Wage Wars: Institutional Politics, WPA Wages, and the Struggle for U.S. Social Policy

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The WPA was the most expensive and politically prominent U.S. social program of the 1930s, and the generosity and very nature of U.S. social policy in its formative years was contested through the WPA. In this article, an institutional politics theory of social policy is elaborated that incorporates the influence of both institutional conditions and political actors: Institutions mediate the influence of political actors. Specifically, it is argued that underdemocratized political systems and patronage-oriented party systems dampen the cause of generous social spending and the impact of those struggling for it. State actors, left-party regimes, and social movements spur social policy, but only under favorable institutional conditions. To appraise this theory, key Senate roll-call votes on WPA wage rates are examined, as well as state-level variations in WPA wages at the end of the 1930s. The analyses, which include multiple regression and qualitative comparative analysis, support the theory.

The academic literature on social policy has been marked by divisive theoretical and empirical debates. Scholars engaged in cross-national studies often fall into "institutional" or "political" camps. Institutional theories tend to focus on the structure of the state and political party systems, and the activity of state organizations (Orloff 1993; Skocpol 1992; Steinmo 1993). Political theories tend to focus on the influence of nonstate political actors, such as social movements, interest groups, and political parties (Esping-Andersen 1990; Hicks and Misra 1993; Stephens 1979). There have been few attempts to synthesize these theories, despite the fact that each is limited but potentially complementary: Institutional arguments discount the role of actors outside the state in influencing policy; political arguments neglect the possibility that the impact of political actors may vary according to institutional settings.

Even if these theories were synthesized, however, standard institutional and political arguments would have limited utility for understanding the development of social policy in the United States. This is because these theories have relentlessly negative expectations for U.S. social policy and thus cannot account for its advances and variations. Institutional theories typically argue that fragmented political institutions make it easy for anti-social spending groups to block generous social legislation and that weak executive state organization makes social policy difficult to implement and reduces potential policy advocates. The United States is generally considered to have a highly fragmented polity and an executive state lacking in administrative capacities. Political theories focus on the stimulant role on social policy of left-wing political parties and the labor movement. The United States is usually considered to have no left or social...
democratic political party and a weak and divided labor movement. Thus, because comparative scholars often see America lacking key determinants of social policy, scholarship on U.S. social policy typically entertains different arguments.

Contention among scholars of U.S. social policy is aggravated by the fact that they often appraise their arguments on a limited empirical proving ground—the 1935 Social Security Act (Amenta and Parikh 1991; Jenkins and Brents 1989; Lieberman 1995; Orloff 1988; Quadagno 1984; Skocpol and Ikenberry 1983). A single legislative episode cannot yield the analytical leverage provided by comparisons across time or cases to appraise variegated theoretical arguments (King, Keohane, and Verba 1994). Analyses of the security legislation are also sometimes misleadingly narrow, as they rarely address legislative voting on social policy or important changes in the policy after its initial adoption.

Moreover, these analyses often lack context. For example, the Social Security Act followed America’s largest and most politically controversial social program—public employment by the Works Progress Administration (WPA). Public employment was central to the aims of the U.S. Committee on Economic Security (1935). Begun in the spring of 1935, by 1939 the WPA vaulted the United States into the lead among industrialized countries in social spending “effort” (Amenta 1998). The WPA stood at the center of the debate over U.S. social policy. Notably, the wages provided by the WPA generated controversy over generosity in social policy. The WPA’s wage policy was designed to provide a reasonable subsistence compatible with “decency and health,” a standard that was amended out of the means-tested programs of the Social Security Act. Historically speaking, through the WPA a newly forming southern Democratic and northern Republican coalition was able to neutralize part of the New Deal (Katznelson, Geiger, and Kryder 1993).

We go beyond standard debates in theory and analysis and we elaborate a theoretical synthesis—an institutional politics theory—that encompasses the institutional conditions that shape public policy and the political actors that demand it. The theory is not a mere amalgamation of previous arguments, however, and can address augmentations in U.S. social policy and variations in social policy across the United States, as well as cross-national differences. We appraise this argument by way of the WPA, which has advantages for research. Unlike the conflict over the Social Security Act, the conflict over the generosity of the WPA was recorded in close congressional votes and also indicated by the variation in wage rates at the state level. We focus on one turning point in the WPA, when Congress undermined the WPA’s high wage policy, and examine the supporters and opponents of high wage rates in the Senate and state-by-state variations in wages. We buttress multiple regression analyses with qualitative comparative analyses (QCA) that address the interactional aspects of our theoretical arguments.

**THE INSTITUTIONAL POLITICS THEORY**

Like institutional theories, the institutional politics theory holds that institutional conditions and circumstances matter for social policy. Our arguments, however, focus on determinants other than political fragmentation (the division of authority across the central polity and between central and local polities) and bureaucratic underdevelopment (a paucity of executive agencies to administer social programs). Like the political theorists, we expect that reform-oriented parties and social movements will be important proponents for public spending, but argue that their impact is mediated by the institutional contexts in which they contend (cf. Leicht and Jenkins 1998). We address the political institutions that shape the possibilities of social policy and mediate the influence of political actors on social policy.

**Political Institutions and Social Policy**

First, we argue that greater democracy in politics promotes redistributive social spending policies. Following Key (1949), we anticipate that the prevalence of democratic procedures in political decision-making will stimulate public social spending programs (also see Hicks, Misra, and Ng.
A democratic polity is characterized by meaningful choices among parties or factions (Dahl 1971) in addition to the basic rights of speech and assembly. To put it negatively, a central obstacle to social spending policy is an underdemocratized polity. In an underdemocratized polity, political leaders are chosen by elections, but there are significant restrictions on voting, political participation, political assembly and discussion, and choices among leadership groups. Greater democracy in representative systems typically amplifies the political voice of those at the lower end of the economic spectrum because democratic rights are typically extended from rich to poor. In an underdemocratized political system, there is little electoral reason for politicians to promote policies to aid the less well off; politicians will seek the support of the economically privileged, whose preferences generally stand opposed to social spending.

Moreover, it is difficult for pro-spending mass movements to organize themselves in underdemocratized polities. Often they do not try, as there is little electoral reason for any politicians to promote such causes. For movements that do try to organize, sustaining a challenge is difficult because their followers are likely to have few political defenders within the state. If everyday people cannot legally or practically assemble and discuss issues, it is difficult to press for social policies. And even if such movements coalesce in underdemocratized polities, they are unlikely to win concessions and will likely be ignored or repressed.

A second important institutional condition is the nature of the party system itself. We argue that patronage-oriented parties are particularly harmful to modern social policy. These are hierarchical organizations that seek to win elections and maintain their organizations through individualized benefits to party workers and other supporters (Banfield and Wilson 1963; Katznelson 1981; Shefter 1977). The leaders of such patronage-oriented parties are concerned with the survival of the organization itself, and survival depends, in turn, on a cycle of contesting and winning elections, using the spoils of office to reward party workers and contributors. Parties and party systems can be arrayed along a continuum from patronage-oriented (the distribution of individualized benefits such as government jobs) to programmatic systems (providing collective benefits to large groups, such as through social spending programs). As Mayhew (1986, chap. 10) has argued, leaders of patronage-oriented party organizations are inclined to avoid programmatic benefits, especially because they find professional bureaucracies threatening. Social spending programs require trained and qualified workers to operate them, and so their supporters seek to legislate merit-based hiring practices and reduce the number of potential governmental jobs available for patronage purposes.

Leaders of patronage-oriented parties have still other motives to oppose modern social spending programs and bids to modernize discretionary programs. Programs that provide relatively automatic benefits eliminate a degree of fiscal freedom for political operatives. Money earmarked for individuals who meet abstract criteria cannot be easily diverted to those who contribute to the life of the party. Automatic social spending potentially drains resources from programs that might be deployed in an individualistic way. In addition, politicians cannot take repeated credit for a payment guaranteed by law. What is more, social spending programs rarely provide the often remunerative opportunities yielded by soliciting contracts for

Key (1949, chap. 14) argues that disorganized politics discourages social policy and that disorganized politics in the South accounts for its backwardness in social policy. He also argues, however, that restrictions on the franchise in the South contributed to this backwardness.

Mayhew (1986:19–20, 292–94) refers to these patronage-party organizations as "traditional party organizations" and defines them as substantially autonomous, long-lasting, hierarchical organizations seeking to nominate candidates for a wide range of public offices and relying substantially on material incentives. He also argues that the leaders of such party organizations discourage programmatic benefits because people attracted to patronage parties are unlikely to want to build programs, pro-spending groups like the labor movement cannot easily exercise influence in the parties, and these parties promote issueless politics and breed pessimism about government.
public business. Furthermore, social spending programs imply higher taxes and reduce the ability of patronage politicians to lower taxes in a selective way to contributors. Finally, patronage-oriented political parties have a motive to discourage and disrupt state-oriented social movements. For these reasons, we expect that programmatic or open parties will provide greater opportunities for social spending programs and for pro-social spending actors to flourish.

That said, programs that allow discretion will not always win the support of patronage-oriented party leaders. Discretionary programs benefit only those party leaders who control them. Fractional disputes often break out over patronage, even among members of parties that may support social spending in principle. If a party leader sees a rival as having greater control over a program, the party leader on the outside would likely oppose it. Thus, the attitudes of patronage-oriented party leaders toward discretionary programs will depend on who has control over the types, amounts, direction, and timing of benefits.

A summary of the structure of the American polity in the first half of the twentieth century exhibits the predicament faced by advocates of modern social policy. As Figure 1 shows, one-half of the 48 states harbored underdemocratized political institutions (characterized by restrictions on voting and party competition) or dominant patronage-oriented political parties. The South was democratically backward, and much of the East and Midwest was a haven for patronage parties. Most of the West and some parts of the Midwest and East were democratized and harbored no significant patronage-oriented political parties, and thus constituted the most promising sites for adequate social spending (see shaded in Figure 1). Overall, though, the U.S. polity was unfavorably structured for modern social policy; many western European polities were closer to the upper left-hand corner.

A third condition is the centralization or fragmentation of political authority (Pierson 1994:32). Divisions in authority across the central polity and between the central polity and local polities can prevent small legislative majorities for reform from enacting social spending programs (Huber, Ragin, and Stephens 1993). We do not rate such fragmentation as the most important structural condition inhibiting social policy, however. Fragmentation does not prejudice political leaders against social spending policy and cannot explain differences in policy among subunits of government politically constructed in similar ways, as in the United States.

Moreover, the institutional politics theory holds that state administrators and their policymaking abilities can have an impact
on public spending policy (Orloff and Skocpol 1984). We argue that what we call domestic state bureaucracies often structure what is possible in social spending policy. Domestic bureaucrats can also be influential advocates for social policy change (Heclo 1974), especially if they are unburdened by constraining loyalties to political parties or economic interest groups (Skocpol 1985). We expect that domestic bureaucrats will try to advance and fulfill the social mission of their bureaus, agencies, or departments by devising proposals, lobbying for legislative change, and supporting groups whose goals are similar. Yet we expect these bureaucrats to be effective only if they have wide authority and experience in administrative matters and only in conducive political settings—democratic political systems and nonpatronage-party systems. In an underdemocratized political system, politicians will usually ignore social politics regardless of what bureaucrats do. In patronage-oriented parties, politicians will tend to undermine domestic bureaucracies by staffing them with unqualified party loyalists.

Political Actors and Social Policy

The theory also argues that the activity of political groups influences social policy. What we call reform-oriented regimes are more broadly drawn than are social democratic regimes (Korpi 1989; Stephens 1979), but more narrowly defined than expert-labor or farmer-labor political coalitions (Esping-Andersen 1990; Orloff 1993). A reform-oriented regime is comprised of left-wing or centrist parties that control the instruments of government. A centrist or left-wing party is defined by its ties and alliances to pro-spending advocates, including expert, labor, and other organizations—the closer the ties and the wider the variety of ties to pro-social policy groups, the greater the orientation to reform. Although the organic alliance between labor movements and social democratic parties has been most often cited by social democratic theorists, other alliances are also important. Also, merely having experts or farmers and labor coalitions over issues is not enough. Reform-oriented regimes, which may occur at the national or state level, are expected to encourage social spending legislation to reach the political agenda, to pass it, and to advance spending programs passed at the national level.

The election of a reform-oriented executive and large contingents of reform-oriented legislators sends clear signals throughout the political system that new or increased social spending is possible. Left-leaning political appointees in the administration are more likely to demand spending initiatives. Policy bureaucrats are more likely to press new or long-standing proposals. Reform-oriented members of legislatures are likely to make renewed efforts on behalf of their own favored programs, devise new ones, or support executive-sponsored programs. Challengers are likely to redouble their efforts. The incentives to press for social spending efforts are high because they are more likely to succeed. We expect U.S. public spending gains to occur generally when the Democratic Party or radical third parties take power or form regimes. We also expect legislators from these parties to be key supporters of generous social policy.

Yet we do not treat all Democrats as part of a “center” party (Hicks and Swank 1992) whose rule is expected to provoke moderate spending increases. The situation is more complicated. Before his election in 1932, Franklin D. Roosevelt was a reform-oriented governor of New York, and in its 1932 platform the Democratic Party was the main force behind emergency relief and endorsed old-age pensions and unemployment insurance. Before Roosevelt’s New Deal, however, the Democrats had not allied themselves with either pro-spending groups or public social spending (Davis 1979, chaps. 3, 8; Schlesinger 1957:390–95; Schwarz 1970, chap. 7). Also, we expect only those Democrats outside the underdemocratized South to promote social spending. Regardless of the ideology of the national party, Democratic politicians in underdemocratized politics will be unlikely proponents of social spending. In contrast, Democratic politicians in patronage-oriented parties are expected to have loyalties divided between social policy and their patronage needs.

The institutional politics theory also argues that political protest movements promote public social spending (Hicks and Misra 1993). We see these possibilities as
in institutionally structured, however. Social movements may advance public spending under two conditions: If the polity’s structure is conducive to spending, and if the movement has a large following and has established a political presence (Amenta, Dunleavy, and Bernstein 1994). By a political presence, we mean devoting significant resources and efforts to influencing elections or legislation, or both. At the national level, social movements might influence representatives to vote for social spending policy. Challengers will have a more limited impact than reform-oriented regimes, however, affecting only those issues with which the challenger is directly concerned.

Our arguments also have implications for social policy in the states, which are a good data source for simultaneously examining our institutional and political claims. When the national polity provides incentives for social spending programs at the state level, as was the case during the New Deal, we expect gains advances only in some states: The institutional context must be favorable, voting rights must be protected, and patronage parties must be marginal. Powerful political actors in favor of social spending are also required. Democratic or insurgent third-party regimes in these structurally conducive states would be considered to be analogous to reform-oriented regimes at the national level. State bureaucrats will support social spending change in states structurally conducive to reform, but only if they have wide authority in administrative matters. Highly mobilized and politically resourceful social movements will influence state-level public spending policies, but only on specific issues of concern, such as the labor movement’s concern for unemployment policy.

In short, we expect institutional conditions and political actors to interact in producing social policy outcomes. We turn next to the history of the WPA and focus on the contentious debates surrounding wages.

**A SHORT HISTORY OF THE WPA**

On January 4, 1935, President Roosevelt introduced what he called the “works program” and other economic security measures. In retrospect, this was America’s first welfare reform, as Roosevelt also called for the end of the Federal Emergency Relief Administration (FERA)—the 1933 grant-in-aid program to assist those harmed by the Depression. In denouncing “dole relief,” Roosevelt referred to cash payments to the idle, able-bodied unemployed, and demeaning and often corrupt in-kind aid provided to those employed on work projects. Instead of dole relief, Roosevelt proposed work for wages, or “work relief” (Macmahon, Millett, and Ogden 1941, chap. 1).

**STRUGGLES OVER THE WORKS PROGRAM AND ITS INITIAL WAGE POLICY**

The joint resolution authorizing the appropriation for the works program was drafted in late December 1934 and placed before Congress on January 21, 1935. With an initial appropriation of approximately $4.9 billion, an enormous sum for that time, the resolution gave the president authority to fund work projects and public works. Based on the powers given to the president through the Emergency Relief Act of 1934 and the public works titles of the National Industrial Recovery Act of 1933, the resolution was enacted and approved by Roosevelt on April 11. Harry L. Hopkins, the Federal Emergency Relief Administrator, was placed in charge of the newly created Works Progress Administration, which by September gained operational authority over the works program (Amenta et al. 1998; Badger 1989: 200–15; Charles 1963, chaps. 6, 7; Howard 1943, chap. 1; Macmahon et al. 1941, chaps. 2, 3; McJimsy 1987, chaps. 5, 6; Roosevelt 1935, paper nos. 45, 54, and 89; Sherwood 1948:65–71).

The WPA had greater national control invested than did the power-sharing programs of the Social Security Act, but it also provided for significant state and local influence. The national office selected labor-intensive works projects, proposed mainly by state and local authorities. By law, WPA

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1 Hopkins and Roosevelt sought to avoid patronage politics and the sorts of local control that would induce unfairness into the WPA. But patronage politics and local control were a part of the program. All major state-level officials of the WPA required confirmation by the Senate, and through the usual courtesy procedures the appointees were typically congenial to at least one.
projects were to be small-scale and could not compete with private business; they involved mainly constructing highways, roads, streets, public buildings, and garments. The works program was to employ able-bodied workers, one per family. Some 90 percent of the workers were to be taken from the relief rolls, in keeping with Roosevelt’s goal of moving the “employable” from the dole to work relief. Unlike the FERA, however, the WPA paid cash wages in standardized amounts—not sundry cash and in-kind aid attempting to fulfill a “budget deficiency” (U.S. Federal Works Agency 1946:23–26).

To ensure the political viability of the unprecedentedly expensive work relief bill and to aid as many people as possible, Roosevelt called for the payment of “security” wages—an amount sufficient to live on, analogous to a minimum wage for unskilled workers. The American Federation of Labor (AFL) and some others on the left objected to this, however, as they thought this policy might reduce private-sector wages (Macmahon et al. 1941:29). They supported the payment of higher “prevailing” wages, or the going wage for a given job. Hopkins’s solution was to allow state administrators to reduce workers’ hours so that their hourly WPA wage would approximate the prevailing wage rate, but workers would still receive a monthly security wage (Macmahon et al. 1941:149–55). Opponents of the WPA on the right still maintained that the security sums were too high and that the prevailing wage rate would discourage workers from seeking private jobs.4

During the deliberations over the fiscal year 1937 relief appropriation, the administration’s language for prevailing wage rates and monthly security wage amounts passed both houses (Macmahon et al. 1941:149–55; U.S. Senate Committee on Appropriations 1936). Although Roosevelt slightly reduced funding for the WPA in 1937, he reversed course during the economic downturn of April 1938 (Brinkley 1995, chaps. 4, 5; Weir 1992:34–41). For fiscal 1939, Roosevelt demanded additional funding for New Deal programs, including $1.25 billion for the WPA, which peaked at 3.35 million employed in November 1938 (Roosevelt 1938, paper no. 49; U.S. Federal Works Agency 1946).

**THE END OF THE WPA WAGE POLICY**

The WPA’s wage policy was attacked in 1939 by its opponents. The House Appropriations Subcommittee, led by Clifton A. Woodrum (D-VA), passed numerous restrictions on the WPA. One restriction abolished the prevailing wage-rate provision by requiring that all WPA workers work 130 hours per month. The bill also established an 18-month time limit for WPA employment; workers dropped from the rolls would be allowed to reapply after a 60-day “furlough” (New York Times, June 15, 1939, p. 1; June 17, 1939, p. 1). Although the Senate restored prevailing wages (New York Times, June 29, 1939, p. 1), this change did not survive the conference committee. The final measure also retained the 18-month time limit, with a 30-day furlough.

The AFL, the Congress of Industrial Organizations, and Worker’s Alliance of America denounced the provisions. The Workers’ Alliance, comprising approximately 200,000 WPA workers, organized a one-day strike in protest (Macmahon et al. 1941:291; The Nation, September 10, 1938, pp. 242–44; New York Times, June 15, 1939, p. 1; July 22, 1939, p. 1; Valocchi 1990:201). The AFL called a conference of unions in Washington to discuss the issue; afterward between 50,000 and 100,000 construction workers went on strike at WPA projects (New York Times, July 7, 1939, p. 1; July 11, 1939, p. 7). The (AFL) Building and Trades Council president Thomas A. Murray went so far as to advocate the abolition of “all WPA activities in the building and construction fields” (New York Times, July 22, 1939, p. 1).
There were three attempts to repeal the 130-hour rule, but each one failed. On July 11, 1939, Senator James Murray (D-MT) introduced a bill to restore prevailing wages and asked that the bill be referred to the WPA-friendly Committee on Education and Labor, instead of to Appropriations, which handled all WPA bills. The Senate rejected Murray’s request, 52 to 21. (U.S. Congress 1939a:8808–11). On July 28, 1939, Senator Patrick McCarran (D-NV) attempted to amend Roosevelt’s $2.5 billion public works lending bill to restore prevailing hourly wages on all federal work. This amendment had 38 in favor, but 40 opposed (U.S. Congress 1939b:10298–317). On August 4, McCarran proposed another amendment to restore prevailing wages for WPA work. The Senate voted 40–31 in favor (U.S. Congress 1939b:11009–17), but the amendments were new legislation on an appropriations bill, requiring a suspension of the rules and thus a two-thirds majority. Although the WPA was made a permanent bureau in the newly created Federal Works Agency (Howard 1943: 361–68), the WPA’s wage policy had been undermined.5

THE PROPOSED AUGMENTATION AND DEMISE OF THE WPA

In November 1940, Roosevelt instructed the National Resources Planning Board (NRPB) to focus its attention on planning postwar policies. Security, Work, and Relief Policies was written by the NRPB’s Committee on Long-Range Work and Relief Policies and submitted in December 1941. The committee called for the assurance of an “American standard” of economic security as a right of every citizen. Everyone who could not find a job should be provided one by the government, and all should receive at least the minimum wage as legislated in the 1938 Fair Labor Standards Act. In essence, this meant the $52 per month received by the most unskilled WPA workers in the most expensive region (U.S. NRPB 1942:514–15).

Instead, however, social spending programs and initiatives were reversed. Soon after the 1942 elections, which were disastrous for non-Southern Democrats, Roosevelt appeased congressional conservatives by agreeing to the termination of the WPA. He granted it an “honorable discharge” and with that ended America’s first experiment in welfare reform (Blum 1972:234–37; Katz 1986:224–34; U.S. Federal Works Agency 1946:v).

ANALYSES OF WPA WAGES: EXPECTATIONS AND INDEPENDENT MEASURES

Because WPA wages were at the center of the debate about the form and generosity of New Deal social policy, we appraise our institutional politics arguments by examining WPA wage outcomes at both the national and state levels. (For details on the construction and sources of all dependent and independent measures, see Appendix A.) At the national level, we try to explain who voted for and against prevailing wage rates. We focus on the crucial Senate votes in the summer of 1939 that tried to restore the WPA’s prevailing wage-rate policy. We also examine wages per hours worked at the state level. The WPA was mainly nationally funded, and the WPA organization could decide which programs to fund. But states and localities devised projects and their requirements and thus could influence WPA wages (Howard 1943). A state or locality might propose mainly projects employing unskilled labor, for example, in order to keep WPA wages as low as possible.

The institutional aspects of the theory are examined with three measures. We expect that underdemocratized political systems, characterized by restrictions on the franchise, will produce weak support for generous public spending programs and weak programs. We approximate this with a measure of voting rights, which is based on those

5 Over the course of the WPA’s existence, the wage schedules contained between 60 and 80 wage categories that varied by skill level, region, and size of municipality. In May 1935, the highest monthly salary was $94 (for urban professional and technical workers in 27 northern states), whereas the lowest salary was $19 (for rural unskilled workers in seven southern states). The lowest salary rose in June 1938 to $26 and again in August 1939 to $31. The highest salary for unskilled workers was $55 in 1935 and 1938, but declined to $52 in 1939. Approximately 70 percent of all WPA workers were unskilled.
theoretically eligible to vote who actually voted in the 1932 or 1936 presidential elections. In addition, we expect patronage political party organizations to discourage categorical public spending (Mayhew 1986; Shefter 1983) and thus to result in less generous programs, especially at the state level. All the same, we expect the support of senators from patronage states to be idiosyncratic—to depend on their influence over the administration of the program. Support should vary by a senator’s seniority, by relationships to state-level patronage organizations, and by the relationship of those organizations to the Roosevelt administration (Amenta et al. 1998). We also expect the structure of state bureaucracies and the power of those in them—administrative strength—to positively influence public spending in the states. This measure is employed only in the state-level analyses.

The theory also expects political actors to influence public spending. We expect center party and left-wing party representatives to support generous social spending. Similarly, we expect more generous social spending at the state level to result from center and left-wing regimes. Because they come from underdemocratized polities, we do not expect Southern Democrats or Southern Democratic regimes to promote generous social spending, and thus they are not counted as representatives of a center party. We also examine the influence of pro-spending challengers. The strength of organized labor is operationalized, as is customary, with a measure of union density. We also employ a measure of the support for Huey P. Long, leader of Share Our Wealth, a group that favored a radical redistribution of income and sought support among the unemployed. Because Long symbolized the idea of income redistribution and because there were very few public opinion polls on this question, this measure may also tap public opinion that strongly favored redistributive social policy (Burstein 1998).

In the regression analyses, we employ as a control measure the rate of unemployment, taken at the low point of the Depression, the only period for which there is usable data. For the state-level models, we also control for per capita income. We do so because most analyses of social spending “effort” take income into account. This measure also addresses how much social spending states could afford.

ANALYZING SENATORS’ VOTES FOR PREVAILING WAGE RATES

Regression Analyses

Our analyses of the Senate voting on prevailing wage rates center on three votes taken as the WPA’s wage policy disintegrated in 1939. The votes for McCarran’s amendment to Roosevelt’s $2.49 billion public works lending bill, his bid to suspend the rules of the Senate on the deficiency appropriation bill, and Murray’s attempt to have the prevailing-wage issue transferred to the Committee on Education and Labor constitute the entire population of Senate votes on this matter. Our dependent measure of support for prevailing wage rates is based on a factor analysis and weighting of these three votes.

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6 Despite its general opposition to the use of the WPA for patronage purposes, the Roosevelt administration sometimes ran the program directly through patronage organizations if they represented important political allies such as the notorious machines of Frank Hague in Jersey City and Thomas Pendergast in Kansas City (Dorsett 1975, 1977). In Illinois, Roosevelt chose the organization of Mayor Edward J. Kelly of Chicago over the downtown organization of Governor Henry Horner (Amenta 1998; Biles 1984; Charles 1963; Erie 1988). Where there were plausible alternatives to patronage Democrats, Roosevelt often supported them, as in New York where Roosevelt rebuffed Tammany Hall and ran the WPA through Fiorello La Guardia, who was elected on the Fusion Reform ticket in 1933 (Dorsett 1977; Erie 1988). In some states, however, such as Ohio, the Roosevelt administration wanted neither to ally with the existing patronage-party organizations nor to delegate the WPA to a pro-New Deal political alternative (Amenta et al. 1998).

7 These votes were identified by searching all WPA related roll-call votes (ICPSR 1992); there were 52 in the Senate and 33 in the House. Each of the three votes analyzed was on an important issue, and each was a relatively close call (see Katzenelson et al. 1993). We also analyze indications of support or opposition to the amendment
We first generate an ordinary-least-squares (OLS) model estimating the effects of the institutional characteristics and the political actors. We then estimate a second model, excluding measures that do not add to the explained variance or are not in the hypothesized direction. Then we run a number of checks on this model, including regression diagnostics for normality, linearity, equality of variance, multicollinearity, and influential points.

Table 1 presents the regression results for the senators’ votes on prevailing wages. The initial or full model includes the institutional indicators of voting rights and patronage-party organization, the political indicators of center-party or left-party affiliation, union density, Share Our Wealth, and the control measure of the unemployment rate. In the initial model, although not all measures have significant effects, each is in the hypothesized direction save that for Share Our Wealth, whose coefficient is not significant.8

The reduced model includes all the measures except for Share Our Wealth. Each coefficient is significant at the \( p < .05 \) level or better, except for patronage-party organization, which falls just short. The latter result is no major surprise given the characteristics of the WPA and the varied nature of the relationships between it and senators from patronage states. But each measure in the reduced model adds to the adjusted explained variance and so remains in the model.9 The model explains approximately 44 percent of the variance once lost degrees of freedom are accounted for, and the results provide preliminary support for the institutional politics arguments.

### Table 1. Unstandardized Coefficients from the Regression of 1939 Senate Votes in Support of Prevailing Wages on Selected Independent Variables

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Initial Model</th>
<th>Reduced Model</th>
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<tbody>
<tr>
<td><strong>Institutional Variables</strong></td>
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<tr>
<td>Voting rights</td>
<td>.315 (190)</td>
<td>.341 (186)</td>
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<td>Patronage-party organization</td>
<td>-.079 (052)</td>
<td>-.073 (051)</td>
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<td><strong>Political Variables</strong></td>
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<tr>
<td>Center or left party affiliation</td>
<td>.505 (194) **</td>
<td>.495 (193) **</td>
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<tr>
<td>Union density</td>
<td>3.488 (132) **</td>
<td>3.410 (123) **</td>
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<tr>
<td>Share Our Wealth</td>
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<tr>
<td><strong>Control Variable</strong></td>
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<td></td>
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<tr>
<td>Unemployment rate</td>
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<td>.065 (025) **</td>
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<td>Number of votes</td>
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<td>Adjusted R²</td>
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</tr>
</tbody>
</table>

Note: Numbers in parentheses are standard errors. For definitions of measures, see Appendix A and text.

\* \( p < .05 \) \* \( p < .01 \) (one-tailed tests)

---

8 We also estimated a regression model that contained an alternative specification of the Share Our Wealth measure, substituting the mean in eight states of the South for the much higher values in Louisiana (Long’s home base) and two contiguous states, Arkansas and Mississippi, to minimize any “favorite son” effect. Nevertheless, there was little difference between the two models (results not shown, available on request).

9 Diagnostic tests identified Senators Wiley (R-WI), Davis (R-PA), and Frazier (D-ND) as influential points in the reduced model (Cook’s D = .060, .054, and .053, respectively). When these cases were deleted, however, there was no notable change in the standardized regression coefficients (results not shown, available on request). To take into account the fact that senators from a given state may not have acted independently, we also generated randomly two subsamples of senators, with one senator chosen from each state, and ran the reduced model on these subsamples. The results (not shown, available on request) basically confirm the previous results, although in one of the models the coefficient for center or left party is significantly lower.
Table 2. Senators’ Political Profiles, by Institutional Category and Political Type, 1939

<table>
<thead>
<tr>
<th>Institutional/Political Type and Description</th>
<th>Number of Senators</th>
<th>Democraticized Polity</th>
<th>Patronage-Based Polity</th>
<th>Left or Center Party</th>
<th>Labor Movement</th>
</tr>
</thead>
<tbody>
<tr>
<td>I Best-case scenario for policy advances</td>
<td>20</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>II Open polity, one force for policy advances</td>
<td>17</td>
<td>Yes</td>
<td>No</td>
<td>b</td>
<td>b</td>
</tr>
<tr>
<td>III Patronage polity, force or forces for policy advances</td>
<td>20</td>
<td>Yes</td>
<td>Yes</td>
<td>c</td>
<td>c</td>
</tr>
<tr>
<td>IV Open polity, no forces for policy advances</td>
<td>13</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>V Patronage polity, no forces for policy advances</td>
<td>4</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>VI Underdemocratized polity</td>
<td>22</td>
<td>No</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

Notes: “Democraticized polity” refers to the right to vote, as manifested in relatively high voting participation, as well as choices between parties. “Patronage-based polity” refers to whether a state had centralized, patronage-oriented, electioneering organizations. “Left or center party” refers to whether the Senator belonged to the Democratic party or a left third party. “Labor movement” refers to whether the state’s labor movement was large in membership and politically powerful. See text for complete definitions and Appendix A for measurements.

*a* Classifications of individual Senators by political type:

- **Type I.** Adams (D-CA), Ashurst (D-AZ), Bone (D-WA), Downey (D-CA), Gillette (D-IA), Hayden (D-AZ), Herring (D-IA), E. Johnson (D-CO), King (D-UT), LaFollette (PROG-WI), Lundeen (FARM-LAB-MN), McCarran (D-NV), Murray (D-MT), O’Mahoney (D-WY), Pittman (D-NV), Schwartz (D-WY), Schwellenbach (D-WA), Shipstead (FARM-LAB-MN), E. D. Thomas (D-UT), Wheeler (D-MT).

- **Type II.** Brown (D-MI), Bulow (D-SD), Burke (D-NE), Chavez (D-NM), D. Clark (D-ID), Frazier (D-NL), Gerry (D-RI), Green (D-RI), Hatch (D-NM), Holman (R-OR), H. Johnson (R-CA), Lee (D-OK), McNary (R-OR), Norris (IND-NE), J. W. Thomas (D-OK), Walsh (D-MA), Wiley (R-WI).

- **Type III.** Barkley (D-KY), J. Clark (D-MI), Davis (R-PA), Donahue (D-OH), Guffey (D-PA), Holt (D-WV), Hughes (D-DE), Logan (D-KY), Lucas (D-IL), Maloney (D-CT), Mead (D-NY), Minton (D-IN), Neely (D-WV), Radcliffe (D-MD), Slattery (D-IL), Smathers (D-NJ), Truman (D-MO), Tydings (D-MD), Van Nuys (D-IN), Wagner (D-NY).

- **Type IV.** Austin (R-VT), Borah (R-ID), Bridges (R-NH), Capper (R-KS), Gibson (R-VT), Gurney (R-SD), Hale (R-ME), Lodge (R-MA), Nye (R-ND), Reed (R-KS), Tobey (R-NH), Vandenberg (R-MI), White (R-ME).

- **Type V.** Barbour (R-NJ), Danaher (R-CT), Taft (R-OH), Townsend (R-DE).

- **Type VI.** Andrews (D-FL), Bailey (D-NC), Bankhead (D-AL), Bilbo (D-MS), Byrd (D-VA), Byrnes (D-SC), Caraway (D-AK), Connally (D-TX), Ellender (D-LA), George (D-IA), Glass (D-VA), Harrison (D-MS), Hill (D-AL), McKellar (D-TN), Miller (D-OK), Overton (D-LA), Pepper (D-FL), Reynolds (D-NC), Russell (D-CA), Sheppard (D-TX), Smith (D-SC), Stewart (D-TN).

b The senator is either a member of a left or center party or represents a state with a strong labor movement, but not both.

c The senator is a member of a left or center party or represents a state with a strong labor movement, or both.

We divided all senators into types based on democratic rights, patronage-party organizations, party affiliations, and labor movements. A democratized polity was defined by the voting rights measure, for which there was a natural break in the data between the 11 former states of the Confederacy and all other states. Each of these 11 states also

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typically had one dominant political party or highly attenuated party competition (Key 1949). For patronage-based polity, there was a natural break in the data that separated the 13 states with scores greater than 3—states that Mayhew (1986) characterizes as “regular organization” states. For labor movement strength, we use a composite of the union density measure and the income of the state federation of labor from 1938 to 1940 divided by the nonagricultural labor force, with the latter measure employed to indicate political mobilization. The 15 states that scored high on both measures are considered to have strong labor movements. Party affiliation is already nominal.

In 1939, as Table 2 shows, the 20 senators classified a Type I had what we consider the likeliest profile for supporting generous WPA wages—being from structurally open polities with powerful labor movements and having left or center party affiliations. We expect Type II senators to be second-best in term of support for WPA wages—senators from open polities in which a either strong labor movement was present or the senator had a left or center party affiliation, there are 17 Type II senators. At the bottom of the table, Type VI includes the 22 senators representing the underdemocratized part of the polity. Type V includes four senators from patronage-oriented polities without center or left partisan identifications or strong labor movements. Two other groups of senators fall in the middle.

An analysis of the average voting scores across these different polity and senator profiles also provides some support for our arguments. Table 3 shows that the reinstatement of prevailing wages was strongly opposed by the senators from the underdemocratized South (Type VI). Their average factor score was −.94, close to the minimum of −1.20. By contrast, the average of the center or left senators from open polities with strong labor movements was .73, approaching the maximum of 1.36. As expected, senators from each of the other political configurations were more evenly divided. For purposes of simplification, we combine Types II and III and IV and V. The Types II and III senators average a small, but positive score (.25), whereas Type IV and V average a small, but negative score (−.23). All in all, the senators voted mainly as expected.

Qualitative Comparative Analysis (QCA) allows further assessments of our interactive arguments (Ragin 1987). Because QCA requires dichotomous or trichotomous variables, however, we need to convert our interval-based dependent measure. Natural breaks in the data identify 29 senators who were strong supporters of prevailing wages, 37 senators who were strong opponents of prevailing wages, and 28 senators who were

10 The data for state federations of labor were gathered by examining the annual or biennial proceedings for each available state federation. Although it was impossible to achieve complete coverage for all states, thus making the measure unsuitable for multiple regression analyses, information was available for each state with even moderately high union density, thus making it possible to create the nominal measure (Amenta and Poulsen 1996).

11 The standard deviation for this group is somewhat high—although eight senators take the highest score, two take the lowest score.
Table 4. Four-Measure QCA Results Based on Key Senate Votes on Prevailing Wage Rates

<table>
<thead>
<tr>
<th>Minimized Functions</th>
<th>Number of Senators</th>
<th>Configurations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strong Support for WPA Prevailing Wage Rates</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VOTING * DEMOCRAT/THIRD PARTY +</td>
<td>26</td>
<td>4</td>
</tr>
<tr>
<td>VOTING * LABOR * PATRONAGE</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td><strong>Strong Opposition to WPA Prevailing Wage Rates</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>voting * DEMOCRAT/THIRD PARTY * labor * patronage +</td>
<td>18</td>
<td>1</td>
</tr>
<tr>
<td>VOTING * labor * democrat/third party +</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>VOTING * patronage * democrat/third party</td>
<td>7</td>
<td>2</td>
</tr>
</tbody>
</table>

Notes: A measure in capital letters is “present,” a measure in lowercase letters is “absent.” An asterisk (*) indicates the logical operator “and.” A plus sign (+) indicates the logical operator “or.”

neither (and coded as “don’t care” in QCA terminology). Also, in employing QCA one must make decisions about contradictory cases—combinations of independent measures that include both positive and negative cases. We reduce contradictory combinations to their main tendencies. This means we solve for the conditions under which the predicted outcome is likely, as opposed to certain or possible (Amenta and Poulsen 1994, 1996; Ragin 1987, 1995).12

We expect the following combination of institutional and political factors to predict strong support for prevailing wages: VOTING * (LABOR + DEMOCRAT/THIRD PARTY).13 Thus, senators in democratized polities with a Democratic or third-party affiliation are expected to be strong supporters of high WPA wages. So, too, are senators from democratized polities with strong labor movements. We did not form any hypotheses including patronage parties; their expected negative influence is likely to be mitigated by the degree to which patronage-oriented senators controlled WPA operations in their own state.

The results, presented in Table 4, support the hypotheses. In the first model, we solve for the combinations indicating strong support, and this provides two reduced terms or solutions. Voting rights are a necessary condition, as expected, in combination with either Democratic or third-party affiliation or both a strong labor movement and a patronage-party system. The VOTING * DEMOCRAT/THIRD PARTY term comprises 26 cases of strong support; the VOTING * LABOR * PATRONAGE * combination contains three cases.14

We expect the combination of institutional and political factors (voting + labor * democrat/third party) to predict strong opposition to prevailing wages. Senators in under-democratized polities are expected to oppose high prevailing wages. Also, senators in democratized polities without a center or left party affiliation or strong labor movement

12 If a senator voted for prevailing wages on all three votes or voted in favor on two and did not vote on a third, he or she is counted as being a strong supporter of prevailing wages. Similarly, a senator is counted as a strong opponent if he or she voted against prevailing wages on all three votes or voted against on two votes and did not vote on a third. All others are treated as don’t cares. The truth table contains four contradictory combinations. Three are recoded to positive and one to negative, based on their main tendencies. In the analyses, we employ a measure of Democratic and third-party affiliation rather than center or left affiliation because QCA appraises interactive causation and thus can take into account the situation of a Democratic affiliation in an under-democratized polity.

13 In QCA notation, a measure in all capitals is “present,” and a measure in lowercase letters is “absent.” An asterisk indicates the logical operator “and,” and a plus sign indicates the logical operator “or.”

14 We treated the seven truth table combinations that were nonexistent in the data set as being unlikely to produce strong supporters of prevailing wage rates. All of these involved combinations in which voting rights were lacking: voting * (PATRONAGE + LABOR + democrat/third party).
are expected to oppose high wages. As before, we posited no hypothesis for the effect of patronage-party systems.

The largest group in opposition were 18 senators from states without voting rights (see Table 4). This solution supports our first hypothesis. These senators also had Democratic party affiliations and were from states with neither entrenched patronage-oriented parties nor strong labor movements—the standard Southern Democratic profile.\textsuperscript{15} There were two other combinations that indicated strong opponents to prevailing wage rates, both of which included senators from the democratized part of the polity. In the one case, both a strong labor movement and a Democratic or third-party affiliation were missing. In the other, both a Democratic or third-party affiliation and a patronage-party system were missing. These solutions provide partial support for our second hypothesis.\textsuperscript{16}

\textbf{ANALYSES OF WPA WAGE RATES IN STATES OF THE UNION}

We also appraise our arguments by examining WPA wage rates in the states, as there were important state-level variations. The main dependent measure is WPA wages per hours worked, a measure of the generosity of the program. We examine this outcome for two time periods—the fiscal years ending in June 1939 and June 1940—during the period of the initial wage-rate policy and in the aftermath of its collapse. The 1939 legislative changes decreased both the average wages and their variability. For fiscal 1939, states paid out an average of about 47 cents per hour for WPA workers, but the next year the average pay dropped to less than 43 cents per hour. The standard deviation of the wage rate is .125 for the first fiscal year, whereas the standard deviation for the second fiscal year is only .058. In fiscal 1939, average wages ranged from about 72 cents per hour in Montana to 26 cents per hour in Tennessee. In fiscal 1940, average wages ranged from about 55 cents per hour in New York to about 32 cents per hour in Mississippi.

\textbf{RESULTS OF MULTIPLE REGRESSIONS OF WAGE RATES}

As before, we begin our regression analyses with a full model, reduce it, and then run diagnostics. There are some minor differences this time, however. The administrative powers measure is included because we believe that it might influence the character of the WPA program at the state level. We replace the measure of party affiliation with a measure that indicates the number of years a center or left party regime held power from 1935 through 1939. And also, the voting rights measure is for 1932.

The initial, full model in Table 5 examines fiscal year 1939, and each of the coefficients is in the predicted direction and significant, except those for Share Our Wealth and center or left party regime. The reduced model includes only the significant indicators. Each of the coefficients is in the predicted direction and is significant at the $p < .05$ level or better. The reduced model explains about 87 percent of the variance, with adjustments for loss of degrees of freedom.\textsuperscript{17}

\textsuperscript{15} There were three senators of this sort that were scored “don’t care,” and a fourth did not vote on the issue.

\textsuperscript{16} The one truth table combination that does not accord with our expectations is voting * patronage * labor * democrat/third party. This combination is scored zero on the basis of one senator in strong opposition and three don’t care cases. If this truth table entry is recoded to “don’t care,” the solution for strong opposition includes the underdemocratized states and the combination voting * labor * democrat/third party, which is in line with our predictions. If the non-existent cases are treated as likely to produce strong opposition to WPA prevailing wage rates—which is as we would expect, given that all of the missing combinations include “voting”—the result is exactly what we predict: voting + labor * democrat/third party (results not shown, available on request).

\textsuperscript{17} Diagnostic tests identified Minnesota as an influential point in the 1939 reduced model (Cook’s $D = .104$), but the deletion of this case did not cause a notable change in any regression coefficients (results not shown). To determine if spatial autocorrelation was a problem for the final OLS models, we constructed a contiguity matrix in which adjacent states were scored 1 and others were scored 0. We then utilized the SPACESTAT (V.103, R170) statistical package (Anselin 1993) to address it. Diagnostics for spatial autocorrelation suggested a spatial error.
Table 5. Unstandardized Coefficients from the Regression of Average WPA Wage Rates, Fiscal Years 1939 and 1940, on Selected Independent Variables

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Fiscal Year 1939</th>
<th></th>
<th>Fiscal Year 1940</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Initial Model</td>
<td>Reduced Model</td>
<td>Initial Model</td>
<td>Reduced Model</td>
</tr>
<tr>
<td><strong>Institutional Variables</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voting rights</td>
<td>.053**</td>
<td>.055**</td>
<td>.031**</td>
<td>.026**</td>
</tr>
<tr>
<td>(0.019)</td>
<td>(0.016)</td>
<td>(0.010)</td>
<td>(0.009)</td>
<td></td>
</tr>
<tr>
<td>Patronage-party organization</td>
<td>-.010*</td>
<td>-.010*</td>
<td>-.000</td>
<td></td>
</tr>
<tr>
<td>(0.005)</td>
<td>(0.005)</td>
<td>(0.003)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative powers</td>
<td>.004**</td>
<td>.004**</td>
<td>.001*</td>
<td>.001**</td>
</tr>
<tr>
<td>(0.001)</td>
<td>(0.001)</td>
<td>(0.001)</td>
<td>(0.001)</td>
<td></td>
</tr>
<tr>
<td><strong>Political Variables</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Center or left party regimes</td>
<td>.001</td>
<td></td>
<td>-.002</td>
<td></td>
</tr>
<tr>
<td>(0.005)</td>
<td></td>
<td>(0.003)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Union density</td>
<td>.003**</td>
<td>.004**</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>(0.001)</td>
<td>(0.001)</td>
<td>(0.001)</td>
<td>(0.001)</td>
<td>(0.001)</td>
</tr>
<tr>
<td>Share Our Wealth</td>
<td>.000</td>
<td></td>
<td>-.000</td>
<td></td>
</tr>
<tr>
<td>(0.001)</td>
<td></td>
<td>(0.001)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Control Variables</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per capita income</td>
<td>.0003**</td>
<td>.0003**</td>
<td>.0001**</td>
<td>.0002**</td>
</tr>
<tr>
<td>(0.000)</td>
<td>(0.000)</td>
<td>(0.000)</td>
<td>(0.000)</td>
<td>(0.000)</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>.004*</td>
<td>.005*</td>
<td>.002*</td>
<td></td>
</tr>
<tr>
<td>(0.002)</td>
<td>(0.002)</td>
<td>(0.001)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of states</td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>47</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>.867</td>
<td>.872</td>
<td>.804</td>
<td>.827</td>
</tr>
<tr>
<td>F-statistic</td>
<td>39.17</td>
<td>54.18</td>
<td>25.13</td>
<td>56.11</td>
</tr>
</tbody>
</table>

Note: Numbers in parentheses are standard errors. For definitions of measures, see Appendix A and text.

*p < .05    **p < .01 (one-tailed tests)

The regression results on average WPA wage rates for fiscal year 1940 are similar, but slight differences emerge, as expected, given the greater uniformity in wages imposed on the states by national legislation. In the full model, each of the coefficients again is in the predicted direction, except those for center or left party regimes and for Share Our Wealth, whose coefficients are not significant. The negative coefficient for patronage-party organization is also not significant. The reduced model includes the measures of voting rights, administrative powers, union density, and the per capita income measure. Although the coefficient for union density falls short of significance, including the measure in the reduced model adds to the adjusted explained variance.18

18 Delaware and Nevada were identified as influential points in the 1940 reduced model (Cook’s D = .378 and .148, respectively). Although deleting Nevada had no significant effects (results not shown), deleting Delaware caused a large change in the standardized coefficients for per capita income and unemployment rate (standardized DFBETA = -1.289 and .982, respectively). The case was thus deleted from the reduced model. Diagnostics for spatial autocorrelation were insignificant. There was a moderately high correlation between union density and center or left party regimes (.57), but diagnostics for multicolinearity did not suggest that this was a problem.
### Table 6. State Political Profiles, According to Institutional and Political Categories

<table>
<thead>
<tr>
<th>Institutional/Political Type and Description</th>
<th>Number of States&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Democratized Polity</th>
<th>Patronage-Based Polity</th>
<th>Left or Center Party Rule</th>
<th>Administrative Powers</th>
<th>Labor Movement</th>
</tr>
</thead>
<tbody>
<tr>
<td>I Best-case scenario for policy advances</td>
<td>6</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>II Open polity, some forces for policy advances</td>
<td>13</td>
<td>Yes</td>
<td>No</td>
<td>b</td>
<td>b</td>
<td>b</td>
</tr>
<tr>
<td>III Patronage polity, forces for policy advances</td>
<td>9</td>
<td>Yes</td>
<td>Yes</td>
<td>c</td>
<td>c</td>
<td>c</td>
</tr>
<tr>
<td>IV Open polity, no forces for policy advances</td>
<td>5</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>V Patronage polity, no forces for policy advances</td>
<td>4</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>VI Underdemocratized polity</td>
<td>11</td>
<td>No</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

*Note:* “Democratized polity” refers to the right to vote as manifested in relatively high voting participation as well as choices between parties. “Patronage-based polity” refers to whether a state had centralized, patronage-oriented electioneering organizations. “Left or center party rule” refers to whether the Democratic party or a radical third party in a democratic polity controlled the governorship and both legislative houses for four of the five years between 1935 and 1939. “Administrative powers” refers to whether the state labor commissioner had rule-making authority in safety issues by the end of the 1920s. “Labor movement” refers to whether the state’s labor movement was large in membership and politically powerful in terms of resource mobilization by the state federation of labor. See text for discussion and Appendix A for definitions and measurements.

<sup>a</sup>Classifications of individual states by institutional/political type:


*Type II.* California, Idaho, Iowa, Massachusetts, Minnesota, Nebraska, New Hampshire, New Mexico, North Dakota, Oklahoma, Oregon, Wisconsin, Wyoming.

*Type III.* Indiana, Illinois, Kentucky, Maryland, Missouri, New York, Ohio, Pennsylvania, West Virginia.

*Type IV.* Kansas, Maine, Michigan, Vermont, South Dakota.

*Type V.* Delaware, Connecticut, New Jersey, Rhode Island.

*Type VI.* Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, Virginia.

<sup>b</sup>For Type II states, a state must have left or center party rule, administrative powers, or a strong labor movement, or two of the above but not all three.

<sup>c</sup>For Type III states, a state must have left or center party rule, administrative powers, or a strong labor movement.

---

Overall the results support our theoretical arguments. The institutional measures had significant influences on the wage rates. In each of the models, the voting rights measure was positive and significant, as was the administrative powers measure. The patronage-party organization measure had a significant and negative effect, too, but only for WPA wages in 1939. Among the political measures, only the union density measure had a positive and significant effect, and its coefficient was not significant for WPA wages in 1940, after the program had been changed to reduce some of the control of state and local politicians over wage rates.

**Qualitative Analyses of WPA Wage Rates at the State Level**

We begin the qualitative analysis across states by dividing states into six categories. This time we include the administrative powers measure as an additional stimulant of social policy development, and we replace center or left party affiliation with whether a center or a left-wing party held the gover-
Table 7. Mean Standardized Residuals from the Regression of WPA Hourly Wage Rates, Fiscal Year 1939, per Capita Income and Unemployment Rate, by Institutional and Political Type

<table>
<thead>
<tr>
<th>Institutional/Political Type and Description</th>
<th>Number of States</th>
<th>Mean Residual</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>I Best-case scenario</td>
<td>6</td>
<td>1.20</td>
<td>.80</td>
</tr>
<tr>
<td>II, III Open or Patronage, some forces for policy advances</td>
<td>22</td>
<td>.31</td>
<td>.82</td>
</tr>
<tr>
<td>IV, V Open or Patronage, no forces for policy advances</td>
<td>9</td>
<td>−.53</td>
<td>.72</td>
</tr>
<tr>
<td>VI Under democratized polity</td>
<td>11</td>
<td>−.84</td>
<td>.50</td>
</tr>
</tbody>
</table>

norship and all legislative houses for at least four of the five years from 1935 to 1939. Scored as having administrative powers are the 15 states that had industrial commissions with enforcement powers before 1929. As Table 6 shows, only six states are Type I, in which the polity is open and each force for extensive social policy is present. Another 13 states fall in the Type II category, in which the polity is open and one or more hypothesized forces for social policy is present. All 11 former states of the Confederacy are Type VI, the underdemocratized group, whereas four states are Type V—patronage-oriented party systems without hypothesized countervailing forces for social policy development. The remaining states fall into the intermediate types.

We examine the generosity of state WPA programs according to these types, but first after taking into account income differentials as is standard, as well as unemployment. We examine the standardized residuals from a simple regression model of WPA wage rates in 1939 on per capita income and the unemployment rate. We use the earlier year because the federal legislation then in effect allowed states to vary greatly in their WPA programs thus allowing political factors to play themselves out. As Table 7 indicates, cases falling into Type I had WPA programs that were 1.20 standard deviations more generous than would be expected from income alone. By contrast, the underdemocratized states (Type VI) had programs that were .84 standard deviations below what one would expect given their incomes. States with some hypothesized influences on social policy had programs that were slightly more generous (.31 standard deviations above expectations), whereas states without hypothesized influences on social policy had slightly less generous programs (.53 standard deviations below expectations).

We also examine state-level variations in WPA wages using QCA. Natural breaks in the dependent measure indicate eight states with very high WPA hourly wages and seven with very low hourly wages. The remaining 33 states are coded as “don’t care.” This results in four “high wage” truth table combinations, four “low wage” combinations, seven “don’t care” combinations, and no contradictory combinations. We employ the independent measures from the qualitative analyses above, substituting Democratic or third party for center or left party as in the QCA above for the same reasons.

We expect the following combination of institutional and political factors to lead to high WPA wages: VOTING * patronage * (LABOR + DEMOCRAT/THIRD PARTY + ADMIN POWERS). Essentially this means that Type I or Type II states would be expected to have high WPA wages. This means that states with under democratized polities or with patronage-oriented polities without any countervailing influences—Types V or VI—would be expected to have low WPA wage rates.

The results in Table 8 support these hypotheses. Voting rights and a lack of patronage-party organizations are necessary for high WPA wages. These work in concert with various combinations of the other hypothesized factors, including administrative powers and the labor movement. Although the intersection of our hypotheses with the
Table 8. Five-Measure QCA Results for WPA Hourly Wage Rates

<table>
<thead>
<tr>
<th>Minimized Functions</th>
<th>Number of States</th>
<th>Configurations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High Hourly Wage Rates</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VOTING * patronage + ADMIN POWERS + LABOR +</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>VOTING * patronage + democrat/third party + LABOR +</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>VOTING * patronage + democrat/third party + ADMIN POWERS</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td><strong>Low Hourly Wage Rates</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>voting + patronage + DEMOCRAT/THIRD PARTY + labor</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>VOTING + PATRONAGE + democrat/third party + labor</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

*Note:* A measure in uppercase letters is present, a measure in lowercase letters is absent. An asterisk indicates the logical operator “and.” A plus sign indicates the logical operator “or.”

minimized function is identical to the minimized function, indicating support for our hypotheses, it is unexpected that none of the minimized functions includes the Democratic or third-party regime measure.

The hypotheses for low hourly wages are also supported. A lack of voting rights resulted in low hourly wages in five states. The other six states are scored “don’t care.” The other negative combination is democratized, patronage-oriented case with no forces for change. The intersection of our hypotheses with the minimized function is again identical to the minimized function.19

**DISCUSSION AND CONCLUSION**

Institutional and political theories of social policy have proved useful in research, but they are limited in that institutional theories focus on state and political structures that inhibit advocates of generous social policy, while political theories focus on the advocates. In their standard forms, moreover, neither theory has much to say about why there have been advances or variations in U.S. social policy. Our institutional politics synthesis builds on the strengths and minimizes the limitations of each theory.

Like the institutional theorists, we argue that specific structural and systemic circum-

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19 If the nonexistent and “don’t care” combinations are treated as “don’t care” for purposes of maximum reduction, the result is (voting + PATRONAGE).
national level, multiple regression analyses of three key votes to restore prevailing wage rates indicate that both institutional and political factors had significant impacts. Notably, voting rights had a positive effect on the likelihood that senators voted in favor of prevailing wage rates, as did unionization and Democratic affiliation, whereas patronage-party organization had a negative effect. These results are buttressed by qualitative analyses of senators’ political profiles. Senators from democratized polities with Democratic affiliations and strong labor movements in their states were highly likely to support prevailing wage rates; senators from under democratized polities opposed the restoration of such rates, as did Republican senators from the North.

The analyses of WPA wage rates at the state level also support our arguments. In regressions, the coefficients for the measures of voting rights and domestic bureaucratic powers were significant and positive, as was the coefficient for unionization. Qualitative analyses of the WPA wage rate showed that states in favorable institutional and political circumstances were most likely to have more generous WPA programs. States in under democratized polities, by contrast, had the lowest WPA wage rates, as did states in patronage-oriented polities with no countervailing forces for change.

The theory and findings suggest that standard institutional and political theories need some rethinking. Both theories tend to focus on institutional differences among capitalist democracies in the postwar period, a time when existing social programs were expanding. In the first half of the twentieth century, when countries adopted and initially developed social spending programs, however, institutional circumstances were more varied. Our findings also suggest that the standard division of political party regimes into social democratic, Christian democratic, center, and liberal does not address significant differences between parties considered center or liberal, such as those in the American party system. In addition, in many countries throughout the twentieth century, political parties made alliances with pro-social spending actors and became proponents of social policy. Our research suggests, however, that there are institutional limitations to the potential transformation of liberal parties into centrist parties.

This study has two other important implications for scholarship on social policy. The fact that a Southern Democratic and Republican coalition was able to end prevailing wages suggests that the under democratized state of the U.S. polity had a key effect on the course of U.S. social policy. Also, alterations in the character of programs at the national level will greatly influence states’ future politics and fate. When Congress reduced WPA wage rates, it also reduced labor support for the WPA, thus making it less likely that the WPA would survive. Also, the changes reduced variation in WPA wage rates at the state level, changing the parameters of political battles in the states.

All in all, our results suggest the usefulness of examining social policy episodes other than cross-national spending in postwar capitalist democracies or the U.S. Social Security Act. If theories are to explain important variation in social policy across places and time, there is much evidence, like that of the WPA, that exists outside the usual data bases.


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APPENDIX A:
Definitions, Data, Sources, and Quantitative Measures

DEPENDENT MEASURES

Support for Prevailing Wage Rates
A factor score based on three Senate votes (76–66, 76–86, 76–97) concerning the reinstatement of prevailing wages in 1939 (ICPSR 1992). (See text for additional discussion.) In the factor score, the vote on the amendment to the public works lending bill was weighted .88, the vote on the deficiency appropriation bill was weighted .90 and the vote on referring the prevailing wage issue to the Committee on Education and Labor was weighted .72. The factor had an eigenvalue of 2.10 and explained 70 percent of the variance.

WPA Wages per Hours Worked
Total amount of WPA wages per hours worked for years ending June 1939 and June 1940 (U.S. Federal Works Agency 1946:116).

INDEPENDENT MEASURES

Voting Rights
The natural logarithm of the percent of eligible voters voting in the 1932 or 1936 presidential election (U.S. Bureau of the Census 1975:1071–72), according to the dependent measure. The natural logarithm is taken because we are more concerned with differences between low and moderate voting levels than with differences between moderate and high levels of voting which are more likely to refer to variations in voter enthusiasm than to the ability to vote. The 1932 and 1936 measures are correlated .99.

Patronage-Party Organization
A measure that indicates whether states included political parties that had substantial autonomy, were long-lasting and hierarchical, regularly attempted to nominate candidates, and relied on material incentives to engage people to do organizational work. This measure ranges from a high of five in states where such organizations predominated to a low of one where such organizations had little control over political processes (Mayhew 1986:19–20, 196).

Administrative Strength
A measure that scores one for each year until 1929 that the labor commissioner had rule-making authority in the administration of safety laws (Bandeis 1935:654). These commissions are important because they also typically had oversight power over workmen’s compensation—the only major social insurance program in existence throughout the United States before the Depression (Weiss 1935).

Center or Left-Wing Party Affiliation
A nominal measure that indicates whether a senator had a radical third-party or Democratic party affiliation in democratized polities (ICPSR 1992).

Center or Left-Wing Regimes
A measure adding the number of years in which Democrats or radical third parties controlled the governorship and the legislature in the five years from 1935 through 1939 (Burnham 1992).

Union Density
Union members in 1939 (Troy and Sheflin 1985:7–3) as a share of the nonagricultural employed in 1940 (U.S. Bureau of the Census 1948:194, 196).

Share Our Wealth
Support for Huey Long as a share of all votes in Democratic National Committee’s secret poll of 1935 (Hurja 1935), corrected for percentage of population on relief (Amenta et al. 1994).

Unemployment Rate
Average number of unemployed as a percent of the labor force, 1930 through 1933 (U.S. Social Security Board 1937:58–9).

Per Capita Income
State income per person, measured in 1939 or 1940, according to the dependent measure (U.S. Bureau of the Census 1975:243–45).

REFERENCES
U.S. National Resources Planning Board (NRPB)


