I do?"

Official Positions During the War

Leiby: You held some official positions during the war, as I remember.

Bane: Yes. I was Director, for a while, of the Rationing Administration. I set it up. I was also...

Leiby: You were on leave from the Council.

Bane: On all of these war assignments I was on leave.



Leiby: I see. You set up the Rationing Administration.

Bane: Yes. And I organized the initial Civil Defense Administration; also the Home Use Division of the National Housing Administration. All of those were three or six month jobs. Then I'd go back to Chicago. But by the time I got comfortably settled, maybe a month or so, I'd get another call, "How about coming down and taking on this short assignment?" The short assignments, in those days, were supposed to be two or three weeks. They had a way of growing into three to six months. The way to get yourself released from a situation of that kind was to put somebody in your office that you knew could take over the job and gradually shift it to him. Then confront the administrator with a fait accompli.

Leiby: During the war, then, your agency really got established. Its prestige had skyrocketed before the war, but during the



Leiby: war even more.

Bane: Yes. We got established and we got financed. It had the support of the states. And it had prestige and status in the country , especially in Congress.

### Post War Activities of the Council

#### Mental Health Study

Leiby: What sort of activities did you turn to after the war? Was there any discussion about this?

Bane: Yes. We discussed various projects at every annual board meeting -- outlined a program for the upcoming year.

Leiby: Did any governors in particular stand out in your mind?

Bane: For example, soon after the war we embarked



Bane: on a major study of mental health and mental hygiene.

Leiby: I know that study well.

Bane: And the moving spirit behind that was the Governor of Kansas. Kansas, as you remember, jumped way out in the lead in the mental health field, largely at the instigation of the Menninger Clinic.

We spent a great deal of time and a great deal of effort , with marked success in improving the situation in mental health. We were ideally situated--the Council of State Governments--to do something in mental health. We were thought of as practical, able, knowledgeable politicians who knew how to get along and work with governors and legislators--not as social workers, not as physicians, not as psychiatrists, not as psychologists. This was a practical program. So we could sell it. We had an excellent mental health committee composed of the best psychiatrists and technicians in





Bane: the field to help us. They would help us , shall I say , manufacture a package. Our job was to take that package and sell it. We sold it to a great many states.

Leiby: Who suggested the outline of the investigation and discussion , do you remember?

Bane: I think it probably grew out of discussions in our staff and the experience of some of our staff. Of course , I carried over into the Council of State Governments my experience of twenty odd years in welfare and welfare administration. So the Council of State Governments became for a while , not intentionally , but because I couldn't forget my other jobs , an action group for the American Public Welfare Association.

Leiby: Yes, that's just what I was going to say.

Bane: We were in the same building. And occasionally,



Bane: after Loula Dunn became Welfare Director, in fact when Fred Hoeler was Director of the American Public Welfare Association, I developed a kind of a habit. Their office was on the fourth floor and mine was on the second. I would get letters asking me what I thought of certain welfare programs. I would write on top of the letter, "Fred" or, later, "Loula -- The attached -- please tell me what I think." And they would tell me what they thought we should do.

Leiby: The closest kind of cooperation.

Bane: Close, close relationship.

Leiby: The American Public Welfare Association spoke for welfare administrators primarily. That was their main interest. And, of course, they're mostly interested in public assistance.

Bane: Yes, they were thought of naturally, as a special interest group.

Leiby: Primarily interested in public assistance rather than mental health.

Bane: Yes. We were thought of as an agency



Bane: primarily interested in government; knowledgeable in the realms of administrative and legislative procedures; and could give both the legislators and the governors, hopefully, an objective opinion and appraisal of a situation. We had worked with them on budgets , setting up personnel and purchasing agencies, things of that kind. We were administrative technicians.

Leiby: The axe you ground was administration, which presumably serves everybody and balances a variety of interests.

Bane: Yes.

Other Activities: Study of State  
Purchasing

Leiby: What were some other investigations that you remember particularly?

Bane: We did an extensive one on higher education. We had an excellent advisory committee, again, as we had had on mental health.

Leiby: This was as a state service.



Bane: Yes.

We did a major study on state purchasing. That was an interesting one. We urged every state to set up a state purchasing department, a centralized purchasing agency. And we said to the state legislatures, blatantly and boldly, "If you set up these agencies and work with us in operating them in a cooperative group, we will guarantee to save you five times, ten times, twenty times as much money every year as you have appropriated to us." It was the simplest thing in the world.

First, we got all of the states except one or two to set up purchasing agencies -- many of them already had them. Then we established relationships among the purchasing agents themselves, by getting them all together. We set up a schedule dealing with the usual commodities that are purchased by states--light bulbs, automobiles, furniture--we started with a hundred items in these various categories. We urged each state to send us a report on





Bane: how much they paid for each of these commodities. And we circulated these reports to all of the other purchasing agents. A purchasing agent would look at this and find out that in some instances he was paying much more than the fellow next door to him. These commodities were being sold, many times, for all that the market would bear. So pretty soon we got a standardized low over most of the country. We saved the states far more than they contributed to the Council of State Governments on that one single, simple operation.

Leiby: Very useful.

This hadn't been done before, partly, I suppose because people didn't know about it. But partly it was because it was involved in politics. Isn't that it?

Bane: Yes.

Leiby: And what you did was to set up something that was, in a way, both.

Bane: Yes. It was a research organization, an administrative organization, and a promotional



Bane: organization for such things as establishing an executive budget, establishing centralized purchasing, establishing a personnel office in the office of the governor and directly responsible to the governor, etc., etc.

Summary: Public Welfare and Public  
Administration

Leiby: Looking over the pattern a generation ago in which you've been very much active in both administration and public welfare, what seem to you to be the most important trends and developments in the field? And I'm particularly interested in public welfare administration.

Bane: In the welfare field, perhaps more than any other area of government, the situation has changed in fifty years. Prior to the First World War, welfare was a minor interest of



**Bane:** government. It was the step-child of state and local governments. True, local government had its overseers of the poor and its almshouse to take care of people who were judged to be already beyond redemption. But no one paid much attention to it. In this period of fifty years, welfare as a function of government, as a governmental service, has literally passed from the horse and buggy days that Roosevelt used to refer to, to the rocket days that we have now. Welfare is easily one of the four major interests of all levels of government.

**Leiby:** Education.

**Bane:** Education , highways , welfare , and health -- that's where the money goes in state governments , in the national government -- aside from defense--and in local governments.

Welfare has changed insofar as operation and administration is concerned--to an assignment and a job that requires competent, technical, trained, and able personnel rather



Bane: than the old overseer of the poor or the old delightful lady bountiful. Now it's a technical administrative job that requires well trained people.

The operation has not only changed. The extent of interest has not only changed. Over and above the importance of activities in particular fields, is the change in philosophy in this country insofar as welfare is concerned. Prior to the First World War, welfare was regarded, to repeat, as a minor task for local government--largely thought of as straight out charity to be used only in case of dire need. That philosophy is gone and I think gone forever.

The American people have adopted a philosophy with respect to welfare which can be stated very succinctly and that is that here in the United States today all government--federal, state, and local--has a direct, immediate, and continuing responsibility for the welfare of every individual citizen.





PARTIAL INDEX



Abbott, Edith, 99,100,163  
Abbott, Grace, 111, 116,119,120  
Agricultural Adjustment Act, 201-202  
Alabama Child Welfare Program, 91-92  
Altmeyer, Arthur, 183,193,204,207,216  
American Association of Public Welfare Officials, 172  
American Bar Association, 226  
American Legislators' Association, 135-136  
American Municipal League, 135  
American Political Science Association, 103,104,110,146  
American Prison Association, 104  
American Public Welfare Association, 111,115-122,123,125,  
126,127,128,129-130,132,133-135,146,147-148,149,152,161,  
170-171,172-173,176,181,186,212,227,274-275  
American Red Cross, 151,153,160-161  
American Telephone and Telegraph Company, 122  
Architects' Building, Washington, D.C., 121  
Aronson, Henry, 203  
Asay, Ivan, 149  
Ashburn, \_\_\_\_\_, 78  
Associated Charities: Richmond, Virginia, 13,18,35;  
Knoxville, Tennessee, 69; Philadelphia, Pen-  
nsylvania, 36  
  
Banning, \_\_\_\_\_, 196  
Barkley, Senator Alben W., 209-210  
Bates, Sanford, 77,93,199  
Beeler, Roy, 65-66  
Beers, Clifford, 54,87



Bennett, James, 198-199  
Bettors, Paul, 135  
Bignall, Miss \_\_\_\_\_, 69  
Blaisdell, Thomas, 197-198  
Blakey, Roy, 255  
Bosh, Mrs. \_\_\_\_\_, 93  
Bricker, Governor John, 217  
Brookings Institute, 73,107,109  
Brown, Edgar, 251  
Brownlow, Louis, 26,56-58,59,60,61,62,64,66,76,79,113-115,  
116,119,135,162-163,186,240  
Brownlow, Mrs. Louis, 26  
Burns, Allan, 152  
Burton, John, 254  
Byrd, Governor Harry, 17,41,43-44,45-50,71,74,78  
Byrd, Richard Evelyn, 44  
  
Cannon, James Bishop, 43  
Capitol Police, 258  
Carstens, C.C., 88  
Catholic Charities, 152, 192  
Chamber of Commerce: Knoxville, 60-61; Virginia, 78  
Chandler, Governor A.B., 209  
Children's Bureau, 36,96,103,111,121,229  
Child Welfare Association, 96  
Child Welfare League of America, 88,89  
City Housing Corporation, New York, 114  
City manager form of government, 78-79  
Civil Defense Administration, 271  
Civil Works Administration, 160,164-165,168



Clague, Ewan, 197-198  
Commission on Intergovernmental Relations, Los Angeles, 147  
Commission on Study of Executive Management of the  
    Federal Government, 239-240  
Committee on Economic Security, 149,176-177,179  
Community Chest, 18,134,152  
Conant, Richard, 111,116  
Consulting in Public Administration, 104-110  
Cotton, Dr. Henry, 39,42,55,87  
Council of State Governments, 136,226,227,244-257,258-263,  
    270,272,274-276,278  
Crinfield, Brevard, 255  
Croxtton, Frederick, 122,125,126,153  
  
Davey, Governor Martin, 215,216  
Davis, Governor Westmoreland, 24  
Dawes, Charles Gates, 125  
De Jarnette, Dr. Joseph, 39  
Devine, Professor Edward T., 2,7  
Dewey, Governor Thomas A., 254-255  
Dinwiddie, Emily, 36  
Drewry, Dr. W.F., 10  
Driscoll, Governor Alfred, 255  
Dunn, Loula, 91-92,206,275  
Du Pont, E.I. and Company, 85  
  
Edgerton, \_\_\_\_\_, 65  
Eliot, Charles, 195  
Eliot, Thomas, 195,196  
Ellis, John, 3, 76-77,93,104,111,116,120,145-146  
Emergency Commission for Defense, 256-259  
Emerson, Thomas, 261





- Family Service Agency, 13,69,128,153  
Family Welfare Agency, 13,96,134,151-152  
Federal Emergency Relief Administration, 94-95,99,160,  
165,170  
Federal Highway Act of 1916, 85  
Federal Social Security Board, 176,182-185,187-189,226,  
233-239,240-243  
Fernald, Dr. \_\_\_\_\_, 55  
Folks, Homer, 88,89  
Foundations: Carnegie Corporation, 126-127,128; Laura  
Spelman Rockefeller Memorial Fund (changed to Spelman  
Fund), 116,118,128,135,176-177; Russell Sage, 55  
Fredrick, William, 255  
Freeman, Douglas Southall, 102  
Freeman, Dr. \_\_\_\_\_, 102  
  
Galbraith, John Kenneth, 259  
Gallagher, Hugh, 255  
Garner, John Nance, 123,132  
General Accounting Office, 213  
Ginsburg, \_\_\_\_\_, 259  
Glass, Senator Carter: Controversy with Social Security  
Board, 234-239  
Governors' Conference, 142,228,229,254,256,270: consolida-  
tion with Council of State Governments, 244,246-249;  
state employment offices lent to federal government for  
duration of war, 264-266; controversy with President  
Truman over return of employment offices to states  
after war, 266-269  
Grants-in-aid, 180,209-210  
Griffenhagen and Associates, 109  
Grodzins, Morton, 255



Hagood, Dr. \_\_\_\_\_, 102  
Hall, Dr. Albert, 107,109  
Hamilton, Walton, 196-198,200  
Hankins, May, 36,134  
Harris, Professor Joseph, 233  
Hart, Hastings, 55,86,89  
Hart, Judge \_\_\_\_\_, 33,34-35  
Hatcher, Dr. Samuel C., 6,10  
Hazen, Professor Charles, 3  
Heiser, Miss \_\_\_\_\_, 202  
Henderson, Leon, 259  
Herring, Governor Clyde, 108  
Hibbs, Dr. \_\_\_\_\_, 13,14  
Hindenburg, Paul von, 177  
Hiring Social Workers, 97-103  
Hitler, Adolph, 177  
Hoeler, Fred, 113,275  
Hoey, James, 191  
Hoey, Jane, 191-193,204,205,207,221,222,224  
Home Service, 153  
Home Use Division of the National Housing Administration, 271  
Hoover Committee on Emergency Employment, 100,117-118,120,  
121-122,125  
Hoover, President Herbert, 117  
Hopkins, Harry, 91,94-95,99,150,163-164,166,169-170,173  
Horner, Governor \_\_\_\_\_, 212-214  
House, Professor Floyd, 73  
House Appropriations Committee, 250,268  
House Ways and Means Committee, 268  
Hunter, Howard, 128,129,134,149,150,153  
Hutchins, Robert Maynard, 163  
Hospitals: Central State, Virginia, 10; Foxboro, Mas-  
sachusetts, 88; Knoxville General, 61-62; Trenton  
State, 87; Western State, Virginia, 48



Ickes, Harold, 166,168,169  
Illinois: reorganization of welfare department, 89-91;  
difficulties with social security law, 211-214  
Indiana Dunes, 181-182  
International City Managers Association, 135  
Iowa: study of state government, 90

James, Arthur, 12, 13  
Johnson, Alex, 89  
Johnstone, Dr. \_\_\_\_\_, 89  
Joslin, \_\_\_\_\_, 117  
Journals: Mental Hygiene, 87; Survey Magazine, 87;  
Public Welfare News, 173-174

Kelly Field, Texas, 4,5  
Kirchway, Dean George, 2,7,55,86  
Kline, Dr. George, 55  
Knight, Howard, 112,113,115  
Knoxville, Tennessee: director of public welfare, 56-70,  
75-76,86  
Knudsen, William S., 256  
La Du, Mrs. \_\_\_\_\_, 116  
Langley Field, Virginia, 4,5  
Latimer, Murray, 194  
League of Women Voters, 41  
Lee, Porter, 100  
Leet, Glen, 149  
Leland, Simeon E., 181-182  
Lewis, Burdette, 128,129,133,141,153  
Lilienthal, David, 188  
Livingston, Louis, 148  
Lonsdale, Robert, 128,149-150,153  
Lowden, Governor Frank, 90



- Maine: study of state government, 106-107  
Mapp, \_\_\_\_\_, 43  
Martin, Governor Edward, 255  
Mastin, Dr. J.P., 6-7,8,14-15  
McIntyre, Marvin, 182,184,227  
McMillen, Wayne, 157  
McNutt, Paul, 240-243,266-269  
McQuery, Elton, 255  
Mencken, H.L., 43  
Mental Health Study, 272-274  
Meriam, Lewis, 107-108  
Merit system, 207-210; amendment to Social Security Act  
of 1937, 209-210  
Merriam, Charles, 163,186,239-240  
Miles, Vincent, 183,216  
Mitchel Administration, New York, 133  
Moffett, Guy, 186  
Morgan, Arthur, 188  
Morgan, Harcourt, 188  
Morrissett, \_\_\_\_\_, 251  
Mulliner, Maurine, 189  
Munro, Professor John A., 73
- National Committee for Mental Hygiene, 87  
National Conference of Charities and Corrections, 93,103,112  
National Conference of Social Work, 93-96,104,109-110,111,  
112-113,115,192; Public Welfare Officials Section (Division  
Nine), 94,111,112,113,115,118  
National Institute of Public Administration, 45-49,50-53,73,  
104-107,108,109  
National Mental Health Committee, 54  
National Recovery Act, 201





National Resources Board, 260  
National Youth Administration, 131  
New Jersey Department of Institutions and Agencies, 136  
New Jersey State Board of Welfare, 14  
New York State Charities Aid Association, 88,89

Office of Price Administration, 259,261  
Office of Price Control, 258  
Office of Production Management, 260  
O'Grady, Father, 152,154,159-160  
Ohio: Labor Department, 153; and difficulties with  
social security law, 214-218  
Oklahoma: and difficulties with social security law, 218

Payne, Judge \_\_\_\_\_, 151  
Pearl Harbor, 258,260  
Perkins, Frances, 150,183,187,195  
Persons, Frank, 128,129,133,149,150  
Petit, Walter, 100  
Policy and Administration: interconnection, 228-231,  
232-233  
Pollard, Governor John, 120  
Potter, Ellen, 137  
Powell, \_\_\_\_\_, 107  
President's Emergency Fund, 173  
Prisons, Bureau of, 198-199  
Public Administration Clearinghouse, 135  
Public Administration in the 1920s, 75-96  
Public Welfare: changes in over a 50 year period, 279-281  
Pulitzer Prize, 209



- Radburn, New Jersey, 114
- Rationing: administration of, 258-263,270-271
- Reconstruction Finance Act, 123-124
- Reconstruction Finance Corporation, 123-126,129,131
- Reid, W.T., 45
- Relief: direct vs. work relief, 161-171; emergency relief, 122-148,170 (federal relief, 123-124; state programs, 125-148); Federal Emergency Relief Administration, 94-95,99,160,165,170; private vs. public relief controversy, 150-161 (private, 151-152, 153,157-158; public, 152-153,154-159); Reconstruction Finance Corporation, 123-126,129,131; Temporary Emergency Relief Administration, 151
- Resnick, \_\_\_\_\_, 200
- Richmond, Mary, 73
- Ricks, Judge J. Hoge, 25-26
- Ridley, \_\_\_\_\_, 130
- Robinson, Senator Joseph, 123,132
- Roosevelt, President Franklin Delano, 56,168,169-170,183, 264-265
- Roosevelt, President Theodore, 246-247
- Roseman, Alvin, 149,150
- Ruml, Beardsley, 116,119,135,177,186
- Saunders, Colonel John, 34
- Schools and Colleges: Chicago School of Social Service Administration, 99; Chicago School of Social Work, 63, 173; Columbia University, 2,7,73,86; Harvard University, 12,195,259; Johns Hopkins University, 102; Nansemond County, Virginia school system, 4,5,7; New York School of Social Work, 55,63,100,173; Northwestern University, 181; Randolph-Macon College, 1,6;



Schools and Colleges continued: Richmond School of Social Work, 13; University of California, 147,197-198,233; University of Chicago, 114,121,163-164,186; University of Pittsburgh, 150; University of Tennessee, 188; University of Texas, 5; University of Virginia, 71-74; Washington University, 196; William and Mary College, 12,13-14; Yale University, 261

Seely, John, 255

Seiderman, Henry, 108

Senate Appropriations Committee, 234,238,250,268

Seybold, Leo, 255

Shepperson, Gay, 36

Sherwood, Robert, 162

Shotwell, Professor James, 3

Smothers, Frank, 255

Social Security Administration, 148,201,203,219-225,228, 233,234,264,269

Social Security Bill, 1935: 182; amendment to Social Security Act, 1937, (merit system) 209-210

Social Security Program: survey of European social security programs, 176,177-179; organization and personnel, 189-203; Audits and Accounts Agency, 196; Bureau of Business Management, 198-199; Bureau of Information, 200; Bureau of Old Age Insurance, 189-190,219; Bureau of Public Assistance, 189-190,219,221; Bureau of Research and Statistics, 196-198,200; Bureau of Unemployment Compensation, 189-190,193,219; general counsel, 195,196,220

Specter, Sidney, 255

State Purchasing, Study of, 277-279



- State Social Security: state plans, 203-211; problems  
in various states, 211-218
- State Welfare Organizations, 136-146
- Stevenson, George, 54
- Stevenson, Marietta, 36,121,134,148,173,174
- Stokes, Tom, 208-209
- Swift, Lynton, 128,152
- 
- Tate, Jack, 196
- Teaching: Nansemond County, Virginia, 4,5; University  
of Chicago, 186; University of Virginia, 71-74
- Temporary Emergency Relief Administration, 151
- Tennessee Valley Authority, 188,201
- Thompson, Geraldine Livingston, 146
- Toll, Henry, 226,244,245-246,248,251
- Tramburg, John, 77
- Truman, President Harry S., 265-269 (controversy over  
return of employment offices to states)
- Tunstall, Mrs. \_\_\_\_\_, 91-93
- 
- United Nations: Save the Children Foundation, 149;  
United Nations Relief and Rehabilitation Administration,  
150
- United Press, 208
- United States Civil Service Commission, 200,223
- United States Department of Health, Education, and  
Welfare, 107,243
- United States Department of Labor: 195; Bureau of Labor  
Statistics, 197; Department of Labor Building, 187;  
Employment Office, 150
- United States Supreme Court, 201-202





- Vineland Experiment, 89
- Virginia: State Board of Charities and Corrections, 6-24;  
politics in public welfare, 18-20; sheriffs and the  
fee system, 17,19,22,23; reorganization of State Board,  
24-43; Children's Code Commission, 24-26,28-29,37;  
Child Welfare Act, 25-42; State Department of Welfare,  
13,17,26,28-29; Byrd reorganization of Department of  
Welfare, 44-55; State Highway Department, 85
- Wagenet, Gordon, 193-194
- Walker, James Otey, 64
- War Manpower Commission, 264
- Weigel, John, 214
- Williams, Aubrey, 128,129,130-131,133-134,141,149-150,153,158
- Williams, Judge \_\_\_\_\_, 67
- Wiltze, Herbert, 255
- Winant, Governor John, 182,184,185,197,204,207,216,230
- Wisconsin: Department of Industrial Relations, 183
- Witte, Ed, 179
- Woods, Arthur, 117
- Works Progress Administration, 131,160,165,169,208-209,214









