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A HISTORY OF THE NATIONAL RESOURCES
PLANNING BOARD
1933-1943

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by
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The Ohio State University
1969

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INTRODUCTION

In the years between the onset of the Great Depression and the inauguration of Franklin Roosevelt as President many suggestions for ending the economic crises and for preventing a recurrence were offered by representatives of business, labor, and the intellectual community. The details of the proposals varied but among the more common provisions were those calling for the use of public construction as a counter-cyclical tool and some degree of public or private economic planning.

Partly in response to this agitation, Congress in 1931 passed the Federal Employment Stabilization Act. The agency created by the act was charged with gathering economic information to help the government anticipate trends and with the assembling of Federal construction projects into planned reserves for counter-cyclical use. The agency quickly fell into disuse but other more vigorous agencies were created under the New Deal.

The Emergency Administration for Public Works under Harold Ickes was charged with relieving unemployment through the construction of socially valuable public works. It was quickly apparent that few pre-planned projects were available and that no method for evaluating alternative proposals had been worked out. To help him get the much needed relief underway, Ickes, on July 20, 1933,
created the National Planning Board to establish evaluation criteria and advise him on project selection.

The NPB filled this function but became increasingly aware of the lack of information necessary for the wise use of the nation's resources. Accordingly, it recommended that a permanent and more broadly based planning agency be established. President Roosevelt agreed and on June 30, 1934 established the National Resources Board, an independent, Cabinet Committee responsible directly to him.

The NRB enlarged upon the areas of interest of the National Planning Board appointing committees to gather information and make recommendations for the use of water and land resources and which provided the additional advantage of bringing representatives of many departments together and creating a long needed interchange of information. Its most important contribution, however, was its final report which was the first national inventory of the country's resources and their associated problems.

The decision of the Supreme Court which overturned the National Industrial Recovery Act threatened the existence of the NRB because it was from this act that the agency drew its legislative authority. The President, however, desired to continue the agency and on June 15, 1935, he reconstituted it under the authority of the Emergency Relief Appropriations Act as the National Resources Committee. Again in 1939, the planning agency came close to being abolished. It was excluded from the Emergency Relief Appropriations
Act but again the President saved the agency. Using the power given him under the Reorganization Act of 1939, the President consolidated the NRC and the moribund Federal Employment Stabilization Board into the National Resources Planning Board and placed it in the Executive Office of the President.

Both while constituted as the NRC and the NRPB, the agency continued to expand its range of activity but the most dramatic expansion in its activity coincided with the outbreak of the war in Europe. Along with most of the rest of the government defense and war related undertakings took an increasing amount of agency time. The NRPB, made studies of energy supply, worked to solve the problem of industrial congestion, and organized the committee to inventory the scientific and specialized personnel of the country.

The NRPB, however, continued to show its commitment to long-range planning by assuming responsibility for the coordination of post war plans. Even more importantly the NRPB showed its continuing concern for improving the human condition by conducting studies on welfare programs, social security, health, education, and economic stability. These results were largely consolidated into two reports which became the most controversial issued by the agency.

The post war reports were the last significant productions of ten years of work. Shortly after the reports appeared Congress cut off funds for the NRPB and after completing its housekeeping chores it went out of existence on August 1, 1943.
CHAPTER I
CONCEPTS OF PLANNING, 1929-1933

In 1929, the United States entered upon its thirty-fourth business recession since 1796 and its ninth of the twentieth century.\(^1\) The inevitability of the business cycle with its periodic downturns and accompanying misery had come to be accepted by many Americans and the suddenness of the collapse left many others too numb to react. Besides, if the downturn brought the reality of misery, it also brought the promise of recovery—if downturn was inevitable so was upturn. Because of the shock or the acceptance of economic inevitability, positive reaction to the depression was slow in developing.\(^2\)

Many traditional American beliefs were changing, however. People who had accepted the myth that unemployment was the result of personal failings—wasteful habits, lack of character and ambition—found it increasingly difficult to maintain such a belief as they watched hard working neighbors thrown out of work and remain out of work.

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work month after weary month. The 1920's, which people thought had ushered in a new era of permanent prosperity, had accustomed many more people than ever before to the good life and its loss left them less willing to accept lower standards and to question events previously considered inevitable. As the depression stretched on, the comfortable certainty of the inevitability of recovery declined. Confidence that the system was just temporarily out of balance and if left alone, would automatically right itself, after the necessary adjustments, of course, was questioned and the possibility that the system was subject to rational, human control discussed, and frequently accepted. The Programs of European countries to relieve the distress of unemployment and to influence economic developments, which tended to disprove the let nature take its course attitude, could not be ignored. The more scientific temper of the times made it more difficult to ascribe the troubles to "... fate or an inscrutable Providence..." and contributed to the realization that the system would have to be given a thorough overhaul, if indeed, not turned in for a better model.

By 1931, the numbness had worn off and the inevitability of

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recovery seemed less certain. The nation engaged in a general discussion of the value of planning and was considering a number of specific proposals designed to end the current dislocations and prevent future ones.

The gradually changing attitude toward the unemployed can be traced back, at least, to the President's Conference on Unemployment of 1921, which had been prompted by the short but sharp recession of the preceding year: for the first time national attention was focused on the evils and waste of unemployment. Despite the conference, the continuing series of reports that grew out of it, and the high incidence of unemployment throughout the generally prosperous decade of the 1920's, little headway was made in reeducating the public attitude or in organizing corrective measures. It was not until the financial collapse of 1929 that concern with the misery, 

discussion of the causes, and acceptance of social responsibility for unemployment became common. Human evidence of a critical national problem accumulated: men of vastly different socio-economic beliefs began to comment upon it.

Most observers, whether religious, business, labor, or welfare leaders, followed the same general pattern in describing the situation. They informed their audiences that a serious problem existed—there was suffering in the land. This was followed, in most instances, with admissions or charges, depending upon the point of view of the commentator, in regard to the failings of the American economic system. Then, once the system was admitted to be imperfect, came warnings that unless the problem of unemployment was solved the system would not survive and suggestions that planning the national economy could eliminate such distress. Daniel Willard, President of the Baltimore and Ohio Railroad, perhaps, best expressed the concern and dismay:

6 Gerard Swope, "Stabilization of Industry," Beard, America Faces the Future, 173, commented that "Never before has the public conscience been so aroused to the responsibility of the community for the tragic consequences of unemployment."

A system—call it what you will—under which it is possible for five or six millions of willing and able-bodied men to be out of work and unable to secure work for months at a time, and with no other source of income, cannot be said to be perfect or even satisfactory; on the contrary, it can be said to have failed in at least one very important detail. I can think of nothing more deplorable than the condition of a man, able and anxious to work, but unable to secure work, and with no resources but his labor and, perhaps, with other even more helpless, dependent upon him.8

The desire to bring some immediate relief to the unemployed, motivated by a deep concern for their well being, was reinforced by fear regarding the response the unemployed might make to their plight. If radical and revolutionary solutions had not been widely accepted, there was always the danger that they would be. Warnings in this vein from labor leaders, economists, and popular and conservative speakers such as Nicholas Murray Butler revealed underlying fears, if they did not point to real danger.9

The ideas of the business community, despite their dominance throughout the 1920's, had failed to maintain an ordered economy and


after the crash had produced few suggestions for improving the situation. Early in the depression, President Hoover had called representatives of the business community to the White House to consider ways and means to stop the precipitous fall and had secured a pledge that wage rates would be maintained. The National Business Survey Conference was given the responsibility of following up the activity of the meeting and in an effort to create jobs suggested that

business undertake the job of cleaning up, that it carry through modernization programs, that it repair, re-equip, rehabilitate its physical plant.10

Little but broken promises came of the proposals. Business leadership was unable to cope with the situation and the Literary Digest caustically remarked of the efforts of the delegates to the sixth biennial session of the International Chamber of Commerce that they "... didn't know how to put Humpty Dumpty together again."11 Yet the failure to bring forth a program or plan of action meant continued chaos and almost everyone had had too much of that and its results.

The concepts of laissez faire and uncontrolled individualism, which lay at the center of the dominant business philosophy, were considered to be the cause of the catastrophe and one of the main

10."A Plan to Promote Economic Balance," Business Week, January 8, 1930, 22. Business Week was enthusiastic about the program. "This they undoubtedly will do with energy and thoroughness just as they have done many good jobs in their industries in the past."

difficulties in overcoming the depression. The economy had become complex almost beyond description and each of its parts was dependent upon all the other parts for its continued efficient functioning. In such a situation of interdependence the "... unwise action of one individual may adversely affect the lives of thousands..." and some form of cooperation was essential if order and prosperity were to prevail. 12

One of the most persistently troubling aspects of the depression was that unemployment, hunger, and exposure existed in a society whose productive capacity - industrial and agricultural - was unimpaired. If the misfortunes had resulted from the loss of resources or the destruction of factories and fields, the causes and solution of the problem would have been clear, but the country was plagued with abundance: it was a phenomenon without any real precedent. People realized they were part of an unwanted, bewildering paradox in which "We have made so many goods that many of us are in danger of starving and freezing to death." 13 There was some debate over whether the situation was caused by overproduction or underconsumption but this argument seemed unimportant compared with the more disturbing problem of how to resolve the condition of

12 "Engineers View the Depression," The New Republic, December 10, 1930, 86.

unsold goods and unfilled needs. The most convincing solution dealt with improving the distribution, or rather correcting the maldistribution, of income and purchasing power.\textsuperscript{14}

The argument was simple: if there were stocks of food and clothing in the warehouses and if people were hungry and ill-clothed, then a market existed. Why wasn't it being utilized? The answer, also simple, was that the people making up the market did not have the money (purchasing power) to buy the goods.

Putting the problem another way, our industrial and agricultural machine is geared to mass production. Mass production requires mass consumption, and mass consumption requires mass purchasing power.\textsuperscript{15}

A more equitable and more certain distribution of the benefits


\textsuperscript{15}Message to the Wisconsin Legislature, November 24, 1931, in "The State Plan of Governor Philip F. LaFollettee," ibid., 353-356.
stemming from the nation's great productivity would restore the

The establishment of a high-wage economy by increasing the
pay of lower income groups would further this end by enabling a
worker to provide for himself during periods of employment. It
would not protect him against prolonged periods of unemployment,
thus greater potential purchasing power would be created but the
full potential would not be released as long as the worker had to
worry about unemployment during his prime employment years and old

16 "Should an Economic Planning System be Established in the
United States," The Congressional Digest, April, 1932, 104.
"Engineers' Council Plans 3-Year Business Stabilization Study,"
Business Week, June 1, 1932, 13. It should be noted that this
problem had been recognized before the advent of the depression:
"If we are to maintain business prosperity, we must continue to
earn it month after month and year after year by intelligent
effort. The incomes disbursed to consumers, and to wage earners in
particular must be increased on a scale sufficient to pay for the
swelling volume of consumers' goods sent to market." Mitchell,
"Review," Recent Economic Changes, II, 909. Alvin H. Hansen, A
John Maynard Keynes, The General Theory of Employment, Interest
"The outstanding faults of the economic society in which we live
are its failure to provide for full employment and its arbitrary
and inequitable distribution of wealth and incomes." For a
decent view see Alfred P. Sloan, Jr., President of General
Motors, "Common Sense and Common Nonsense," in Samuel Crowther's,
A Basis for Stability (Boston: Little, Brown, and Company, 1932),
67-68. Soule, Planned Society, 234 and "What Planning Might Do:
Goals and Methods for an Economic Brain," The New Republic,
March 11, 1931, 88. Economic Report of the President, transmitted
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Business System: A Historical Perspective, 1900-1955 (Cambridge,
and Charles E. Silberman, "What Caused the Great Depression,"
Mulachy, Economics from Fortune, 82-83, 85.
age. A means of providing continuity of income during periods of unemployment resulting from changes in the weather, fashion, demand, and other factors over which he had no control would be necessary if the full benefits of the high-wage economy were to be realized.17

The obvious way of providing this continuity was to keep industry operating at capacity but this could only be achieved through mass purchasing which, in turn, depended upon the consumer's confidence in his economic future. Among the methods brought forward for achieving this, and including old age and health insurance and a reinvigoration of the Federal employment service, unemployment reserves or insurance was the most significant and eventually found its way into many specific and more comprehensive programs. The method of operation proposed varied from one of government operation throughout the economy to reserves maintained by a single corporation. While it was realized that the benefits from these schemes would cover only a part of the financial loss of unemployment, it was felt that this would guard against the more serious deprivations

and bring greater stability to the economy. 18

As the discussion of economic planning became widespread in 1931, George Soule wrote that while there had been many who had had faith in the possibilities of planning in the moments after World War One, the development of affairs in the 1920's brought about a change in their attitude. Then the general absence of planning had seemed to be the stimulus for prosperity and many lost their zeal for the old faith or were persuaded of the wisdom of the new dispensation. Others, however, had persisted in examining the economy and in making and criticizing proposals for change and these Soule credited with preparing

... minds to understand more critically the present experience of depression, to believe that it is unwarranted and remediable... and subject to intelligent planning. 19
Planning had, of course, not disappeared completely during the period. The city planning movement had spread and broadened from concentration on the city beautiful to efforts at bringing order out of the urban topsy. Franklin Roosevelt explained that early in his career he had been impressed with the possibilities of planning as the result of a discussion of the City Plan of Chicago with his uncle, Frederick A. Delano, and Charles D. Norton, an associate of his uncle and guiding hand behind the plan. At the Governors Conference in June 1931, Roosevelt elaborated by describing how the efforts of New York to solve its land use problems had helped him, and many others, to realize that

... if city planning and even country planning are worthwhile, how much more important is it that the state as a whole should adopt a permanent program both social and economic and statewide in its objectives.

In the business community, despite the preference of many for the old methods of by guess and by golly, the operations of some firms were conducted by systematic plan. Success varied according to the willingness and ability of the managers to use the

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techniques of scientific management but, despite local successes, little comprehensive planning was carried beyond narrow corporate boundaries. Some industries felt it desirable to institute some self regulation of competition and to establish common, standard procedures for the gathering of information and accounting systems; for this they established trade associations. The associations, despite considerable encouragement from the Department of Commerce under Herbert Hoover, did not bring order or stability and were viewed with deep suspicion by many observers. They did, nonetheless, create a climate favorable for closer cooperation between individual businesses and between the business community and the government.

Of the many forces which came together in the early 1930's to bring about widespread discussion and acceptance of the idea of planning, however, three stand out: the experience of the United States in the First World War, the development of the idea of scientific management, and the commencement of the Five Year Plan in the Soviet Union. Each was important because it captured the imagination or provided historic precedent.

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24 Lewis L. Lorwin, "The Origins of Economic Planning," The Survey, February 1, 1932, 472-475, 512. Subcommittee of the Committee on Unemployment and Industrial Stabilization of the
Many Americans had seen the improvements brought to industry through the employment of the methods first demonstrated by Frederick W. Taylor, an approach, known as scientific management, that had made slow but steady headway in the conduct of American industry since its introduction at the turn of the century. Beginning with the observations of the movements of workers on production lines by efficiency experts, scientific management evolved into a technique seeking the coordination of all aspects of the industrial process. As a result, in some firms, at least, scientific observation replaced instinct in the planning of organization, production, and sales.25

The practitioners of scientific management had found in implementing their technique that it was necessary to extend their operations to ever larger units. If their programs for stabilization of a shop were to succeed it was necessary to establish procedures for the entire factory and if the stabilization of the factory was to be a success it was necessary to effect coordination over personnel and marketing divisions. The success of the movement

caused those involved in it to believe that the technique could be extended beyond the limits of the multi-plant corporation, the point to which it had progressed by the late 1920's, to a still larger area the "... collective management of all industry..." and thus reduce the numbers of unemployed and shorten the depression.

The organization of the homefront, that enabled the United States to mobilize for World War One, made a deep impression on the American mind. Those who worked for the war agencies and those who closely observed their activities were impressed by the results but even more excited by the possibilities offered by systematic organization. Coordinated effort had made it possible to allocate the resources and to produce and distribute the goods necessary both to carry on the war effort and to maintain civilian well being. Valuable techniques were learned, such as the undertaking of surveys to determine national needs and the availability of resources to fill the needs - the crucial first step in planning national efforts. Most importantly planning had been tried in America and had worked. This experience stimulated enthusiasts to advocate planning during the unreceptive years of the 1920's and provided evidence to refute the claims of their conservative opponents that planning was ... beyond human capacity, or even if it could be

done, it is something alien to the peculiar talents and values of America.  

Scientific management and the experience of World War One provided an American context for planning but it was the Five Year Plan of the Soviet Union that captured the popular imagination and seemed to offer a way out of the depression. It was an example and a challenge, pointing up the contrast between the helplessness of a rudderless society drifting in a turbulent economic sea and the opportunity of a system with a purposeful hand at the con. The possibility that Americans would note the contrast and draw conclusions unfavorable to the American capitalist system helped win converts for planning among those who feared the spread of Communist doctrine. They increasingly realized that anyone with a plan had a significant advantage over those

... sauntering down the road of life, complaining of the economic weather and wondering when the rain is going to stop.

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Equally important, however, in producing enthusiasm for planning was the belief, at least at the initiation of the Five Year Plan, that the Soviets would be successful. The conservative unionist Matthew Woll suggested that the United States

... meet the cold-blooded communist five-year plan, with a warm-blooded ten-year plan of democratic idealism...  

Although he did not go on to offer specific recommendations, Mr. Woll's statement indicated the deep concern of Americans of a similar persuasion. Others more sympathetic to the idea of planning found in the Russian experiment new evidence of its possibilities. Fear and hope combined to emphasize the fact that much time had already been wasted and that planning had to be undertaken or the system was lost.  

Specific planning proposals of this period combined recommendations for immediate relief of existing problems with those designed to prevent their recurrence. It was generally accepted that the most pressing need was to alleviate the plight of the unemployed and restore the productive levels of industry and agriculture but, if these steps were to be of more than pass-

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ing value, it was necessary, also, to prepare safeguards against future serious economic downturns. Among the advocates of planning, little conflict existed over whether or whether not to preserve laissez faire: it was agreed that the existing system, marked by disorder, had produced the economic crisis and was in need of regulation. Disagreement did exist over specific relief measures and, of greater importance, over whether planning should be voluntary or compulsory and over the nature of the agency by which control was to be imposed on the economy.

Businessmen planners, not surprisingly, felt business should conduct planning for the nation. They wanted the organization of industrial trade associations, to establish and enforce codes of fair competition for their members, and an overall or super-trade association, for coordination of the entire economy; accomplished through business action—industrial self-government—with no state participation and little or no regulation. Many industries had organized trade associations in previous years, however, and the courts had held many of their practices in restraint of trade and consequently in violation of the anti-trust laws.

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This had made it virtually impossible to use effective methods of coordinating production, prices, and, failure to comply with trade association programs. Relaxation or repeal of the laws would make compliance possible and it was thus essential for the success and probably for the establishment of such a system.  

Skepticism concerning the wisdom of letting business take the lead in planning remained in spite of, or perhaps, because of appeals such as that of the editor of *The Nation's Business* who declaimed:

> Who is there with the clearness and certainty of vision, with the record of past achievement, with management ability raised to the nth degree who can make a plan for American industry which shall do away with waste, depressions, unemployment, overproduction, underconsumption, wage cuttings, lowered standards of living and all the rest of the ills of which we hear so much just now.  

Suspicion that modification of the anti-trust laws would tempt business to raise prices by limiting output rather than increasing consumption through a better distribution of income was a primary

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cause for alarm. Relaxation of the anti-trust laws might be necessary, critics agreed, but it should be accompanied by constant government review of the results, and, while favoring establishment of a national economic council, they felt it should include representatives of non-business groups to protect the public interest. The non-business planners wanted to modify the concept of industrial self-government by appending to it some type and degree of state control.  

The two most important plans originating in the business community were those of Gerard Swope and the United States Chamber of Commerce. In December 1931, following considerable delay and confusion, the Chamber noted the problem, recognized the obligation of preventing suffering and distress, and came forward with some corrective suggestions. The plan gaining the most attention, however, was the one Swope presented on a Wednesday evening in September 1931 before the National Electrical Manufacturers Association meeting at the Hotel Commodore in New York City.  


Swope, the president of General Electric, had earlier in his career been associated with Jane Addams at Chicago's Hull House and had remained one of the most socially minded and progressive of American business leaders. He wanted industry to take the lead in resolving the economic problems of the country and frequently warned that if it did not some other agency would. More than fear of the alternatives to business leadership motivated Swope; he believed it was the social duty of business to work for a stronger, more stable economy. He saw clearly the fundamental relationship between mass production and mass purchasing power. In the same speech in which he introduced the "Swope Plan" he pointed out that relationship and emphasized belief in the necessity of providing adequate and secure income to wage earners in order to preserve mass purchasing power. 38

Swope wanted to begin with the organization of industry-wide

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38 Gerard Swope, "Stabilization of Industry," Beard, America Faces the Future, 160-161; "Industry exists basically for serving the needs of the people, and therefore production and consumption must be coordinated. Consumption is by the mass of the population not the few, and great mass of the population is made up of wage earners and their dependents. That they must have not only adequate incomes, but must be sufficiently assured of the future to feel that they are safe in spending their money. The psychology of fear must be removed, and this cannot be done unless they have reasonable expectation or protection for their families in case of the breadwinner's death, protection for their old age, and protection against unemployment." For statements of a similar nature see Henry Ford, "Is Mass Production Going Out?" Crowther, Basis for Stability, 77, 80.
associations. After they had been organized for three years membership in them would be compulsory for firms with fifty or more employees and their rulings would be binding on their members. After the trade associations had been created they would form a national organization with an elected council to serve as its governing body and which would supervise economic planning for labor and agriculture as well as industry. He realized that this would require changes in the anti-trust laws and recommended that the public interest be protected through continuous review of the actions of the associations by a government agency such as the Federal Trade Commission. 39

The Chamber of Commerce preferred to begin with a national council: a council that would have the power to propose plans but not to require compliance to them. It was to undertake fact finding studies necessary to determine what action was needed and encourage the creation and work with the individual trade associations. The Chamber felt that the council should be a small body - three to five members - and that while it should be independent of the Chamber its members should be appointed by it. Some changes in the anti-trust laws were recommended but the Chamber was not enthusiastic about state regulation and made no provision for pub-

The most obvious differences in the two plans were their approach to the national economic council and their attitude toward Federal regulation. The Chamber made no provision for regulation or review and wanted neither. This was consistent with its traditional hostility toward government activity in the economic sphere. Swope, while opposed to government participation in the activities of the national council recognized its concern for the public interest and provided for it by proposing Federal review procedures.

The other major difference, probably more apparent than real, was in the approach to the national economic council. The Chamber of Commerce wanted to begin with the national body and then develop the industrial associations while Swope preferred working from the opposite direction. Both had the goal of bringing stabilization to the economy through industrial self-government; the fundamental difference being in the method of arriving at the desired end - the Chamber contemplated working from the top down while Swope desired to work from the bottom up. This probably developed out of different experiences of the sponsors. Swope was a representative...
of a specific industry, with a long trade association history, to whom it was logical to begin at the lower level. The Chamber, on the other hand, was made up of many industries, was used to functioning on an inter-industry level, and would, of course, if its plan were adopted appoint the members of the national council.

The plans proposed by Stuart Chase, George Soule, and Charles Beard were representative and among the more interesting deriving from non-business sources. They called for the establishment of a national economic council organized under government auspices and having some degree of mandatory power — differing with Swope on the former and with the Chamber on both positions.¹¹

Charles Beard, the controversial historian and critic, proposed the organization of major industrial groups into syndicates, which more closely resembled holding companies than traditional trade associations. The plan called for Congress to establish a national economic council composed of representatives of all the great industries plus labor and agriculture. This body would

coordinate the activities of the member industries and provide general guidance to the economy. Like the organizations proposed in the business plans, Beard's could be effected only if the anti-trust laws were amended; Beard called for this but accompanied his proposal with a provision for continuous government review to insure the public interest. ⁴²

Stuart Chase, who had worked for the War Industries Board during World War One, urged the creation of a Peace Industries Board to direct America's great economic potential against the depression. In addition, the Board was to prepare and place in operation a ten-year plan for economic development and was given coercive power to enforce its decisions on groups failing to conform with programs established in the plan. Chase felt that the Board, acting through what he called the Finance Division, could help prevent recurrence of the speculative mania that had been so disastrous in the late 1920's and thus add to the country's economic stability by

... broadcasting continually and accurately the credit situation in each major industry; pointing out those which are overbuilt and those which are underbuilt; following new technical inventions susceptible to large-scale financing; and always stressing the needs of industries which furnish family budget requirements as against those which promise to be profitable merely by virtue of astute

In this approach he combined the ideas of his old campaign against waste with advocacy of what was later to become the sophisticated forecasting of economic trends by the Federal Government.\footnote{Chase, "A Ten Year Plan for America," Harper's Magazine, June, 1931, 6.}

George Soule wanted Congress to establish a National Economic Board having the power to strictly regulate the large consolidations into which industry, under his plan, would be organized and to coordinate the activities of the general economy as representative of the public interest. Soule looked forward to the time when such a Board would be given legislative power over its particular sphere but for the moment was content to have it recommend necessary action to Congress. In his plan, Soule introduced a concept that was to have a lasting influence on planners in general and on the members of the National Resources Planning Board in particular - the Board was to be divided into staff and line departments - both appointed by the President. The staff, was to be selected from among economists, engineers, and statisticians, people expert in gathering and evaluating facts and would function as a coordinating and think body; the line section, made up of representatives of the interests - industries, professions, labor, agriculture, would review the studies and recommendations of the staff.

\footnote{Ibid., 304. Frederick, Readings in Economic Planning, 297.}
section and determine policy.  

There was considerable variation among the measures proposed in the plans for improving the conditions of the depression. The Chamber of Commerce continued to advocate Hooveresque measures by urging individual businesses to divide available work in such a way that as many men as possible could be put to work for as much time as possible. Indicative of the emotional inability of the Chamber to accept new and necessary programs were its statements that help for the unemployed be limited to private, state, and local aid. Funds from these sources had proved inadequate but the Chamber misunderstood or ignored the evidence by claiming

There is every evidence that all requirements can in this manner be adequately met. Any proposals for federal appropriations for such purposes should therefore be opposed.  

Soule was unaccountably vague in this area and Beard only suggested using the unemployed on public works projects, but both suggested an attitude sympathetic to that more specifically expressed by Chase and Swope. These made extensive proposals


including provision for pensions, unemployment insurance, employment bureaus, and life and disability insurance. Swope wanted the program initiated and administered by private firms while Chase conceived of them as being stimulated by the Peace Industries Board. 47

An interesting, if minor, aspect of the discussion of planning was that many of those sympathetic to the idea were of the opinion that the United States could not solve its economic problems in a vacuum. The United States was part of an economic system of interdependent nations and would have to take international economic factors into consideration, for example, overproduction was international in scope and could be solved only by an international agreement allocating markets and resources. Many business spokesmen felt that the world's economic difficulties could be attributed to the consequences of the First World War and they joined in condemning war and urging that steps be taken toward disarmament. This attitude led to suggestions for an international economic conference as a good first step in breaking down the barriers standing in the way of a peaceful world. 48

47 Ibid., 38.
The advocates of planning reached a wide audience but not everyone was convinced the course they charted would bring the country safely to the desired calm and stability. Among the people opposed to the new heading were those who feared it would lead to extensive government restrictions of the economy, others who believed it would result in limiting progress, and still others who felt that no matter how admirable the objectives of planning, it was impossible to tamper successfully with the laws of economics.

A deep faith in the old order caused many to insist that the best way of overcoming the depression and of insuring future prosperity was to rely on private initiative and the...

l... largely unconscious and largely automatic, play of the impersonal forces of market prices and wages.49

Laissez faire, those agreeing with the argument maintained, had been responsible for the rapid economic advance of the United States and, though temporarily unsettled, it was best and, perhaps, the only system that could restore prosperity.50 This approach was

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50 "How to Reset a World 'Out of Joint,'" The Literary Digest, May 23, 1931, 6; that the business community was not always completely accurate in its appraisals of the situation is suggested by the following analysis of the stock market crash: "These effects
usually accompanied by references to the unchanging and unchangeable laws of economics - the law of supply and demand being especially popular. These laws, since they were established by some higher force, could no more be changed, it was argued, by the efforts of a man than could the law of gravity. Planning, which was an attempt to control economic forces, was then doomed to failure. Following this logic it was easy for Charles E. Mitchell of the National City Bank of New York to explain his opposition to a proposal for the establishment of a national economic council.

In expressing my skepticism of the measure before the committee, I do not want to appear unfriendly to efforts to improve the situation. I cannot help feeling, however, that business will be governed best by the natural laws of supply and demand, which will control the situation more effectively than the best-intentioned regulatory or advisory body imposed from above could possibly do. This is not a counsel of despair, as I have heard it termed before this committee, but a counsel of common sense.51

will be only temporary and will probably not last as long as they have at other times. The saving feature of the situation is that the speculation has been confined almost wholly to the security markets and has not spread, as it did during the war and at earlier periods, to real estate, commodity markets and business generally. The fact that business expansion itself has been no more than normal for a number of years means that it is proof against serious recession." "What the Wall Street Crash Means," Business Week, November 2, 1929, 20.

Closely related to this argument was the claim that any system of overall planning would necessarily restrict progress and impair individual opportunity. To have any chance of succeeding, such a system would have to impose quotas which would result not only in markets being divided between firms within an industry but also between competing types of products such as between coal and oil. This freezing of existing relationships would retard the development of newer, better, and cheaper products and limit free entry into an industry which would extenuate stagnation and further restrict individual opportunity and freedom. Most advocates of this position accepted the unpleasant fact that maladjustments in the economic order would continue to occur but felt it was better to endure them than to suffer a potential loss of freedom. 52

Many of the reasons brought forth for rejecting planning and standing by the old order contained more of an emotional than a rational appeal. The idea of an economy governed by uncontrollable forces already had been examined and rejected by most trained economists. The argument that the existing order was the guarantor of liberty while that envisioned in the new proposals would stifle it needed to be placed in the perspective of recent experience.

Freedom existed in the undisciplined economy of the United States - the freedom to be unemployed side by side with the freedom to restrict output in order to raise prices and the freedom to be blacklisted for trade union activity side by side with the freedom to organize trade associations. The system did not seem designed for the benefit of all. As one economist put it:

Probably the claim which is most frequently made on behalf of modern industry is that it provides more liberty than could any other arrangement. But much liberty in modern economic society is appearance rather than reality. Certainly it is not liberty when a rise in the price level robs creditors of half of their property or when a fall doubles the burden of debtors.

Modern industry is operated primarily for the benefit of property owners. It does the things which happen to be profitable to investors regardless of whether they are harmful or beneficial to consumers, wage earners, or the community in general.53

It is not unfair to suggest that many business leaders who continued in 1931 to claim that the old order with its free markets and prices could best solve the economic problems had failed to understand the experiences of the recent past.54

53 Slichter, Modern Economic Society, 851.

Many who claimed that planning would adversely affect competition, the development of new products and free entry, and who expressed such deep regard for the automatic workings of the economic system, however, were not opposed to trade associations and other arrangements that made restriction of output possible—when undertaken by the producers themselves. These same traditionalists were generally among the enthusiasts for the restriction-oriented National Recovery Administration of the early New Deal. They had expressed great alarm at the potential dangers of government control but were quick to exploit that potential as soon as they got the chances.55

There were skeptics, also, to the left of the liberal planners. They were not alarmed by the possibilities of government control but doubted the viability of the liberal proposals because of their feeling that the profit motive would constantly get in the way of the public welfare and make it impossible for capitalism to plan. They drew satisfaction from the Soviet experiment and believed that it proved economic planning could be successful only if nationwide in scope and under rigid government control. They tended to agree with Norman Thomas that planning grafted onto the

55"The NRA, National Recovery Administration, could maintain a sense of national interest against private interests only so long as the spirit of national crisis prevailed. As it faded, restriction-minded businessmen moved into a decisive position of authority." William E. Leuchtenburg, Franklin D. Roosevelt and the New Deal: 1932–1940 (New York: Harper and Row, Publishers, 1963), 69–70.
capitalist system, no matter how well intentioned, could not work because

Socialism is the essential condition of successful planning, even as planning is the essential tool of successful socialism. 56

Defenders of capitalist planning pointed to the successful experience of the World War as proof that planning could be carried on within the existing framework but the problems of the NRA in the years immediately following suggested that planning, at least in the rigid sense of the critics on the left, was not possible in the United States in circumstances short of a threat to national survival. Planning of a more general nature, however, did appear possible and under the New Deal achieved considerable success but not in the sense of organizing the economy into an efficient, coordinated whole.

CHAPTER II

EVOLUTION OF THE NATIONAL RESOURCES PLANNING BOARD, 1933-1935

The most ambitious attempt on the part of the New Deal to bring order out of the chaos of the early thirties was the National Recovery Administration (NRA) which attempted to restore the economy by establishing industrial codes controlling wages, prices, and production. The NRA came to grips with the serious problem of imbalance between production and consumption by organizing industry-wide, government-sanctioned associations. This approach to solving the economic crisis had been part of many of the plans offered in the years since the crash; the NRA, however, by permitting the emphasis to be placed on restriction of output, failed to protect the public interest and after a short time came under general attack.

Less concerned with determining the immediate course of the American economy was the agency that came to be known as the National Resources Planning Board, established in 1933 as part of the PWA, which with Presidential support and approval promoted the idea of planning for a decade. The NRPB undertook to carry into practice many of the concepts that had been proposed by planners between 1932 and 1933. Its ties with the intellectual milieu of
that period may be clearly seen in its efforts to gather economic statistics, forecast economic trends, and promote preplanned public works for construction in times of economic trouble.

Despite changes in name, internal reorganizations, and shifts within the government structure, the NRPB maintained a remarkable continuity in personnel and program. In fact, pre-New Deal antecedents in both areas are evident. Two of the three original Board members, Wesley C. Mitchell and Charles E. Merriam, had served as Chairman and Vice-chairman respectively of President Hoover's Committee on Recent Social Trends. The efforts of the NRPB to promote planning as a technique and a means for achieving a greater understanding of needs and procedures showed an interest beyond the narrow limits of natural resources and public works and similar to the broad-ranging approach of the Committee on Social Trends. The activity of the NRPB divided roughly into four areas: the planning and programming of public works; the stimulation of planning by regions, states, and other governmental subdivisions; coordination of the planning programs of other Federal agencies; and the undertaking of long-range research projects.  

The construction of public works to alleviate the suffering of unemployment during depressions had long been practiced on an emergency basis by municipal governments in Europe and the United States. Since governmental policy decreed that public works should be of permanent value and contribute to ordered national development, proposals for advance planning of public works enjoyed widespread support during the entire depression period. The idea was to compile during favorable economic periods lists of all proposed public works projects, to examine them to determine the immediate need for each, and to assign priority ratings. Construction of projects which received a high rating - indicating a significant immediate need - would begin as soon as funds became available, but projects with lower ranking - indicating desirability but no immediate necessity - would be deferred. In this way back logs of socially valuable projects would be accumulated and readied for implementation during periods of decline. Economic stability would be furthered by the creation of jobs and the demand for materials to be used on an accelerated public works program while cut backs were

occurring in other sectors of the economy. This approach offered the prospect of beneficial projects, the hope of immediate relief of the sufferings caused by the depression, and in addition, the promise of a means of preventing the reoccurrence of such a tragedy.

Federal Employment Stabilization Act

The advance planning and deferral of construction concept received its first significant support in the United States from the President's Conference on Unemployment of 1921. In the years following, the idea was supported by numerous persons, most importantly O. T. Mallory who had been its leading exponent at the 1921 conference. Several attempts to enact legislation to provide for the advance planning of Federal projects were defeated in Congress during the 1920's but, finally in 1931, under the impact of the depression, the Federal Employment Stabilization Act was passed creating the board of the same name to undertake such planning.²

²Lorwin, Time for Planning, 134. Joseph Dorfman, The Economic Mind in American Civilization, 5 volumes (New York: The Viking Press, 1959), IV-V, 36-37. The FESA (Public L. 616, 71st Congress - S.5776) was signed by the President on February 10, 1931; Record Group 187, NRPB, Division B (Box 1). The records of the National Resources Planning Board are held by the National Archives, National Archives and Records Service, General Services Administration, Washington, D.C. The records are catalogued in Preliminary Inventories number 50 ("Central Office Records") and number 64 ("Records of the Regional Offices") compiled by Virgil E. Daugh and constituting Record Group 187. Reference will be to the major sections of the collection (as above) with two exceptions: The largest section (Central Office Correspondence, 1933-43) will be noted by the numerical code of the sub-sections and the NRPB reports and papers listed in the Preliminary List will be noted as Preliminary List with page number.
The new agency performed its primary tasks of reporting on trends in the nation's economy and advance planning of Federal public works through two administrative divisions. The Economic Unit collected statistics on the level of business and construction activity in order to advise the President of indications of the approach or existence of periods of depression and unemployment in the United States or section of it. The Federal Planning Unit dealt with plans for public works. The Stabilization Act required each construction agency of the Federal government to compile and maintain a six-year projection of its proposed construction projects, annually revised and including cost estimates and plans to carry the program into effect. The Federal Planning Unit reviewed these six-year shelves of advance plans and collected information about the advance construction plans of states, cities, and other public and private agencies that could help the Federal government in its efforts to adjust its programs to changing economic trends.3

In June 1933, President Roosevelt abolished the Federal Employment Stabilization Board and ordered its records transferred to the Federal Emergency Administration of Public Works. Execution

of this order was postponed by another Presidential order as in the meantime the Director of the FESB, D. H. Sawyer, had been appointed temporary Administrator of the Federal Emergency Administration of Public Works (PWA). Finally in early 1934, the Board was abolished and its functions, personnel, equipment, and records were transferred to the newly established Federal Employment Stabilization Office in the Department of Commerce. The agency existed in this form until the end of 1935 when it was discontinued in the wake of the failure of Congress to provide appropriations for fiscal year 1936. Its functions were carried on by the NRPB and its predecessor agencies and the Federal Projects Division of PWA until the functions of the Board were formally given to the NRPB in 1939.\(^4\)

National Planning Board

The first direct ancestor of the NRPB, the National Planning Board of the Emergency Administration for Public Works was established by the Administrator, Harold C. Ickes, on July 20, 1933. Ickes was faced with the problem of getting as much public construction underway as possible in the shortest possible time, but there were few plans in existence for large scale public works and no criteria for evaluating such plans or establishing an order of

\(^4\)Executive Order No. 6623, March 1, 1934; RG 187, NRPB, (111.4). See also Executive Orders 6166, June 10, 1933; 6221, July 26, 1933; and 6624, March 1, 1934; RG 187, NRPB (203) and (111.4).
priority for construction. He did not wish to see jerrybuilt projects nor did he have any intention of being subject to charges of corruption or waste, but still he had to begin operations. It was to help resolve this conflict that Ickes created the NPB. The Board was composed of Frederick A. Delano, vice-chairman (Ickes served as chairman); Charles E. Merriam, and Wesley C. Mitchell.\textsuperscript{5}

Delano, who was the President's uncle, had been born in 1863 in Hong Kong, graduated from Harvard in 1885, and followed a successful career in railroading. In 1914, with his best earning years still ahead of him, Delano left the business world to accept President Wilson's appointment to the Federal Reserve Board, leaving the Federal Reserve in 1918 to become the War Department's Deputy Director of Transportation in Paris. In 1927, he became chairman of a commission of the League of Nations investigating the opium trade in Persia. The commission recommended construction of a railroad to give the people the ability to market other crops (the trans-Iranian Railway was completed in 1937). His long service in promoting planning went back to the development of the Chicago Plan in 1908; he was also Chairman of the Regional Plan of New York from 1924 to 1929 and later of the Park and Planning Commission of Washington, D. C., a position he held at the time of his appointment and throughout this tenure on the NRPB. Those who worked with Delano on the NRPB remember him variously as a grand, brilliant old man

\textsuperscript{5}NPB, Final Report, 1.
with a remarkably agile mind who was hesitant to use his family connection with FDR and liked to talk of childhood memories. He furnished quite a bit of leadership but sometimes in the late afternoon would run out of gas. He was the cohesive force who held the strong and sometimes antagonistic personalities of the NRPB together.6

Charles Merriam was born in 1874, in the tiny town of Hopkinton, Iowa. From his devoutly Presbyterian parents, his mother wanted one of her sons to enter the ministry, he derived a deep respect for God and a devotion to hard work. In 1896, he entered the graduate school at Columbia and found his greatest interests in the study of political theory and the classes of William A. Dunning and in municipal politics. In 1900, he left Columbia for the University of Chicago — a connection he always maintained. In 1921, he became president of the American Political Science Association and took the lead in founding the Social Science Research Council of which he later also became president. He maintained his interest

in politics after moving to Chicago by serving as alderman and in 1911, making an unsuccessful bid to become mayor as a Republican. From his work as practical and theoretical politician, Merriam came to believe that it was necessary for responsible government to have reliable information — this became his idea of planning. He also felt that in the democratic process a planning agency should act in an advisory capacity. His emphasis on research is reflected in the many reports of the NRPB and its association with the SSRC. Those associated with Merriam on the NRPB remember him variously as pretty sure of himself, the strong man of the board who felt it should be a think factory and whose concept of studying large problems and bringing in reports dominated the NRPB.  

Mitchell was one of the nation's leading economists noted especially for his studies of the business cycle, who had been chairman of the Committee on Social Trends.  

The Board was to advise the Administrator as to the projects that could be undertaken quickly, were economically feasible, and would have the least disruptive effect on long-range programs—

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raining. Public Works Circular No. 1 established the Board and specified its activities:

(a) The Planning Board. Its functions are
(1) To advise and assist the Administrator in the preparation of the "Comprehensive programs of public works" required by the Recovery Act, through—
   1. The preparation, development, and maintenance of comprehensive and coordinated plans for regional areas in cooperation with national, regional, State, and local agencies; based upon
   2. Surveys and research concerning
      (a) The distribution and trends of population, land uses, industry, housing, and natural resources; and (b) the social and economic habits, trends, and values involved in development projects and plans; and through
   3. The analysis of projects for coordination in location and sequence in order to prevent duplication or wasteful overlaps and to obtain the maximum amount of cooperation and correlation of effort among the departments, bureaus, and agencies of the Federal, State, and local governments.

This charge guided the Board in its efforts to encourage the development of comprehensive plans for public works, correlate the public works planning efforts of the various Federal agencies, the states and local governmental units, and initiate research projects intended to develop criteria by which projects could be evaluated. It also indicated an emphasis on long-range considerations and marked the way toward the concern for the welfare and well-being of

9Quoted in NPB, Final Report, 1.
the people that would increasingly characterize the activity of the Board and its successors. 10

Decentralized Planning

The NPB encouraged planning at all levels of government and used its good offices to get Federal agencies to undertake or support projects that would produce factual information which, in turn, would further stimulate and benefit state and local as well as Federal Planning. As its successors were so often to do, the NPB placed great emphasis on the need for decentralized planning - by individual Federal agencies and by lesser governmental units. The Board felt that to be of the greatest benefit public works projects had to contribute to orderly development plans whether state, regional, or national, but it was aware also of the importance of local interests and aspirations and sought accordingly to stimulate planning at these levels, going so far as holding its meetings in different parts of the country to familiarize itself with local problems. Primarily, however, the NPB worked through its field organization to establish contact with local planning agencies, inform them of planning procedures and pertinent legislation, and

10 Eliot and Merrill, Guide to the Files, 40-41. Revised draft of the "Progress Report," December 15, 1938, 3-4 note 1, RG 187, NRPB.
correlate their projects with those of other groups. 11

The NPB was able to persuade other Federal agencies, most importantly at this time the Civil Works Administration, to provide technical assistance and projects beneficial to local interests and to facilitate the participation of state and local groups in important national undertakings. CWA projects such as the urban and rural tax delinquency surveys, real property inventory, and farm land use survey benefitted from the involvement of local groups. The projects more easily secured the information they needed and local and state planning was stimulated. Curious about the status of planning at the local level the NPB instituted a survey to discover what these agencies were doing and to what extent they were taking advantage of CWA assistance for planning studies. To follow up this inquiry and in the hope of bringing qualified professional advice to local agencies the NPB secured approval of Federal Civil Works Administration project F-92. This project made possible the employment of a staff (eleven field investigators and ten assistant investigators) to bring planning and administrative assistance to local agencies. 12

Equally important were the encouragement and support the NPB was able to bring to the state planning boards. At the time the NPB was organized there were only two such boards (in Wisconsin


12Ibid., 5-6.
and New York) but a trend toward their creation seemed likely. The NPB offered to help states in their planning problems if boards meeting certain qualifications were established. It was hoped that ten or perhaps twelve states would respond to the offer but forty boards were soon established and the NPB was swamped with requests for help. 13

The NPB moved to answer these requests as rapidly as possible and by June 30, 1934 planning consultants and associate consultants had been sent to twenty-five states. These consultants, assigned on a part-time basis, were to assist the states in setting up studies and programs to resolve peculiar state problems and to prepare reports for the NPB on land use, transportation, and ten-year public works programs for the State to which they were

13 Ibid., 7, 9. The conditions under which state boards could qualify for assistance were: "1. Appointment by the Governor of an unpaid State planning board, including perhaps four department heads, such as public works, highways, conservation, and health, together with three citizens.

"2. Assurance by the Governor that if this State planning board gets under way he will sponsor some legislation to put it on a continuing basis.

"3. Assurance of reasonable office space and drafting and stenographic help to carry on the work of the proposed board.

"4. Development of a planning program, giving the status of planning work already done and outlining specific studies to be undertaken in say the next 6 months. It is hoped that this program will include a land use study, a 10-year program of Public works, and perhaps a study for the integration of the transportation system within the State.

"5. Any suggestions the Governor or the new board may wish to make of a qualified planner to direct the work.

"6. Statement of the Governor's willingness to appoint the planner, or the chairman of the State planning board, as the State representative on a regional or interstate committee, if such committee is organized."
assigned. In addition the NPB began the practice, which was continued by its successors, of sending regular circular letters to the planning boards discussing various problems and methods for solving them.\textsuperscript{14}

The NPB was instrumental in bringing about the formation of several government committees that were to investigate, national problems in land, water, and transportation. The Mississippi Valley Committee, organized within the PWA by Secretary Ickes, began a detailed study of the water resources problems of the central two-thirds of the nation. In April 1934, a recommendation of the NPB led to the establishment of the Committee on National Land Problems. This Committee was composed of representatives of the Agriculture and Interior Departments and the Executive Director of the NPB, Charles W. Eliot, II, who acted as secretary. Working through the Land Policy Section of the Agricultural Adjustment Administration it began a land use study. Two other efforts of the NPB to organize coordinating committees in important areas of public policy—transportation and construction—got only into the organization stage because neither funds nor staff were available.\textsuperscript{15}

\textsuperscript{14}Ibid., 7-9.

\textsuperscript{15}Ibid., 13. National Resources Planning Board, "Condensed Progress Report for the 84 Meetings of the Water Resources Committee, 1935-1943, with Emphasis on the Period, July 1, 1941-June 30, 1943" (Unpublished, June, 1943), 2. "National Planning Progress," address by Charles Eliot before the joint meeting of the American Civic Association and the National Conference on City Planning, at St. Louis, October 24, 1943; RG 187, NRPB, Preliminary List, 27. Other important agencies in furthering planning in the
The Final Report

The final report of the NPB discussed the work of the technical committees and contained the Board's recommendations for a program of research in these and related areas. These research recommendations, based largely on its experience with the committees, had been presented to the President in November 1933. The NPB had suggested that the field of planning be divided into several areas for further investigation—physical planning, sociological planning, governmental planning, and economic planning.  

Land and water fields were: the President's Committee on Water Flow, concerned with the water problems of the entire country, the National Land Use Planning Committee composed of representatives of Federal agencies and land-grant colleges and growing out of a National Conference on Land Utilization which met in Chicago in November 1931 at the call of the Secretary of Agriculture, Arthur M. Hyde and Lewis C. Gray, "Land Planning," Findlay MacKenzie, editor, Planned Society: Yesterday, Today, Tomorrow, a Symposium by Thirty-five Economists, Sociologists, and Statesmen (New York: Prentice-Hall, 1937), 168-169. Gray was the first director of the Land Section of the NRPB.

The divisions were further detailed as follows:

A. Physical planning

1. Natural resources and the limitations on our use of them, covering minerals, fuels, water, topography and soils, climatology, and biological products.
2. Man's use of these resources and trends or difficulties encountered, influences of transportation, land uses, etc.
3. Methods of control or direction—the limits on practical objectives involving tenure, zoning, tax policy, rates, etc.
4. Objectives for primary uses of resources.

NPB, Final Report, 15.
The Board pointed to the value of having inter-agency and non-governmental representatives brought together on these committees because of the need to determine objectives and develop methods for coordinating the efforts of many groups while not stifling initiative or creativity. In this respect the need for better, and additional, clearing house facilities was considerable and the NPB urged the establishment of one since:

Through a series of coordinating committees within such a clearing house or central planning agency, the collection of data, coordination and discussion of projects and proposals, and development of recommendations to the appropriate authorities would be facilitated.\(^7\)

Along with its more general recommendations for research

\[\text{B. Sociological planning}\]
2. Welfare, education, problems of health, old age, unemployment, adult education, leisure time and recreation, correction, and reaces.

\[\text{C. Government planning}\]
1. Budgetary methods and controls.
2. Reorganization of administration of local, metropolitan, State, and national units.
3. Methods of administration, etc.

\[\text{D. Economic planning}\]
Paying the cost and balancing production and consumption. Possibly divided under headings of Production, Distribution, and the Workers. Problems of banking, currency and credit, controls of overproduction, taxation, and labor figure in the production question; markets, price control, and fair competition illustrate the problems of distribution.

\(^7\) Ibid., 14-15.
the NPB urged immediate action in two areas: a study to determine what research in these major areas was already underway and a detailed study of long-range public works problems. The President authorized these and the result was four significant documents on public works and the famous "A Plan for Planning."  

In the "Plan" written by Charles E. Merriam, and appearing also as a section of the Final Report, the NPB indicated its position on planning as a part of the American way of life. Intended as a history of planning in America, it contains a somewhat imaginative list of planning precedents in American history: included are the Constitution, Hamilton's reports, the public land policy, independent agencies such as the Federal Trade Commission, and the experience of the World War. This was intended as a justification of planning and a demonstration that not only was it compatible with the American way of doing things but was an integral part of the American tradition. It was intended also to lend support to the strong recommendation of the NPB that the Federal Government create a permanent National Planning Board, directly responsible to the country's Chief Executive. The function of the proposed board would not be to supplant the numerous planning agencies now active in various departments of the Federal Government.  

or elsewhere, but to supplement their work, and
to promote closer coordination among the plans
they severally prepare for submission to the
President and the Congress.¹⁹

National Resources Board

In June 1934, President Roosevelt acted on the NPB recom-
mendation by establishing the National Resources Board. The
President did not create a new, and perhaps redundant agency, but
brought central direction to the newly created planning bodies by
combining two of them and paving the way for the absorption of
others. The NRB would be composed of the three members of the NPB
and the five cabinet members and the Federal Emergency Relief
 Administrator who had made up the Committee on National Land Prob-
lems. The position of the new agency within the governmental
structure was considerably different from that of the old NPB which
had been an arm of the Emergency Administration for Public Works.
The NRB was an independent agency operating as an enlarged cabinet
committee and responsible directly to the President. Continuity
between the Planning Board and the Resources Board was maintained
when the President appointed Ickes chairman of the latter and
formed the three citizen members, the former members of the NPB,
into an advisory committee that in practice handled the day to day

¹⁹Ibid., 15, 19.
administration of the NRB.20

The NRB, following the practice of its predecessor, carried on much of its activity through technical committees composed variously of representatives of interested Federal agencies and/or private citizens with expertise in the field being studied. Activity in public works was continued and the work of the National Land Committee was taken over by the Land Planning Committee carried over from the defunct NPB. The Mississippi Valley Committee was absorbed as the Water Planning Committee and new committees were added to study mineral and power policy. Other committees would be added later but at this time the organization was rounded out by the small administrative staff also carried over from the NPB under the leadership of Charles W. Eliot, II, grandson of the famous Harvard President, a landscape architect, and long-time associate of Delano on the Capitol Park and Planning Commission.21

In the Executive Order creating the NRPB, President Roosevelt charged the Board with the responsibility of preparing and presenting to him

a program and plan of procedure dealing with the physical, social, governmental, and economic

20 Executive Order 6777, June 30, 1934; RG 187, NRPB (111.1).

aspects of public policies for the development and use of land, water, and other national resources, and such related subjects as may from time to time be referred to it by the President.\textsuperscript{22}

\textsuperscript{22}The full text of Executive Order 6777, June 30, 1943 was:
"By virtue of the authority vested in me by the National Industrial Recovery Act (Public, No. 67, 73d Cong.) I hereby establish the National Resources Board, consisting of the Secretary of the Interior (Chairman), the Secretary of War, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Federal Emergency Relief Administrator, Frederic A. Delano, Charles E. Merriam, and Wesley C. Mitchell.

"An advisory committee, consisting of Frederic A. Delano (Chairman), Charles E. Merriam, and Wesley C. Mitchell, is hereby constituted, to which additional members may be added from time to time by order of the President.

"There is also established a technical committee with no fixed membership or tenure of office to be selected by the Board.

"The functions of the Board shall be to prepare and present to the President a program and plan of procedure dealing with the physical, social, governmental, and economic aspects of public policies for the development and use of land, water, and other national resources, and such related subjects as may from time to time be referred to it by the President.

"The Board shall submit a report on land and water use on or before December 1, 1934. The program and plan shall include the coordination of projects of Federal, State and local governments and the proper division of responsibility and the fair division of cost among the several governmental authorities.

"The Board may appoint such officers and employees without regard to the Classification Act or Executive orders fixing salary schedules, and establish such field offices, as in its opinion may be required; and defray, where necessary, the cost of such investigations and reports as may be made at the request of the Board by other departments and agencies of the Federal Government.

"The National Planning Board of the Federal Emergency Administration of Public Works is hereby abolished, and all of its powers, duties, records, personnel, equipment, and funds are hereby transferred to the National Resources Board.

"The Committee on National Land Problems, created by Executive Order No. 6693, of April 28, 1934, is hereby abolished.

"The Federal Emergency Administration of Public Works is hereby directed to allot to the National Resources Board the sum of one hundred thousand dollars ($100,000), and such additional sums as may be approved from time to time by the President, to carry out its functions." RG 187, NRPB (111.1).
It is interesting that when the President divided planning into physical, social, governmental, and economic spheres he was adopting the same divisions that the NPB had used in the recommendations for further study in its final report. Although there was also emphasis on the traditional areas of water, land, and other resources the scope of activity intended for the Board was considerably broader than that pursued by the NPB.

The December First Report

In addition the Executive Order directed the NRB to prepare a comprehensive report on land and water use and to submit it to the President by December 1, 1934. Although this allowed only five months for the task, the deadline was successfully met. The report constituted

the first attempt in our national history to make an inventory of our national assets and of the problems related thereto. Moreover, for the first time it draws together the foresight of the various planning agencies of the Federal Government and suggests a method for future cooperation. 23

23 National Resources Board, A Report on National Planning and Public Works in Relation to Natural Resources and Including Land Use and Water Resources with Findings and Recommendations (Washington: United States Government Printing Office, 1934), iii. This section of the report was signed by the members of the National Resources Board. The Board's claims for its report seem justified and indeed, the Washington News, March 23, 1936 in an editorial titled "Sermon and Text," commented: "But probably the most important thing the Roosevelt administration has done is to write a text for the sermon. This is the able and all-too-little-known
That such a monumental work (it was 490 pages) could be completed in such a short time was due to the efforts of the technical committees and the cooperation and encouragement they received from the members of the Board, the administrative staff, and, most importantly, from the executive officers of the NRB. Each of the technical committees was organized in a different manner: the land committee was made up exclusively of representatives of interested Federal agencies and the water committee almost exclusively of private citizens. Each approached and divided its work according to its own convenience. The important factor was that without the active cooperation of the many Federal and state agencies and private citizens the work could not have been done adequately or completed on time. The NRB acted as a clearing house and in doing so carried out one of its primary missions. It served as the coordinating agency and performed the essential task of drawing the report of the National Resources Board. This tells the story of the past, and charts a national conservation policy for the future."

An idea of the comprehensive nature of the undertaking is apparent when the size of the reports submitted by the committees for boiling down by the NRB editors: the land report in type was three feet high, the water report about five million words, the public works report about three feet, and the state planning reports four feet. "National Planning," address by Eliot, January 11, 1935; RG 187, NRPB (089),

different groups together.

The Report on National Planning and Public Works in Relation to Natural Resources and Including Land Use and Water Resources with Findings and Recommendations surveyed conditions in land and water use, mineral resources, and public works developments and made recommendations for future policy. Among the broad-ranging proposals were recommendations for the Federal government to purchase and retire about seventy-five million acres of submarginal land, the undertaking of "... detailed engineering, social, financial, and legal studies of water projects. ..." in seventeen drainage basins, an attack on waste in the mineral industry by consideration of "... collective organization and industry control under public supervision of capacity, production, stocks, and sometimes of price. ..." 26 Throughout the report ran the theme of stopping the irresponsible waste of the nation's resources, the desirability of orderly development, and the need for continued and coordinated planning. The report held out no hope that reversal of long-standing conditions could easily be accomplished and, while it clearly indicated that now was the time to begin, the real intention was to point the way toward long-range developments.

The Board again urged the importance of establishing a national planning agency on a permanent basis and suggested that the agency could best serve as a general staff for the President.

26 NRB, Report on National Planning, 2-5.
It would retain the basic organization of the NRB and would include among its duties

1. Coordination of planning policies within the Federal Government.
2. Coordination of planning policies between Federal, State, and local jurisdictions.
3. Stimulation and assistance to the planning agencies within the Federal Government and in regions, states, and localities.
4. Fundamental research directed toward the development of basic national policies and programs.27

This indicated the NRB's continuing concern over the need for coordination and encouragement of planning, the need for research, and its commitment to and interest in long-range policies and planning.

The report stressed the belief that it is more important to conserve human resources and values more than land, water, and minerals.28 In this statement the Board was reiterating the expressions of President Roosevelt at the time he established the NRB: It pointed toward the even wider scope of its predecessor agencies and was the approach that led directly to the contacts with the National Academy of Sciences, the Social Science Research Council and the Council on Education which were to be so fruitful in the years to come.29

28 Ibid., 6.
29 Ibid., v.
In 1935, the National Resources Board ran afoul of a sick chicken. The constitutionality of neither the organization nor the activities of the Board had been challenged, in fact, it is unlikely that the NRB had come to the attention of the United States Supreme Court. The question of the constitutionality of the National Industrial Recovery Act, from which the Board drew its authority, had been raised, however, by the Schechter Poultry Company. On May 27, 1935, the Supreme Court declared the act unconstitutional. With its legal underpinning cut away it became necessary, if the planning agency was to be continued, to find a new basis for its existence. The President, who was convinced of the agency's utility, took the steps necessary to save it. Acting under the authority of the Emergency Relief Appropriation Act of 1935, he abolished NRB but established in its place the National Resources Committee.  

1Allan G. Gruchy, "Economics of the National Resources Committee," The American Economic Review, March 1939, 61. "Creation of National Resources Committee," Monthly Labor Review, August, 1935, 356-357. The key parts of the Emergency Relief Appropriation Act, 49 Stat. 115 (1935), were: "Sec. 3 (b) In carrying out the provisions of this joint resolution the President
The organization, membership, and activities of the planning agency were not affected by the name change which had clearly

may . . . accept and utilize such voluntary and uncompensated services, appoint . . . such officers and employees, and utilize such Federal officers and employees, and with the consent of the State, such State and local officers and employees as may be necessary, prescribe their authorities, duties, responsibilities, and tenure, and . . . fix the compensation of any officers and employees so appointed.

"Sec. 4. In carrying out the provisions of this joint resolution the President is authorized to establish and prescribe the duties and functions of necessary agencies within the government.

"Sec. 12. The Federal Emergency Administration of Public Works established under title II of the National Industrial Recovery Act is hereby continued until June 30, 1937, and is authorized to perform such of its functions under such act and such functions under this joint resolution as may be authorized by the President."


Executive Order No. 7065, June 7, 1935, National Resources Committee, Progress Report with Statements of Coordinating Committees, June 15, 1936 (Washington: United States Government Printing Office, 1936), 24, is as follows:

EXECUTIVE ORDER

Creating the National Resources Committee

By virtue of and pursuant to the authority vested in me under the Emergency Relief Appropriations Act of 1935, approved April 8, 1935, 49 Stat. 115, and to provide a means of obtaining information essential to a wise employment of the emergency appropriation made by said Act, I hereby establish an agency within the Government to be known as the National Resources Committee, consisting of the Secretary of the Interior (Chairman), the Secretary of War, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Federal Emergency Relief Administrator, Frederic A. Delano, Charles E. Merriam, and Wesley C. Mitchell, who shall serve as members without compensation.

A committee advisory thereto, consisting of Frederic A. Delano (Chairman), Charles E. Merriam, and Wesley C. Mitchell, is hereby constituted, to which advisory committee members may be added from time to time by the President. The compensation of the
been created out of administrative necessity. The Committee, still composed of the five cabinet officers, the Federal Emergency Relief members of the advisory committee shall be fixed by the President.

I hereby prescribe the functions and duties of the National Resources Committee as follows:

(a) To collect, prepare and make available to the President, with recommendations, such plans, data and information as may be helpful to a planned development, and use of land, water, and other national resources, and such related subjects as may be referred to it by the President.

(b) To consult and cooperate with agencies of the Federal Government, with the States and municipalities or agencies thereof, and with any public or private planning or research agencies or institutions, in carrying out any of its duties and functions.

(c) To receive and record all proposed Federal projects involving the acquisition of land (including transfer of land jurisdiction) and land research projects, and in an advisory capacity to provide the agencies concerned with such information or data as may be pertinent to the projects. All executive agencies shall notify the National Resources Committee of such projects as they develop, before major field activities are undertaken.

In the performance of such duties and functions and within such amounts as may be allocated by the President, expenditures are hereby authorized for necessary supplies and equipment; law books and books of reference, directories, periodicals, newspapers and press clippings; travel expenses, including the expense of attendance at meetings when specifically authorized by said committee; rental at the seat of Government and elsewhere; printing and binding; and incidental expenses; and I hereby authorize the said committee to accept and utilize such voluntary and uncompensated services and, with the consent of the State, such State and local officers and employees, and appoint without regard to the provisions of the civil service laws, such officers and employees, as may be necessary, prescribe their duties and responsibilities and, without regard to the Classification Act of 1923, as amended, fix their compensation: PROVIDED That in so far as practicable, the persons employed under this authority of this Executive Order shall be selected from those receiving relief.

The National Resources Board and the advisory committee established by Executive Order No. 6777, dated June 30, 1934, are hereby abolished, and all personnel, property, records, rights,
Administrator, and the three citizen members, continued to determine policy which was executed by the staff and the technical committees also carried over from the NRB. The government members, however, were frequently unable to attend Committee meetings and although they were sometimes represented by members of their staffs, it became impossible for the Committee to give active direction to the affairs of the NRC. The Advisory Committee, again composed of Delano, Mitchell, and Merriam, made most decisions and offered them for ratification by the entire group—continuing the practice that had developed under the NRB. The small size and the long and cordial relationship existing among the members of the Advisory Committee tended to facilitate the conduct of business.²

²"Draft of Progress Report, Summary Statement of Organization," n.d., 1; RG 187; NRPB (441.14). In December 1935 Mitchell resigned from the NRC and was replaced on the Advisory Committee by Henry S. Dennison and Beardsley Ruml, however, neither was appointed to the NRC itself.
The activities of the NRC closely paralleled the lines established by its predecessors. The concern with physical planning remained but the trend toward a broader program encompassing other areas relating to the human condition continued. Work and reports in the fields of land planning and river basin organization played a significant role in the undertakings of the NRC but were joined by activities in the areas of population trends, technology, research, and consumer incomes and expenditures. In addition, the Committee continued to encourage and cooperate in the planning area at all levels of government and to perform the important clearing house functions of facilitating the exchange of information and the working out of conflicting interests among Federal and non-federal agencies alike.  

Water

In July 1935, the NRC changed the name of its technical committee dealing with water problems from Water Planning to Water Resources Committee and reorganized its membership. Some of the

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3 Revised draft of the Progress Report, December 15, 1938, 6-7; RG 187, NRPB (441.14). It is interesting that in 1938 an NRC publication, Planning Our Resources (Washington: United States Government Printing Office, 1928) stated that its work and that of its predecessors had been of two major types: "(1) To assist and stimulate local, State and regional planning boards to develop plans and policies within their jurisdiction, and (2) to correlate and encourage planning activities of Federal agencies for research and development of plans in a strictly advisory capacity."
older members were retained but the scope of the membership was broadened to include, for the first time, members of Federal agencies concerned with water problems. This made it possible to take more fully into consideration the talents and opinions of the personnel of these agencies.4

The most important work of the committee was the continuing study of drainage basins which it began in 1935. This approach assumed that a project to further irrigation or to control floods had an impact far beyond the local area it was designed to serve. The impact might enhance, or in the absence of an over-all plan, negate the contribution of another project. Each basin was to be treated as a unit; its resources appraised, its deficiencies identified, and a comprehensive water resources policy worked out. Once this was accomplished water construction projects would be evaluated and assigned a priority according to how well they fit into the over-all basin program. Water conservation was not considered as an end in itself. The social and economic problems of a basin were taken into account and the policy decided upon was designed to improve the socio-economic conditions of the area.5


To insure that all views were respected in developing these long-range basin programs, the planning for each basin was carried out by a separate committee which, significantly, brought together for the first time, representatives of Federal, State and local interests. The NRC assigned each a technician in water problems who was responsible for the conduct of necessary field investigations and the preparation of a report that would point out the major water problems of different parts of the country, outline an integrated development pattern, and offer specific projects for study and construction, consistent with the broad plan. The reports were not considered as the final word on the subject. They were accordingly revised from time to time throughout the existence of the national planning agency.

By the mid-1930's over thirty-five Federal agencies were concerned with the water resources of the United States. Although their areas of interest and responsibility overlapped, each was primarily concerned with a particular aspect of water development - flood control, reclamation, transportation, power. A lack of communication, however, between the agencies actually became typical of their activities, and not infrequently a project of one not only did not complement that of another but tended to undermine its usefulness. The need for coordination and a forum for the exchange of ideas was great. The Water Resources Committee, with members from many Federal agencies, was the logical agent to

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6 NRC, Progress - 1936, 46.
bring about this inter-agency cooperation.  

One of the first efforts to resolve conflicts of interest and purpose among these Federal agencies grew out of a 1935 request of the Secretary of Agriculture, Henry A. Wallace. He asked the NRC to review the land drainage programs and methods of the more than a dozen agencies involved in this work. The Water Resources Committee undertook the investigation and found that friction among the agencies had produced costly and delaying conflicts but that much of the trouble could be eliminated if an opportunity was provided for consultation during the planning process. The committee urged that the NRC be given the authority necessary to act as a clearing house in this area. In February 1936, the President ordered all Federal agencies concerned with land drainage or water storage projects to make regular reports of proposed projects to the NRC. The Resources Committee received and organized the information and shortly afterward began circulating to all the interested agencies monthly reports of the projects.

Partly because of the separation of responsibility and

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7 Ibid., 34–35. Seven in the Department of Agriculture, four in the Department of Commerce, eight in the Interior Department, two each in the State Department, Treasury Department, and War Department, and nine in various independent agencies.

8 Ibid., 39, 40. With "... particular reference to their wildlife, pest control, malaria control, and reclamation aspects."

9 Ibid., 40.
partly because of administrative jealously the water development agencies tended to concentrate on projects that furthered their own narrow interests. Many projects, however, could contribute to more than one program; a dam to help prevent floods could also be used to produce electric power and the lake formed behind it could serve as a recreation area or wild life preserve. The most significant, if not the most successful, effort to break down this parochialism and further the development of multiple-purpose projects, was the Tripartite Agreement of August 8, 1939 brought about through the good offices of the national planning agency among the Corps of Engineers, the Bureau of Reclamation, and the Bureau of Agriculture Economics. It provided for the "...inter-exchange of information which any of the agencies obtain on multiple-purpose projects, in which the others find an interest, and provides for liaison service primarily by the Water Consultants of the National Resources Planning Board." 10

In 1935, the NRC began an inquiry into the extent of basic water data. It discovered that great gaps existed in the available knowledge of water flow, rain fall, ground-water level, and related areas: the information was either nonexistent or unobtainable because it was so widely scattered among the many collecting agencies. Because of this lack of information it had not been uncommon to find dams and sewer systems built with a capacity beyond what was needed, resulting in waste of resources, and others built with

10 NRPB, National Resources Development - 1942, 98.
inadequate capacity, resulting in loss of life and property. A realistic and effective water policy would be greatly facilitated if such information were available. The two reports on this problem, *Deficiencies in Basic Hydrologic Data* (known wryly as H₂ Omissions) and *Deficiencies in Basic Hydrologic Research*, pointed to problem areas and urged an expanded program for both Federal and State agencies. Progress was slow and disappointing but improvement did result. 11

Land

After completing its section of the 1934 Report on National Planning, the Land Committee became virtually inactive. Its staff, the Land Section of the NRB, under the direction of Dr. L. C. Gray, which had reached a peak of over two hundred employees was reduced to only two in July 1935. These were sufficient to carry on the reduced work load which consisted mostly of clearing house functions. In June 1935, the large regional staff which had been organized in 1934 to collect data in cooperation with state and local planning boards, agricultural colleges and experiment

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stations, and representatives of the Agricultural Adjustment Admin-
istration transferred almost intact to the Resettlement Administra-
tion and became the nucleus of its Land Use Planning Section. 

The Executive Order establishing the NRC directed it to
maintain a record of proposed land purchases, transfers, and
research projects undertaken by Federal agencies - this was the
primary work of the Land Section. Because of its recording of pro-
posed land projects the NRC was able to notify agencies of over-
lapping purchase areas and call their attention to areas where
coordination was necessary. The NRC was able, in this way, to
reduce competition between agencies and facilitate cooperation on
projects of mutual interest.

In 1936, President Roosevelt set up a committee on farm
tenancy under the chairmanship of the Secretary of Agriculture and
asked that a report be prepared under the auspices of the NRC.
The NRC following its usual practice established a technical com-
mittee which researched and drafted the report. This report and
that of the Great Plains Committee, on which the NRC was repre-
sented, carried forward the proposals in the December 1934 report
of the National Resources Board and gave them both "... reality

\[\text{\textsuperscript{12}}\text{NRC, Progress - 1936, 25-26. NRC, Progress - 1937, 12.}
\text{Work of the Land Committee, 1938-1942," n.d.; RG 187, NRPB,}
\text{(089). "Draft of Progress Report, Summary Statement of Organiza-
\text{tion," n.d.; RG 187, NRPB (441.14).}\
\text{\textsuperscript{13}}\text{NRC, Progress - 1936, 21, 26. NRC, Progress - 1937, 12.}
\text{NRC, Progress - 1938, 44. NRC, Progress - 1939, 127.}]}
and punch of emphasis."^{14}

In some agricultural areas, farmers often found it impos­
sible to pay their land taxes. When such a situation became
chronic the land seemed to fall into limbo; it was owned neither
by private individuals nor public bodies and as a result no one
cared for it. The committee recommended that such land be
acquired and held by the states until such time as a more appro­
priate use - such as recreation or reforestation - could be found
for it. This would remove economically unsuited land from produc­
tion and transfer it to more socially useful purposes. The land
classification studies were related in purpose. The land would be
systematically surveyed and evaluated in order to determine the
best use that could be made of it - farming, grazing, or recre­
ation. This would help develop a general land policy that would
bring a more orderly development of the land and greater preserva­
tion of natural resources.^{15}

Public Works

The original reason for creating the planning agency had
been to assist the Administrator of the PWA in getting an orderly

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^{15} NRC, Progress - 1938, 27, 44. "Work of the Land Com­
mittee, 1938-1942," n.d., 3; RG 187, NRPB (089).
start in public works programming. The National Planning Board and its successors continued an interest in this area throughout their existence. In the 1934 report on National Planning and Public Works the National Resources Board had stressed the value of the preparation and maintenance of a Federal Six-Year Program of projected public works. This work was being handled by the Federal Employment Stabilization Board but it lost its appropriations and the project was in danger of lapsing and in 1936, the President asked the National Resources Committee to assume responsibility for such a program.  

The compilation was prepared, for the NRC, by the Projects Division of the PWA under the direction of Fred E. Schnepfe. The report was completed and sent to the President in January 1937. The work was continued in this way during the following years but in January 1939 the NRC reconstituted its Public Works Committee, and the work of preparing the Six-Year Program was carried on by the NRC through it instead of through the temporary committees previously organized for this purpose - still with the cooperation of the PWA.  

In 1939 the procedure for the Six-Year Program began to be


tightened. The work on the report was begun in May in order for it to be in the hands of the Bureau of the Budget in time for the opening of the budget hearings in September. During this same period the Budget agreed to set, informally, budgetary limits for the construction program and the Public Works Committee established a priority listing for the projects so that when the President decided on the definite amount for the budget he could determine which projects should be included.\(^{18}\)

Another aspect of the Six-Year Programming was encouraging the state and local governments to establish similar projects. In 1934, 1936, and again in 1938, the NRC asked the state planning boards to undertake and revise inventories of public works projects. In 1938, a subcommittee of the Public Works Committee was established to study more formally the method of encouraging state and local governments to adopt procedures for budgeting public works expenditures. They prepared a manual, "Advance Programming and Budgeting of Municipal Public Works," with the intention of testing the methodology in selected demonstration cities and if successful, of publishing it for general assistance.\(^{19}\)

The most interesting undertaking of the Public Works Committee was the study of the nation's public works experience

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\(^{18}\) Ibid., 17.

during the 1930's with primary emphasis on a "... quantitative analysis of the identifiable effect of public works activity upon employment and income..." A staff especially organized for the study and under the direction of John K. Galbraith, using data assembled by the Bureau of Labor Statistics, the PWA, and the WPA, reviewed the activities of the period, identified some problem areas, and, at least by implication, offered some recommendations for future activity in the field of public works.  

The report indicated that expenditures for public works construction had declined steadily from 1930 to a low point in 1932. Then a gradual rise began but it was not until 1936 that expenditures surpassed the pre-depression total. In fact, if it had not been for the huge expenditures for work-relief, even this modest recovery would not have occurred.

The most important cause for the decline was the inability of state and local governments to maintain their building programs in the face of the economic downturn in normal times state and local public works construction constituted a volume six to ten


times that of the Federal. This construction was financed mostly from property taxes and the revenue from this source fell off with the decline in property values.  

The Federal government was unprepared to move rapidly into the breach and, in any case, was reluctant to act boldly. In 1932, President Hoover signed the Emergency Relief and Construction Act which authorized the Reconstruction Finance Corporation to lend money for self-liquidating local public works projects. But because of the restriction, to self-liquidating ventures, only a small amount of the available funds was committed. 

The scheme was doomed to failure by the sheer lack of enough local projects capable of being financed on the toll-bridge principle.  

The Public Works Administration was established in 1933 with $3,300,000,000 to use as grants-in-aid and loans for local projects without the self-liquidating restriction. The program got off to a slow start partly because of the cautious nature of its Administrator, Harold Ickes, and partly because there were not enough well planned projects upon which to spend the money.  

The delays in the PWA program and the great need to do

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22Ibid., 17-18. NRC, Progress — 1939, 137.

23NRPB, Development of Resources and Stabilization of Employment, Part I, 15.

24Ibid., 16.
something for the unemployed resulted in the creation of the Civil Works Administration, a force-account construction agency, whose purpose was to engage in local public improvement projects, entirely at Federal expense. The CWA had expended all its funds by the spring of 1934, but was soon succeeded by the Works Progress Administration which followed along similar lines throughout the rest of the decade.  

There was a significant difference in the nature of the activities of the PWA and the WPA. The former was designed to help stabilize the economy by undertaking major public construction that would create employment not only at construction sites but throughout the industries that provided the materials necessary to the projects. The WPA, while as interested in projects that would improve and beautify the nation as the PWA, was primarily concerned with bringing immediate assistance to the unemployed through its work-relief program.

In its report on the nation's public works experience the National Resources Planning Board arrived at some clear, if not always specific, conclusions. The concept of Federal participation in self-liquidating local projects only was unworkable. Because there were so few such projects, the restriction delayed,

\[25\] Ibid., 16.
\[26\] Ibid.
\[27\] The studies were not published until after the National Resources Committee had been replaced by the NRPB.
and indeed made impossible a full scale public works for stabilization program. Such an approach was inadequate, also, because it excluded from consideration many socially useful projects such as schools and libraries.  

After 1933 the public works expenditures of the Federal government followed an upward trend, but because state and local governments were no longer spending for public works a situation was created in which increased Federal outlays replaced those of state and local government and did not increase total construction expenditures. This prevented the Federal program from having its full potential impact on the economy. The mitigation or elimination of such a situation, in any future crisis, could best be accomplished through closer coordination of the public works activities of all levels of government and the most useful device for achieving this seemed to be Federal grants-in-aid for local construction projects. The expansion or contraction of the grant-in-aid program would stimulate or restrain construction by local governments. In prosperous periods federal grants would be reduced and state and local governments would be encouraged to delay construction of non-essential projects. An increase in the grants during periods of economic decline would stimulate them to

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28 Ibid., 19.

29 Ibid., 17; $370 million in 1930, $647 million in 1933, $2,281 million in 1940. Expenditures in the latter part of the era resulted largely from the effort to repair the nation's defenses.
expand their construction programs. In this way governmental subdivisions would be encouraged to pre-plan their public works in order to be able to take full advantage of increases in Federal assistance. As a result their public works programs would follow the pattern most likely to help stabilize the economy. 30

The NRPB recognized that this would alter the traditional relationships among the various levels of government in the realm of public works. Even areas under the jurisdiction of the states and municipalities would come under the influence of the Federal government but stability with cooperation seemed more important than uncertainty with separation. In fact, as the report pointed out, Federal participation was already great and effects beneficial. This was particularly evident in the construction of water works, sewage plants, and hospitals, facilities long needed by cities and states. A new situation already existed

. . . in regard to the relationships between the Federal Government and the cities, a relationship that was practically nonexistent before 1930. 31

Adequate advance planning would help eliminate the wasteful and disruptive emergency and temporary programs that dominated the thirties: It would provide a backlog of projects that could

30 Ibid., 31.
31 Ibid.
be brought quickly under construction in times of economic decline. Lists of projects would not be sufficient, however, if the program was to be really successful. Experience had shown that there was a considerable delay—often many months—between the authorization of a major project and the time men were employed on its construction. This time lag could be greatly reduced if during good times land was purchased and detailed studies and engineering plans prepared and placed in reserve for emergencies.

... impressive demonstration of what can be done when these preparations have been made was given by the Public Works Administration in the Summer of 1938. With a backlog of applications covering projects on which construction could be started immediately, the program was inaugurated with a minimum of delay when it became necessary to expand public works activities.\(^{32}\)

Advance planning meant, also, that projects could be of permanent benefit as well as relief to the unemployed. This concern with balancing immediate effects against long-range benefits, marked the approach of the national planning agency throughout its existence: it always preferred and worked for programs—whether in public works, flood control, or industrial location—that would fit into overall development programs as well as serve local or immediate interests.

The question of whether the PWA or WPA approach offered the greatest stimulant to the economy was a puzzling and, considering the volatile personalities of Harold Ickes and Harry Hopkins, a potentially controversial one. The Board's study showed that if on-site and off-site employment were considered together, the PWA programs of non-Federal construction required about two hours of off-site employment for every hour of on-site work. WPA work-relief projects, however, required only ten minutes of off-site work to one hour of on-site.\footnote{Ibid., 19.}

Equally important was the employment yield in man-hours per dollar; this was one of the factors governed by the type of work and the wage rates and was not likely to be evident in overall figures. Using this approach the report showed that for the building construction projects of the non-Federal program of the PWA the man-hour cost was \$1.00 while that for WPA construction projects was \$0.93, corrected to account for the different characteristic wage rates on the two types of projects. These figures tended to show that as

\[\ldots\text{far as employment yield is concerned, the type of administration employed is of less importance than the project-composition of the program and the wage rates paid.}\footnote{Ibid.}\]

The NRPB did not reach a conclusion concerning the best
approach to public works but several factors appear relevant in this regard. This was the first systematic collection and analysis of data about the public works programs of the depression; it was a pioneer study that did establish the importance of public works programs as a governmental response to the problem of unemployment. In 1933, for example, in the early stages of the increased Federal program, 745,000 people enjoyed on- or off-site employment resulting from Federally supported construction (there were an estimated thirteen million unemployed). By 1937, 3,000,000 were employed as a result of the Federal programs (with unemployment at about seven million). It was obvious

... that an important contribution toward stabilization of employment can be made, in fact has been made, by public works, but they cannot do the whole job. It can however, be reasonably expected that governments see to it that they do not add to prevailing business depression by reduction of their own activities.\textsuperscript{35}

Science

In 1934, the National Planning Board began a relationship with the scientific community that under its successors produced some of its most interesting and important studies. The NPB asked the National Academy of Science and the Social Science Research

\textsuperscript{35} NRPB, Development of Resources and Stabilization of Employment, Part I, 22.
Council to submit memoranda on the role of the sciences and the social sciences in national planning; the memoranda were reproduced in the appendices of the Planning Board's final report. 36

The National Resources Committee, shortly after its creation and with the specific authorization of the President, organized a Science Advisory Committee as part of its technical organization. The Committee brought together for the first time on an official, continuing basis representatives of the natural and social sciences. The committee was composed of nine members, three each being designated by the National Academy of Science, the SSRC, and the American Council on Education with final appointment, of course, by the NRC. The Science Committee quickly established two subcommittees to report on population patterns and problems and the effect of technological advances on social organization of the United States. 37

The population study which appeared in 1938 as The Problems of a Changing Population, was a comprehensive survey of the American people. Among the more interesting aspects of the report were those pointing to the need for the collection and analysis of more detailed population data and including a recommendation that the census be conducted every fifth instead of every tenth year with greater emphasis on determining trends in the shifting of

36 NRC, Progress - 1937, 14.
population. The report pointed to the unequal educational opportunities existing in some parts of the country. It urged that the Federal government take the lead in the "... coordination, critical interpretation, and dissemination to the whole country of the results of significant advances in education, research, and administration."38 This was especially necessary because the areas with the most backward educational programs were also areas with significant out-migration, thus making the problem national in scope. But probably the most interesting revelation of the report was its statement that the population of the United States would stabilize at about 175 million people in the year 2000. This, as the report indicated, would create problems and necessitate adjustments in education, production, government, and many other aspects of American life.39

The subcommittee studying new inventions and technology on social organization produced one of the most favorably received reports of the planning agency - Technological Trends and National Policy. The report called for a comprehensive review of the patent system in order to determine its effect on technological advances listed some new inventions that would probably soon come into common use and produce a significant social impact.40

38 NRC, Progress - 1939, 125.
39 Ibid., 124-125. NRC, Progress - 1937, 14.
40 NRC, Progress - 1939, 126; among the most important inventions mentioned were "The mechanical cotton picker, air conditioning equipment, plastics, the photo-electric cell, artificial
One of the more important effects of technological advance, the report indicated, was technologically produced unemployment and capital obsolescence. Despite the creation of such problems, the study indicated that, in general, the dislocations had been temporary and the resulting social gains of far greater importance. Besides, such losses could be reduced, it was suggested, if planning agencies kept aware of probable developments and informed the industrial and labor groups involved what situations were likely to develop. The NRC felt the most significant contribution of the report was that it pointed out the impossibility of fixed blueprints for the future. The world was constantly changing and plans needed frequent revision; it was possible to "... set up social objectives, but we must not cling to outmoded methods of procedure."  

Even before the original projects of the Science Committee had been completed, a new inquiry into the relation of the Federal government to research was begun. This was the first step of an intended comprehensive analysis of the research resources of the nation that ultimately would include reports on business research


41 NRC, Progress - 1937, 14. NRC, Progress - 1939, 126.
(in collaboration with the SSRC) and industrial research (in collaboration with the National Research Council). The report on government and research reviewed government research programs and urged the establishment of closer contacts with the organized bodies of scientific opinion such as the SSRC, The American Council of Learned Societies, and the National Academy of Science. In a section quite in keeping with the general philosophy of the parent body, the Science Committee commended Federal agencies for decentralizing their research and urged that the practice be extended by giving encouragement to individuals and institutions that had no direct government contact.\footnote{42}

Energy

The mineral resources section of the 1934 Report on National Planning and Public Works had been prepared by the Committee for Mineral Policy, a group associated with the Science Advisory Board. Based on this experience the NRB began, and the NRC continued, the practice of providing the committee with research opportunities and funds for a staff, so that, in effect, the committee served as one of the technical committees of the planning agency.\footnote{43}
The Committee for Mineral Policy was discontinued in January 1936, and its functions transferred to the NRC. No major activity was undertaken, however, until 1938, when the President asked the NRC to begin a study of energy resources concentrating on

... their prudent utilization and conservation, and their competitive relation to each other and to the national economic structure. ... 44

The NRC, in accord with its customary procedure, organized a committee - composed of members of interested government agencies. The committee was to advise and assist Dr. Ralph J. Watkins of the Bureau of Business Research at the University of Pittsburgh, who had been selected to direct the investigation. 45

The report of the Energy Resources Committee was completed in 1939 and published as Energy Resources and National Policy. The report emphasized that these resources were exhaustible and should be conserved through more efficient methods of production and use and the wider use of water power and lower grade fuels. The energy resources industries were engaged in such wide ranging operations, the report pointed out, that the individual states

NRC, Progress - 1936, 27.


were unable to provide for the public interest. The Federal
government would have to play the key role if an effective policy
providing for the best use and wise conservation of coal, oil, and
the other energy resources was to be instituted. In addition,
because of policy decision affecting one would affect the relative
position of all, separate policies for each resource would be
inadequate - one overall national energy resources policy was
needed. 46

The committee stressed that the problems of the energy
resources industries were not emergency and temporary but perma-
nent and long-range. Despite the considerable objection certain
to be raised against increased Federal activity

The paramount responsibility of Government is to
protect the general welfare. That way lies
safety and a progressive evolution of our
economy and of our political institutions. No
amount of confusing legalistic discussion of
distribution of powers can obscure the reality
of the choices before us. To protect the
general welfare in our time - in an industrial-
ized and urban economy - means, above all else,
to build and maintain in good order a sound
economic structure. In an industrial civiliza-
tion the energy resources constitute the founda-
tions of the structure. 47

46 National Resources Committee, Energy Resources and
National Policy (Washington: United States Government Printing
Office, 1939). NRC, Progress - 1939, 114, 133-135. NRPB, Develop-
ment of Resources and Stabilization of Employment, Part I, 1.

47 NRC, Progress - 1939, 135.
Industrial

The Industrial Committee was authorized at the first meeting of the NRB. It quickly instituted two closely related investigations into the production capabilities of American industry and the consumption habits of the American consumer. Designed to bring greater understanding of the production and consumption patterns of the United States through the collection and interpretation of basic data, the studies, which began under the NRB, were continued during the NRC era and finally completed shortly after the establishment of the NRPB. 48

These patterns would be clarified if the needs and desires of consumers and the ability of industry to produce the goods and services necessary to meet them, at a price level at which the consumer could afford to fulfill his wishes, were determined. This knowledge would make it possible to avoid the large losses resulting from mistaken ideas about consumer demands and productive capacity, to achieve more accurate plans for the development of new plant construction and location, and to bring more ordered relief to the problem of unemployment by making it possible to distinguish among areas in which it seemed to be long-term and areas where it seemed to be only a temporary, depression problem.

Although the Brookings Institution reports America's Capacity to Produce and America's Capacity to Consume and related studies by several government agencies had appeared, most of the work of gathering and analyzing data remained and the NRC studies were pioneer efforts. 49

The concern with production and consumption was fully in keeping with the times. The fantastic ability of American industry to produce in huge quantities had inspired favorable comment throughout the 1920's. The onset of the depression, however, found critics, both friendly and hostile to the economic system, pointing in dismay at the same phenomenon — the productive capacity was undisturbed but the markets were gone and people were in want. A temporary and perhaps a permanent imbalance between production and consumption had developed but if it could be more completely understood, perhaps the problem could be resolved:

... the most important use of both the material on consumption requirements and that on industrial capacities is to draft production-consumption patterns for the American economy. The aim of such patterns would be to indicate the condition of production and consumption which would constitute economic balance with the optimum

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use of human and material resources. They should throw a clear light on what would constitute the optimum possible American standard of living and should suggest ways in which it could be brought about.\textsuperscript{50}

The consumption study made the more rapid initial progress because the Bureau of Labor Statistics and the Bureau of Home Economics had already gathered some data and completed some limited studies in the area. The available information and techniques for evaluating it were inadequate for a major study but a beginning had been made from which it was possible to proceed. Gathering sufficient data for a full scale, meaningful study became the first task. Dr. Hildegard Kneeland was appointed to direct the project and funds were secured from the WPA to finance the field investigation conducted through the two cooperating agencies, the Bureaus of Home Economics and Labor Statistics.\textsuperscript{51}

To insure accuracy in the study both rural and urban districts were used and those interviewed were selected to provide the proper proportion of each of the twenty income classes, eight occupational groups, and seven family types decided on for the study. The three reports that resulted detailed the income and expenditures of the American consumer according to income group and of outlay divided among the upper, middle, and lower economic thirds of the country for such things as gifts, medical care,

\textsuperscript{50}NRC, \textit{Progress - 1936}, 51.

housing, and savings.  

The industrial capacity study was placed under the direction of Gardiner C. Means. Despite the fact that more information was available about production than consumption, this study was comparatively slow in getting under way because very little work had been done in organizing the material. The Bureau of the Census, the Bureau of Labor Statistics, the Bureau of Mines, and others had collected data dealing with various aspects of industrial activity - employment, wages, mineral reserves, factory output - but little of it had been brought together and no specific method of analysis worked out to help determine industrial capacity.

The first problem, then, for the industrial section was to develop the necessary techniques. This turned out to be far more complicated than had been expected and as a result the techniques of analysis developed tend to be quite different from those previously employed and to call for a redevelopment of data with respect to industry.

The most important difference in the new NRC approach was

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53 NRC, Progress - 1936, 21, 27, 48-49.

54 Ibid., 50.
in the definition of just what industrial capacity was. It was quickly discovered that generally the term was understood to mean the ability to produce — and it was an interpretation applicable to many industries. A blast furnace, for example, is rated by its capacity to produce so many tons of iron per day. This was not a universal method, however; some industries figured their capacity by consumption. Coke ovens are rated by their capacity to consume so many tons of coal per day.\textsuperscript{55}

After examining the problem, the industrial section decided that another approach was called for. They reasoned that the NRC was not concerned with either productive or consumptive capacity. A more meaningful method and more useful to the broad viewing NRC would be to rate industrial capacity by measuring the capacity of conversion.

Stated in the broadest terms the questions to be put in studying the capacity of a plant or industry is the question—How much of what items can be converted into how much of what items in a given period of time? Under given price conditions, how many tons of ore of a given quality, how many man-hours, and how much power can be converted in a blast furnace into how much slag per 24 hours?\textsuperscript{56}

Once this new approach was decided upon the researchers developed a technique to estimate conversion capacities.

\textsuperscript{55}Ibid., 50.
\textsuperscript{56}Ibid., 51.
Three major studies resulted from this work: the Patterns of Resource Use which was a pioneer effort to determine the volume of production and amount of employment the different segments of American industry provided at different levels of national income, The Structure of the American Economy which outlines the character of the demands of American consumers, the distribution of natural resources, the organization of industry and government, the significance of price relationships, the importance of the monetary, credit, and fiscal relationships. . . . to provide a clear understanding of the way in which our productive system is organized, and Capital Requirements which was a look at capital equipment requirements at different production levels and difficulties in meeting these requirements as production rates increased.

The industrial section also maintained an interest in transportation and housing. During this period little was done with the former but several studies were conducted in housing. The investigations were made at the request of interested govern-

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ment agencies and dealt with residential building, legal problems in housing, and costs. 59

Decentralized Planning

While organized as the NRC, the national planning agency continued to encourage planning at the regional, state and local levels. The activities of its field service were coordinated by the State Section in the national office but most of the contact with non-Federal bodies was through district offices. These were made up of a part-time chairman, charged with the general encouragement of planning and especially of regional (interstate) planning organizations; a full-time counselor or planning technician, responsible for field investigations and other technical planning activities; and a small staff. Originally planning consultants and associate consultants were assigned, upon the recommendation of the district chairman, to state and regional planning groups to provide them with high quality technical advice. In 1937 the NRC, anticipating a slash in the budget for its field operations, announced a reorganization of the field service. The practice of assigning consultants to a planning board on a long-term basis to give general programming assistance was discontinued.

and replaced with an arrangement under which consultants were
assigned only for comparatively short periods to work on specific,
specialized projects. 60

During the 1930's, local planning bodies contributed
importantly to national studies conducted by the NRC and other
Federal agencies - notably the land use studies of 1934 and 1935,
the public works programming projects of 1934, 1936, and 1938, and
the outdoor recreation facilities inventory of 1938. During these
same years the state and local agencies, encouraged by the wide
ranging activities of the NRC, extended their own fields of
interest. In the early thirties, state and local boards had con­
centrated on collecting basic facts about the resources of their
areas and planning for public works, but by the last years of the
decade they were active on a wide front as reflected in their
requests to the NRC for assistance in forestry, water, recreation,
economic and industrial programming, education, transportation,
welfare, public works, governmental organization, and mapping. 61

Status

Throughout the period of its existence, supporters of the

60 NRC, Progress - 1936, 28. NRC, Progress - 1937, 7-8. NRC, Progress - 1938, 8. Although the 1937 progress report
attributed the reorganization to the budget reduction, the 1938
report claimed that it was being done because the increased
budgets of the state and local boards made it possible for them to
assume these technical responsibilities.

61 NRC, Progress - 1938, 8.
NRPB were eager to have it receive permanent legislative sanction and several attempts were made to secure the passage of legislation to accomplish this end. In 1936, several senators proposed an amendment to the Flood Control Act calling for the establishment of a permanent planning agency. The amendment was approved by the Senate Commerce Committee but when brought to the floor it was recommitted for further study. It was argued that creation of a separate planning board would be an insult to Secretary Ickes because it would deal with conservation and the Senate had recently voted to change the name of the Department of the Interior to the Department of Conservation. Besides, it was claimed, there had been insufficient time for consideration of the proposal: It had been before the Senate for only a year. Senators Carl Hayden (D. Arizona) and Royal Copeland (D. New York), the principal supporters of the amendment, defended it but agreed to its recommittal.62

The proposal was sent to the Committee on Public Lands and Surveys, which had unanimously requested such action, and not to the Commerce Committee that had previously considered and reported the proposal. This action reveals the general reluctance of the Congress to approve a permanent planning agency and suggests the hostility of the Congressional friends of the Corps of Engineers to the NRPB. The latter must be concluded from the strained

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relationship between the Corps and the NRPB and the sending of the amendment to the Committee of Public Lands and Surveys which was much friendlier to the Corps than was the Commerce Committee.  

Traditionally Congress selected river and harbor projects on political criteria. In grand pork-barrel style members would support each other's pet projects and return home to campaign on the platform of "look what I can do for the district." Congress sought the technical advice of the Corps of Engineers which supervised the construction but the Corps fully understood the political situation and became a cooperative partner in the game, from which, of course, it came to benefit. The Corps had the right to report directly to Congress and even after 1933, when President Roosevelt began to attack its independence, it was able to maintain this favored position. The many local supporters of the Corps were nationally organized into the Rivers and Harbors Congress which had considerable influence in Congress - its nominal officers were members of Congress.

Among the methods of curbing the activities of the Corps were the establishment of a unified water policy and the review of construction projects and the NRPB was one of the leading advocates of both. Members of the pork-barrel club, fearing some rendering, became hostile to the NRPB. Representative John J. Cochran, Chairman of the Committee on Expenditures in the Execu-

tive Departments reported that the Rivers and Harbors Block was almost unanimous in its opposition to the NRPB. The President, aware of this opposition, tried to reassure members of the Block that the Board did not interfere with the work of the Engineers but was unable to overcome their opposition to a permanent planning agency.\textsuperscript{64}

Probably the most important indirect contribution made by the NRPB was the part it played in the establishment of the President's Committee on Administrative Management - it also resulted in an extension of the Board's existence. Late in 1933, the citizen members of the National Planning Board completed an outline of proposed planning activities. One part of the outline, prepared by Merriam, dealt with government planning and included recommendations for action in the reorganization of local, state, public

\textsuperscript{64}\"The Congress Week: Scrutinizing the Spending Bills,\" The United States News, February 16, 1940, 12. Cochran to M. H. McIntyre, January 7, 1939 and Cochran to FDR, February 6, 1939; OF 1092, NRPB, 1939. Cochran to Philip H. Elwood, January 31, 1939; RG 187, NRPB (071.1). FDR to William M. Whitington and Joseph J. Mansfield, February 14, 1940; RG 187, NRPB (203). David Cushman Coyle, Conservation: An American Story of Conflict and Accomplishment (New Brunswick, New Jersey: Rutgers University Press, 1957), 137-138, 140. Coyle points out that the cost of Corps of Engineers construction has a habit of exceeding estimates. Arthur Maass, The Kings River Project in the Basin of the Great Central Valley (Washington: Committee on Public Administration Cases, 1950), 67-68, 71. Arthur Maass, Muddy Waters: The Army Engineers and the Nation's Rivers (Cambridge, Massachusetts: Harvard University Press, 1951), ix, xiv, 115. Maass points out that President Truman tried to control the Corps by using the Bureau of the Budget but was not successful and that the Rivers and Harbors Block was able to resist the recommendations of the Hoover Commission which would have brought the Corps under closer executive control.
and national administrative units. In 1935, after he had become
more familiar with his ideas, President Roosevelt asked Merriam to
prepare a memorandum expanding on views of executive reorganization:
His statement is considered

the first recorded official document in the
series which led up to the creation of the
President's Committee on Administrative
Management. . . .

It urged an investigation into the management problem of the
Federal government with particular emphasis on the staff require­
ments of the President and recommended that the study be conducted
by an appropriate private agency such as the Committee of Public
Administration of the Social Science Research Council, independ­
dently of the NRC.

Instead a special presidential committee was created,
headed by Louis Brownlow, who had close ties with the Committee of
Public Administration and the NRC. The committee brought in a

65Louis Brownlow, A Passion for Anonymity: The Autobiogra­
phy of Louis Brownlow, second half (Chicago: The University of

66Harold Ickes to FDR, December 20, 1935; RG 187, NRPB
(846). Brownlow, Autobiography, 314-344; Brownlow points out (p.
339) that FDR wanted to use the "... thought and experience of
the membership of the Advisory Committee of the National Resources
Committee. It was equally clear that he did not want to use the
National Resources Committee itself because that would include
certain members of the Cabinet and not others. . . ." NRC, Plan­
ing Our Resources, 25. Although the NRC was not directly involved
in the study, it is important to note that Merriam served on the
Committee and many of his ideas were incorporated into its report.
comprehensive set of recommendations for reorganization of the executive branch and these led to the passage of the Reorganization Act of 1939. Under the provisions of this act the President could send to the Congress plans for the reorganization of the executive branch which were automatically implemented unless rejected by one house of Congress within sixty days of receiving them. This reform greatly simplified the reorganization process and the bringing of greater efficiency and effectiveness to the government.67

In the Spring of 1939, the NRC faced a new crisis in its struggle for existence. The Congress had included a statement in the Relief Appropriation Act of the previous year that the agency was extended until June 30, 1939. No statement of this nature had been included in previous appropriations and it was interpreted by some, including the Comptroller General, to mean that the planning agency would go out of existence on that date. While such an interpretation may have been strained, the action did create doubt about the willingness of Congress to provide funds for the continued operations of the NRC under the relief appropriations.68

Several approaches for extending the life of the NRC were open. Senator Hayden was again urging Congress to pass legis-

68 Memorandum, Eliot to the Advisory Committee, April 5, 1939; RG 187, NRPB (076).
lation establishing the planning agency on a permanent basis. The chances of favorable action, however, seemed little better than they had three years before; many remained unconvinced of the need for a permanent agency and the supporters of the Corps of Engineers continued in vigorous opposition.

The other approach was to transfer the NRC to the Executive Office of the President. This could be accomplished by the issuance of a Presidential order under the authority of the Reorganization Act which provided for the combination and relocation of various planning agencies. Because of the President’s continued enthusiastic support for the NRC, this plan offered the better chance for success, but it was not seized upon eagerly by the NRC. If it offered a stay of execution it did not bring a pardon: It seemed likely that such a move would insure the defeat of the legislation giving the NRC permanent statutory recognition.

As the deadline for action drew near and the prospects for

69 Memorandum, Eliot to Advisory Committee, April 5, 1939; RG 187, NRPB (076). Representative Lindsay C. Warren to FDR, February 10, 1939; OF 1092, NRPB, 1939. Maass, Muddy Waters, 95.

70 Memorandum regarding White House Conference, Delano and Merriam with FDR, March 1, 1938; RG 187, NRPB (104.1). Memorandum Eliot to the Advisory Committee, April 5, 1939; (076). In this memorandum Eliot expresses his personal belief that this would be the effect and points out that because of the sixty day waiting period between the proposal of a reorganization by the President and the opportunity of putting it into effect it would be nearly June 30 before the NRC knew its fate — making it very difficult to plan future activities.
the Hayden proposal remained dim it was decided that certainty was the better part of the future. On April 25, 1939, the President sent Reorganization Plan Number One to the Congress. Included in its recommendations was one combining several planning agencies and establishing them in the Executive Office. This proposal was approved with the adoption of Public Resolution No. 20 on June 7, 1939 and became effective July 1. The new agency which derived its authority from the old Employment Stabilization Office and the NRC was designated the National Resources Planning Board.

71 It is interesting to note that in passing the Reorganization Act of 1939 the Congress specifically exempted the Corps of Engineers from the act. In 1945, when President Truman asked that the Reorganization Act be reenacted and that this time no agencies be exempted from its provisions, the Congress again exempted the Corps. Maass, Muddy Waters, 96-97.

72 The Employment Stabilization Office stemmed from the Employment Stabilization Act of 1931 (Public 616, 71st Congress) and modified by Executive Orders 6166 and 6623 of March 1, 1934. The NRC derived its authority from a series of acts and executive orders as follows: "Executive Order No. 7065, June 7, 1935, under authority of Relief Act of 1935, extended by the Relief Acts of 1938 and 1939 and powers of the National Resources Board. That Board was established by Executive Order 6777, June 30, 1934, under authority of N.I.R.A., Public no. 67, 73rd Congress and the powers and duties of the Committee on National Land Problems set up by Executive Order No. 6693, April 28, 1934 and the National Planning Board of the Federal Emergency Administration of Public Works. That Board was in turn set up by Circular 1 of the P.W.A. under authority of Title II of N.I.R.A. which authority has been continued by Congress in a series of Acts to June 30, 1941." Legislative Authority: National Resources Planning Board; Record Group 187, NRPB, Central Office Correspondence, 1933-43 (071.1).

The pertinent parts of the Executive Order creating the NRPB were:

"To survey, collect data on, and analyze problems pertaining to national resources, both natural and human, and to recommend to the President and the Congress long-time plans and programs for the wise use and fullest development of such resources."
"To consult with Federal, regional, State, local and private agencies in developing orderly programs of public works and to list for the President and the Congress all proposed public works in the order of their relative importance with respect to (1) the greatest good to the greatest number of people, (2) the emergency necessities of the nation, and (3) the social, economic, and cultural advancement of the people of the United States.

"To inform the President of the general trend of economic conditions and to recommend measures leading to their improvement or stabilization.

"To act as a clearing house and means of coordination for planning activities, linking together various levels and fields of planning." RG 187, NRPB (071.1). New York Times, September 10, 1939.
CHAPTER IV
THE NATIONAL RESOURCES PLANNING BOARD
AND ITS PROGRAMS

The National Resources Planning Board differed significantly in structure from its predecessors in that, as a part of the Executive Office, it reported directly to the President. The part-time citizens who were the members of the National Planning Board, and who joined with the Cabinet officers to constitute the National Resources Board and the National Resources Committee, had directed the activities of the NPB and, in the capacity of an advisory committee, guided the work and established the basic approach of the NRB and NRC, but they had been accountable in the first instance to the Emergency Administrator of Public Works and in the latter two to the Cabinet Committee. The citizen members felt that this situation was cumbersome because of the size and conflicting loyalties of the members of the parent body and had urged, at least since 1934, that the planning board be composed of from three to five members and that, most importantly, it have direct access to the President. This separation would permit the board to coordinate more effectively the activities of the action agencies and to work more closely with the other principal agency.

The NRPB, as the successor to the NRC and the Federal Employment Stabilization Office, continued efforts in national resources planning, in advance programming of public works construction, and in the encouragement and coordination of planning among agencies at all levels of government. The Board additionally was given the potentially important responsibility of advising the President

\[\ldots\] of the trend of employment and business activity, and of the existence or approach of periods of business depression and unemployment in the United States or in any substantial portion thereof; \ldots.\footnote{National Resources Planning Board, National Resources Development, Report for 1943: Part I, Post-War Plan and Program (Washington: United States Government Printing Office, 1943), 2-3.}

The President could, also, and from time to time did, extend the duties of the NRPB.

The President appointed as chairman and vice-chairman of the NRPB, Frederic A. Delano and Charles E. Merriam, who had served as citizen members of the predecessor agencies. The third appointee was George Yantis, a lawyer from Olympia, Washington, who was selected because of his deep concern about the efficient use of the nation's resources, the improvement of the conditions
of life of its citizens, and who qualified under the provision requiring members to be from widely scattered sections of the country.

The early activities of the predecessors of the NRPB were typified by efforts to coordinate the vast, new public works programs and to efficiently conserve the nation's land and water resources. Experience demonstrated that physical planning could not be carried on in the abstract. The decision to build, or not to build, a dam, or a library, or an irrigation system affected the lives of thousands directly and of many more thousands indirectly. Increasingly the planning agency emphasized the relationship between physical and human development. From this cautious beginning the agency moved with increasing boldness into the broader area of socio-economic problems with its investigations into energy resources, productive capacity, and consumer consumption and expenditures. Physical planning remained an important part of the planning activity but President Roosevelt favored the broader approach and when, at one of his early meetings with the NRPB, he reminded the members of the interrelationship of human and natural resources, they were encouraged to continue in their chosen direction.3

The original organization of the NRPB was carried over virtually intact from the NRC. The Board established policy and gave general direction, but Charles W. Eliot, II, who remained as Director, continued to guide the day to day operations of a small but highly competent staff. The technical committees for land, water, energy resources, science, public works, industrial, local planning, and population were retained. Composed of experts from within and outside the government the committees supervised many NRPB studies and served to facilitate cooperation among the agencies. The technical committees tended to reflect the activities of the NRPB and as they changed some ceased to exist and new ones were created.

The staff of the NRPB also underwent occasional reorganization; the most important change took place in early 1940. To improve supervision over the far-ranging activities of the agency, the staff sections were grouped into three divisions each headed by an Assistant Director. The divisions were not organized along functional lines and perhaps for this reason were entitled simply "A," "B," and "C." It is also possible that since so much of the work of the NRPB cut across functional lines the letter designation was intended as a reminder that no one held sole jurisdiction in any area.  

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Division A was headed by Thomas C. Blaisdell, and was concerned with economic security, health, and nutrition; the activities of the science committee; and the post war adjustment of personnel. Division B was headed by Ralph J. Watkins, and was divided into the industrial section with its work on transportation and energy and the land section. Division C was headed by Frank W. Herring, and included water resources, federal programming, and public works project review.\(^5\)

Within the Office of the Director, Eliot retained control over general administration, publications, public information, special studies, and the Field Service Section which supervised the NRPB regional offices. Eliot was particularly interested in the activities of this section and its Chief, John Miller, reported directly to him. The NRPB wanted some degree of uniformity in the carrying out of national policies, but Eliot and Miller recognized that regional differences within the country often made modifications necessary. It became a matter of deliberate policy to give the regional offices a great degree of

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1939 to June 30, 1941. Charles E. Merriam, "The National Resources Planning Board," George B. Galloway, Post-War Planning in the United States, 3 volumes (New York: 20th Century Fund, 1942-1944), I, 494-496. One of the Assistant Directors has suggested that while the function of the agency justified bringing in the assistant directors, the decision may have been pushed by Merriam as a means of diluting Eliot's influence; interview with Ralph J. Watkins, April 20, 1965.

independence. Both men, Eliot from his background in physical planning and Miller from his training in public administration, supported regionalism and decentralization. 6

The work of the land committee under the NRPB divides into two periods. From the establishment of the New Board until July 1940, the committee concentrated its efforts on completing investigations on various aspects of land-use, some of which had been begun under the NRC. After July 1940, the committee was increasingly concerned with the relationship of land-use to public works and stabilization of the economy—an interest stemming from the duties inherited by the Board from the Federal Employment Stabilization Office.

Important investigations into land classification and delinquency were completed. The report on land classification, published in 1941, summarized the history of such activities in the United States and described the current programs of Federal and state agencies. The delinquency study, published the following year, explained the findings with regard to fiscal, legal, and land-use problems and offered suggestions for improving the care of such lands through revision of the legislative and administrative procedures covering them. 7


Other areas of land development concerned the committee. An examination of the never-never land of the rural-urban fringe did not result in a NRPB report but some of the findings were published by one of the Board's technical experts in a book titled *Economic Geography*. The long interest of the NRPB in improved land-use was evidenced by the publication of two reports on public land acquisition. The first, reviewed the objectives of such a program and the current policies of selected Federal and state agencies in the acquisition of rural lands. A similar report for urban land-use control included a discussion of the methods for urban acquisition and the implications of large-scale programs.8

In an effort to respond to the NRPB's concern for economic stabilization, the land committee devoted increasing amounts of its time to the programming and review of public works projects in the land field. In conformance with the general approach of the Board, the idea was not to do the planning for other agencies but to coordinate their program proposals, reduce conflict and duplication, and insure that they conformed to an over-all national policy. To accomplish these the NRPB would have to issue a policy

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statement, establish review criteria, and finally implement the procedure.  

"Land Development Policies," a statement of general policy for the protection and development of land appeared in the 1941 report of the NRPB. The statement included discussions of land problems, the types of projects that affect land development, the relationship of land public works to over all policy, and offered a set of general principles to be used in the evaluation of land public works projects.

The land committee's interest in the relationship between land public works and the general public works problem derived from its realization that success in its limited area depended upon the success of the general program in stimulating the general health of the economy. It was concerned with projects not directly related to land use because they could have important effects on the land—for example, the construction of a rural highway which by its location could encourage settlement on mar-

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ginal land and contribute to rural poverty. Most importantly, however, was its concern over what types of projects should be considered as public works. Programs for forest protection, recreational facilities, and irrigation often were not included and the committee felt that they should be because of their impact on land use and development. 11

Before a program of land works could be effective a broader definition of public works would be necessary. The committee felt that the idea that public works should be limited to construction on publicly-owned land was too narrow and, instead, it began with the assumption that the goal of public works was

To contribute to optimum employment and a rising plane of living, with a minimum of short-run fluctuations, through stimulating production and the wise development and use of resources.

and then went on to identify and explain the elements of a more useful definition. 12

The guiding principle should be whether the expenditure of public money produced a benefit to the general public interest and that the benefits continue over a period of time. Public works should not be limited to construction on public-owned land or, in


12 Ibid., 7.
fact, limited to the construction of such things as buildings and roads. Equally important in the protection of land were drainage, erosion prevention, and contour furrowing and terracing.

"... a masonry dam, an earthen terrace made with special equipment, and a strip crop or contour furrow installed with ordinary farm machinery may involve public assistance, but public construction may be involved only in the first of these three."

The committee thus arrived at a fairly broad definition in which the only real limiting factors were the use of public monies and the improvement of the general welfare resulting from the undertaking. The committee realized, of course, that other government policies such as taxation were important in insuring stability, but it felt that public works could make an important contribution. In the short term through timing construction to offset downturns in the economy and in the long term through projects that would help in the orderly development of resources.

Land public works were needed to cope with the unemployment and poverty in rural areas that had developed because of faulty land use. Using projects wholly or partially financed by the Federal government the committee hoped to bring about changes in land use, reconstruction of land resources, creation of employment in industrial activities, and improvements in health and wel-

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13 Ibid., 6.

14 Ibid., 7.
fare. Projects should be designed so as not to perpetuate existing undesirable situations such as the dependence on cotton in the southern states. Areas of suggested activity were soil conservation, development of forests, schools, roads, parks and rural electrification. The last would facilitate the development of dairying in the south and help both to break down dependence on cotton and make possible the movement of industry to the countryside with the accompanying relief of unemployment. 15

To give its policy ideas meaning the committee established criteria for determining whether and when a project should be included in a public works program. To the general considerations of whether a project contributed to the overall objectives of the program—increasing economic stability and developing resources—was added an appraisal of

. . . costs as compared to benefits, methods of financing, relation to regional and functional plans and programs, and timing. . . . 16

The only projects that should be undertaken are those in which the benefits would outweigh the costs. Since more projects meet this criteria than can be financed, those selected for construction should be those with the most favorable cost-benefit ratio. This does not create a problem when costs and benefits can

15 Ibid., 17-19.
16 Ibid., 8.
be expressed in monetary terms. The construction of a high dam, however, results in many social, nonvendable benefits such as recreation areas, improved health, and savings in relief payments, but reducing them to monetary terms is always difficult and often arbitrary. 17

Closely related to the determination of costs and benefits is the financing of public works projects. During prosperous times those receiving increased income or services deriving directly from a project should pay a proportionate share of the cost of the project and the federal government should pay for those benefits which further national policy or fall under an accepted federal function. During times of depression the federal government should assume a greater proportion of the cost to pay for the increased social benefits of the project such as relief of unemployment and stabilization of the economy. 18 The suggestions of the committee for the distribution of costs were sound but as with the determination of nonvendable benefits difficult to determine and likely to be arbitrary.

Land works projects, if they are to be of maximum value, should be in accord with the general program of land use and there should be a sufficient back-log of projects that will contribute to long-range adjustments to permit rapid expansion of construc-

17 Ibid., 8-9.

18 Ibid., 10-11.
tion during down-turns in the economy. These goals can be best accomplished if all interested agencies—state and local, as well as federal—exchange information during all stages of project development and if a reserve shelf of approved projects is established. The NRPB had long served in a clearing house capacity on public works projects and the land committee now assumed this role for land works projects. The committee knew, however, that many of the excellent recommendations contained in the report of December 1, 1934 had been ignored and that its current policy and procedure would, also, be of little value unless constantly checked. The method most likely to secure compliance with its recommendations was for it to review public works projects relating to land development to insure that all projects placed on the shelf were in accord with the general policy. This approach was accepted and the staff of the land section of the NRPB and the land committee, working through a sub-committee, assumed this as a primary duty.

The NRPB was assigned responsibility for assembling the six-year shelf of public works projects in 1936, and had worked steadily to improve its procedures. The Federal Employment stabilization Office, from whom the NRPB took over the shelf, had

19 Ibid., 11-12.

limited itself to receiving the proposed programs of the action agencies and sending photostatic copies to the President without recommendations for either the first or succeeding years of the program. When the National Resources Committee took over the shelf it submitted a recommended public works program for the first year and a less detailed plan based on estimated amounts by agencies for the following five years. To further improve the project the NRC began to collect the programs for the action agencies early enough to review and submit them to the President in time for budget consideration.  

This procedure was formalized by Executive Order 8248 issued on September 8, 1939. In it the President charged the NRPB to consult with federal action agencies in the development of their public works programs and to list them in order of their importance in accord with

(1) the greatest good to the greatest number of people  
(2) the emergency necessities of the nation, and  
(3) the social, economic and cultural advancement of the people of the United States.  

Then on June 26, 1940 in Executive Order 8455, the President

instructed federal agencies to report information on public works projects to the Executive Office for use by the Planning Board and the Budget. This greatly facilitated the work on the shelf and acting under its authority Delano and Director of the Budget, Harold D. Smith, promulgated Regulation No. 1 which set forth the procedures for construction agencies to follow in complying with the Executive Order. The agencies were still required to submit revised six-year programs to the Bureau of the Budget with their budget estimates each September, but provision was made for them to report continuously on plans and estimates for project proposals to the NRPB. This meant a complete history of every project was available and it greatly enhanced the value of the shelf of projects.  

The Executive Orders indicated that the Budget and the NRPB were to work together on the shelf and accordingly the two agencies worked out joint procedures to cover the reporting and review of the project proposals of the action agencies. There is

23 Memorandum in Explanation of Executive Order No. 8455 and Regulation No. 1 Issued Thereunder, Delano and Smith, July 16, 1940, RG 187, NRPB (669.42). Specifically agencies were to turn in reports "1. when a survey looking toward such a project is undertaken; 2. when the survey is completed; 3. when plans and estimates of costs have been made for the project and when revisions, if any, are made in those plans and estimates; 4. when the project is put under construction; 5. when the construction is completed." Memorandum, Delano to FDR, July 31, 1940; RG 187, NRPB (104.1). NRPB, Development of Resources and Stabilization of Employment in the United States: Part I, The Federal Program in National Development, 52.
evidence, however, that the two agencies did not place the same importance on the back-log concept of the shelf. In late 1941, a year and a half after the beginning of the joint enterprise, the chief of the Federal Program Section of the NRPB, Robert W. Hartley, reported that the Budget was still accepting, for inclusion in the budget estimates, projects which had not been submitted to the NRPB for review prior to the July 15 preceding the September during which the budget hearings were to be held. This meant that construction agencies were, on occasion, ignoring the provisions of Regulation No. 1. In addition, the Bureau of the Budget displayed a certain laxity in that it did not require the action agencies to submit their six-year projections with their annual budget estimates.

In many cases, the Budget examiners appear to be completely unaware that the six-year programs are to be submitted and this has caused some embarrassment on our part, since the agencies have pointed out this fact to us and have raised the question as to why the six-year programs have to be submitted at all...24

There are other indications that while relationships between the two agencies of the Executive Office were cordial, the NRPB found it difficult to establish a regularized procedure for the joint activity. The close working relationship which had been antici-

24 Memorandum, Hartley to Herring, December 2, 1941; RG 187, NRPB, Unit 25.
pated seemed to "... depend largely upon the individual members of the ..." Bureau of the Budget. 25

The responsibility for preparing the detailed plans of the projects for the six-year shelf remained with the action agencies. The NRPB established the relationship of project proposals to existing programs and conditions, coordinated the proposals of an agency with those of others, public or private, and within the same or related areas, and recommended project priority within functional categories on the basis of the President's instructions of September 8, 1939. Projects were divided by function (water, land, transportation) and then into evaluation groups: Group A, recommended for immediate construction; Group B, deferred; and Group C, indeterminate or unevaluated. The six-year shelf, since its first year corresponded to current budget estimates and the other five constituted a developing program, produced considerable flexibility. Projects could be selected from Group A as soon as funds became available and counter-cyclical construction could be begun quickly. 26

25 Herring to F. J. Bailey, Bureau of the Budget, October 22, 1942 and Herring to Leo C. Martin, Bureau of the Budget, October 22, 1942; RG 187, NRPB (669.42). Memorandum, Hartley to Herring, December 2, 1941; RG 187, NRPB, Unit 25. The published reports of the NRPB always suggest the closest ties with the Budget and this has been generally accepted, for example, see Landon G. Rockwell, "The Planning Function of the National Resources Planning Board," The Journal of Politics, 1945, 171.

One of the continuing goals of the NRPB was the stimulation of advance planning and programming at the state and local level, where, unfortunately, such activity was often inadequate. An important function of municipal government is the provision of needed public facilities and services and these are often provided by the construction of public works. The need for such projects is continuous and because of this construction could be systematized into projects for the reserve shelf and be one more source of available construction for periods of economic down turn. In too many cases, however, the construction is undertaken without regard to overall community development or consideration for the effect on future financial needs and available tax revenues. Long-range programming would enable a city to improve its public services and at the same time maintain a sound financial base. To be fully effective the programming would need to include financial planning to insure that costs relate to the financial resources of the city, reviews of all proposed construction to see that it is in harmony with general needs, and annual reviews of the entire pro-

gram so projects can be modified to meet the inevitable changes in community needs. 27

To make it easier for cities to adopt advance programming, the NRPB undertook the development of a generally applicable technique. Several cities already engaged in public works programming were studied, the collected data analyzed and a tentative procedure formulated. Then, to test the technique, seven widely scattered and diverse cities were selected for a second project, most of which worked out and published long-range programs. After studying the results, the Board issued a report on the methods and procedures that had been developed for the guidance of other interested cities. 28

The lessons learned from the demonstration projects were just beginning to be applied in 1941, when the Second World War forced the deferrment of non-defense construction projects. The value of advance programming and the reserve shelf of projects remained because a reservoir of construction projects would serve


28 NRPB, National Resources Development Report for 1942, 53-54. The demonstration cities and their populations were: Winchester, Massachusetts (13,000); Nashville, Tennessee (150,000); Kalamazoo, Michigan (55,000); Dallas, Texas (260,000); Fargo, North Dakota (30,000); Spokane, Washington (115,000); Sacramento, California (95,000); memorandum on the Demonstration Project Summaries, V. Richard Bernhart, February 20, 1941; RG 187, NRPB, Unit 27 (State and Local Program Section).
as a cushion for economic stability during the transition from war to peace. The NRPB, in conjunction with the Federal Works Agency, organized the Public Work Reserve to collect and maintain a shelf of projects that could be utilized, if needed, during reconversion. 29

The water committee of the NRPB continued to help in the coordinated development of the nation's water resources through the drainage basin committees and the clearing house and review procedures established specifically for the purpose. In 1939 the War, Interior, and Agriculture Departments entered into a Three Party Agreement to facilitate the exchange of information on water projects and the cooperation necessary for the construction of multi-purpose projects, had produced some limited results. The NRPB continued its efforts to advance this approach and even its critics considered this to be on the plus side of the ledger. 30


Much of the key work in coordinating national water policy was done by the evaluation subcommittee of the NRPB's water committee. The subcommittee received reports on proposed projects throughout the year and these were reviewed by the members, who represented the major construction agencies in the field. All interested agencies were thus kept informed of the proposals of the other agencies and the projects were checked to insure they did not run counter to administration policy or conflict with proposals of the other agencies.31

Perhaps the most important enterprise of the water committee during this period was the publication in 1941 of a proposed national water policy. The statement was a recognition of the importance of an overall, unifying policy and was approved by all but two of the committee members.32

31 "The Evaluation Subcommittee of the Water Resources Committee of the National Resources Planning Board, August 29, 1941; RG 187, NRPB (203). Box 714, in particular, contains examples of NRPB services in this area. Other examples of the correlation of plans through inter-agency review are: Eliot to Maj. Gen. Julian L. Schley, Chief, Office of the Chief of Engineers, April 25, 1941 and Herring to Ira N. Gabrielson, Director, Fish and Wildlife Service, May 2, 1941; RG 187, NRPB (669.42).

32 NRPB, Development of Resources and Stabilization of Employment in the United States: Part III, Functional Development Policies, 21. Those approving the report were the Chairman, Abel Wolman, Johns Hopkins University; Milton S. Eisenhower, Land Use Coordinator, Department of Agriculture; Edward Hyatt, State Engineer of California; Leland Olds, Chairman, Federal Power Commission; John C. Page, Commissioner, Bureau of Reclamation, Department of the Interior; Glen L. Parker, Chief Hydraulic Engineer, Geological Survey, Department of the Interior; Theodore B. Parker, Chief Engineer, Tennessee Valley Authority; Thorndike Saville Dean, College of Engineering, New York University; R. E. Tarbett,
By the 1930's the Federal government had assumed responsibility, or partial responsibility, for an increasing number of specific tasks on the waterways of the nation — navigation, reclamation, hydroelectric power, and flood control, among others. The Federal involvement in each area had developed at different times and under specific legislative authorization. In the early years of the Twentieth century some efforts were made to achieve a comprehensive approach, but the interrelationships among the programs were generally neglected. Then during the 1930's the NRPB tried to bring about cooperation through contact among the water development agencies but discovered that

What is needed is the adoption by the Federal Government of a unified water policy under which provision can be made for prudent, orderly, balanced, full development of the

Senior Sanitary Engineer, U. S. Public Health Service, and Julius T. Wendzel, in charge Interdepartmental Coordination, Office of Land Use Coordination, Department of Agriculture. Dissenting were Harlan H. Barrows, University of Chicago and Maj. Gen. Julian L. Schley, Chief of Engineers, Corps of Engineers, United States Army. "Memorandum for the records, comments by J. W. Dixon, Secretary, Water Resources Committee at Training Conference of Regional Business Consultants, August 25, 1941; RG 187, NRPB, Unit 24 (land section), Box 1. Mr. Dixon recorded: "... the report of the Subcommittee on National Water Policy, ... was approved by 10 of the 12 members of the Water Resources Committee. The two that disagreed were on opposite sides of the fence. When 10 of the 12 men of their calibre agree on a policy matter, you may feel fairly well assured that you have a workable policy." This writer was told in an off-the-record interview that Mr. Barrows dissented to balance the position taken by General Schley and was otherwise willing to accept the report.
The NRPB statement on water policy constituted a series of recommendations intended to help realize the goal.

The statement stressed the importance, to the full and efficient development of water resources, of multiple purpose projects conforming to overall river basin development, and to general national policy. The committee emphasized, as had the land committee in its report on land public works, that only projects with a favorable benefit to cost ratio should be undertaken and that in determining the ratio all types of benefits and costs, including such intangible ones as recreation, should be included and that project costs should be divided among public and private interests in the proportion benefited. The statement went on to urge closer and earlier cooperation among construction agencies and, as usual, pointed to the important contribution a disinterested coordinating agency such as the NRPB could make.

The report, also, noted that faulty state laws such as those permitting the extension of irrigated acreage beyond the limits of reliable water supply hindered effective water development and urged this situation be corrected, if necessary, by the judicious use of Federal grants and assistance.  

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34 Ibid., 23-50.
One criticism of the NRPB has been that it contented itself with adopting and securing approval of general policy statements rather than with comprehensive development plans. It is true that general statements are no more than essential first steps toward detailed plans, but the NRPB, or at least key staff members, realized this. In 1942, the Chief of the Water Resources Section in explaining his budget needs wrote

We are blind, therefore, if we feel that the mere creation of a good work, such as the national water policy, is enough to insure its being used. . . . Even the fact that the Board led the agencies in their agreement upon a good code for behavior will not bear fruit unless sufficient support is given to the daily application of the policy. It must live or die as a constructive instrument.

It is important to remember that when the NRPB began its work there was little inter-agency cooperation, and no general policy. In addition, the NRPB was, partly by its own choice, a staff and not a line agency, and it looked upon its role primarily as coordinator, not actor. It could possibly have developed a strong supervisory position as the Bureau of the Budget did, but it did not.

In 1939, the NRC issued a general statement for the use and conservation of the energy resources of the United States.

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35 Millett, Process and Organization, 16-17.

36 Memorandum for Mr. Herring, December 5, 1942, J. W. Dixon; RG 187, NRPB (Division C).
This was followed, in 1941, by another statement which while more
detailed was in most instances as vague as its predecessor. The
comprehensive nature of its coverage and its identification of
problem areas was excellent, but its recommendations were cast in
general terms of value in pointing to desirable policy goals but
not in mapping the path to reach them. 37

The energy producing industries were nationally organized
with complex inter-relationships and for these reasons the report
stressed the importance of Federal action and an integrated,
national policy. The report urged that energy resources be
developed so as to strengthen the national economy and suggested
greater efficiency in the production of mineral fuels, increased
per capita supply of energy, and protection of labor standards and
stabilization of employment in the energy industries as specific
goals. In the limited areas of coal, petroleum and natural gas,
water power and electric energy, and inter-resource relationships
the report was, also, vague. It suggested a reduction of insta­
bulities and their effects through the adoption of programs that
would minimize short-term fluctuations in production and offer
supplemental employment during periods of constriction of produc­
tion. It said that for the maximum recovery of oil and gas,

37 National Resources Committee, Energy Resources and
National Policy (Washington: United States Government Printing
Office, 1939). NRPB, Development of Resources and Stabilization
of Employment in the United States: Part III, Functional Develop­
ment Policies, 53-59.
methods should be devised to promote stability of production throughout the industry and that the regulation of production in fields far from the market areas should be studied. There were no suggestions for realizing these goals.\textsuperscript{38}

There were, of course, specific recommendations in the report; most notably that calling for the substitution of ownership-in-place for the rule of capture in the oil reserves. This would encourage conservation by giving economic protection to conscientious producers. But even here the report only called for encouragement of the change: it recommended no specific action.\textsuperscript{39}

In response to a Presidential request for a study of American transportation, the NRPB established a technical committee composed of representatives of all the important government transportation agencies. A study was made and the report that resulted called for the reorganization of the industry so that it, in conjunction with public regulation, would provide

\begin{quote}
... an adequate transportation system operating at a high degree of efficiency and at low cost; with each mode of transport operating in its field of greatest economy and usefulness and functioning with a minimum of waste and duplication; with a rate level which is as low as possible, yet adequate to support progressive development of transportation facilities and services and of labor standards; and with a ...
\end{quote}

\textsuperscript{38}Ibid., 55-57.

\textsuperscript{39}Ibid., 57.
rate structure that is fair to regions, products, and individuals. 40

Through its huge financial contributions, the Federal government had, and continued, to play an important part in the development of the transportation industry. However, as this report pointed out, the most compelling problem facing the industry was not further expansion but coordination of existing services. Despite this, Federal policy remained primarily concerned with expansion. The Federal role was further complicated because the transportation agencies acted independently, and often as the special advocates of different types of transport. Federal activity lacked unity and direction; the report urged the creation of a Federal Transportation Agency that could establish an integrated policy. 41

The proposed Agency would absorb the existing development agencies and coordinate all Federal transportation activity. In addition to general development, the Agency would take the lead in developing programs for transportation consolidation, coordination of terminal modernization and other aspects of transportation and the encouragement of new forms of transportation. 42

41 Ibid., 1, 5-6, 8-9.
42 Ibid., 8, 14. The Interstate Commerce Commission would remain separate and retain its quasi-judicial functions.
The railroads, probably more than any other part of the industry, were in need of reform. The report noted that the railroads were in financial difficulty. Their competitors enjoyed the use of publicly constructed facilities and more variable costs that fluctuated with the volume of traffic. The roads, on the other hand, because they were afflicted with large fixed charges growing out of their ownership of terminals and rights of way had a more rigid cost structure. To help them improve and modernize the report suggested that the "... credit of the Federal Government ... be made available. ..." to them. 43

Another possible reform was consolidation of existing rail lines. The report noted that consolidation of lines improved economical operation and it endorsed the idea. The development of regional systems would make savings possible by ending wasteful duplication of service and separate operating companies. Unfortunately, there was little likelihood of voluntary consolidation because of the opposition of existing management groups, labor unions, and localities each of which feared a loss of influence or advantage. Equally restricting was the Transportation Act of 1920, which in an effort to promote competition, placed obstacles in the way of consolidation.

The NRPB report favored a relaxation of existing controls. This was largely true because it felt conditions in the industry

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43 Ibid., 15.
had changed. It was no longer necessary to have railroads compete directly with one another to maintain the public interest. This could be protected and more efficient operation achieved through competition among different types of transport: trucks, buses, and air planes. \(^44\)

It was fortunate that the NRPB reports for national policy in land, water, and transportation were already well advanced as the 1930's came to a close. The Board was to continue work in these and other traditional areas but as the prospect for war increased and then became a reality, its efforts were increasingly adopted to the needs of defense and war.

\(^{44}\)Ibid., 8. The report was opposed to a single national rail system, however, and said that "Should integration proceed to that degree, government ownership and operation would seem to be the only feasible alternative."
CHAPTER V

PLANNING FOR DEFENSE AND WAR

Long before the outbreak of war in the fall of 1939, the NRPB became concerned with the troubled state of the world and the place of the United States in it. In the middle thirties brief sections in NRPB reports pointed out that if war were to come the United States would face possible shortages of resources essential to the national defense. In late 1938, Secretary Ickes reported to the President that proper planning was essential to a defense effort and mentioned that several studies were already underway that could be of great help in an emergency. He directed the President's special attention to the already completed report on power which had resulted in a declaration by the nation's power companies that they were going to increase their capacity by a million kilowatts— an increase that would facilitate any needed increase in defense production.¹

hold an emergency meeting at which the Board decided that long-range planning should continue as its primary concern. Information gathered in these undertakings that would be useful in coping with the emergency would, of course, be provided to the appropriate agencies. But preparations for defense, and later for war, were to have a much broader impact on the activities of the NRPB. As material grew more scarce and public works projects were cut back, the NRPB curtailed its traditional activities and increasingly became involved in the efforts to prepare the nation's defenses. It continued to assist the existing agencies, as they were created. The special knowledge of its staff and the richness of its records enabled the NRPB to make important contributions to the work on plant location, transportation, energy, and congested areas. In addition, the Board was largely responsible for two interesting and important projects related to the defense effort—the National Roster of Scientific and Specialized Personnel and the Committee on the Conservation of Cultural Resources. The NRPB did continue to have great concern for long-range developments and always urged their consideration even in programs of an emergency nature.

2 Delano to FDR, September 5, 1939 and minutes of the third meeting of the NRPB, September 4-6, 1939; RG 187, NRPB (103.71).

The NRPB's studies of American transportation were consulted by many of the emergency agencies but the Defense Commission either did not consult them or did not accept the findings. By May 1941 a critical shortage of rolling stock had developed, despite several prophetic, early warnings. In 1939, Lauchlin Currie, anticipating a shortage of rolling stock, offered a proposal to help the roads secure the needed equipment but because of opposition from the American Association of Railroads it was defeated in the Congress. An NRPB staff report by Robert Janeway, "Analytic Study of Railway Equipment," was then prepared and in early 1941 made available to the Defense Commission.*

Janeway urged the immediate construction of 100,000 freight cars, and warned that with steel producers and fabricators already working at near capacity, delay would make serious dislocations almost certain. Janeway also pointed out that more efficient use of existing equipment could be attained by restricting less-than-carload freight movement and by using the slow summer months to move the coal normally carried during the hyper-busy fall season. All the suggestions were ignored by Ralph Budd, the experienced railroad man who coordinated rail activity for the Defense Commission.

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sion. He dismissed the pessimistic estimate as the product of inexperienced statisticians. In May 1941, with the validity of the NRPB study obvious, even to Budd, he conceded the need for more stock. The roads announced plans to order 270,000 cars in 1941 and 1942, but, as predicted, much of the necessary production capacity had already been converted to defense needs. The NRPB continued to urge that the long-planned Office of Defense Transportation be established and that to help offset the shortage it make plans for a car pool. This was accomplished as was the imposition of restrictions on less-than-carload freight movement.5

The NRPB, with its familiarity with resource problems, anticipated many of the problems that arose to plague emergency preparations. In 1941, the problem of an adequate supply of petroleum for the Atlantic Coast, and for which the Petroleum Coordinator and other responsible officials received considerable criticism, developed. Beginning in September 1940, the NRPB had begun to warn of the possibility of problems in the transportation of petroleum to that area and to offer specific suggestions for solving the problems. Suggestions had run from the installation of new pumping stations at St. Louis, Missouri and Columbus, Ohio, to increase pipeline capacity, to the construction, on a first priority preference, of ten to fifteen thousand new tank cars, to compensate for the inroads into tanker tonnage along the Atlantic and Gulf Coasts. Memoranda covering these, and other recommendations, had been transmitted to the appropriate agencies but had not produced action. In fact, as late as February 1943, members of the NRPB staff were being asked by the Requirements Committee of the War Production Board to consult with them concerning the East Coast petroleum shortage and the proposed Texas-Indiana pipeline. Discussions were held and recommendations given to the Committee but the contribution of the NRPB was limited because, acting in accord with Congressional action, it was already making the necessary arrangements to go out of business. 6

6 Memorandum, Watkins to Delano, October 3, 1941; RG 187, NRPB, Division B, contains a list of memoranda recommendations covering the period July 15, 1940 to September 23, 1940 and the
In the decade before the Second World War the stockpiling of essential materials for emergency use was not universally approved. The NRPB, because of its detailed knowledge of the nation's resources, began, as early as 1934, in its correspondence and energy resources reports, to endorse the idea. Debate over the concept continued into 1938, then the Bureau of the Budget declared a bill giving stockpiling authority to the army contrary to the legislative program of the President. Increasing concern over the prospects of war, however, led to the organization of an interdepartmental committee, along lines suggested by the National Resources Board in 1934, and it helped draft legislation granting the necessary authority for stockpiling and by the fall of 1939 was assisting in the administration of the program.7

handwritten suggestion, probably by Delano, that they should probably go back to September 1939. Other important items are memorandum, Ernest W. Williams, Jr. to Watkins sent to Wayne Coy, Liaison Officer for Emergency Management of the Office for Emergency Management, October 10, 1941 and Williams to Watkins, March 23, 1942; RG 187, NRPB, Division B. "Status of Work," February 12, 1943; RG 187, NRPB (089).

In October 1939, the Energy Resources Committee of the NRPB agreed to undertake a program dealing with the emergency planning of energy resources. The following year, the Advisory Commission to the Council of National Defense expressed interest in the study and, as they became available, reports growing out of the inquiry were sent to the Commission. The study was designed to identify and suggest methods for the elimination of bottlenecks in the production and movement of energy resources and to analyze existing government control machinery and suggest any changes needed to insure adequate supply and distribution of the resources. Reports covered coal, petroleum, and water power and electrical energy.  

After a survey of available electrical supplies and deficiencies likely to develop during 1941, the report noted that the increased demand for steam generators resulting from ship construction would complicate any development of new electric power facilities and that to mitigate possible local electrical shortages high tension system interconnections to link major defense areas were needed. Because of the time needed to construct new facilities the report pointed out that the best means of preventing deficiencies was to plan for defense power requirements well

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in advance but suggested, also, an extension of the authority of
the Federal Power Commission to allow it to require construction
of additional generating facilities. 9

In its inquiry into coal supply, the NRPB cooperated with
the Bituminous Coal Division of the Bureau of Mines and the
Geological Survey and was careful to review developments in the
coal industry during 1914-1918 (differentiating between the periods
of American neutrality and belligerency), and giving special
attention to the effectiveness of the controls imposed by the Fuel
Administration, the War Industries Board, and the Railroad Admin-
istration. The report noted the shortage of railroad coal cars
and urged that it be corrected as rapidly as defense priorities
permitted. The report pointed out that this problem could be made
worse if the tidewater movement of coal from Hampton Roads to the
northeastern states was interrupted but noted that the Interstate
Commerce Commission already had sufficient authority to deal with
such a shortage of transportation facilities. It did recommend
giving additional authority for rationing and traffic control to
the ICC and the Bureau of Mines and, to avoid harmful economic
effects such as had occurred during World War One, price controls
and control of tendencies toward over-expansion of production. 10

9Memorandum, Lincoln Gordon to Watkins (confidential),
July 1, 1940; RG 187, NRPB, Preliminary List, 10.

10"Summary of Recommendations on Emergency Planning Prob-
lems in the Coal and Petroleum Industries, Approved by the Energy
Resources Committee," August 16, 1940 and "A Program of Planning
Continuing in its analysis of energy resources, the report observed that the demand for petroleum would be twenty-five per cent above peace time needs (300 million barrels a year over the current production of one and a quarter million barrels). Military demands would, also, require adjustments in the refining processes to provide for increased needs for aviation gasoline. It was recommended that plans be made quickly to avoid shortages resulting from either maladjustments in production or inadequate transportation and storage. In addition, the report suggested giving emergency powers to the Federal Government to control petroleum prices and to maintain price relationships with other fuels.  

Again in 1942, the NRPB was called upon to prepare a report on energy resources, this time by the Division of Civilian Supply of the War Production Board. About one-half of the time of the members of the staff of the Industrial Section was devoted to the study which contained sections on bituminous and anthracite coal, petroleum, and electric power. The report analyzed problems of production and supply and tried to anticipate areas that would probably require action by the WPB.


In regard to the latter, the report gave great attention to the fuel shortages likely to develop during the winter of 1942-43.12

The beginning of defense preparations forced changes in several traditional areas of NRPB activity. The shortage of men and material curtailed some water projects but many others needed for defense were recommended for construction and the review of water construction projects continued. The Board, the Director, and the Assistant Directors felt that long-term civil values should be the basis of the NRPB evaluations but in November 1941, the Office of Production Management in requesting project ratings for several proposals stated they were

... interested in the defense aspects of these projects and would like to have your estimate of their merit.13

The assistance given to the OPM and later to the War Production Board and other agencies became so great that the NRPB was unable to afford the cost. It asked and received a $5000 reim-

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13 Memorandum, Herring to Watkins, October 14, 1942, memorandum, Herring to Dixon, October 21, 1941, S. L. Phraner, Executive Assistant, Office of the Deputy Director, Division of Priorities, O.P.M. to Dixon, November 5, 1941 and November 8, 1941; RG 187, NRPB (669.42).
bursement from the WPB in April 1943. Many of these reviews involved projects designed to provide adequate industrial and domestic water supplies in critical defense areas. But the Water Review Section furnished expert advice to the Resources Protection Board of the WPB in the establishment of procedures for protection of vital water supplies against sabotage and helped state and local groups work out problems arising out of the emergency.¹⁴

Reporting national economic trends to the President on a regular basis was one of the duties assigned to the NRPB by the Employment Stabilization Act. Reports on trends in income, production, prices, and the utilization of manpower were sent quarterly to the President and other key administrative personnel based on information received from NRPB regional offices and government and private agencies.¹⁵

The reports were intended to assist the President in planning measures to stabilize the national economy by providing him with information concerning the direction in which it was or could be expected to go. The reports were not a peculiarly defense


project but were affected by economic changes resulting from the defense and war build ups. In addition to showing general trends, usually upward at this time, the reports revealed possible production bottlenecks, areas where labor shortages existed, and the type of skills that were missing. In the report for the fourth quarter of 1941, for example, the NRPB pointed out that a shortage of electric power threatened and that a difficult decision between maximum war production in 1942–1943, and the construction of additional power equipment to facilitate greater war production in 1943–1944 might have to be made. In its report for the second quarter of 1943, the Board suggested making the price stabilization program more effective by supplementing the voluntary bond purchase system with an additional tax or a compulsory savings program. Despite these and some other recommendations, however, the reports were generally only factual statements of the state of the economy from which the reader was left to draw his own conclusions.  

The NRPB was not providing the guidance that would seem to have been called for in the assignment.

An outgrowth of the trend reports and of the interest of the NRPB in industrial location was a series of confidential

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16 Trends - National Income, Prices, Employment and Unemployment, Second Quarter Report, 1941 and others; RG 187, NRPB (O89), Box 150 and (669.42), Box 150. Many of the reports may also be found in OF 1092, NRPB, January–July 1943. NRPB, Development of Resources and Stabilization of Employment in the United States: Part I, The Federal Program for National Development, 6–13.
reports on the "Status of Defense Construction" which the NRPB periodically sent to the President and selected key members of the administration. These were up to date records of the expansion of government and privately financed and operated defense production facilities. The accompanying maps indicated the nation-wide distribution of plants and gave graphic demonstration of areas of congestion and opportunity.  

In 1940, the Industrial Section of the NRPB began a study of the factors that influence the pattern of industrial location to determine what steps could be taken to improve the pattern and strengthen the national economy. Working through its own staff and with the cooperation of other Federal, state, and local agencies, the NRPB was to accumulate a base of factual material upon which a long-range program for adjusting the economy to changed circumstances could be established. Accessibility to raw materials, the burden of transportation, congestion, and the availability of skilled labor were among the factors considered by the staff in Washington and in the field.  

Between December 1940 and November 1942, seventeen technical studies covering the many facets influencing industrial loca-

17 Memorandum, McLaughlin to Watkins, September 26, 1941; RG 187, NRPB (103.71). Memorandum, Delano to FDR, April 24, 1941, March 25, 1942, October 7, 1942, November 17, 1942; OF 1092, NRPB, 1941-1943. NRPB, National Resources Development Report for 1942, 6.  

tion were produced by the NRPB. From these an analysis of these papers the objectives of locational policy were determined.\textsuperscript{19}

Because social goals and business advantage were not always in accord, the government had a responsibility to play a part in the determination of location patterns, especially to use its influence to see that the patterns contributed to the stabilization of employment. This should be a continuing policy but attention was called to the critical importance of government action during periods of transition and rapid economic change such as occur during shifts from peace to war or war to peace. Some regions of the country which were rich in resources suffered from low standards of living and considerable unemployment and it was pointed

out that the encouragement of industrial location in these areas was desirable. This would make possible the utilization of unused, or little used, natural and human resources, reduce the problems of congestion in already developed areas, and stimulate a healthy interregional trade of benefit to the entire nation.  

As defense and war made increasing demands on American productive capacity, the efforts to meet the demand went through several stages of development. The fuller utilization of existing plants engaged in war production or lying idle as a result of the depression marked the first stage and it was followed by the conversion to war production of plants engaged in the manufacture of civilian goods and, finally, when even more capacity was needed, by the construction of new facilities. The first two had little impact on location patterns or the supply of scarce construction material but the third had a great impact on both.  

The need to coordinate the construction of these new facilities was clearly demonstrated by the experience of the Second World War. The United States constructed above three million dollars worth of manufacturing facilities during World War I, and during the Second World War over twenty billion dollars worth of manufacturing facilities; Harold Dewey Smith, The Management of Your Government (New York: McGraw-Hill Book Company, 1945), 42.

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plants and to insure the proper use of scarce materials led to the establishment of a new Federal agency — the Plant Site Board of the Office of Production Management. To secure authorization for new plant construction, the organization needing the product — the army, navy, Bureau of Ships, etc. — sent a construction request to the Site Board. The initiating organization prepared a statement describing the proposed construction site and indicated labor, water, transportation, and other requirements. The Site Board gathered all possible data concerning the proposed location from the appropriate agencies — on power from the Federal Power Commission, on housing from the Coordinator of Defense Housing, on labor from the Bureau of Labor Statistics, on geographic distribution from the Division of Contract Distribution of the OPM, and general comments from the NRPB. On the basis of these opinions the Site Board made its decisions and sent them to the President for final approval.  

The War Department was reluctant to give advance information of its industrial needs to those who gave advisory comment and approval to its proposals. Informal arrangements were nego-

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22 NRPB, National Resources Development Report for 1942, 30–31. Memorandum, Delano to the President, March 19, 1941; RG 187, NRPB (103.71). Caroline F. Ware, "Government and Industrial Mobilization," Galloway, Planning, 583. On January 15, 1942 the War Production Board was created and absorbed the Office of Production Management. The WPB abolished the Plant Site Board and transferred its duties to the Faculties Clearance Board on September 29, 1942.
tiated by the War Department with manufacturers and William S. Knudsen, Director of the Office of Production Management, was given informal notification. The results of these agreements were eventually submitted for review, but generally a delay of several months occurred between the conclusion of the informal agreement and the request for formal approval. The War Department, also, insisted that the review be completed and returned within a few days or a week. The NRPB found this objectionable, knowing that under such conditions decisions had to be based on incomplete information making it next to impossible to avoid pyramiding plants in congested areas or to use existing facilities to their best advantage. The NRPB felt the review agencies should be informed of developments at the time tentative agreements were negotiated. They would then have the time necessary to gather the information on the proposed sites and, if necessary, to make recommendations that included alternate locations. The Board felt that this would not cause unnecessary delay in war production because the two or three month lag in the present procedure, between the time of the tentative agreement and the formal submission, could be utilized for the review.  

The aspect of the procedure that most disturbed the NRPB was that it resulted in excessive concentration in already estab-

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23 Memorandum, Delano for the President, March 19, 1941; RG 187, NRPB (103.71).
lished centers of production such as Detroit, Los Angeles, and Philadelphia. The maldistribution of war production created shortages of labor and community services in some areas while unused surpluses existed elsewhere; the concentration of plants in a few major centers tended to endanger the program of the most rapid development of production in the shortest period of time because of the shortages of labor, power, and transportation and ignored the long-range impact on local communities and the national economy.\footnote{Industrial Location and the Problem of Conversion after the War," Watkins and McLaughlin, presentation to the National Conference on Planning, May 25, 1942; RG 187, NRPB, Division A. Memorandum, McLaughlin to Watkins, November 11, 1941; RG 187, NRPB (103.71). New York Times, May 13, 1941.}

While recognizing that strategic considerations were paramount, the NRPB cautioned that the location of . . . defense facilities raises social and economic . . . problems. If plants are appropriately placed, much unnecessary concentration of production and labor can be avoided, and the difficulties of post-defense readjustments can be lessened.\footnote{"Industrial Location and National Policy" (Interim Report), May 1941, 23; RG 187, NRPB, Preliminary List, 14.}

This impact on post-emergency regional and interregional patterns should not be lost sight of in the pressure of emergency action. In urging the dispersion of plants (scattered throughout the country more nearly on the basis of population), the NRPB was
recommending action that would utilize more effectively the resources of the nation for the war effort and facilitate the reconversion to peace time production and the development of a more stable economy. 26

Frequent references in NRPB publications and in Eliot's periodic summary of activity, "Status of Work," describe the Board's contribution to the work of the Site Board and its successor. The NRPB gave its estimate of location proposals in formal memoranda and through Glenn E. McLaughlin, Chief of the Industrial Section, who sat as an adviser and later as a member of the

26 "Industrial Location and National Policy, Vol. I, Locational Patterns and Factors in Industry, Introduction and Summary," December 1941, 1-2 and "Industrial Location and National Policy" (Interim Report), May 1941, 23-24; RG 187, NRPB, Preliminary List, 14. "Regional Conference of Mayors Studies National Defense," The American City, March 1941, 45. Statistics showing how large a proportion of defense contracts were awarded to the few well developed industrial areas for the period June 1, 1940-March 1941 in the United States. Temporary National Economic Committee, Senate. 77th Congress, 1st Session, Document No. 35., Investigation of Concentration of Economic Power: Final Report and Recommendations of the Temporary National Economic Committee (Washington: United States Government Printing Office, 1941), 3-4. "Regional Development Plan: New England," (confidential), November 1941; RG 187, NRPB, Preliminary List, 31. "Policy Considerations in Industrial Location," November 26, 1941; RG 187, NRPB, Preliminary List, 15. P. Sargant Florence, a member of the NRPB staff that undertook the industrial location study, prepared two reports on the British experience and concluded that there was a need for government planning of location in order to prevent over-concentration in areas where production was already heavy or the result would be exhaustion of the local labor force and the importation of more from other areas at cost in both time and money. Far better was the utilization of old plant capacity to the fullest and then the "Location of War Plants in Britain," August 1942, 1-33, and "Location of War Plants in Britain and Postwar Problems of Reconversion, June 1943; RG 187, NRPB, Preliminary List, 15.
Plant Site Board. The impression created is of vast amounts of work and highly influential recommendations. The latter resulted from the tendency to assume that because the Site Board frequently acted in accord with the NRPB suggestions, it acted in response to them. In some, perhaps many, instances this may have been true but during one period, when expansion was at a high point, a member of the NRPB staff reported that their memoranda almost always

... reached the Site Board after decisions on the proposal involved had already been made, so that our approval was not even a matter of necessary form and our disapproval was quite futile.\(^{27}\)

After McLaughlin became a member, the views of the NRPB seem to have been brought before the Site Board more expeditiously but their value increasingly doubtful.\(^{28}\)

The NRPB was making general review of proposals - pulling together and analyzing factors involving labor, water, power, and transportation - and this, at least, in part, duplicated the function of the Site Board itself. In the early stages of the emergency this was probably a valuable contribution as the NRPB

\(^{27}\) Memorandum, Leon Epstein to Mr. Wynne, May 1, 1942; RG 187, NRPB, Industrial Location Section.

staff had had long experience in bringing together and synthesizing data from the government action agencies but later, as the Site Board developed its own staff and procedures, it must have become an increasingly redundant exercise. The one unique contribution of the NRPB was to urge consideration of the long-term consequences of plant location and this was all too frequently ignored in decisions.

Defense was a national concern but the construction of new production facilities and military bases created many essentially local problems. To get their cooperation and to take advantage of their knowledge, the Federal government urged the states and their local subdivisions to establish defense councils: the states and ten thousand communities took the desired action. Few organizations had the knowledge of local resources and facilities of the state and local planning agencies and the effort to apply local knowledge to the solution of local defense problems was facilitated by the frequent appointment of members of the planning agencies to the councils and by the usual designation of the staff of the state planning agency as the research staff of the council. The NRPB, which had spent so much time and effort in encouraging the establishment of planning agencies, gave equally enthusiastic encouragement to the development of their ties with the defense councils. It cooperated with other Federal agencies and with Frank Bane, Director of the Governors' Conference and the Council of State Governments in furthering them. Working together, the
planning agencies and the defense councils undertook surveys of such things as available housing, hospital and other welfare needs, and traffic flow— all of value in general development as well as for defense.  

The failure of the War Department and the other responsible agencies to consult with or inform state and local governments of defense development in their areas or to consider the effects of such development on the various communities, complicated the problems associated with the sudden and extensive defense expansion. Because of the lack of information, local governmental units were unable to plan for the associated facilities that the defense oriented construction required. In addition, they generally lacked the financial resources and trained staffs necessary to expand schools, welfare facilities, and housing even if plans could have been made. If these essential services were to be provided, Federal assistance would be necessary.

29 Minutes of the twentieth meeting of the NRPB, July 9, 1940; RG 187, NRPB (103.71). Memorandum, Delano to FDR, June 15, 1940; OF 1092, NRPB, 1940. Fields of Current State Planning Board Activity, Circular VIII (revised), June 17, 1941; RG 187, NRPB, Field Service, NRPB, National Resources Development for 1943: Part II, Wartime Planning for War and Peace, 95-98, 100-102, 106.


The nature of the problem and the frustration of many
The NRPB, from its close contacts with state and local planning boards and from the continuous reports of its regional offices, quickly became aware of the impact of the defense program on local areas. The Board, within the limits of its inadequate budget, began at once to assign consultants to advise the hardest hit areas and in August 1941, the President allotted special funds and instructed the NRPB to give technical assistance to planning involved was summarized by John W. Hyde, Planning Technician, Region 2, to John Miller, December 27, 1940; RG 187, NRPB (851.2). "Expansion and development of camp site at Fort Snagg illustrates what I have in mind. If military authorities, before completing plans at Fort Snagg would themselves cooperate with us in calling together local and state planning and administrative officials, there could be created an effective, informed group at the start to deal with individual problems as they came up. Such a meeting should include at least state and local highway, school, public health, housing and planning officials, the director or chairman of the State Defense Council, and a representative of our office. This group or committee could then meet from time to time and consider together urgent problems as they appear in the County and around Fort Snagg and in the expanding suburbs of Red Gap, five miles away.

"As it is now, if the War Department needs a county or state highway outside the camp to connect with their pre-determined camp road, they get in touch with the state highway department alone, and some solution is worked out, generally without any overall plan, and with no one being particularly satisfied with such piece-meal results. Educational problems attendant with increase in construction, camp and service populations around the Fort are generally left to the long-suffering state and local departments of education. Similarly, local sanitary and water supply developments follow the highway pattern. Army authorities in Fort Snagg apparently give no thought to housing outside of camp, although they themselves create this problem. It is only when the slums of Red Gap become too red that there is any palliative action.

"Wilmington, N.C., Radford, Va., Fort Bragg, N.C., are only a few of the Fort Snaggs in this Region. Sore spots of long standing include Fort Meade, Maryland, certain areas in south Philadelphia, in eastern Baltimore, and, of course, the Hampton Roads area. Isn't there a general or two in Washington that would cooperate?"
agencies so the defense impacted areas could plan facilities needed in support of defense expansion that would, also, further long-range development goals. The NRPB sent additional trouble shooters into defense areas to help get emergency zoning measures adopted and to make surveys and reports of community needs to the NRPB. 31

One of the best examples of the effects of the defense program on a small town can be found in the experience of Charleston, Indiana. When the Federal government purchased land between Charleston and the Ohio River for a gun powder factory, life changed dramatically for the community of eight hundred people. Five thousand construction workers quickly poured into the area and they represented only half the number that would be needed to complete the project. Available housing was filled and local residents moved into one or two rooms of their houses, filled the rest with beds, and rented them out - half a bed to a man. The town had no sewage plant and, although one was being built by the WPA, its conduit was too small to service the increased demand and

would have to be torn up. The water supply, adequate for the older residents and the first new arrivals, would not support further increases in population. The children of the construction workers who first arrived had filled the school to overflowing and it was unable to accept new students. Despite the obvious need to expand services the community could do nothing because it had reached its legal debt limit in constructing the already inadequate sewerage facility. The county, also at its debt limit, could not offer assistance. The state lacked the statutory power to borrow. The Federal government was the only agency capable of stepping in and preventing further deterioration from endangering the much needed output of the new factory.\(^{32}\)

The NRPB provided assistance in zoning and other administrative matters but could not provide the vitally needed financial assistance. It did join with the Bureau of the Budget, the Division of State and Local Cooperation of the Defense Commission, and the Office of the Coordinator of Health, Welfare, and Related Defense Activities to urge the President to make the help available. As a result of this activity the President requested and Congress passed the Lanham Act which appropriated $150,000,000 to help communities whose resources were overwhelmed by the defense effort.\(^{33}\)

\(^{32}\)Statement for House Committee (on Community Facilities Bill), March 3, 1941; RG 187, NRPB (203). Memorandum, Miller to Eliot, October 25, 1940; OF 1092, NRPB, 1940.

\(^{33}\)Statement for House Committee (on Community Facilities
The administration of the Lanham Act was divided among the appropriate Federal action agencies and each assigned its own representatives to survey the needs of the impacted communities in its own limited field - housing, health, and transportation. Out of their preoccupation with their own interests, the agencies often produced plans of action that were in conflict with the proposals of the others. The need for coordination of their activities was obvious if projects were to be mutually supporting, make the best use of available resources, and develop facilities in an orderly manner in the long-range interests of the community.34

The Office of Defense Health and Welfare Services (DHWS), under the direction of the Federal Security Administrator, Paul V. McNutt, was evaluating and providing for the expansion of social services in critical defense areas. Working through the regional offices of the Social Security Board, regional advisory councils were established with representatives from Federal agencies with activities in education, health, and welfare. These councils, after determining the needs of each region and the resources available from each level of government, worked out joint plans

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Bill), March 3, 1941; RG 187, NRPB (203). Donald S. Howard, "The Lanham Act in Operation," Survey Midmonthly, February 1943, 38. The Community Facilities or Defense Public Works Act, commonly known as the Lanham Act, was signed by President Roosevelt on June 28, 1941; NRPB, Progress Report, 1940-41, 7.

34NRPB, National Resources Development Report for 1943: Part II, Wartime Planning for War and Post War, 98.
to fill the needs.\textsuperscript{35}

The NRPB, of course, was already working to coordinate activities in defense development and the DHWS joined with the NRPB and with state and local planning organizations in an effort to work out a comprehensive program for more "... basic community surveys. ..." In November 1942, the relationship between the two Federal Agencies was formalized by an agreement which provided a joint procedure to be followed in all the surveys. The surveys covered

... predefense conditions, describing the impact of the war, its results to the community and, finally, listing the needs of the community for new facilities, and in some instances pointing to the postwar problems of the area.\textsuperscript{36}

Although not all Federal agencies cooperated fully, the surveys were compiled from material provided by local, state, and Federal agencies with expertise in the fields constituting the inquiry. The surveys were then widely used by them in planning their opera-


\textsuperscript{36} Ibid., 99.
tions. Unfortunately, in 1942, the NRPB was forced to end its participation in the joint venture, because of a reduction in its appropriations. The Board was able to complete the projects already underway and it continued to assist the DHWS where possible. Importantly, another step had been taken along the road to effective coordination of defense activities in local areas.37


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US Census information
WPA In-migration survey
ODHWS
Labor Market Survey
NRPB
US Census information
City and Town Reports
NRPB
US Census information
Labor Market Surveys
OPM "Contract Distribution Awards"
ODHWS
NRPB Report
The two agencies responsible for most of the defense supporting construction were the National Housing Agency, successor, in February 1942, to the Coordinator of Defense Housing of the Office for Emergency Management (housing) and the Federal Works Agency (community facilities). The NHA took an overview of the housing needs of communities and used the reports of the Bureau of Employment Security (labor supply), the Federal Housing Administration (housing market), and the NRPB (local development plans). From the information in these reports, the NHA estimated new construction needs which after review by the contributing agencies and acceptance by the National Housing Administrator, were sent as Locality Program Reports to the President for final action.

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The FWA, also, made use of the reports of other agencies but in an effort to further improve its operation, it strengthened its regional organization by establishing Vital Area Boards in critical defense areas. These boards, composed of representatives of the FWA, the War and Navy Departments, the Federal Security Agency, the National Housing Agency, the Maritime Commission, and, in some cases, the NRPB reviewed requests for community facilities, related them to other needs, and established priorities for construction. The recommendations of these boards were reviewed in the Washington office of the FWA and sent to the President for approval.

The procedures of the NHA and the FWA for planning and programming construction were important steps in the development of an ordered approach to defense expansion. To further improve the situation, the NRPB suggested that the agreement between itself and the ODHWS for joint area reports be broadened to include the other agencies involved in community programming. This would include not only the FWA and the NHA but the Office of Civilian Defense, the War Production Board, and the Office of Defense Transportation. It proved impossible to work out any formal working arrangement and only limited cooperation was achieved and the problem of coordinating the activities of Federal

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40 Ibid., 99–100. NRPB, National Resources Development Report for 1942, 32–33.
agencies in the impacted communities remained.\footnote{41}

In areas of major activity such as San Diego and Hampton Roads the over-concentration of industrial and military installations caused such serious congestion that morale and production were affected but Detroit was the classic example. The construction of so many new factories and the in-migration of so many new workers caused a critical shortage of needed community facilities such as water, sewage, and transportation: by early 1942 it was obvious corrective measures were necessary. In April, the Plant Site Board promulgated a plan known as the "Detroit Agreement" that provided for the priority ranking of manufacturing operations and for the transfer from the area of those with low priority when the local labor supply was exhausted. Unfortunately, the "Detroit Agreement" which might have brought some relief, was not adhered to and new plants for the area continued to be approved.\footnote{42}

In February, even before the abortive action of the Site


\footnote{42} Robert D. Baum, "Social Impacts of War Industrial Activity on the Detroit Area" (rough draft), June 29, 1942; RG 187, NRPB, Preliminary List, 16. Memorandum, McLaughlin to Watkins, July 4, 1942; RG 187, NRPB, Plant Site Review.
Board, the President had moved to bring some order out of the Detroit chaos by directing Frederic Delano, the Chairman of the NRPB, to

... expedite action on the provisions of essential housing, community facilities, transportation, and related needs for the effective operation of the Willow Run Bomber Plant at Ypsilanti ... and to assume leadership in bringing about in this area a coordinated plan of action by the appropriate agencies of the Federal Government and the State and Local Governments, and appropriate representatives of the Ford Motor Company and U.A.W.-C.I.O.  

The Willow Run plant, which was only the most spectacular of Detroit's many problems, was expected to employ from 60,000 to 100,000 workers in an area which before its construction had employed only 2,000. The influx of so many workers and their families would seriously burden transportation facilities and far outdistance existing housing and public utilities. On February 24, eleven days after his appointment, Delano sent a memorandum to the President recommending construction of housing up to the limit that existing utilities and schools could absorb in areas within a fifteen mile radius of Willow Run, the construction of connecting roads, and surveys to determine what increases in public utilities would be necessary to make possible even more housing. The White

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43 Memorandum, FDR to Federal Works Administration, Federal Security Administration, Federal Loan Administration, Coordinator of National Defense Housing, and Director, Office of Defense Transportation, February 13, 1942; RG 187, NRPB (103.71).
House approved the preliminary report and Delano continued for over a year to work on the problems. The agencies continued their bickering and progress was frustratingly slow. Delano became dissatisfied with his own performance but the possibilities inherent in making a single individual responsible for the coordination of defense activity was evident.\footnote{44}

Based partly on reports from its regional staff dating back to early 1941 and partly on Delano's Detroit experience, the NRPB in mid-February 1942, recommended to the President the assignment of on-the-spot directors for critical defense areas with the authority to coordinate the activities of Federal agencies. Action was not taken on the recommendation until April 1943, when the President established the Committee for Congested Production Areas. Composed of representatives from the War and Navy Departments, the WPB, the FWA, the FWA, the NHA, and the War Manpower Commission, under the chairmanship of the Director of the Bureau of the Budget, the Committee was instructed to identify critical defense areas and to affect the necessary coordination in

\footnote{44 Robert D. Baum, "Social Impacts of War Industrial Activity on the Detroit Area" (rough draft), June 29, 1942; RG 187, NRPB, Preliminary List, 16. "Memorandum on Current Status of Willow Run Problem," Herring to Delano, June 10, 1942 and memorandum, Delano to Herring, January 1943; RG 187, NRPB (831.4). "Memorandum on the Willow Run roleglem," Herring, July 9, 1942; RG 187, NRPB, Preliminary List, 15. Memorandum, Delano to FDR, February 24, 1942; RG 187, NRPB, Committee on Congested Areas. Telegram, Eliot to Delano, February 27, 1942; RG 187, NRPB (831.1).}
Federal activities. The Committee was given, also, the important authority to appoint local directors to secure coordination in the congested production areas.\footnote{Memorandum, Morton L. Wallerstein, Chairman, Region II, to Miller, April 14, 1942; RG 187, NRPB, Associate Research Technician, Region IV, to Eliot, June 19, 1942; RG 187, NRPB (831.4). Memorandum, Alexander Fleisher, Principal Economist, to Wallerstein, March 18, 1942; RG 187, NRPB, Congested Areas Committee. Memorandum, NRPB to FDR, February 25, 1942; RG 187, NRPB (103.71). Executive Order 9327, "Providing for the More Effective Handling of Governmental Problems in Congested Production Areas in order to Further the Successful Prosecution of the War," April 7, 1943; RG 187, NRPB, Unit 27. The NRPB made available information on critical defense areas to the new Committee and helped it get its program under way; Herring to Corrington Gill, Director, Committee for Congested Production, May 24, 1943; 187, NRPB (831). Corrington Gill to Eliot, June 11, 1943; RG 187, NRPB (669.42).} Forty-four months after the outbreak of World War II and seventeen months after United States entry into the war, an effective control mechanism for local defense expansion had been created.

At the suggestion of its Science Committee, the NRPB initiated two defense-related projects. The National Roster on Scientific and Specialized Personnel which compiled a list of all the nation's highly trained personnel and the Committee on the Conservation of Cultural Resources which worked to safeguard the nation's cultural treasures.

Rapid access to the ranks of specially trained men was important to governments even before modern technology made it essential. In the early years of the United States scientists and other highly trained men were few and easily recruited. By the
1860's the increasing numbers and growing specialization of professional men had made it more difficult and the National Academy of Sciences was chartered to make it easier for the Federal government to take more advantage of their training. The twentieth century, with its greater emphasis on specialization and its increased demand for the services of the highly trained, led during the First World War to abortive attempts and, finally, during the Second World War to a successful attempt to compile a central listing of the names of highly-trained men. In September 1939, the Science Committee of the NRPB recommended to the Board that it take immediate steps to set up a project to compile an annotated inventory of highly trained personnel and research agencies to insure their most effective use during the rapidly developing emergency. Eliot notified the Chairman of the Committee, Charles H. Judd, of the Board's interest but pointed out that because of a shortage of funds it would be very difficult for the Board to support the project and suggested to the Committee that it try to interest some appropriate organization outside the government in the work.

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46 "Annual Report of the National Roster of Scientific and Specialized Personnel" (rough draft), November 1941; RG 187, NRPB (801.3).

47 Minutes of the Science Committee, thirteenth meeting, September 30, 1939; Memorandum, Eliot to Judd, November 19, 1939; attached to the Minutes of the Science Committee, fourteenth meeting, November 11, 1939; RG 187, NRPB (089).
The Science Committee knew that the intellectual community was already interested and that the National Research Council of Learned Societies were considering compiling inventories—the former of those in the natural sciences and the latter of those in other disciplines. The Committee felt, however, that the compilation of the lists was a matter of important national concern and that the government should support the venture; accordingly, at the invitation of the Science Committee, a series of meetings among the executive heads of the organizations represented in the membership of the Science Committee, the National Academy of Sciences, the Social Science Research Council, the American Council on Education, and the American Council of Learned Societies were held. They agreed that although partial lists in specific fields were being prepared, there was a great need for an agency to coordinate and centralize operations and on June 11, 1940 they recommended that

In view of this fact and of the obvious danger of emergency conditions, the conference of executives of the national councils recommends to the National Resources Planning Board that there be created a national agency for the registry and procurement of scientific personnel, ... 48

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48 Minutes of the Science Committee, Fourteenth meeting, November 11, 1939, and eighteenth meeting, June 8–9, 1940; RG 187, NRPB (089) Conference of Executives of the National Councils on National Register of Scientific Personnel, June 11, 1940; RG 187, NRPB, 1935–43 (103.71).
A few days later, the NRPB advised the President of its intention to prepare a National Register of Scientific Personnel, in conjunction with the Civil Service Commission and with the support and cooperation of the four councils. The agreement between the NRPB and Civil Service Commission provided that the Register would be a joint project and have as its purposes the compiling of lists of persons in the natural and social sciences and the promotion procedures for the transfer of personnel to emergency service that would disturb scientific undertakings as little as possible. The sponsoring agencies were to appoint a consulting committee, the chairman of which would be responsible for the operation of the project.49

Knowing that a specialized register had been completed in Great Britain, and being reasonably certain that similar projects had been undertaken in the totalitarian nations, the Roster staff moved to establish the procedures for compiling its huge index with as little delay as possible. The names, qualifications, and other significant information concerning highly qualified persons would be entered in a punch-card file so that the expected million or more registrants could be quickly processed when

49 Memorandum, Delano to FDR, June 15, 1940; OF 1092, NRPB, 1940. Summary of Understanding between the Civil Service Commission and the National Resources Planning Board Regarding the Establishment of a Register of Scientific Personnel, June 21, 1940, attached to the minutes of meeting of the Science Committee, September 9, 1940; RG 187, NRPB (089).
requests for personnel came in. To gather the necessary information needed on all registrants, regardless of specialization, and fifty check lists for specific fields were prepared. These were sent to all those on the mailing lists of professional organizations and, in order to overlook as few qualified persons as possible, to others on request.  

The rush to classify the fields of specialization typified the hectic activity of the first months of the Roster's existence. Over 100,000 questionnaires were quickly sent out and over 50,000 replies received but by the fall of 1942, 500,000 names had been catalogued and over 123,000 supplied to various agencies. The value of the Roster and its efficient operation were evident and provoked much favorable comment. One writer was so impressed by its comprehensive nature that he suggested it was "... virtually an American scientific and professional Domesday Book."  

50 Memorandum, Watkins to the Director of the Budget, July 12, 1940, attached to the minutes of the meeting of the Science Committee, September 9, 1940; RG 187, NRPB (089) "Annual Report of the National Roster of Scientific and Specialized Personnel" (rough draft), November 1941; Record Group 187, NRPB (801.3). Among the information requested on the general questionnaire was military service references, skills, languages, publications, research, and education. The fields covered by the check lists included anatomy, bacteriology, chemistry, statistics, physiology, history, refrigerating, botany, languages, and locomotive engineering, "National Roster of Scientific and Specialized Personnel, Progress Report as of November 15, 1940," attached to the minutes of the meeting of the Science Committee, February 9-10, 1941; RG 187, NRPB (089).

51 Memorandum, Blaisdell to the Board, November 19, 1940, attached to the minutes of the meeting of the Science Committee, February 9-10, 1941, minutes of the meeting of the Science Committee, September 11-12, 1942; RG 187, NRPB (089).
The Roster was transferred to the War Manpower Commission in April 1942, but not before its scope of activity had greatly broadened. Men were being certified for industries involved in war production as well as for government agencies. In the spring of 1941, the War Department asked the NRPB if the National Roster would compile information on the ages, civilian skills, numbers, and availability of World War One Officers no longer connected with the service. The project was, of course, agreed to. Those associated with the Roster, perhaps encouraged by its increased field of activity, were interested in having it established on a permanent basis so that its lists could be constantly up-dated and its information made available in future emergencies and, in less troubled times, assist in recruitment for college faculties, government, and industry. This ambition was realized at the end of the war when the Roster was transferred to the Department of Labor. 52

The second defense related activity of the NRPB, under-


52 Minutes of the meetings of the Science Committee, February 9–10, 1941 and May 16, 1942; RG 187, NRPB (089). Leonard Carmichael, "The National Roster of Scientific and Specialized Personnel: A Progress Report," Science, March 7, 1941. Carmichael, the President of Tufts College, was the Chairman of the Consulting Committee and responsible for the operation of the project. GSA, Federal Records of World War II, Vol. I, Civilian Agencies, 98.
taken at the suggestion of the Science Committee, was the preservation of the cultural resources of the nation. In early February 1941, the Science Committee met for lunch at the Cosmos Club in Washington, D. C. and was joined by the Temporary Committee on the Protection of Museums, Archives, Libraries, Historic Monuments and other Historic and Artistic Treasures Against the Hazards of War of the American Council of Learned Societies. Following a discussion of the problems of protection, the Science Committee voted to recommend to the NRPB the appointment of a National Committee for the Protection and Conservation of Cultural Treasures. The NRPB agreed to the suggestion and the group, known officially as the Committee on Conservation of Cultural Resources (CCCR), was created.

The CCCR included among its membership representatives from the Library of Congress, the National Archives, the National Gallery of Art, the National Museum, the National Park Service, the War Department, the Office of Civilian Defense, the American Library Association, the American Association of Museums, the American Institute of Architects, the American Council of Learned Societies, the Society of American Archivists, and the American Association for State and Local History. The Committee was to prepare plans for the protection of important cultural, historic, and scientific holdings of Federal agencies and public and private institutions across the country against the hazards of war and to give general encouragement to "... better conservation, wider
availability, and more effective utilization of the cultural resources .. "53

During its first year of existence, the CCCR concentrated on plans to protect the works of art, books, and official records of the Federal government. A subcommittee headed by Archibald MacLeish, the Librarian of Congress, was appointed to initiate a survey of all such holdings in the District of Columbia and under its direction detailed questionnaires were prepared and sent to the heads of all Federal agencies. The survey discovered that there were 8,063,000 cubic feet of material which the agencies needed in their offices for reference; 1,325,000 cubic feet of material needed for reference but that could be removed from the District; and 918,000 cubic feet of material not needed for current use that was of high or of the highest historical, cultural, or scientific importance. The Committee, at first, recommended that for all material that was not needed in the offices, bomb-proof depositories be prepared at reasonable distances from the District of Columbia but when shortages of materials made this impossible and the United States entered the war, new proposals were presented. 54

53 Minutes of the meeting of the Science Committee, February 9-10, 1941; RG 187, NRPB (089). Memorandum on the work of the CCCR, August 7, 1942; RG 187, NRPB, CCCR.

54 Report of the Committee on Conservation of Cultural Resources for the Fiscal Year 1942, September 8, 1942; RG 187, NRPB, CCCR.
In its new suggestions the CCCR pointed out that the continued operation of cultural agencies was important to educational and recreational pursuits and to the maintenance of morale. Irreplaceable material, in exposed areas, should be removed to places of safety whenever possible and buildings where valuable material was to be retained, should be surveyed and the areas of least danger located. The Committee, also, recommended that the most valuable materials retained be marked for evacuation in case that should become necessary and that evacuation plans, including training of crews and securing of depositories in safe areas, be carefully prepared.

The work of the Interdepartmental Advisory Committee established by the Public Buildings Administration and on which two members of the CCCR served reinforced the work of the CCCR. The Advisory Committee drew up a code for the protection of Federal buildings and their contents against air attack which included provisions

... based for the most part on the plans and recommendations of the Committee on Conservation of Cultural Resources, for the protection of records, books, manuscripts, works of art, museum holdings, historic buildings, and other property of the Federal government of cultural scientific or historic importance.55

55 Report of the Executive Committee of the Science Committee, March 1 – May 16, 1942, attached to the minutes of the Science Committee, May 16, 1942; RG 187, NRPB (089). Report of the CCCR for the Fiscal Year 1942, September 8, 1942; RG 187, NRPB, CCCR. It is important to understand that bombing was
To further its task of assisting state, local, and private institutions, the CCCR helped organize state committees to assist in the work of protecting cultural resources. Forty-three states established committees and many leading historians, archivists, and librarians served on them. The state groups concentrated on drawing attention to the necessity of protecting the treasures, spreading information on how existing protection could be improved, and promoting cooperation between institutions in the development of effective programs. At the request of the CCCR and under the general direction of the state committees, the WPA conducted a nation-wide survey of available depository space in areas away from strategic centers. Satisfactory shelter for the valuable materials that might have to be moved from coastal areas was identified.  

The Federal government had a special War Administration Records Section in the Division of Administrative Management of the Bureau of the Budget to promote the safeguarding of Federal records but there was no agency to promote similar programs among

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expected. Included in the transcript of the proceedings of the meeting of the Executive Committee of the CCCR, December 26, 1941; RG 187, NRFB, CCCR, is the following: "It will be based on all the information that Colonel Stadtman will give me. He had a letter before him from the Secretary of War to give us all the cooperation that he could. He said if he knew anything else that we would have our planes up there now. He said you can expect a token bombing."

56 "Report of the CCCR for the Fiscal Year 1942," Conference of the CCCR, March 28, 1941, and minutes of the CCCR meeting, June 4, 1942; RG 187, NRFB, CCCR.
state, local and private institutions. The Committee on the Control of Social Data of the Social Science Research Council suggested that the CCR be asked to develop such a program and the SSRC formally referred the suggestion to the CCR which drafted plans for the undertaking. As a result the Committee broadened its charge to promote fuller use of cultural resources. In addition to encouraging the continued war-time operation of public and private cultural institutions, it included a program for encouraging the collection and preservation of state and local records dealing with the war period. 57

In June 1942, the NRPB informed the CCCR that it would be able to provide for its continued operations only a terminal grant of $2000. The CCCR asked for reconsideration, pointing out that it would have to curtail its activities and that much still remained to be done. The Board, however, had no funds to spare. In January 1943, the Federal Works Agency did agree to furnish funds for the Committee and this made possible a brief continuation of the work. The existence of the CCCR was tied to that of the NRPB, however, and when, also in 1943, Congress abolished it, the CCCR, too, ceased to exist. 58

57 Minutes of the CCCR meeting, September 16, 1942, and "Report of the CCCR for the Fiscal Year 1942," RG 187, NRPB, CCCR.

The NRPB took an active role in defense activities from the beginning of the emergency until it was abolished in mid-1943. It was directly responsible for two of the more important, if less dramatic, projects of the period – the Committee on the Conservation of Cultural Resources and the National Roster of Scientific and Specialized Personnel. Because it was already active in areas of importance to the defense effort such as industrial location, transportation, and natural resources, the NRPB was able to make valuable contributions to the defense effort, by making its staff and files available to the agencies created to deal with the emergency and by drawing on its experience to anticipate probable trouble areas.

The ideas for the CCCR and the Roster had originated with the Science Committee of the NRPB and indicated the continuing profit to the government of the Board's relationship to the scientific community. The Roster was of invaluable assistance in locating and registering the vitally needed, highly specialized personnel and in facilitating their transfer to the emergency programs of the government and war-related industry with as little disruption to normal pursuits as possible. The CCCR led the way in the preparation of a contingency program for safeguarding cultural resources from the hazards of war and did much to stimulate the programs of collection and preservation by state, local, and private agencies of the documentation of the period.

The NRPB, in its reports and in its office memoranda, gave
particular emphasis to its close ties with the emergency agencies. Many members of the staff were assigned on a part-time basis to one or more of them, most importantly to the various divisions of the War Production Board. They were assigned on the basis of their expertise rather than because they were members of the staff of the NRPB, and as the war progressed this became increasingly obvious. The same is largely true of the provision of information from NRPB files and of the NRPB review of defense-related construction projects. In the beginning the long experience with evaluation agencies developed their own staffs and materials. The NRPB had no direct access to information on the supply of labor, housing needs, or the availability of power; it pulled this information together from the agencies directly involved and in many instances, notably its review of proposals sent to the Plant Site Board, the NRPB was performing the same function as the emergency agency itself.

The contribution of the NRPB was still significant. It was the first agency to recognize the problems the defense program was causing the local communities and its investigations and reports were of prime importance in the passage of the Lanham Act and the development of a Federally financed community facilities program. Similarly, its suggestions for area directors helped bring improved Federal administration of the program in the impacted areas.

Although its warnings were too often ignored, the NRPB did
pinpoint areas where shortages and dislocations did develop and frequently its experts were called upon to help the action agencies resolve the problems which might have been avoided. The NRPB, also, worked to gain recognition of the fact that emergency programs should, to as great a degree as possible, fit into the broad pattern of national goals. The nature of the crisis frequently made this impossible but the Board did make limited progress in gaining recognition of the importance of having the programs contribute to the conservation of resources and the stabilization of employment.
CHAPTER VI

PLANNING FOR POST WAR

In November 1940, President Roosevelt directed the National Resources Planning Board to initiate a study of post-war planning. More than a year previously, FDR had told members of the Board that he did not want the NRPB diverted exclusively to war activities but rather wanted it to continue its work on policies with a direct relationship to peace time conditions. Accepting the President's directive the agency, despite deep involvement in the war, devoted an increasing proportion of its time and effort to planning for the post emergency period. The NRPB often seemed defensive about its limited, direct involvement in the war effort but it had followed instructions. It developed new projects and revised old ones to have a direct relationship to post war problems and, of course, even its war-related activities had a long-term orientation.  

To help in carrying out the President's instructions, the Board established the Post-War Agenda Section within the Office of the Director. To head the new section they selected Luther Gulick, the Japanese-born son of missionaries who had been educated at Oberlin and Columbia, served the NRPB as one of its per diem consultants, and was, at the time of his appointment, a professor of government at Columbia University, a Republican, and a friend and adviser of the Rockefellers.\(^2\) He was assisted by John Millett, one of the young and promising members of the staff. The Agenda Section operated as a staff service to coordinate post war planning activities of public and private bodies, encourage reports that would focus attention on potential problem areas, and prepare material for the Board. The Agenda Section did not undertake any studies itself but a number of pamphlets dealing with the post-war period were produced as a result of its efforts. It also served a clearing house function. One novel aspect of this was its sponsorship of informal dinners that brought together the representatives of various government agencies to discuss post-war problems and to acquaint those attending with the plans of the other agencies in the hope that this would

\[\ldots\] counteract the tendency to regard particular

areas of action as the exclusive province of this
or that agency.  

The NRPB felt that making adequate advance preparations
for the return of peace offered the best means of preventing a
recurrence of the unpleasant dislocations that had resulted from
the sudden end of the First World War or of returning to the
economic circumstances of the 1930's. The transition from peace
to war of 1940-1941 had been traumatic and it was anticipated that
in the absence of plans the return to peace would be equally so.
The United States' commitment, seventy billion a year in war
expenditures and thirty million men and women in the armed ser­
vices and war industry, was far greater than in 1917-1918: the
problems of transition to peace were expected to be correspond­
ingly larger. It was hoped, also, that as the plans were worked
out and made public they would reassure the soldiers and war
workers about America's future by holding forth the hope of a
better life than they had known in the depressing thirties.  

3Galloway, Post-War Planning, II, 82. Memorandum, Gulick
to Eliot, November 19, 1941; RG 187, NRPB, Post-War Agenda Section.
Memorandum of Agreement between the National Resources Planning
National Resources Planning Board, Post-War Agenda: Full Employ­
ment, Security, Building America (Washington: United States Govern­
ment Printing Office, 1942). NRPB, National Resources Development
Report for 1942, 10. Among those attending the dinners were Alvin
Hansen, Henry Wallace, Marriner S. Eccles, Adolf A. Berle, Jerome
H. Frank, Lauchlin Currie, Harry D. White, and Leon Henderson; RG
187, NRPB (103.71), Boxes 224-225.

4Luther Gulick, "No Post-War Emergency Depression,"
April 23, 1941; RG 187, Post-War Agenda Section.
The NRPB felt that the primary task of post-war leadership was to provide the American people with freedom from want and it grouped its goals under three headings: full employment, security, and upbuilding America. Upbuilding America included development of national resources, needed construction programs, and the extension of existing programs and development of new services for the well-being of the people. Security was, also, a general idea and was concerned with overcoming the physical and psychological uncertainties of life in an industrial society. Most importantly of all, mass unemployment and depression had to be avoided and all Americans at all times,—not just the upper income groups, not just during years of prosperity, not just the lucky—had to be assured of realizing

... the promise of American life in food, shelter, clothing, medical care, education, work, rest, home life, opportunity to advance, adventure, and the basic freedoms.

The NRPB was pointing the way to what The New Republic called a "... condition of general prosperity..." to which

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the key was full employment. The Board felt that the prosperity of the war period proved the practicability of a balanced national production-consumption budget at a high level—with a national income of one hundred billion plus dollars and full employment.7

The achievements of the war years had made the American people aware of the potential of their economy. The new production had been largely consumed by war making but the capacity was there: experience and contemporary economic thinking suggested that mass production produced great prosperity and such production could be sustained only by mass purchasing power which in turn depended on full and continuous employment. The United States had the technology, labor force, and resources to realize a full employment-high income economy; the willingness to do so was all that remained to be proved. Private enterprise in the past, however, had demonstrated the ability to operate at prosperous levels only for relatively short periods; it had, in the final analysis, been the great increase in government expenditures for the war, not business statesmanship, that had overcome the Great Depression.8


At the end of the war, with demobilization of the armed forces and the decrease of war production, an estimated eighteen to twenty-three million people were expected to be seeking different jobs. Many of these would be absorbed into private industry once it had converted to peace-time production but research into the rate of labor absorption indicated that an average of only two and one-half to three million workers could be absorbed each year: a difficult period of adjustment could be anticipated. After the difficult transition, however, it was assumed that readjustments would be made, and the accumulated shortages in housing and durable goods, coupled with the large savings accumulated during the war period, would produce a boom. The great fear was that this would end, rather sooner than later, in collapse and depression.9

The NRPB, beginning in about 1940 and continuing throughout the course of the war, urged policies to cope with both the short and long range possibilities. The former emphasized expen-


ditures for public works so that the unemployed could be provided with jobs and the economy be maintained at the desired high levels. The latter included public works and programs that would improve the general welfare of the American people in more permanent ways. In both cases the NRPB anticipated the need for extensive activity and urged that it be provided as needed to maintain the balance between production and consumption at a high level. The Federal government was to assume the expensive guarantee of employment.  

The NRPB felt that such a program was necessary to maintain the continuity of prosperity. In effect, the agency had accepted the ideas of John Maynard Keynes and was urging the use of counter-cyclical spending to prevent a boom-and-bust economy. According to this concept the government should carefully watch the post war boom and try to check any excesses and be prepared to

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10 Hansen, After the War, 1-2, 13-14. Eliot in speech opening the John H. Finley by-weekly-memorial lectures at the College of the City of New York, reported in the New York Times, February 5, 1942. Memorandum, Eliot to the staff and Cooperating Agencies, February 17, 1942; RG 187, NRPB, Post-War Agenda Section. An indication of the extent to which the Federal government was already involved in the economic stability of the country may be seen in the period 1940-1943 - the manufacturing plant of the country had been expanded by eighteen billion dollars and the Federal government owned outright over fourteen billion of the total; "Status of Work," Appendix B, April 20, 1943; RG 187, NRPB (089). Many recognized that the adoption of such a program would be difficult; "Those who think the conversion of half the national income to war spending is a natural part of private enterprise, but that peacetime public works are devices of Bolshevism, simply are not thinking at all. They will make a tremendous effort to gain control of the government at the end of the war, . . ." Editorial in the Chicago Sun, January 30, 1942.
rush in with extensive expenditures to head off any pronounced tendencies toward depression. Such a program could produce government deficits but the management of such a debt was well within the capabilities of the country, if the income level remained high.

From $100 billion income we can raise large tax revenues—large enough to cover any level of debt likely to be reached and to cover all other Government outlays—and still retain for private expenditures more than we had left in former years under a $70 billion income with lower taxes.11

The important thing to remember was that public debt was not the same as private debt. An individual could always improve his economic position by paying off his debt; with the government just the opposite could be true. The government could pay off part of its debt during boom times to the economic advantage of the country; following the same course during periods of threatened recession would tend to intensify the dangerous trends. The public debt, if internally held, could be used as an instrument of public policy because

Every cent expended, private and public, becomes income for members of our own society. Costs and income are just opposite sides of the same shield.12

11 Hansen, After the War, 5, 14-15.

12 Ibid., 5.
The country could afford the necessary programs to insure continuity of employment with the accompanying high level of income and consumption, indeed, it could afford nothing else. If unemployment was permitted it would result in wasted resources, lives, and production during the unchecked downturns of the economy.\textsuperscript{13}

Why and when the hierarchy of the NRPB was first attracted to the ideas of Keynes it is impossible to determine. In early 1939, Delano sent FDR a copy of a speech strongly endorsing the idea of compensatory spending by Beardsley Ruml, a Member of the National Resources Committee and treasurer of R. H. Macy and Company, who had helped develop the domestic allotment plan and was one of the leading advocates of the pay-as-you-go-tax plan. In his letter accompanying the speech, Delano doubted the President would care to take so strong a position but pointed out that the idea was accepted by the Keynesians in England, that the Keynes school was growing increasingly prestigious there, and that the National Resources Committee was most sympathetic to the Ruml position. The principal public exposition of the ideas under NRPB sponsorship, however, was under the direction of Alvin H. Hansen, Littauer Professor of Economics at Harvard and a special adviser to the Board of Governors of the Federal Reserve System.\textsuperscript{14}

\textsuperscript{13}Ibid., 6-7. Alvin Hansen and Guy Greer, "Toward Full Use of Our Resources," \textit{Fortune}, November 1942, 130ff.

During 1940-1942, the NRFB in a series of reports tried to educate the American people in the new economics and advanced proposals that would have required extensive government expenditures. The clearest statement of Keynesian economics was contained in *After the War - Full Employment* which was written by Hansen and appeared in January 1942. Hansen, a stocky, friendly man with weak eyes that caused him to wear a green eyeshade or dark glasses when he worked, had been born on a South Dakota farm in 1888. He earned his doctorate in economics from the University of Wisconsin in 1918 and entered upon a distinguished career. In 1932, he published *Economic Stabilization in an Unbalanced World* in which he, in accord with the accepted economic theories of the day, opposed massive public works spending. By the late 1930's, however, he had become the leading American exponent of the Keynesian school and, perhaps with a convert's zeal, as the most important academic spokesman of government spending and the influential adviser of many New Deal executives, did much to spread the gospel.  

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The Board, by providing an outlet, and whether intended or not an official one, helped begin the popularization of the new economics but won for itself the enmity of economic traditionalists. The traditionalists, whose attack reached its peak after the 1943 publication of the most controversial of the NRPB's post-war reports, attacked the Board's alleged advocacy of a constantly increasing national debt. Senator Walter George pointed to the necessity of keeping Federal expenditures at a minimum and was joined by Senator Robert Taft who urged sound finance and claimed

... constant debt increase would lead to the ruin of our entire system and the destruction of all the values that constitute the past savings of the people of the United States. ...

The unsophisticated criticisms of Senator George and Taft were mild compared to the primitive remarks of Fred R. Fairchild, a professor of political economy at Yale, who called control of business a fantastic or impossible illusion and urged the balancing of the budget and the reduction of the national debt, and of Phelps Adams, who in a signed article in the New York Sun offered an evaluation of the NRPB position

... the theories upon which they base their fundamental calculations constitute such a radical departure from the established and accepted laws of economics as to suggest, subtly, the need for revising many of the basic axioms upon which scientific progress has rested for centuries. It is just possible, for example, that Newton's head really
fell up and hit the apple. 16

The NRPB pointed out with only limited success, that it was not advocating anything like continuous deficits. In a letter to Senator Charles L. McNary, Delano took the trouble to call attention to the fact that he had served as President of the Stable Money Association. He stated he believed deficit spending to be essential under certain circumstances but he did not endorse continuous deficit spending and did not feel it was a cure-all. This, of course, was in full accord with Keynesian thought but was still anathema to many members of Congress. 17

Demobilization and reconversion, which were of such importance to the country and interest to the NRPB, were divided into two general areas: the return to civilian occupations of those in the armed forces and, to a lesser extent, in war industry, and the conversion of war industry to peace time production. On July 1, 1942, the NRPB told the President of its desire to begin planning for demobilization and readjustment and asked him to issue a strong statement calling on other agencies to cooperate in the preparation of a report. Roosevelt replied that the time was not ripe for a


17 Delano to Charles L. McNary, May 26, 1943; RG 187, NRPB (765).
discussion of post war problems but that no harm would result from
an unpublicized inquiry. It would be appropriate, he suggested,
for the NRPB to

"... ask four or five people, in whom you have
confidence, to work on this in their spare time
in order that they may be better prepared for an
official study and report and recommendations
later on."

The NRPB, in line with the suggestions of the President, estab-
lished an informal conference to conduct its study but went beyond
his endorsement by appointing a panel which drew its membership
from many agencies. The following year when the report of the
conference was sent to the President the NRPB's letter of trans-
mittal boldly stated that the report had been prepared by the
informal conference "... which was set up ... in accordance
with your authorization."\(^{18}\)

The Conference on Post-War Readjustment of Civilian and
Military Personnel held its first meeting in mid-July 1942 and

\(^{18}\) Memorandum, Delano to FDR, July 1, 1942; memorandum, FDR
to Delano, July 6, 1942; Letter of transmittal from the NRPB to
the President covering the Report on Demobilization and Readjust-
ment of Personnel, June 1943; OF 1092, NRPB, misc., 1936-1943.
The membership of the Conference included representatives of the
War Manpower Commission, the Veterans' Administration, Selective
Service, Commission, Department of Labor, War Department, Navy
Department, Department of Agriculture, Federal Security Agency,
and the joint Army-Navy Committee on Welfare and Recreation;
minutes of the first meeting of the Conference on Post-War Read-
justment of Civilian and Military Personnel, July 17, 1943; RG
187, NRPB, Preliminary List, 46.
completed its preliminary report the following March. The Conference recognized that demobilization of men and industrial plants should not interfere with the armed security of the country and that private agencies should be encouraged to participate to the fullest extent in planning and executing demobilization programs.

To help build confidence in what was going to happen after the war, the Conference wanted demobilization plans announced to the public and noted that Great Britain had already announced parts of its program and Canada, New Zealand, and Australia had published theirs in their entirety. 19

To ease the transition from military to civilian life, the Conference suggested a leave or furlough of three months and separation pay to men and women who had served in the armed forces. Recognizing that after the war the demand to bring the boys home would be strong and perhaps irresistible, the Conference, in the interest of equity and order, recommended a system of priorities for early release, giving those who either because of

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19 "Preliminary Report to the President of the Conference on Post-War Readjustment of Civilian and Military Personnel," March, 1943, part 1, 19-20, 33 and part 2, 1, 4; RG 187, NRPB, Preliminary List, 46. National Resources Planning Board, Demobilization of the Armed Forces: Canadian Program Already Under Way (Washington: United States Government Printing Office, 1943). Brigadier General H. F. McDonald, Chairman of the Canadian Committee on Demobilization and Rehabilitation was invited by the NRPB to attend meetings and present the main points of the Canadian plan to the Conference on Post-War Readjustment and his remarks make up the body of this pamphlet. George Gundborg, "Canadian Preparations for Veterans' Demobilization and Rehabilitation," October, 1942; RG 176, NRPB, Preliminary List, 47.
the length or nature of their duty had seen arduous service preference over those who had not, and consideration for married men with dependents and for those with needed peace time skills. The military did institute the terminal leaves for those released from service and while it did not accept the preference system recommended in the report, men were released from service on a priority basis determined by a point system in which points were awarded for length of time in the armed forces and overseas. 20

The Selective Service Act of 1940 provided for the return of service men to their previous employment. The Conference urged that existing agencies, including the personnel systems of the Army and Navy, the Employment Division of the Selective Service System, and the United States Employment Service, be used to execute this provision of the act. The Conference wanted to go beyond this and extend the principle that service men would lose nothing other than the time they had spent in service. To accomplish this, it recommended legislation that would guarantee to veterans credit for their time in service in Old-Age and Survivors Insurance and Unemployment Compensation. 21

John D. Millett, "Training Camps for Selectees After Demobilization," December 18, 1941; RG 187, NRPB, Post-War Agenda Section.

Another need of the returning soldiers would be vocational training and education to refresh old skills and develop new ones to fit them for the contemporary economic situation. The development of an educational program would bring more general benefits, also, by withholding men from the labor market and help prevent dangerous overcrowding of the market during the period of transition. After studying the educational benefits provided the veterans of the First World War, the Conference recommended counseling, vocational training and opportunities for higher education. The program was not as broad as the one enacted under the GI Bill of Rights but was much advanced over earlier undertakings.  

In November 1942, the President asked Brigadier General Frederick H. Osborn, the War Department's Chief of Special Services, to serve as chairman of a committee to study the educational possibilities for returning servicemen. Since the NRPB was already at work on related matters, the President directed the committee to correlate its efforts with that of the NRPB and to make use of its facilities. This was accomplished and in July

1943, the President in a radio talk outlined his plans for veterans. They included mustering out pay, education or vocational training at government expense, and credit for service time in unemployment compensation and old-age and survivors insurance.

This was followed, in October, by a message to Congress on "Education of Discharged Veterans" which called for early action on the educational measures. The Serviceman's Readjustment Act of 1944 carried into law the educational and many of the other recommendations.23

Demobilization of the industrial plant centered on aspects of the termination of contracts for war-needed goods and reconversion of the plants to normal peace-time production. To prevent dangerous drops in the production level and consumer buying power, rapid transfer from war to peace production was of great importance. To some extent the war-time expansion of the industrial plant had improved geographic distribution of industry, but it had also created many boom towns which an end to the war might turn

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into depressed areas. Terminating contracts so as to help these areas would be locally and nationally helpful and the continuation of government contracts in plants whose continued operation would help maintain the new distribution was favored by the NRPB as a means of improving economic conditions in the South and other underdeveloped areas. 24

The NRPB felt the Defense Plant Corporation of the Reconstruction Finance Corporation which had directed the huge government investment in plant expansion was best suited to coordinate the public interest in plant conversion. The DPC was capable of supervising a systematized liquidation of the holdings that would not only better geographic distribution, but help prevent ownership of the new plants from falling into a few hands and furthering monopoly control. The use of direct grants to help in the reconversion process or selling or renting plants on favorable terms, on condition that conversion be rapidly completed and high output be maintained, were suggested as methods of fostering full

employment and general economic health during the transition.\textsuperscript{25}

The most controversial aspect of the NRPB program for demobilization of the industrial plant was its suggestion for the use of mixed public-private ownership of plants in some basic industries such as aluminum, chemicals, aircraft, and magnesium. Under arrangements of this type the government would exercise ordinary proprietary rights just like other stockholders, including, of course, influence over important policy decisions. Members of the staff were aware of the controversy the proposal was likely to provoke and the NRPB moved to head it off by stressing its belief that the economy must operate primarily on the basis of free enterprise. The most important thing, however, was the assurance of full employment and in some industries, where reconversion would be difficult and the productive capability essential to the nation, the NRPB felt that an active government role was necessary.\textsuperscript{26}

NRPB concern stemmed from a series of studies it had con-


ducted of the impact which peace would have on specific industries. For example, during the war the government had built five hundred and thirty-four plants for the production of airplanes, thus greatly expanding pre-war capacity. An analysis of the effects peace would have on the industry indicated that in the first few years after the war, demand for aircraft would decline radically. The Board estimated that employment would decline from a peak of 3,000,000 to about 300,000 and that even if allowance was made for the draining off of another 1,500,000 workers a problem of 1,200,000 workers plus the tremendous unused plant capacity would remain. Under such circumstances, the influence of government policy for the termination of contracts and the disposal of government-owned plants, was inescapable. The only real question was in what manner that influence would be exercised. Active participation directed toward the improvement of geographic distribution, the prevention of monopoly, and the maintenance of maximum employment or permissive inaction resulting in a haphazard pattern that would endanger the economy.\(^{27}\)

The NRPB was interested in the establishment of long-range

\(^{27}\)Secretary of Commerce Jesse H. Jones before the New York Board of Trade reported in the New York Times, October 1, 1943. Melvin A. Brenner, "Post-War Problems of the Aircraft Industry" (draft copy), April 1943, James V. Alfriend, Jr., "Magnesium after the War" (Preliminary draft), June 1943, and William G. Powell and James V. Alfriend, Jr., "Post-War Prospects for the Aluminum and Magnesium Industries" (rough draft no. 5), August 1942; RG 187, NRPB, Preliminary List, 17.
policies that would benefit the business community. It urged reform of the patent system, more industrial research under government auspices, corporation taxes designed to promote investment, and provision of data on population trends and income and spending patterns. These were ignored, however, or condemned along with the more dramatic and controversial aspects of the Board's recommendations.\footnote{Bruce Bliven, Max Lerner, George Soule, "Charter for America," \textit{The New Republic}, April 19, 1945, 539-540.}

The retention of war-time economic controls was another controversial area in the planning of demobilization. The NRPB felt that controls should be removed gradually, but as quickly as possible so long as shortages and bottlenecks were avoided. They also felt that some controls should be retained to facilitate the transition from war to peace. Price controls, particularly, were felt to be needed to prevent dangerous rises in commodity prices before sufficient conversion had occurred to permit increases in supply. Controls over the allocation of materials might also be needed but were of less importance. Many of the nation's leaders, including many members of congress, were opposed to the retention of controls. Senator Taft felt that the only regulation of industry needed was the prevention of monopoly and he urged an end to price controls.

In short, I think we can return to a system of private enterprise, let the businessmen run...
their businesses and the farmers run their farms without the Government attempting to dictate. 

Taft and his supporters were generally to have their way, but the inflationary pressures and shortages of goods suggest the greater wisdom of the position of the NRPB.

With the construction of public works slowed and then deferred until the end of the emergency, it seemed certain that a backlog of needed construction which could be used to insure employment and stimulate demand would exist at the end of the war. The full utilization of the economic advantages of the accumulated public works depended on the preparation of detailed, advanced plans so that projects would be ready and the "dirt could fly" as soon as they were needed. The NRPB had been working on this concept for a number of years in its compilation of the Six-Year Shelf of construction projects of Federal agencies. Unfortunately, during the war, the Congress, except for certain pet areas such as flood control, had restricted appropriations for the drawing up of the necessary engineering procedures with the result that a reserve shelf for the Federal government was not adequately provided. Equally serious was the inability of the state and par-

particularly the local governments, because of shortages of funds and personnel, to act on the development of reserve shelves.30

To fill these needs at the state and local level, the Public Work Reserve was established in May 1941. The PWR was a project of the Works Projects Administration sponsored jointly by the Federal Works Agency and the NRPB. Inspired largely by the demonstration project in advance public works programming conducted by the NRPB in selected cities across the country in 1940, the PWR was to compile a list of needed construction projects from state and local governments and to help them prepare long-range improvement programs. The intention was to accumulate a series of programs that could be undertaken without delay at the coming of peace. The PWR was headed by a national director and four field representatives each responsible for a specific area of the country. The regions were further subdivided into state units each under a director who also controlled the operating staffs. Full use was made of the staff of the WPA and, on the basis of their experience in the establishment of long-range programming of municipal public works, the State and Local Programming Section and the field staff of the NRPB provided con-

The early months of the PWR were occupied with recruiting and training a staff of its own that eventually numbered about six hundred. By early April 1942, contacts had been established with most city and state governments, programs had been completed in nine states and thirty-five cities and were well advanced in many others. The PWR anticipated that within another year preliminary lists of projects for the entire country could be completed. Unfortunately, administrative problems caused disruption within the agency and, just as these were being worked out, budgetary difficulties caused it to be discontinued.  

The NRPB and the Federal Works Agency wanted to exercise greater control over the operation and, in April 1942, they withdrew their sponsorship from the WPA project. The Public Work Reserve was abolished and its functions assumed by the Local Public Works Programming Office which was directly controlled by the NRPB and the FWA. Pending reorganization under the civil service, the new agency was organized on a temporary basis and as


32 "A Statement of the History, Purposes and Accomplishments of the Public Work Reserve as of July 10, 1942;" RG 187, NRPB, Division C.
a result staff morale and efficiency were undermined. Work did continue until late July when the Bureau of the Budget advised that no more appropriations could be made available for the work. The project had been financed from funds appropriated in the Lanham Act for defense public works and Budget ruled that funds under the Act could be used only for public works necessary to meet the emergency, and that it was impossible to construe the language of the act in such a way as to authorize post-war planning.

Congress could have passed legislation authorizing the use of Federal funds to help states and municipalities finance the detailed plans of public works but showed little interest in doing so. The President asked for such action and several bills were introduced that would have provided the necessary authority. In February 1942, both houses of Congress did consider such legislation: The House defeated the proposal and as a result the Senate took no action. Much progress had been made already but no thoroughly integrated program of public works was ready for construction - for example, a greatly disproportionate amount of the

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projects ready for immediate construction were in the state of New York. 34

The NRPB tried to continue aid to state and local governments through its field staff but the lack of funds and the small size of its staff prevented more than token help. The idea of providing Federal assistance was not lost, however. In April 1945, two years after the dissolution of the NRPB, the Office of War Mobilization and Reconversion issued its second report and urged Congress to appropriate additional funds to the Federal Works Agency for such activity. 35

The demonstration projects in advance public works planning which the NRPB had conducted in 1940, had resulted in an

34 NRPB, National Resources Development Report for 1943, Part I, 55, 37. "A Statement of the History, Purposes, and Accomplishments of the Public Work Reserve as of July 10, 1942;" RG 187, NRPB, Division C. "Nrpnb memorandum on S. 1617, a bill to amend the Employment Stabilization Act of 1931, July 23, 1942; RG 187, NRPB, Preliminary List, 50. Eliot to Henry R. McIntoch, Chairman, Region 3, December 2, 1942, RG 187, NRPB (070.8). Congressman William T. Pheiffer to the NRPB, March 20, 1942; RG 187, NRPB (669.42). Pheiffer pointed to the defeat of a bill authorizing the use of funds for the accumulating of a backlog of public works projects and said he felt this indicated that Congress did not want such work continued. Under this circumstance he asked what the authority under which the public work reserve was set up. The two bills were S. 1617 introduced by Senator Wagner and HR 5638 introduced by Congressman Beiter. In May 1943, FDR asked for eighty-five million dollars for state and local planning agencies, The New York Times, May 25, 1943.

improved process for public works programming, but had not provided for over-all, long-range community development. Consequently, in 1942, the NRPB began another series of demonstrations designed to test a new procedure. Several cities were selected for the test but because of limited funds and personnel, the Board was unable to provide extensive assistance. The demonstrations were therefore designed to be handled by local planning and the techniques refined so they could be made available to other interested cities. A planning technician was sent to work with the local people, consultants occasionally were made available, and the assistance of other Federal agencies was secured but the NRPB did not draft the local programs. 36

The cities participating in the demonstrations, while certainly serving as guinea pigs, would gain, at least, a rough draft of a plan for community development and experience in continued planning. The cities had to provide a local director, assume responsibility for the planning, and try to involve in the undertaking all groups in the community. Salt Lake City, Tacoma, Corpus Christi, and Denver were selected for the tests but Congressional action in reducing NRPB appropriations made possible completion of the project in only the first three. Abolition of the agency the following year prevented further extension of the

36 Memorandum, Herring to Eliot, September 22, 1941; RG 187, NRPB (669.42). "The Corpus Christi Planning Demonstration," May 12, 1943; RG 187, NRPB.
demonstrations.\textsuperscript{37}

The greatest and most completely documented success was in Corpus Christi: The city had wanted to be among those selected for the demonstration and business and civic leaders, supported by a local newspaper, had actively worked for it. Local groups with special knowledge of problem areas, such as the Chamber of Commerce, school board, and department of the city government undertook work on economic development, schools, and streets, while special committees were organized to make inquiries and produce plans for health, welfare, and other important areas. The objectives of the demonstration were achieved. The city had a preliminary plan upon which to base detailed programs for the immediate post-war period and for long-range community development. The NRPB was able to announce to all who were interested

\ldots a plan for economic and industrial development has been prepared in terms of goals for jobs and production. The steps that have to be taken to reach these goals have been defined and are now ready for detailing. A study of the local problems of demobilization and conversion has been made and is ready for the necessary further study. The ground plan of the city has been sketched out and is based on the proposed economic and industrial development. And most important, the leaders and groups in the city are organized to continue the examination of

the city's resources, potentialities, and aspirations. . . .

Congressional action abolishing the NRPB removed one of the strong motive forces behind comprehensive urban development but interest remained and action in accord with the concepts of the NRPB continued. The American Municipal Association and the American Society of Planning Officials sponsored a series of conferences to publicize the methods developed in the NRPB demonstrations and, joined by the International City Managers' Association, arranged for the publication of Action for Cities, A Guide for Community Planning.

One of the specific problems of urban life that the NRPB investigated was housing. The economic troubles of the 1930's and the material shortages of the war years had caused the country to fall far behind in filling its housing needs. Dwellings were needed for newly formed families and to replace the millions of sub-standard units in which people were forced to live. NRPB publications pointed to the necessity for eradicating slums and to the opportunity, through the planned reconstruction of cities by the square mile rather than haphazardly by the square block, of creating neighborhoods that would not be "... segregated,

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39 Ibid., 411.
stratified according to income and class.\textsuperscript{40}

The NRPB found in its investigations of housing that there was widespread agreement that the government should play an important part in financing housing for lower income groups. There was no agreement, however, as to whether the housing itself should be subsidized through assistance to private builders or whether the subsidy should be paid directly to the tenant through outright grants or public construction. Both, it felt, were worthy of consideration; the important thing was that the Federal government should guarantee "... wholesome conditions for all."\textsuperscript{41}


One problem was the high cost of building. In two of its housing and urban affairs reports the NRPB claimed it was high in relation to the rest of the economy and higher than a normal free competitive market would normally allow. It suggested that costs were kept artificially high through a lack of efficient organization in the industry and union restrictions on output and labor saving devices. The NRPB was moving into another controversial area and winning few friends but it was consistent with its continuing interest in improving the general welfare. After the NRPB had been abolished the Office of War Mobilization and Reconversion, which was charged with planning for the adjustment from a war to a peace economy and which was far less outspoken on social issues, identified the construction industry as having lagged "... behind American business as a whole in technological advances and in progressively reducing the cost of its product to the public, . . . ." It went on to suggest that if restrictive practices within the industry could be overcome the benefits

... to the housing standards of the individual and to the stability of our whole economy would be incalculable.  

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42 NRPB, Housing the Continuing Problem, 4. Ascher, Better Cities, 22. Director of War Mobilization and Reconversion, The Road to Tokyo and Beyond: Third Report to the President, the Senate and the House of Representatives by the Director of War Mobilization and Reconversion (Washington: United States Government Printing Office, 1945), 66. In a letter to New York Senator Thomas C. Desmond, January 19, 1942, Delano said that "I feel that for a long time there has been a conspiracy between various groups - building contractors, sometimes even architects, crooked
The NRPB recognized that housing was only one of many problems besetting the cities and urged that a coordinated effort be made to meet them. It suggested the formation of an urban affairs agency to bring unity to the sixty-some Federal agencies involved in giving assistance to the cities. Included in such an agency should be units administering programs in public works, recreation, highways, and other services, as well as housing.43

From the time of its creation in 1933, the NRPB had displayed a marked tendency to move beyond a narrow concern with the physical resources of the nation. In addition to devoting space in its water, land, and energy reports of the impact of their development on the people, the NRPB conducted investigations and published reports on consumer income and consumption, population, and industrial development. As it moved into this broader concept of resources - the Board increasingly used the term national as opposed to the narrower natural resources - its involvement in

politicians, labor unions - which has added very much to the cost of city houses, and that the burden has fallen heaviest on those least able to carry it," RG 187, NRPB (415).

43NRPB, National Resources Development Report for 1942, 107-108. "Proposed Federal Program for Urban Redevelopment and Housing" (confidential), July 30, 1943; RG 187, NRPB, Preliminary List, 70. Similar recommendations were made elsewhere. A pamphlet by Guy Greer and A. H. Hansen, Urban Redevelopment and Housing: A Program for Post-War (Planning Pamphlets, No. 10), (Washington: National Planning Association, 1941), which included a statement that the ideas were those of the authors and not of the NPA closely paralleled the ideas expressed in the NRPB publications including the call for Federal assistance and the establishment of an urban affairs agency.
areas of political division and controversy became inevitable. During the war years the series of pamphlet reports and the annual reports of the agency dealt more and more with issues the solutions to which, although of national concern, were still widely debated. Most notable was the concern appearing in many NRPB publications, that the Federal government should guarantee a full employment economy even if this required a large public works program supported by deficit financing. Economic traditionalists generally and Congressional conservatives particularly were outraged and became highly critical of the NRPB. But of all the Board's undertakings, none were so controversial, or perhaps so important as two of its reports which appeared in March 1943, National Resources Development, Report for 1943: Part I, Post-War Plan and Program and Security, Work, and Relief Policies.

Post War Plan and Program, as the title suggests, contained recommendations for action in ten specific areas of national interest:

I. Demobilization of Plant and Controls  
II. Promotion of Free Enterprise  
III. Urban Conservation and Development  
IV. Rural Land Improvement  
V. Valley Development  
VI. Energy Resources Development  
VII. Public Construction Program Planning  
VIII. Equal Access to Health  
IX. Equal Access to Education  
X. Equal Access to Economic Security

The sections dealing with equal access to health, education, and
economic security presented new and controversial ideas but most of the others covered familiar material and offered little that was new. Taken as a whole, however, the report presented a blueprint for the post war years. The impact of the report and the reaction to it stemmed from this comprehensive nature. 44

Security, Work, and Relief Policies was a huge report, well over five hundred pages, that reviewed the relief and welfare policies and programs of the country with greatest emphasis on the depression decade. The report proposed an integrated program for employment, social insurance, and relief. The report urged a minimum decent condition of life for all citizens and with this general theme few argued. But the underlying philosophy that this was the responsibility of the government and some of the specific recommendations, particularly those concerned with cost and administration, provoked criticism and the bitterness of some of the responses suggested that the report had challenged deeply held, fundamental beliefs. 45

In late 1939, at the request of the President, the committee which was to make the inquiry into security, work, and


relief was organized. It included members from interested government and private agencies under the chairmanship of William Haber of the Department of Economics of the University of Michigan. The research for the report was conducted by the staffs of the interested Federal agencies and by a staff of experts assembled by the NRPB under the direction of Eveline M. Burns. Mrs. Burns, an attractive, red-haired woman in her late thirties, became the driving force behind the report. She had studied at the London School of Economics under Sir William Henry Beveridge where she won a fellowship that brought her to the United States in 1926. An expert on unemployment relief, having studied the policies of Germany and Great Britain, she was at the time of her appointment to the security staff a member of the economics faculty of Columbia University.


The security committee operated over a broad-ranging front and its report included a history of relief policies, an analysis of current public and private programs, and an assessment of standards of assistance and program administration. In addition, the committee examined the economic aspects of relief including the capacity of different levels of government to tax for relief purposes and the proportion of the burden each should assume. The committee emphasized that relief policy was only one patch in the quilt of human conservation. Provision of income was not enough; morale, retraining, and

... the creation of social wealth, and the maintenance of physical health were proper subjects for governmental responsibility in the relief and security field.48

Every citizen needed certain basics - housing, clothing, and food. An economy of sustained full employment would remove some but not all of these problems of insecurity. Many people, however, were psychologically or physically incapable of working, others would suffer periods of temporary unemployment, and still others would earn such small amounts that they would be unable to

48 Minutes of the Technical Advisory Committee on National Relief Policy, October 25, 1939 and Minutes, Committee on Long Range Work and Relief Policies, September 12-13, 1940; RG 187, NRPB (106.23).
provide health and educational services for themselves. Because industrialization had made it progressively difficult for family and private institutions to insure these necessities at decent levels, it would have to be done by society. The NRPB report states that the economy had to provide work for all who wished it and were able to perform it and that if the private sector was unable to do so the government would have to provide socially useful work consistent with the dignity of the individual. Where work was interrupted, unemployment insurance or some other form of social insurance to provide adequate income had to be available. Where insurance failed to provide adequately, public assistance would have to provide minimum protection. Beyond this, it was noted, adequate health, education, and welfare services were necessary and when not available should be provided by the government.\textsuperscript{49}

Basic to the philosophy developed in the report was the idea that the assurance of economic security benefitted the nation as well as the individual recipient. The establishment of a minimum floor under income would not only tend to increase consumer demand but to assure that it would continue, thus bringing greater stability to the economy. Individuals receiving help under the various programs would benefit physically and psychologically and this would produce the healthier and fuller develop-

\textsuperscript{49}NRPB, Post-War Planning, 21. NRPB, After the War--Toward Security, 1-3, 12.
ment of the nation's important human resources.

The report recommended establishment of a permanent Federal work agency to develop and manage construction and non-construction, programs for the employment of those unable to secure work from private enterprise. Projects selected for the programs should be designed to produce the greatest economic and social benefit to the country and standards of work, pay, and conditions and hours of employment should be comparable to those of similar private undertakings. Eligibility for employment under the work programs should be limited to those normally dependent on full-time employment and not eligible for unemployment compensation or likely to be unemployed beyond the duration of compensation benefits. The report also recommended that eligibility for the programs be based on employability and need for work, not on economic need and that, to systematize the operation, access to the program be through the public employment offices.50

The social insurance system of the country was examined closely and its strengthening and extension urged. Old-Age and Survivors Insurance was to be extended to employees of non-profit corporations as rapidly as possible and to other groups as soon

after as possible. Protection of income against loss from temporary or permanent disability was urged, also, but unemployment compensation was given the most detailed treatment.\textsuperscript{51}

The immediate extension of unemployment compensation to employees of non-profit corporations and of firms with even one employee was recommended. The NRPB felt that benefits should be paid for twenty-six weeks and should be raised to a level at which recipients could support themselves without supplemental payments from other public aid programs. An important first step toward the latter, it was argued, should be the payment of dependents' allowances. The report contended that the program would be greatly improved by ending the experience-rating system of assessing employers payments into the compensation funds, and replacing the Federal-state system of administration with one completely Federal having a single national unemployment compensation fund drawn from the general revenue.\textsuperscript{52}


The report divided public assistance into general and categorical programs, urged their continuance, and recommended improvements. Aid for the needy, aged, dependent children, and the blind were to be continued but benefit payments were to be more closely coordinated to insure more equitable treatment to those in each category. The most important recommendation for change was that calling for an end to equal-matching Federal grants to the states for the categorical programs and the substitution of grants based on the relative needs and economic capacities of the states. A strong suggestion was included that the states distribute funds to their political subdivisions on the same basis.\footnote{Reported on March 13, 1943 that Arthur J. Altmeyer, Chairman, Social Security Board, favored a comprehensive Federal program. Recommendations for a national system of unemployment compensation came from Dr. Haver, Chairman of the committee, minutes of the eleventh meeting of the Committee on Long Range Work and Relief Policies, February 27, 1941; RG 187, NRPB, Preliminary List, 61.}

Underpinning the whole program of work, insurance, and categorical assistance was general assistance. Traditionally, general assistance had been the most poorly supported of the programs. No Federal matching funds had been provided and, at least partly as a result, the states had similarly neglected it. The states tended to concentrate their spending on the programs which received Federal matching-grants in order to receive as great a
share of the distributed funds as possible. Consequently, the
general assistance program suffered from inadequate funding and
recipients of this aid had suffered even in comparison to those on
the special programs. To correct this inequity, the NRPB recom-
mended that Federal grants be made available on the same basis as
for the categorical programs. 54

The report advocated free lunches for all school children
and the substitution of the food stamp plan for the direct dis-
tribution of surplus commodities and argued that the surpluses
should be available not just to recipients of public assistance
but to all persons with low incomes. Calling attention to the
essential nature of medical care, the NRPB recommended that the
Federal government

... should stimulate, assist, or undertake con-
structive action to provide such care for the
millions of our people whose need cannot be fully
met from their own resources.

Despite this eloquent plea, no specific proposal for health insur-
ance was included. 55

54 NRPB, Security, Work, and Relief Policies, 548.
55 Ibid., 548-549, 520-521. NRPB, After the War - Toward
Attributable to Sickness and Invalidity," August 20, 1941, 6 and
"Regional Development Plan: New England" (confidential), November
1941, 30; RG 187, NRPB, Preliminary List, 61, 31. NRPB, Post-War
Planning, 18. In an interview on Washington, D.C. television sta-
tion WTTG on July 25, 1967, Secretary of Agriculture Orville Free-
man said 5,000,000 people received surplus food distribution and
The report urged that in every community central information offices be established to make information concerning public assistance programs more readily available to those in need of help. The report went on to recommend that in each state and community a single agency administer all public assistance programs and control access to all programs in which need was the chief criterion of eligibility; access to the work programs, with their quite different criteria, would be through the public employment offices, which the Board felt should remain under Federal control. At the Federal level the Social Security Board would administer the programs. The Federal government would establish standards and requirements including prohibitions on the denying of assistance to any person

... by reason of race, sex, marital or employment status, or failure to have resided within the State for more than one year.

Finally the report recommended that the Federal Security Agency be elevated to cabinet status and given the primary responsibility for the nation's health, education, and welfare.  

that there were programs in 2200 of the 3000 counties of the United States.

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Roosevelt received the security report on December 4, 1941 and the development report on the sixteenth of the following December. He delayed over a year in sending the security report forward and there was considerable speculation as to the reasons for his delay in sending them to Congress. In October 1942, William Green wrote to the President asking him about the social security report and was told that the report was to go forward within the next few weeks. As late as January 9, 1943, however, FDR was still holding the reports and asking for advice as to what to say in his message of transmittal which he now indicated was scheduled to go to the Hill about the first of February. Even the NRPB must have been in the dark as to the President's exact plans because on February 10, 1943, the day the reports were sent to Congress, Frederick Delano sent a memorandum to the President commenting on the recently released British post-war plan which contained a reference to the possibility of transmitting the two NRPB reports.57


There is no definite explanation for the timing of the release of the reports. It is possible that the pressures of the war distracted the President's attention for most of 1942 and that when at the end of the year he received the development report for 1943, he decided to send them forward together and was waiting for the appropriate time. Several publications suggested that release of the reports was deliberately timed to distract attention from the potentially critical second annual report of the Truman Committee. The Truman report did appear on the same day that the President sent the NRPB reports to Congress and they took the front pages away from the Senate Committee. There is no evidence that this was a deliberate action on the part of the administration but Dorothy Thompson, who favored the reports, noted that part of the explanation for the inadequate treatment they received from the press was the administration's not having given them to the press for examination until twenty-four hours after their general release. This might indicate that although the reports were intended for release in February the selection of March 10, 1943 was made for secondary reasons.

58 Editorial, St. Louis Post Dispatch, March 12, 1943.
The New York Times, March 11, 1943; the Truman Committee listed three shortcomings of the war effort - "Inadequate over-all planning within government agencies at the beginning of various programs and delay in determining basic policies necessary to carry out such programs effectively. Conflicting authority over and responsibility for various phases of the war program, resulting in delays and buck-passing. Hesitancy of government to adopt unpopular or unpleasant policies long after the facts clearly indicated
While the attempt to swamp the Truman report may have been a factor in the selection of March 10, there were other and very sound reasons for releasing the report in early 1943. The NRPB was in serious trouble in Congress and these reports could conceivably help the agency in its fight to secure appropriations for another year. They would also reassure the country that the administration had post-war plans comparable to those of Britain.59

The reaction of Congress and the press were mixed but notable for the bitterness and distortions of those opposed to the reports. The attack centered on the cost of the proposals, the centralization of the control over security programs at the expense of the state governments, the concept of a mixed economy, and the old bugbear, deficit financing.

There was general agreement that the reports did not contain a detailed analysis of the costs of the new and enlarged security and welfare programs. This opened the NRPB to charges that it was not concerned with the costs or how and where the money would be obtained. The NRPB in other reports had indicated that the nation could afford the increased costs if the economy

that such policies were necessary." Dorothy Thompson, "On the Record," The Washington Star, March 22, 1943.

was kept at or near full capacity. It was not so much a lack of concern about the costs but a desire to present a general program for consideration rather than a detailed set of exact recommendations that could be enacted into law that deterred the NRPB from spelling out the details. In addition it was recognized that the cost could not be accurately estimated except on the basis of economic activity. Nonetheless, the charges of a lack of concern for the "... sordid matter ... " of the cost of the program and charges that it

... looks like a $50,000,000,000 - a year proposition. I don't see where we could get that kind of money.

helped create alarm and an unfavorable climate of opinion regarding the reports. 60

The reforms in the social insurance and welfare programs that would have increased Federal influence in the programs provoked protests that the intention was to undermine local control and perhaps the structure of federalism. Recommendations that unemployment compensation be placed under Federal control and the

Federal government set standards for security programs and have the power to step in and administer state programs when these standards were not met were the source of the attack. In effect the NRPB was recommending that when lower governmental units failed to protect citizens the Federal government must step in. But many agreed with Senator Taft when he claimed that the NRPB program would result in the destruction of local self-government and in bureaucratic control of the daily lives of all Americans.\footnote{John C. Cort, "Design for Planning; Analysis of the NRPB Report," \textit{Commonweal}, July 2, 1943, 270. Robert A. Taft, "American Progress after the War," \textit{Vital Speeches}, May 19, 1943, 541-542.}

The Board's position that the country should be prepared with government-supported public works projects to fight any economic downturn, even if this meant deficit financing, brought on the usual distorted charge that the NRPB favored continuous deficit financing. The NRPB had faced this charge earlier and then as at this time had been unable to make an effective reply. This stemmed partly from the unwillingness of critics to accept the new economics and their willingness to distort the position of the NRPB, which, in short, was one of using the fiscal policy of the government to help stabilize the economy and which called for deficits only when the private sector was unable to maintain the economy, and then only to the degree necessary. There was a degree of validity in the charges, however, because the principal
theorist of the Keynesian school, Alvin Hansen, had begun to speak of a "... stable and large volume of public outlays." This was the result of the acceptance of the idea of economic stagnation which held that the economy of the United States had reached maturity and would no longer show growth from private development. To a certain extent the Security report reflected an acceptance of this concept, although it did not openly adhere to it. The committee which had prepared the report had held long discussions over the cyclical vs. stagnation theory and most of the members had indicated that they accepted the latter. It had been pointed out, however, that it was not necessary to commit itself to the stagnation theory but only to point to the experience of the past decade to the effect that the economic system had not taken care of problems of unemployment. The committee at least by implication did accept the stagnation position.  

In the 1943 development report the sections that provoked the greatest reaction were those dealing with conversion of industry to peace-time operations. The report had suggested government partnership in certain key industries, the maintenance of price controls until production caught up with demand, and the

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disposal of government-owned plants in ways that would advance competition and geographic balance of industry. Many observers pointed out that there was nothing revolutionary in these suggestions and that they offered means to avoid the dangerous dislocations of the transition and to further the long-range health of the economy. Attempts to point out the stress the report gave to the importance of private enterprise and the fact that it placed main dependence on the private sector for the economic well-being of the country made little impact. The idea of a mixed economy and any continuation of governmental controls after the end of the war was seized upon by hostile critics as evidence of a desire to change the nature of the American economy. 63

Senator Taft felt that the result of continued controls would be a loss of effective control over their destinies by the American people and that a mixed economy really meant a fifty per cent socialist economy. This idea was picked up by much of the

press who suggested that it was an attempt to realize the goal of government control over business. Nation's Business claimed it would result in either a group of industrialists running the American government or of government dominating the nation's economic life, and that in either case the end of the American system.

Business, with some exceptions, wanted the government to return to the role of regulator and umpire and give up efforts to stimulate and, above all, to substitute for business. A few critics noted disparagingly the tone of the report in endorsing free enterprise by suggesting this was just an attempt to disguise the establishment of a super-state. Critics of this type generally found it convenient to overlook or to deny the sincerity of the report's suggestions for the assistance of business. But some did note that the NRPB recommendation that less reliance be placed on corporate income taxes, selective use of the antitrust laws, and help in the reconversion process were meaningful and consistent proposals. Perhaps as interesting were the comments in Newsweek, a frequently hostile commentator, that

... the most striking characteristic of these two reports is their essential conservatism.

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The post war is keyed to the restoration of the free enterprise system and its encouragement and stimulation. . . . Many of its specific suggestions will be controversial but none is revolutionary or even novel. Most have been tested, at least in part, in one or more democratic capitalist nations. Many are so widely accepted or so sensible as to invite no criticism.\textsuperscript{65}

Perhaps the most interesting aspect of the attacks on the post war reports was their emotional, even hysterical, character. Some commentators, including Senator Taft, raised the cry that such proposals as the reports contained would undermine the strength of character that had made America great. Insuring

\textsuperscript{65} Col. Willard T. Chevalier, publisher of Business Week, before the luncheon meeting of the War Council of the Chamber of Commerce of the United States, April 29, 1943; RG 187, NRPB (669.42). Exceptions to this view were Glenn L. Martin and J. T. Harston, President and Executive Vice-President of Glenn L. Martin Aircraft Company who said it was up to the government to assist them in the transition to peace; memorandum, Melvin A. Brenner to McLaughlin, December 23, 1942; RG 187, NRPB, Industrial Location Section. Eric A. Johnston, President of the Chamber of Commerce of the United States, "America Unlimited: Political and Economic Freedoms Inseparable," Vital Speeches, June 15, 1943, 524. The New York Journal of Commerce, March 12, 1943. "New Deal Revival," Business Week, March 20, 1943, 17. Ernest K. Lindley, "How the Postwar Reports Came to Be," Newsweek, March 22, 1943, 27. Edwin G. Nourse, "Public Administration and Economic Stabilization," Public Administration Review, Spring 1947, 86. "In its economic aspect the Employment Act reaffirms and in fact makes more explicit and comprehensive than ever before the national policy of adhering to a system of predominantly private enterprise. At the same time, it states more explicitly and comprehensively than ever before a policy of the national government to follow such lines of positive action. . . . This declaration of residual public responsibility on a foundation of private enterprise simply reaffirms as a matter of conscious policy the traditional course we have followed ever since Colonial times. This is the "mixed" economy under which in federal, state, and local matters we have been accustomed to operate."
minimum needs in housing and medical care was one thing, but it was necessary to be sure that those who provide for themselves would be better off than recipients of the assistance, "Otherwise we will remove every incentive to work and work harder." These goals were admirable but must be approached cautiously or they would destroy the American virtues of "... religious faith, morality, educated intelligence, and an ingrained demand for justice and unselfishness." But then Taft felt that the advocates of the plans had "... no interest in the principles which our fathers established, however successful they may have been." This attempt to equate a personal interpretation of the post with the American way was topped by the strident, ultra-nationalist insistence that the programs suggested were Old World theories, attempts to Europeanize the United States, and to establish economic fascism. It was Congressman John Rankin of Mississippi who said,

... the most fantastic conglomeration of bureaucratic stupidity ever sent to Congress... It would wreck this Republic, wipe out the Constitution, destroy our form of government, set up a totalitarian regime, eliminate private enterprise, regiment our people indefinitely, and pile up on their backs a burden of expeditures that no nation on earth could bear.66

Such irresponsible statements from Mr. Rankin can perhaps be expected and dismissed but similar and even more insidious ones from major newspapers cannot. The New York Times editorialized that the reports marked the first step down the road to totalitarianism.

The reports of the NRPB are presented to the American public as the "American Beveridge Plan." But quite aside from the fact that the Beveridge plan itself is an imitation of Bismarck's state insurance systems, which laid the foundation for the German welfare state that ended in naziism, the NRPB plans go far beyond it.

Many of the critics, of course, had forgotten that the attacks leveled at the reports were the same ones which had greeted every reform of the New Deal during the 1930's. Some forgot as well that the country had just gone through the worst depression in its history and that normalcy had failed. They liked to point out that the NRPB did not want to go back to the world as it had been.

... a world of power and energy running wild and free, a sordid world of profit and loss that grew richer and richer because it didn't know any

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better and never planned it that way, a world in
which a tree was free to grow as tall as it could,
which made a grand but very disorderly economic
forest... 

and, of course, they were correct. 68

While labor and socially-minded individuals and groups
supported the proposals of the NRPB, as did some business inter-
est, the majority of the Congress and the press did not. The
NRPB itself had placed its greatest emphasis on the need for full
employment and most of its proposals were aimed at producing this
effect or at mitigating the suffering that would result during the
periods when this was not attained. Unfortunately, the Board was
unable to establish this point. 69

One factor contributing to the hostility the plans
encountered was that many thought they were intended as the domes-
tic planks for a Roosevelt bid for a fourth term. In March 1943,
the cover of Business Week showed pictures of FDR in the lower
left, Stassen, Wilkie, Dewey, and Bricker in the upper right, and,

68 Editorial, "Our Own New Order," The Saturday Evening

69 "Windows of Washington: Three Agencies, One Government
and Two Private, Planning for Postwar Economy. Major Objective
Is Providing Employment for Demobilized Soldiers and Sailors and
for Dislocated War Workers, Steel, February 1, 1943, 60. The
best article on the reports, which cut through the verbiage and
pulled out the main point of full employment and the connection
between full employment and deficit financing was Harold Fleming,
Christian Science Monitor, March 19, 1943.
in the middle, covers of the two NRPB reports, over the caption

For the 1944 campaign, Roosevelt gives potential candidates...something to shoot at.70

What was often obvious in comments on the reports was ignorance of their contents or distortion of their meaning based on fear of change. More reasonable, were the more restrained judgments of Congresswoman Claire Booth Luce and Senators Burton and Bone of Ohio and Washington, respectively. They were cautious in indicating disagreement with emphases in the reports and pointing to a need for more knowledge before making positive comments. The nature of the attack on the reports was evident when no furor was created by the War Mobilization and Reconversion Administration's endorsement of the concepts of broadened coverage for unemployment, old-age and survivors' insurance, the establishment of sickness and disability payments, and better medical care, and its pointing out that

... protection against the major hazards of modern society is a necessary factor in maintaining mass purchasing power, which in turn

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is the basis of full employment. 71

It was the suggestion in the NRPB reports of a mixed economy, deficit spending, and comprehensive social insurance which caused the reaction.

Almost at the same time that the controversy over the post-war reports was raging the NRPB was engaged in a losing fight for life. Years of struggling against an ill-defined legal status and for adequate budgets came to an end in 1943 when the Congress abolished the agency.

The NRPB was already in serious trouble on Capitol Hill when FDR sent the post-war reports forward. The Board for a number of years had experienced difficulties in securing its annual appropriations and 1943 was proving no exception. The opposition seized upon the two reports as reasons not to continue the agency and got considerable mileage out of them but there were other and equally telling arguments in the arsenal of those who wanted to end the experiment in planning.

A point against the NRPB, frequently heard since the appropriations hearings of 1940, was that it did not have statutory authority. Created originally under the legislation establishing the National Recovery Administration, the agency had been

71 Representative Luce, Senators Burton and Bone quoted by Louis Stark in the New York Times, March 12, 1943. Director of War Mobilization and Reconversion, The Road to Tokyo and Beyond, 64.
transferred by executive order several times, ending, finally, under the Reorganization Act of 1939, in the Executive Office of the President. From the end of the NRA until transferred to the Executive Office, the NRPB received its budget from unallocated recovery funds and following that time was included in the Independent Offices Appropriations Acts. In the Reorganization Act the President had transferred to the Board the functions authorized under the Employment Stabilization Act of 1931. That this was its only legislative authorization had been noted in the appropriations fight of 1940, and the Congress had specifically limited the activities of the NRPB to those contained in that authorization. The members of the Board and the staff believed that this was really not so serious a limitation and by giving it a broad interpretation continued their previous activities. The House of Representatives, where the NRPB always had more difficulty than in the Senate, did not include the agency in the 1940 appropriations on the basis that

... an investigation of the legislative history of the Board fails to disclose any basic law authorizing its existence.72

72 For a summary of the arguments used against the NRPB, see RG 187, NRPB (203), Box 713. Committee on Appropriations, House of Representatives, 76th Cong., 3rd Sess., Report to Accompany Independent Offices Appropriations Bill, 1941, Committee Print, in the files of the NRPB. Delano to FDR, February 8, 1940 in Edgar B. Nixon, editor, Franklin D. Roosevelt and Conservation, 1911-1945, two volumes (Hyde Park: General Services Administration, National Archives and Records Service, Franklin D. Roosevelt Library, 1957), II, 979-980. "The Congress Week: Scrutinizing
One of the reasons the members of the Board held to the broad interpretation of authority was their erroneous belief that the Stabilization Act contained a statement calling for the wise use of the resources of the nation. In fact, the Director in a 1941 letter to one of the Board members bemoans the fact that it was impossible to convince the members that such a statement did, in fact, not exist. It does appear likely that the issue raised here was more window dressing than anything else. The Board had satisfied the Senate in 1940 and had been provided funds for three years under the same conditions. Another and less reasonable basis for attack seems to have been more important for the decision to end the agency.

Members of Congress often insisted that the NRPB was only duplicating the functions of other agencies. This issue was raised against the Board in both 1942 and 1943 and reflected a lack of understanding of the coordinating nature of much of its work. Functioning in the Executive Office, the NRPB was able to help eliminate duplication by agencies in the separate cabinet departments, and had been active in this in water, land, mineral resources, and public works. In response to this the President

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12. Memorandum, C. McKim Morton to Eliot, February 8, 1940; RG 187, NRPB (071.1). Eliot to NRPB, November 22, 1940; RG 187, NRPB (071.6).

73 Eliot to Yantis, April 12, 1941; RG 187, NRPB (203).
pointed out the coordinating feature and argued that rather than being a duplication the NRPB helped prevent duplication and saved the government far more money than was appropriated to keep the agency in existence. Equally misconceived was the idea that the research and review conducted by the NRPB was duplication but it was impossible to explain that most of the material was collected by the agencies directly involved and that the NRPB only brought it together in an attempt to establish overall guidelines for policy.\textsuperscript{74}

Many members of Congress seemed to be opposed to the idea of planning—at least as it was carried out by the Executive. Some of the most bitter opponents of the NRPB, such as Senator Taft, went out of their way to express their belief in planning while attacking, as they said, the particular nature of the planning of the NRPB. The Congress, however, seemed most desirous of ending planning by the Executive, especially the overall control made possible by a central planning agency. So while the content

of the NRPB reports provoked opposition, it seems likely that the mere fact that the planning tended to make the Executive more effective alarmed Congress which had been playing a secondary role since 1933.75

The opposition to the positions of the NRPB also made the members of the Board suspect in the eyes of some Congressmen. This was not limited to differences with policy recommendations. In the discussion of the NRPB appropriations in 1942 Senator Carter Glass of Virginia indicated, in addition to a general opposition to the work of the NRPB, a personal complaint with Chairman Delano growing out of the latter's actions while Chairman of the National Capital Park and Planning Commission. Delano also came under attack because he was the uncle of the President and this suggested to some that he held the office because of that relationship rather than because of his qualifications. There was also some dissatisfaction with Charles Merriam; as a result Charles Eliot, the Director of the NRPB, felt that perhaps the

agency could be saved if those serving under Presidential appointment (Delano, Merriam, Yantis, and Eliot) offered their resignations. In February Eliot did offer his resignation but FDR refused to accept it. Finally in a memorandum to the members of the Board in May, Eliot suggested that they all resign, but nothing came of this either. It was probably too late in any case.  

The important reason for the abolition of the NRPB in early 1943 seems to be the reports, which tended to crystalize the opposition, and a general tendency in Congress to assert its influence and reduce that of the President. There was partisan opposition to the NRPB from the Republicans, but beyond this was the desire to exalt Congress. Some of this stemmed from a belief that the Administration had moved too soon to plan for the post war and should have delayed this until the war was more certainly won. But the desire to get at the New Dealers and the resentment over Presidential leadership appear to have been as important as simple partisan advantage, along with a feeling that Congress should do the planning for the post-war period.  

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77 Congressman Joe Martin quoted in the New York Times, January 6, 1943 indicated the Republican position: "We pledge ourselves to battle for the elimination of some of the bureaus which have reached such proportions and power as to menace our American way of life." "Can Congress Come Back?" "Washington
Somewhat related to the question of the legislative authorization of the NR PB was the problem of the transfer of monies from the President's emergency fund to the NR PB for work it could not afford under its Congressional appropriation. The transfer of funds and personnel among agencies was a normal means of operation and Congress, although aware of the advantages that were sometimes to be gained by such procedures, questioned the possibility that it was being used to give peripheral agencies the appearance of being involved in war work and of creating obligations on regular budgets through initial use of emergency funds. The NR PB had regularly asked and received special allotments from the emergency fund, usually to enable it to continue assistance to state and local planning activities, but also for defense-oriented activity such as the Roster of Specialized Personnel and plant location. In the Senate appropriations hearings in 1943, Senator Kenneth McKeller asked the NR PB for assur-

ance that if Congress limited the Board to a specific amount it would not try to supplement it from other sources. The Board indicated it would comply.78

The House sub-committee recommended leaving the NRPB out of the bill that was to be sent to the Senate and the friends of the Board decided against making a floor fight, feeling that they could not win and that a vote of record against the NRPB would hurt its later chances. The bill went to the Senate Appropriations Committee and was considered by the appropriate sub-committee. When the sub-committee voted on the NRPB appropriation, it tied five to five and, for a long afternoon, debated on whether to recommend the full $534,000 appropriation, finally doing so six to four. The same thing happened when the full committee considered the bill, and here the tie was broken by an agreement to recommend $200,000. Senator McKellar, who was serving as acting chairman of the Appropriations Committee, moved on the floor of the Senate to allocate the full amount to the NRPB and a spirited six-hour debate followed. The Senate with seventeen Democrats

78Richard H. Heindel, "The Discussion of Federal Research Problems in Congress and the 1943 Appropriations," July 31, 1942, 34; RG 187, NRPB, Preliminary List, 56. Transfers from the Presidential Emergency Fund; RG 187, NRPB (203), Box 712. FDR to Secretary of the Treasury, July 31, 1941, memorandum, Delano to FDR, December 29, 1942, and memorandum, Eliot to Regional Officers and Washington Staff, April 9, 1943; RG 187, NRPB (203). As the construction of defense installations slowed down in early 1942 some inside the NRPB came to feel that money from the Emergency Fund was no longer justified; memorandum, Herring to Eliot, June 8, 1942; RG 187, NRPB (202.94).
joining twenty-six Republicans defeated the amendment forty-three to thirty-one. The Senate went on to accept the committee report and the bill was sent to conference to reconcile differences with the House. 79

Senator McKellar had indicated he expected a stormy time in the Conference Committee and would fight for the $200,000, but indicated his feeling that the only reason even so modest an amount had cleared the Senate was because of his amendment to increase it; without the amendment the Senate would have appropriated nothing and the agency would have been dead. This seems to suggest that the Senate had no intention of putting up a hard fight. The Conference Committee accepted the House's denial of funds to the NRPB and eventually the President signed it into law. 80

79 The Bureau of the Budget had approved the NRPB request of $1,400,000; C. P. Trussell, the New York Times, May 28, 1943. "Status of Work;" RG 187, NRPB (089). Representative Clarence Cannon to FDR, February 19, 1943; OF 1092, NRPB. Memorandum, Eliot to the Board and others; May 24, 1943 and memorandum, Eliot to the NRPB, May 27, 1943; RG 187, NRPB (203).

The National Resources Planning Board made a significant contribution to planning in the United States. Originally created to assist in the ordered development of public works, it constantly expanded its areas of concern during the ten years of its existence. Moving first into the use and conservation of natural resources such as water, land, and minerals, the agency was by the late 1930's involved with problems of population, production, and social welfare. In the course of its involvement, the agency developed three primary interests: basic research, coordination of the activities of Federal and non-Federal action agencies, and the promotion of planning as an administrative concept.

The efforts of the NRPB to convince people that a permanent planning body, independent of the action agencies, should be created within the Federal government achieved only temporary success. From 1934 to 1943, the NRPB was first a Cabinet Committee and later part of the Executive Office of the President reporting directly to the President. This unique status for planning ended in 1943, when Congress abolished the NRPB. No agency has replaced it. Significant parts of the Board's functions have been continued, however, within the Executive Office.

In 1946, the Council of Economic Advisers was created by the Full Employment Act. The CEA has continued, and improved upon the NRPB's collection and presentation of material relevant to economic trends. The Council makes more detailed analysis of the data and more specific recommendations for government and has
greater impact on fiscal policy than the NRPB had.

The Bureau of the Budget continues another of the more important activities of the NRPB. The Board reviewed the construction programs of the action agencies attempting to establish construction priorities to secure reserves for counter-cyclical construction, and to determine if building was in accord with the general policy of the President. Working in conjunction with the Budget it was able to further the goal of having construction projects reinforce rather than undermine one another. The Bureau of the Budget currently reviews budget requests of the action agencies and, because of its prestige within the Federal structure, it is able to exercise a restraining hand and to encourage sound practices.

The research of the NRPB into resource development and use and the reports based upon the research were a significant contribution to knowledge and to the better utilization of those resources. The NRPB appointed special committees to determine natural resource needs and to suggest plans for their conservation. Great gaps were quickly discovered in available information on water, land, and mineral use. In order to proceed it became necessary to first fill the gaps, and the NRPB undertook primary research and attempted to collect and synthesize information already gathered by other agencies but not distributed. The holes were filled and better and more efficient programming in areas such as flood control and land use was made possible.
One of the more frequent criticisms of the NRPB has been that its reports suggested general policy directions but lacked specific planning suggestions. This is valid but fails to consider the lack of data available to the agency upon which to base such plans. The NRPB did conduct the surveys on which advanced and mature planning could be undertaken and the material gathered in these surveys has been of value in carrying planning forward.

Closely related to the gathering of data by the committees was the effect these committees had on the development of inter-agency cooperation. The NRPB committees drew their membership from the action agencies and the members became used to working together and to exchanging information. This helped establish the trend toward inter-departmental committees that could consider and integrate the handling of problems.

When the Second World War began the NRPB found itself caught up in the rush of events and an increasing amount of its time and effort was directed toward the war effort. The Board and members of its staff made valuable contributions to more effective resource use, improved industrial location, transportation, and to the relief of urban congestion caused by rapid expansion of the war making potential. The major job of coordinating the conversion, however, was left to the specially created emergency agencies. The role of the NRPB was largely limited to furnishing data and expert advice. Even this contribution was of
declining value. As the war agencies accumulated knowledge and gained experience they were able to rely on their own staffs and files and to function without the aid of the NRPB.

The NRPB did try to make the emergency agencies aware of the impact their decisions would have on the long-term growth and development of American society, but with little success. The need to convert and increase production seemed of such over-riding importance as to preclude long-term considerations. Quite the opposite seems to have been true for the narrow approach which contributed to the over-crowding of major cities and the consequent over-taxing of schools and other public facilities as well as transportation and fuel resources and may well have hindered rather than facilitated expansion. It is true that the chance to reshape the industrial location pattern of the country which could have helped the sectional economic balance was lost.

Notable in an analysis of the NRPB is the maturation of its interests. From a limited prospective of improving natural resource use the Board moved to a primary concern for the human condition. The change began with the realization that resources had value only as they benefited people and the NRPB broadened its perspective to include the relationship of natural resources and people or what it called national resources. Such interests took the agency into the area of social policy and the controversies that surround it. By the late 1930's the NRPB was undertaking studies and issuing reports that were concerned exclusively with
social and economic issues. The culmination of this was the two post war reports.

The reports included discussions of natural resources but of far more importance were the sections on health, education, welfare, and economic policy. The Board was endorsing a smooth and, if necessary, regulated conversion, a more equitable distribution of income, government responsibility for full employment, and counter-cyclical economic policies. All became government policies, but some were not adopted until the 1960's.

Despite its forward orientation the NRPB was not utopian. It based its recommendations on observation of the past and analysis of available data. Its concern was with preserving the American system and extending the opportunities of the system to greater numbers of people.
The most important sources used in the preparation of this paper were the manuscript collections held by the Franklin D. Roosevelt Library in Hyde Park, New York and the National Archives in Washington, D. C. Both are part of the National Archives and Records Service, General Services Administration.

Among the Roosevelt papers consulted were the PPF, OF, and Press Conference transcripts. The most useful source was OF 1092, NRPB for the various years of the agency's existence.

The most extensive records of the NRPB are held by the National Archives and are catalogued in Preliminary Inventories number 50 ("Central Office Records") and number 64 ("Records of the Regional Offices") compiled by Virgil E. Baugh and constituting Record Group 187. Reference is made to them by major sections of the collection (such as Division B) with two exceptions: The largest section, Central Office Correspondence, 1933-43, is noted by the numerical code of its sub-sections and the reports and papers listed in the Preliminary List are noted as Preliminary List with page number. The Central Office Correspondence was the most rewarding source. It included in addition to the minutes of the meetings of the NRPB and its technical commit-
tees the preliminary drafts of agency reports. Both were useful in determining the attitude and direction of the NRPB.

During the months of March and April 1965 interviews were conducted with former employes of the National Resources Planning Board. These furnished valuable background material and, most importantly, a feeling of familiarity with the agency and its operations not available from the written records. They served to deepen my interest and, while rarely cited in the paper, were everywhere helpful. The following is an alphabetical list of those interviewed: John Bennett, John W. Dixon, Robert W. Hartley, Glenn McClelland, Glenn E. McLaughlin, John Miller, James Rettie, Ralph J. Watkins, and Ernest Wieding.
PUBLICATION OF THE NATIONAL PLANNING BOARD


A very important summary of the activities of the Board giving an indication of the thinking about planning and pointing the way toward future activities.

PUBLICATIONS OF THE NATIONAL RESOURCES BOARD


Prepared in accordance with the Executive Order which established the NRB. An inventory of American assets, the report pointed the way toward their more efficient use for the improvement of human welfare.


The first of many such reports.

PUBLICATIONS OF THE NATIONAL RESOURCES COMMITTEE


A detailed study of the way the American consumer spent his money during the period of a year from mid-1935 to mid-1936. The total and share of consumption for the
upper, middle, and lower economic thirds of the nation are analyzed and the amounts spent by savings and health is broken down by income, area of the country, etc.


A companion to the above report containing great detail on total consumer income by groups, by employment, age, race, area of the country, residence in city, village, farm. Also based on the period July 1935 through June 1936.


A popular summary of the two large and technical reports on consumer income and expenditures.


Report of the Energy Resources Committee to the NRC.


A report on the status of state planning containing a complete bibliography of reports by state planning Boards.


A pamphlet digest.


Represents the work of the Urbanism Committee. Contains section on "Federal-local fiscal relationships in public works" and urged Federal grants in aid to projects that had been reviewed and approved by a separate engineering organization.


Report of the Committee on Population Problems to the NRC.


All four of the NRC progress reports offer valuable summaries of the work of the Committee and were of great importance in the preparation of this study.


Division of costs between Federal and State analyzed.


Parts I, II, and III consider multi-purpose projects involving more than one state or Federal agency.

The NRPB felt that this area should be left to the states for the time being.

A comprehensive analysis of state planning programs.

Summarizes current state planning activities and attempts to encourage more of the same.

Report of the Industrial Section prepared under the direction of Gardiner C. Means.

Supplementary Reports of the Land Planning Committee to the National Resources Board: Part I, General Conditions and Tendencies Influencing the Nation's Land Requirements; Part II, Agricultural Exports in Relation to Land Policy; Part III, Agricultural Land Requirements and Resources; Part IV, Land Available for Agriculture through Reclamation; Part V, Soil Erosion—A Critical Problem in American Agriculture; Part VI, Maladjustments in Land Use in the United States; Part VII, Certain Aspects of Land Problems and Government Land Policies;


Supporting data for Our Cities—Their Role in the National Economy.


Pamphlet digest.

THE NATIONAL RESOURCES PLANNING BOARD PUBLICATIONS


Mr. Ascher was a leading authority on housing and had served as Executive Director of the National Association of Housing Officials.


Mr. Colean had been Assistant Federal Housing Administrator and when this work was published was Director of the Housing Survey of the Twentieth Century Fund.

Prepared by the Director and Executive Officer of the NRPB, the Guide was useful for the general overview of the agency it served and for the explanation of the filing system.


Professor Hansen is the leading American exponent of the economic views of John Maynard Keynes and this work discusses the potentials of compensatory spending. This concept and, indeed, Hansen, himself, were controversial and contributed to the Congressional opposition to the NRPB.


Prepared for the Science Committee of the NRPB, this was one of a series of supplementary reports of the NRPB. "The contents are the sole responsibility of the author. . . ."


A brief statement of the problem areas to be met when the nation reconverted to a peace time economy.


An examination of reconversion after World War I undertaken to see if steps could be taken to make the transition easier after World War II.


A digest of the full length and controversial report of
the Committee on Long-Range Work and Relief Policies, Security, Work, and Relief policies.


Prepared by a special subcommittee of the Land Committee.


—. *Condensed Progress Report for the 84 Meetings of the Water Resources Committee, 1933-1943, with Emphasis on the Period, July 1, 1941 - June 30, 1943.* not published, 1943.

Loaned to the author by Mr. John W. Dixon, who served as Chief of the Water Resources Section and Secretary of the Water Resources Committee. A valuable summary of the work of the committee, giving some idea of how the members of the committee assessed their work.


A summary of Canadian plans to assist veterans.


The report of the Conference on Postwar Readjustment of Civilian and Military Personnel to the NRPB. Contains their recommendations on education, separation, and adjustment.


A companion to the studies on consumer expenditures and incomes. The findings are based on the period July 1935 and through June 1936 and deal only with family expenditures, breaking them down into ninety categories.


Prepared by Lawrence K. Frank with the assistance of Louise K. Kiser.


A valuable summary of the activities of the NRPB.


Contains highly controversial proposals for the post war period. Coupled, as it usually was, with Security, Work, and Relief Policies it tended to solidify Congressional opposition to the NRPB.


Prepared under the direction of the United States and Canadian Project Directors, Joint Economic Committees.


A mimeographed publication of the NRPB appearing at irregular intervals during the period and containing resumes of post-war planning activities of public agencies and private groups.

Another statement of post-war problems the country should anticipate.


Covers the two year period from the establishment of the NRPB on July 1, 1939 to June 30, 1941. A valuable summary of the work completed, underway, and proposed.


A report of the Land Committee to the NRPB. Statements of plans and evaluation principles for public works projects on public lands. Projects that included any public construction or land improvement program and not just the construction of a public structure.


A report of the National Research Council to the NRPB. One of several surveys of research in the United States begun under the NRC’s Science Committee.


A report of an Advisory Committee of the Social Science Research Council to the NRPB.

Report of the Committee on Long-Range Work and Relief policies to the NRPB. This report, under the direction of Mrs. Eveline Burns, was one of the most controversial produced by the NRPB and did much to bring about the Congressional action which ended its life in 1943.


One of several reports on the status of planning in the states. This one is of value because it contains a section on each state and information on defense and war activity.


Supplement to the Patterns of Resources. Washington: mimeographed, 1940.


BOOKS


Short sketches of the men who made up the New Deal. An interesting interpretation written by close observers.


An unsophisticated approach favoring a back to the land movement.


A collection of speeches and articles by leading Americans on how to get the United States out of the depression.


Mr. Brownlow was a friend of Charles Merriam and was associated with the NRPB on several projects. The chief value of the work is the insight it offers into the personalities of some of the leading figures associated with the NRPB.


Useful to examine the charges of the critics of Mr. Burns and his wife, Evaline, who directed the NRPB study on Security, Work, and Relief Policies. The charges of irresponsible radicalism are not justified.


Both Mr. Childs and Mr. Clapper were reporters with considerable experience in covering Washington.


Both these studies grew out of the work of the 1921 Conference on Unemployment.


Covers many aspects of unemployment and methods for resolving the problem.


The individual articles are the result of interviews with prominent men of the day, dealing mostly with the economic problems of the country.


Furnished important background.

Mr. Durand displays no grasp of the complexity of the depression.


Valuable for background on this important subject.


Useful in gaining an understanding of this important approach to economic stabilization.


A detailed, reasonably objective work. Very valuable to this study because of impossibility of getting hold of any other copy of the Swope Plan.


A generally interesting book, it was of particular interest because of an article by Charles Merriam.


Mr. Gulick was associated with the NRPB at the start of World War II.


Economic ideas of the leading Keynesian in the United States.


Both Mr. Hodgson's books are collections of opinions from
newspapers, magazines, and other public statements representing differing points of view.


Sometimes scathing and always uninhibited comments on men and events.


Very useful background for this period.


A fine study of an important aspect of administrative reform. Especially valuable for this study because of the detailed treatment of the thinking of Charles Merriam.


Leuchtenburg, William E., Franklin D. Roosevelt and the New Deal:


An examination of the problems that can develop in connection with the development of a river development project.


A brilliant and revealing study of the Corps of Engineers and its ties with the rivers and harbors lobby and key committees of the Congress.


Articles on executive management from many approaches, perhaps the most interesting being that on "Information" by David Cuchman Coyle.


A broad study of planning. Mr. Millett served briefly with the NRPB at the start of World War II and he had opinions about the agency — not often favorable.


Useful because of the ties with the NRPB and its predecessors in the persons of Wesley Mitchell and Charles Merriam.


A report growing out of the 1921 conference on unemployment.


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Summary of book of same title by Meriam, also published by Brookings.


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