Public administration history often notes the seminal role of Harold D. Smith, FDR’s budget director (1939–1945), in the professionalization of the field and his principles for public budgeting. He was a cofounder of the American Society for Public Administration (ASPA) and its second president (1940–1941). Smith came to Washington after a longer career in nonprofit management. This exploratory historical case study fills in a gap in the literature. Specifically, it examines his nonprofit management record at the Michigan Municipal League (1928–1937). He successfully grew the nonprofit in the teeth of the Great Depression. This success, among others, can be seen as providing two possible applications. First, his record suggests some commonalities between nonprofit management and public administration. Second, leading a nonprofit during the Great Depression may suggest applicable lessons for longer-term problems caused by COVID-19 regarding organizational management strategies during another severe economic contraction.

Keywords: Harold D. Smith, Michigan Municipal League, U.S. Bureau of the Budget, Management History, Public Budgeting, Nonprofit Management

History can be an important endeavor in three ways. First, as so-called “pure history,” it is valuable for its own sake by filling in missing gaps. Second, even though history never quite repeats itself, lessons from the past can often be applicable to the present. Leading an organization during the Great Depression may suggest nonprofit management strategies for dealing with COVID-19 and its consequent recession. Third, do Smith’s consecutive successes as CEO of a nonprofit and then a government agency suggest any linkages and commonalities between nonprofit management and public administration?

Such is the story of Harold D. Smith. He was a major figure in public administration and budgeting for his service as FDR’s budget director from 1939 to 1945 (and then for Truman until summer of 1946). However, the literature on Smith and knowledge about his work has focused almost exclusively on his years leading the U.S. Bureau of the Budget (BOB). Presumably, his successes at BOB must have been shaped somewhat by what he brought to the White House, about which little is known. Therefore, an inquiry into Smith’s directorship of the nonprofit Michigan Municipal League (MML) from 1928 to 1937 can fill in this gap in the literature.

Investigating his pre-FDR professional career also brings to light second potential relevance. Smith led the MML during the Great Depression, an economic crisis and contraction that...
degraded and harmed many people and organizations. Notwithstanding this multiyear crisis, he succeeded in growing MML in size of membership, income, staff services, and political influence. Jumping ahead, at the time of this writing, the U.S. is experiencing another major national trauma, the COVID-19 pandemic, as a public health crisis and its accompanying severe economic contraction. Therefore, it is possible that exploring Smith’s success in nonprofit management during the Great Depression may well present the possibility of lessons for contemporary management in the long tail of the pandemic, perhaps applicable to nonprofit leaders. Third, as suggested by Brooks (2002), would a case study of Smith’s record at a nonprofit present the possibility of relevance across sectorial boundaries, of some generalized applicability of successful nonprofit management to public administration?

Historians have given Smith his due regarding his FDR years. In their retrospective on BOB (after 1970, the Office of Management and Budget [OMB]), Dickinson and Rudalevige described Smith’s tenure as inaugurating “the Golden Age” of BOB/OMB (2004–05; 2007). Smith’s federal record continues to be mentioned in the literature, including the institutional presidency (Burke, 2000, p. 11), history of OMB (Pfiffner, 2020), FDR’s presidency (Daniels, 2016, p. 14), and textbooks and readers (Mitchell & Thurmaier, 2017, p. 196; Willoughby, 2014, p. 1, pp. 20–21; Holzer, 2000, chap. 2).

However, in the retrospect of his entire working life, the majority of Smith’s career was in nonprofits (13 years), and only a minority of his professional life was in government budgeting (10 years). In the former capacity, he was a junior staffer of the League of Kansas Municipalities for three years (Lee, 2020), followed by serving as the executive director of the Michigan Municipal League (MML) for 10. Then, shifting to public budgeting, for two years he was the budget officer for Michigan’s state government and, after that, eight years for Presidents Roosevelt and Truman. (For the last half-year of his life, he was vice president of the World Bank. He died in 1947.)

The Michigan Municipal League before Smith

The Michigan Municipal League was founded in 1899 as a nonprofit association. It reflected the national trend for the establishment of nonprofit networks for municipal officials within a state to interact with peers and present a unified front when needed, such as to a state legislature. (In 1924, these leagues created a national organization, the American Municipal Association [AMA], which later evolved partly into the National League of Cities.) For more than a quarter century, MML was a volunteer organization with very low dues and, as a result, very little of a typical nonprofit infrastructure. It employed no staff and had no central office. Beginning in 1916, it began mailing to its members reports and publications issued by University of Michigan’s Bureau of Reference and Research in Government (Bell, 1957).

Aware of its weaknesses and distinct lack of value or impact, in 1925 the League’s leadership appointed a committee to create a reorganization plan that would revitalize the League and give it a stronger organizational footprint. The committee recommended creating a sliding membership fee to generate adequate funding for a full-time secretary and a central office in Ann Arbor to be affiliated with the university’s bureau of government. The committee’s report was adopted in late 1925. The next step was to search for the person who could turn the league into something more substantial. The desired candidate would have to be a man (as they all were in those days) for all seasons, possessing in-house administrative skills, organization building skills, editing a monthly bulletin, and providing direct technical services to members to increase the benefits of belonging to the League. Moving slowly, during 1926 and 1927, the board sought to find the right person to do all that (MML, 1999).

Working their informal networks, the board members conducting the search eventually focused on Smith. Then a staffer at the League of Kansas Municipalities, he was recommended
by a University of Michigan professor of municipal administration (where Smith had earned a master’s degree) and by the head of the good-government Detroit Bureau of Governmental Research (DBGR) (where Smith had interned for his degree). He was a perfect candidate: he knew Michigan, had the formal educational qualifications for municipal management, had experience in another state league, including consulting to municipalities, and demonstrated PR skills. Above all, he seemed to have boundless energy, ambition, and the smarts to revitalize the League. Quietly, the board contacted Smith to ask if he was interested. He was. After having been rejected for several city manager positions that he had applied for, it must have felt reassuring to him to be recruited instead of competing against a field. They quickly came to terms.

Starting During the Roaring Twenties, 1928–1929

MML’s board of directors met on November 9, 1927, and formally appointed Smith effective January 1, 1928 (Cady, 1928). He came to Michigan for a short visit to strategize with the leadership on reorganizing and developing the League. At the end of the month, the League announced it publicly (“325 Goal,” 1927). His Kansas boss, John G. Stutz, informed his members in December and was generous in his tribute. Noting the widespread adoption of municipal zoning plans in Kansas, he said that “much credit for this record is due to the leadership of Mr. Smith” (“Mr. Smith,” 1927). In time for AMA’s annual meeting in mid-December (in Lawrence, KS), Smith attended as MML’s executive secretary-designate (Stutz, 1928). His Kansas boss was now his peer.

Smith knew what he had to do. He also knew how much he had to accomplish—and quickly. In his eyes, MML “was virtually dead” (Stutz, 1929a, p. 27). In January 1928, it had $565.15 in its checking account and debts of $1,500 (Smith, 1928a). It had 55 members, and their dues were $25 a year (Stutz, 1930, pp. 49–50). Attendance at the annual conference varied between 25 and 70 (Stutz, 1929a, p. 83). The organization was in such poor shape that it had not even held an annual convention in 1928 (Smith, 1930c, p. 163). Cash flow for the immediate future was bleak because dues for the year had already been paid. There would be no new membership payments until the next fiscal year. The organization’s finances were in such bad shape that Smith decided to forgo a salary for the first few months, if only so that there would be enough cash to print and mail a new monthly magazine with the goal of rebooting the League by trumpeting its revival. Smith had several near-simultaneous and hurry-up priorities: initiate the monthly, open an office in Ann Arbor, increase memberships, increase membership dues, increase attendance at the next annual conference, increase other income, and initiate a research service that would issue informational bulletins of use to members.

The first issue of the Michigan Municipal Review (MMR) came out in January 1928. Smith’s goal was for the new monthly to have contents that would be of interest and value to League members as well as attract new members. To present a professional look, it was typeset and printed rather than typed and mimeographed. It was mailed to all members. MMR was also available to nonmembers by subscription ($2 a year) as well as individual issues (25¢). The inaugural issue contained an article from the League president on the plans for the League and the value it could have for municipalities, an article about state funding for maintenance of state trunk highways that went through cities, a profile of Smith, and an editorial page.

One of his first actions was to draft bylaws for the association. This had the benefit of formalizing its mission and his brief, thus creating a well-defined mandate for the focus he brought to the league. The bylaws set the organization on a course that has defined it since (Olson, 1947).

Using his contacts at the university, Smith obtained free office space adjacent to campus in a building the university was renting. He made the best of it, noting that it was easily accessible
to municipal officials coming to visit and “but a short distance” from a post office and bank (“Our Office,” 1928). Smith quickly convinced 45 more municipalities to join, an 80% growth. He increased dues from $25 to $70. Notwithstanding the fee increase, to his relief, none of the 1927 members dropped out, and the new members were willing to pay to join (Stutz, 1930, pp. 49–50).

To attract and keep these members, Smith had to quickly demonstrate the value of belonging to MML. Besides the monthly MMR, he compiled and distributed in June 1928 the first Annual Directory of Michigan Municipal Officials. It was “the first time a comprehensive directory of municipal officials has ever been compiled for Michigan” (Smith, 1928a, p. 139). He hoped it would “facilitate communication between the officials of Michigan municipalities” and thereby “contribute to more efficient municipal administration” (Smith, 1928b). That, in turn, would demonstrate the value of belonging to the league. He also quickly inaugurated what he hoped would be a series of research and information bulletins. The first one was a compilation of salaries of village officials so that members could compare their earnings with peers (Smith, 1929a, p. 186).

Smith also worked hard to increase attendance at the annual convention. Set for October in Pontiac, Smith wanted to create an event that would appeal not just to the traditional audience of mayors and city council members but also to the many silos of professionals and specialists working in municipalities, such as auditors, engineers, city attorneys, and city clerks. He persuaded Pontiac’s mayor and all of the city’s department heads to send personal letters to their state peers, inviting them to come to the conference. Their letters stated that the annual conference would include breakout sessions exclusively for their respective silos, with roundtables and speakers on the specific day-to-day topics these specialists dealt with. The effort was a rousing success, with attendance jumping to 200 (Stutz, 1929a, pp. 83–84).

At the conference, Smith delivered his first annual report (1928a). A minor, but interesting, colloquy occurred when he finished. A municipal official asked if the proceedings of the conference would be distributed so that nonattenders could read what speakers of their particular profession said at the breakout sessions. At the time, some associations included their proceedings as a special issue of their newsletters, hence free to members. Smith openly disagreed with doing that. He insisted that the proceedings should be published and sold separately (1928a, pp. 142–43). After being in his position for only 10 months, he was demonstrating a firmness of judgment and willingness to disagree openly with his (theoretical) bosses. Indeed, he published the proceedings as a separate publication, charged $2 per copy, and received 170 orders. One city ordered 20 copies (Stutz, 1929a, p. 86).

By mid-1929, Smith reported at the annual meeting (moved from fall to early summer) that the League’s financial status had stabilized, memberships were up, advertising revenue in MMR was gradually increasing, and that he thought the league would be debt-free when the books closed for the year. It must have been a relief and source of satisfaction that he had delivered so quickly on reviving the organization into a sustainable template. A tangible indicator of the new financial health of the league was his announcement that he had made his first hire: Clarence Smazel as MMR’s business manager (Smith, 1929a, p. 186). He would not only be selling advertising and handling finances. Smazel, who had a background in journalism, could also do the time-consuming work of editing submissions from members for publication in the magazine. This would improve the readability of articles and tighten up the copy.

Given that he could now gradually turn his attention away from life-or-death organizational matters, Smith created a whirlwind of public activity. He hit the road to meet municipal officials. For example, he drove to the Upper Peninsula, a region that routinely appeared neglected. Smith spent a day in Ironwood, practically the state’s westernmost point (“Municipal League,” 1929). He developed a legislative program for the League to lobby the
state legislature. It included changes in collecting delinquent taxes, giving cities a larger proportion of state tax revenues, and municipal rights in foreclosure sales (Stutz, 1929b; Associated Press [AP], 1929). Smith became increasingly visible as the public face of municipal government. For example, along with the governor, he was named to an official delegation to promote air travel in the state (“Name local,” 1929).

Smith also began expressing the public policy interests of municipal government more forcefully in MMR editorials. He condemned the use of the initiative referendum in Michigan. Popular opinion could undercut the careful, if unpopular, decisions that cities needed to make about finances, taxes, and paying for infrastructure. Democracy could go too far, he argued. Responsible elected officials who possessed “better administrative organization” should be making such highly technical decisions—not the voters (“Democracy,” 1929). The next month, he urged municipal officials to become more active in elections to the state legislature. At the time, county-based units of parties (often low-population rural areas) had de facto control over nomination and election processes. The municipal perspective was, as a result, of little weight in the legislature. “Candidates should be asked point blank” by municipal officials what their views were on the major issues of interest to cities that the legislature would be voting on (“Planning,” 1929).

Smith highlighted new activities he felt were important to a successful nonprofit: research and training. Government should emulate business because no corporation “would expect to survive competition without devoting part of its earnings in search of better methods. ... We must come to the same realization in government—that knowledge is golden and that facts must be substituted for guesses” (Smith, 1929a, p. 187). He increased cooperation with the university’s bureau of government and DBGR. He wanted to circulate any reports they issued that would be of value to his membership. He also created a league library and information service that collected other reports and bulletins and could answer specific questions from member municipalities.

Smith similarly viewed training as a missing component of the public sector that needed to be institutionalized within public administration and municipal government. He was encouraged by what he called “the training school movement,” which advocated creating schools for the specialized silos within government. Smith recounted sitting in on what used to be an annual social day for Michigan firefighters and that just recently had added training sessions to the event. He said he “never saw a group of mature men show more interest in their work and more attention and carry their notebooks around with them, taking notes on what was said and done.” He met with the association of police chiefs, and they agreed to appoint a committee to study what New York State was doing and consider doing it, too (Stutz, 1930, pp. 56–57).

Smith was also seeking national platforms for learning what his peers were doing and advancing professionally. In only his second year as head of a state league, at AMA’s annual conference he was elected to its board of trustees, the first step in the organization’s leadership ladder. He also attended the 1928 and 1929 conferences of the Governmental Research Association (GRA, 1928, p. 4; 1929, p. 7).

**Dealing with the Great Depression under President Hoover, 1929–1932**

Everything changed in late 1929 when the stock market crashed and the economy sank into the Great Depression. For local government, for MML, and for Smith, it was a new reality, wholly different from the preceding years. Now municipalities were on the front line of the consequences of these events. In a sense, they were the first responders to the cascading and catastrophic financial impacts, including increased need for funding relief to the poor, unemployment, foreclosures, bankruptcies, defaults, delinquent taxes, and declining
revenues. Some municipalities faced the possibility of banks, which held their accounts, collapsing. Without governmental insurance guarantees (FDIC came later), the city’s money would be totally lost (“Legislative results,” 1932).

President Hoover supported the orthodox business dogma that booms and busts were inevitable components of any national economy. He believed that the natural dynamics of business would gradually lift an economy out of a depression. Because the fundamentals of the economy were still relatively healthy, there was no need for major new policies or trying to remedy temporary problems by expanding the role of the federal government. Hoover thought the best policy was to wait it out. He kept emphasizing that, in his view, the fundamentals of the economy were strong, and therefore a rebound was soon to emerge. Nonetheless, he supported some modest stimulus activities, such as federal dam building (notably what came to be called the Hoover Dam) and the Reconstruction Finance Corporation (RFC), which was created in 1932 to provide lower interest loans to businesses and, under some circumstances, to local governments. However, Hoover and the treasury secretary he inherited, Andrew Mellon, were strongly against so-called “panaceas,” particularly direct federal aid to localities for increased welfare costs or major increases in social spending to subsidize floundering state and city governments. Hoover did not want to set any precedents for expanding the role of the federal government into new policy areas and activities. Time would heal all, or most, both Hoover and Mellon thought (Jeansonne, 2016; Cannadine, 2008).

That’s not how things looked to Smith and his members. City governments in Michigan were facing an emergency, and effective federal policy responses were neither simple nor easy. It all came down to money. Yet, because of the president’s firm stance, during this period there never was any serious discussion or expectation of federal assistance. Absent the federal government playing a role in this, it was a binary fight between municipal and state governments as to who would be left holding the hot potato of relief costs. It was a perpetual wrangle during these years. It was not just a fight over money, it was as much—or more—a fight over who would get the political blame from the voters.

What’s more, they were fighting over a shrinking financial pie at the same time that conditions called for an expanding one in terms of governmental obligations. Smith’s writings and unsigned editorials in MMR conveyed how difficult and serious the situation was. For example, during the winter of 1929–30, he wrote that the repercussions of “the general industrial depression” included that “the League is faced with increasing demands for general service” (Smith, 1930c, p. 163, p. 167). In its December 1930 issue, an editorial in MMR warned that “extraordinary increase in municipal relief work” meant “some political subdivisions are in financial stress.” Another noted it was becoming “impossible for a number of municipalities in the Detroit metropolitan area to meet their bonds on time, due to delinquent special assessments and general taxes.”

In early 1931, Smith warned that “When the depression required reduced expenditure, the municipalities were the first to cut their budgets, despite the fact that they are carrying the entire welfare load” (1931a, p. 128). A year later, he observed that these trends were “the most unfavorable conditions that have ever confronted the cities and villages of Michigan” (1932b, p. 160). In its March 1932 issue, an editorial in MMR stated that “in Southfield township, next to Royal Oak, tax collections last year were only 8 per cent and it is rumored that they are only 2 per cent this year. These conditions are typical of southern Oakland and Macomb counties. ...Private relief from outside of these communities must take care of the poor, or they will starve, for certainly there will be no public funds.”

Smith’s timing was just plain unlucky. He was trying to continue the momentum of resuscitating a dormant organization at a time of economic contraction and municipal spending cuts. The national and economic mood of optimism of the late 1920s was replaced by pessimism in the early 1930s.
Organizational Sketch

In the face of the consequences of the Great Depression, Smith overcame these unprecedented obstacles and succeeded in expanding the organization. He was able to place MML into a kind of virtuous cycle: more members meant more revenue, more revenue meant more staff, more staff meant more services to members, and more services attracted more members.

In fiscal year (FY) 1930, membership doubled to about 186 (Smith, 1930c, p. 160, p. 166). The next year, 49 cities became new members, for a total of about 230 (1931a, p. 122). In FY 1932, another 47 cities and villages joined, although a few members dropped out, some because of “bank closings and to other financial stringencies of an unusual nature” (1932b, p. 160). Membership in 1932 was an all-time high of 263. Smith only dedicated part of the increased cash flow to a reduction of the debt he had inherited. He did not want to use all new revenue for debt reduction because that would prevent him from hiring new staff and offering new services. In FY 1930, he reduced the debt from about $4,500 to $2,600. By the end of FY 1932, the debt was down to about $1,800. He felt that “substantial progress is being made toward placing the organization on a sound cash basis” (1932b, p. 166). In the context of the Great Depression, Smith accomplishment in growing MML was impressive.

Smith also wanted to prevent the normal centrifugal forces occurring in the professional silos of municipal management. He succeeded in rebranding MML as the umbrella home for particular specialties such as city attorneys, auditors, and public works directors. He expanded the departmentalization of the annual conference, so that each profession could have its own sessions relating to its particular interests. For example, Smith actively worked with city managers to create the Michigan City Managers Association (Smith, 1932a). He also helped convene the new Michigan planning organization, consisting of city planning and zoning officials. This also kept them in MML’s fold. He also facilitated a conference of municipal finance officials.

Smith was also eager to produce more deliverables during his initial years at MML as tangible examples of the League’s value to members. The 1928 Directory of Michigan Municipal Officials was so popular that MML published updated editions annually through 1935, then biennially. Smith inaugurated a numbered Information Bulletin series, with 10 issued through 1932. Some were suggested model ordinances, the advantages of incorporation, and a review of new legislation passed by the state legislature (Smith, 1931a, p. 123). Smith also started a parallel series of Research Bulletins, on such topics as peddler licensing (Smith, 1930b) and tax surveys (Smith, 1933b).

Other publications were memos on pending developments, such as a brochure opposing the proposed constitutional amendments limiting the general property tax. Issued in October 1932, in advance of a referendum on the November ballot, it explained why the League opposed adding tax limitations to the state constitution. The brochure gave members talking points for the media and public appearances. His activism against tax limitations attracted the interest of national organizations (AMA, 1936, pp. 417–26; Smith, 1934d; 1936a; 1936c).

Another tangible benefit for members was the League’s Information Service. Initially, it consisted solely of Smith. However, as the League’s financial situation improved, he was able to hire librarians and researchers to staff it. In FY 1930, it received and responded to 172 specific inquiries (Smith, 1930c, p. 161), 407 in FY 1931 (1931a, p. 122), and inquiries increased another 20% a year later. In mid-1932, Smith confessed that “While we do not wish to seem to seek to increase the work of an already overburdened office, we believe that experience has demonstrated in many cases, that many errors of an expensive nature would have been avoided had the municipality made use of this service” (1932b, p. 162).
The information service was essentially an incoming and reactive activity with MML receiving individual inquiries from members and then reacting by providing a response. Conversely, Smith also put emphasis on creating a field service, of staff proactively going out to visit with municipalities and provide particularized consulting services that these cities sought. In FY 1930, MML staff visited 171 cities to help update their charters and reincorporate under the state’s new home-rule law (1930c, p. 163).

Smith also continued his efforts to promote training for public servants. He spoke at the first and second annual state Fire College meetings (1930a; 1930c, p. 165), urged institutionalization of police training (1929b; 1930c, p. 165), and encouraged state agencies to emulate the health department’s annual training for local sewage engineers (AMA, 1936, pp. 329–30).

Cooperative Purchasing

Smith’s signal accomplishment was putting the League into the wholesale purchasing business. Each municipality generally bought some standard items, but paid retail because each was buying them separately. How about a cooperative purchasing program for common items? He started in 1930 by focusing on one product that his members routinely bought: fire hoses. As an experiment, he was able to pool upcoming purchases of six municipalities. By buying 5,200 feet in bulk, he was able to cut the cost they paid in half. This tentative test of the idea proved its viability. It was a smashing success.

Other cities and villages quickly signed up. By 1932, MML had received orders from 50 members for 38,000 feet. Smith was now considering expanding the program to other common items. Next on the list were street signs and water main pipes (1932b, p. 165). The success of the cooperative purchasing program vaulted Smith into national attention of his peers. He was asked to make presentations about it to his colleagues at the 1930 and 1932 AMA annual conferences (Stutz, 1930, pp. 83–87; AMA, 1936, pp. 318–21).

Public Relations

Smith understood the media’s role in strengthening the League. The more coverage MML got, the more the organization’s public profile rose and the more important a player it became. Reporters began calling Smith to comment on political developments affecting cities. Some headlines highlighting his rising public profile were “League official criticizes state highway program” (AP, 1930), “Governor knocked by Mich. League” (United Press, 1931), and “Avoid plea on tax law: Municipality heads oppose special session” (George, 1931). One way to initiate press coverage was by releasing copies of League publications to the press with a cover statement by Smith (“Cities regulating,” 1930). When MML issued a research bulletin on municipal debt (Smith, 1933d), an important subject during the Depression, AP moved a story on its statewide wire (AP, 1933a).

In mid-1930, Smith said, “The League is in better public standing generally, and that its work is being recognized. The press has given its activities considerable space during the year” (Smith, 1930c, pp. 160–61). A year later, in an editorial in MMR, he urged city officials to be proactive because “local newspapers as well as leading county and state newspapers are glad to secure such news.” For thinly staffed rural weeklies, Smith urged that city officials take the initiative to share (good) news with the media, perhaps by sending summaries of actions to the editor (“Keep the press informed,” 1931).

Smith also had a strategic perspective on governmental reporting to the citizenry. At the time, Clarence Ridley, head of the International City Managers’ Association (ICMA), and his protégé, doctoral candidate Herbert Simon, put significant emphasis on the duty of municipalities to provide post hoc annual reports to the public on what they had done the
previous year (Lee, 2003). These were intended for wide circulation to the public-at-large, in contradistinction to accounting-based financial reports. Following up, Smith pushed his members to engage in vigorous municipal reporting. “I believe that if we can tell the citizen more concretely what he receives for his money, that better relations will exist between the citizen and his government,” he said (Smith, 1931a, p. 128). Taking a larger view, he promoted the idea of cities hiring public relations directors to oversee such reporting. Media coverage was a form of indirect public reporting as well as improving the standing, visibility, and importance of municipal government.

As the personification of the municipal government in Michigan, Smith’s own PR activities included traveling the state as a public speaker. For example, he spoke on MML’s agenda to the Michigan Academy of Arts and Sciences, highway engineers, and the commercial secretaries’ organization, consisting mostly of directors of chambers of commerce (AP, 1931a).

**Good Government Reform**

Although Smith was immersed in municipal administration, he supported the broader agenda of the good government movement. For example, he criticized the large number of political appointees in state government, instead advocating expansion of the civil service. He also criticized “useless political factions” that still held sway in Michigan’s politics (“Michigan’s new administration,” 1931). Another time he noted the glib critiques of government from conservative, business, and partisan circles. The problem was not just their “malicious design or political objectives,” but also that an average citizen “accepts any plausible sounding statement at its face value, without considering its source or trying to find the other side of the argument” (“Curse,” 1932). In general, he noted, people were ready to believe the worst about public servants. Public service was usually thankless; in these times, it was even worse.

Notwithstanding the difficult times, Smith tried to focus on additional ways to reform and update the quality of government administration. He advocated reform of county government by shifting to a unitary commission form of government (AP, 1931b). Smith was particularly interested in strengthening two largely neglected aspects of public administration: long-term planning and research. In his annual report for FY 1932, he said,

> We can visualize, however, a more fundamental long-term program of benefit to the Michigan cities and villages of the future. One of the fundamental reasons government today is faced with so many perplexing problems is due to the fact that government has been carried along on a day-to-day, month-to-month, and year-to-year basis. Many of the difficulties today could have been avoided by careful fundamental planning a year, a decade, or a generation ago (Smith, 1932b, p. 167).

He also urged investing more in research because

> there are many problems constantly arising, the solution of which would save taxpayers thousands of dollars. These problems can best be solved by thorough-going research and investigation. ...There is no good reason why government as such should not appropriate money for research, and many reasons why it should. There is no question but that money well spent in fundamental research will pay large dividends to taxpayers (Smith, 1931a, p. 125).
A few years later, the League published a research report on municipal utilities in the state. This was a controversial policy area, particularly as a synecdoche for larger ideological battles over publicly-owned vs. for-profit utilities. Smith’s foreword emphasized the fierceness of the controversy and that both sides “have frequently strayed from the paths of truth.” The value of the report was that it was based on careful field research and data collection. Its contents “attempted to present the facts impartially, no matter what they revealed” (Smith, 1934b).

His support for the good government movement led him to modest participation in several national organizations promoting good government and professionalization of public administration. He attended the annual GRA conference in 1930 and 1931 (GRA, 1930, p. 9; 1931, p. 8). Smith also participated in ICMA’s annual conference in 1932. Gulick made a presentation there on the “Principles of Public Administration.” Smith had been appointed to the panel of discussants to react to the paper. After his presentation, Gulick invited each discussant to suggest another principle of public administration for his work-in-progress. When Smith’s turn came, he said, “I was not even aware there were any principles” (Ridley & Nolting, 1933, p. 268).

In the National Municipal League’s (NML) National Municipal Review, Smith reviewed a how-to guide by A. E. Buck on budgeting in small municipalities published by NML’s consulting arm, the Municipal Administration Service (Lee, 2017). Smith lauded the publication because budgeting “has been heralded as the chief tool of democracy” and because Buck provided a practical template for local government. One of the aspects of the brochure that he praised was that “Mr. Buck presents his subject in an interesting and straightforward manner, free from academic surplusage [sic], and with an apparent appreciation of the character of his audience” (Smith, 1931b). In the retrospect of Smith’s later career, the review foreshadowed two central themes, namely, that budgeting was vital to democratic governance and the importance of communicating to an audience plainly and directly.

**Developing a National Reputation**

Smith quickly rose to become a national figure in the organizations seeking the professionalization of government management. His first allegiance was to AMA, the organization of his peers in other state municipal leagues. He attended the annual conferences and actively participated in them. His energy and involvement quickly propelled him to AMA’s leadership. For 1929–30, he was elected to be one of the two trustees of the association, akin to a board of directors (along with the officers) (“Annual meeting,” 1930). A year later, he was elected vice president. In that role, he gave a talk at the 1931 conference on AMA’s mission and organizational goals. Was AMA an association of CEOs of state municipal leagues or was it a national association of the leagues themselves? If the former, then perhaps it should focus on “the improvement and standardization of the technique of league administration itself” and focus on establishing leagues in states that did not have them. If the latter, then the lay leadership of state leagues and mayors of major cities should be invited to annual conferences. This was a controversial question that triggered extensive discussion (AMA, 1936, pp. 59–84).

That Smith had now attained national standing through AMA was confirmed when the State Department appointed the official American delegation to the 5th International Congress of Local Authorities scheduled for May 1932 in London (U.S. Department of State, 1932). The delegation was a who’s who of the nascent profession of public administration, including Brownlow and Gulick. After the conference, some members went on a month-long grand tour of the continent to meet with counterparts in western and central Europe (Smith, 1932b, pp. 171–77).
Dealing with the Great Depression under President Roosevelt, 1933–1937

Again, everything dramatically changed in the winter of 1932–33. Franklin Roosevelt overwhelmingly defeated President Hoover in the November election. However, in those days, presidents were not inaugurated until early March. Given the fragile state of the economy and the increasing number of bank closings, the interregnum seemed endless, and the economy practically ground to a halt. Finally, on March 4, Roosevelt was sworn in. He quickly inaugurated an unprecedented series of federal initiatives and new legislation to restore public confidence, reopen many banks, and vastly expand the scope of the federal government. (Later, it came to be called the Hundred Days.) In particular, FDR and Congress endorsed a federal role in funding relief—but only as an (ostensible) emergency measure. New alphabet agencies of the New Deal quickly followed. Smith and his members were eager to participate in the new federal largesse and were desperate for help.

The New Deal, Funding Relief, and Municipalities

If the Hoover years of the Great Depression were one long financial crisis for city governments, the FDR years looked more promising. However, they were dominated by seemingly continuous frustrations at actually obtaining the relief the national government had approved. Smith and his members wanted to get the federal funds from the new programs and appropriations as soon as they were available. But there seemed to be no end to complications and delays. In mid-1933, Smith described the bewildering and fast-paced developments: “A new federal administration with new policies with respect to welfare relief and economic recovery ... and the bank holiday with its consequent distress, have all caused major adjustments in private and public affairs. Throughout the year things have happened without warning and action has been swift. All efforts have been put forth to meet emergency situations and there has been little time to chart a long-term course” (Smith, 1933e, p. 149). A key statistic making vivid the financial crisis was the MML report later that year, which revealed that municipal tax revenues had dropped 45% between 1929 and 1933 (“Income of cities,” 1933).

During FDR’s first month in office, a crisis was precipitated by the (pre-FDR) federal Reconstruction Finance Corporation. Up to that point, local municipalities had obtained $15 million in low-interest RFC loans to help cover welfare and relief costs. However, in March, RFC issued an ultimatum: It would not provide any loans in April and May to municipalities because—unlike most state governments—Michigan was not contributing financially to funding local welfare. Future additional loans would require the state to provide one-third of the spending (“Huge gathering,” 1933). Conveying the urgency and uncertainty, Smith editorialized that “Chaos stares many local units in the face. What the next few weeks will bring about in distress and social disorder can only be surmised” (“Welfare crisis,” 1933). Eventually, the state committed to fund its share of welfare costs at $12 million. Yet two months later, Smith lamented, “The legislature has ‘jockeyed’ around how to identify the specific source of such money” (Smith, 1933c, p. 59). Politically, raising state taxes was an unappealing option.

A different stakeholder was also in the picture politically and financially: bondholders. Some municipalities were defaulting on bond payments though not declaring bankruptcy. As occurs in times of financial distress at all levels of government (and, for that matter, corporations), some bondholders were willing to take what is called a “haircut” and accept repayment at less than 100% of the city’s obligation. However, Smith complained that “a certain clique of bondholders” was insisting on complete repayment regardless of circumstances. In Lansing, they were lobbying the legislature for a new law to create a financial control board for any municipality that did not meet its legal obligations to bondholders. The board would have full control over all municipal operations and would have as a central requirement to repay all bonds fully regardless of the cascading consequences (Smith, 1933c, p. 60).
In an odd alliance, Smith served on a joint committee of governmental associations and banks petitioning Congress to enact legislation to prevent such court orders. Even when most bondholders would agree to a settlement, they told senators, “Individual bondholders not represented on the bondholders’ committees and owning only a small percentage of the outstanding bonds have repeatedly taken court action to compel the municipalities to adhere strictly to the terms of the bond contracts” (U.S. Senate, 1934, p. 35). This odd political couple helped attract attention and support for the bill. Congress passed it, and FDR signed it in May 1934.

In June 1933, Congress approved the National Industrial Recovery Act. Its most familiar component created the National Recovery Administration (NRA) to control prices and supplies. The act also created a Federal Emergency Administration of Public Works (later shortened to Public Works Administration [PWA]) with an appropriation of about $3.3 billion. Its goal was to create jobs by financing public works projects of all levels of government. FDR designated Interior Secretary Harold Ickes to run it, though as a separate organization apart from the Interior Department. Municipalities were panting for the money. The same month PWA was created, Smith quickly organized briefings for cities and villages on the requirements of the act for applications and funding (AP, 1933b). Particularly appealing was a provision permitting 20–30% of an approved project to go directly to the supervising municipalities as a grant. The rest would be a low-interest loan.

By October, it seemed like the money was a mirage. No grants had yet been approved. Ickes was punctilious that every project must meet all legal requirements and be judged viable. He wanted to protect himself from potential accusations by FDR’s conservative enemies and the swarm of federal auditors checking the paper trail of every approved project. He wanted to be sure that everything was above board, particularly that the money was not being used for political or patronage purposes. Smith characterized the program as proceeding “at a snail’s pace. … There is plenty of evidence that the public works program to date has become tangled in its own machinery” (“Public works,” 1933). By now, the summer construction season was nearly over, and the men who would have been employed by these projects would instead remain on municipal relief for the winter. However, Smith kept at it. In November, he worked to identify state laws that were obstacles against qualifying for PWA money (“Municipal association,” 1933). MML reported that, in the first two weeks in November, some applications were finally getting unjammed (“Officials plan,” 1933).

Suddenly, FDR jump-started the flow of the money. He reallocated $400 million from PWA to a new program called the Civil Works Administration (CWA) and named Harry Hopkins to run it. Hopkins, a social worker, was unlike Ickes. He didn’t care as much about paperwork. Instead, he wanted to get the money into the pockets of people who needed it as quickly as possible. Hopkins sought to provide jobs for four million people through the winter, at least until mid-February 1934 (when Congress would be asked for additional funding). Unlike PWA, CWA funds could be spent by grant recipients on both wages and on construction materials. For Hopkins, the un-bureaucrat, “Projects requiring a minimum of planning and materials are to be selected, so that they can be started immediately” (“New civil works,” 1933, p. 143) From Smith’s vantage point, every federal dollar CWA spent was one less dollar that cities would spend on relief. Even better, MML loaned Herbert Olson, its in-house engineer, to the state’s emergency welfare commission to expedite processing applications and approvals (“New civil works,” 1933, p. 144). After the frustrating months with PWA and Ickes, having one’s own employee working on getting money out the door was as good as it could get. Only a month later, Smith was delighted to report that 161,000 men already had CWA jobs, with a weekly payroll of $2.4 million plus another $600,000 a week spent on materials (“CWA program,” 1933).

CWA’s funding continued through April 1934 to finish projects that had begun during the winter (“League extends,” 1934). At that point, FDR created the Works Progress...
Administration (WPA, later renamed the Work Projects Administration), again led by Hopkins and, again, focusing on spending money. The League continued its focus on helping cities get federal funds, inviting WPA’s Michigan state director to address its annual conference, and it worked on simplifying WPA application forms (Smith, 1935c).

The roller coaster of on/off federal aid continued. For example, in early 1936, the federal government and WPA changed policies, declining to provide money for relief or welfare and limiting funding to work projects. MML pointed out that the federal share of funding of public relief had become essential. Cities could not be expected to resume covering what federal funds had paid for in the last few years (AP, 1936a). As is typical in politics, once someone starts getting something—whether money, tax breaks, their own federal agency, etc.—it becomes nearly impossible to take it away from them. Government rarely has a reverse gear.

Organizational Sketch

League membership remained relatively static during this period. It reached a new high of 287 members in 1937, a modest increase from previous years (“In services,” 1937). In part, it had expanded in previous years to a large proportion of cities and villages eligible to be members. There simply was not much more room to grow. Also, the Great Depression inevitably led to a few cities dropping their membership or being quite delinquent in their dues. A year later, it was down to 256 (Ridley & Nolting, 1938, p. 227).

Nonetheless, the staffing and services of the League expanded significantly, largely due to $10,000 in annual grants from the Rockefeller’s Spelman Fund (Smith, 1935b, pp. 19–20), which generally financed efforts to strengthen the apolitical profession of public administration. MML added a new staffer for an expanded field service (“League continues,” 1935), arranged for members to receive personnel consulting services from the national Civil Service Assembly (“In services,” 1937), hired a staff attorney to provide legal advice to members (Ridley & Nolting, 1937, p. 166), and recruited two recent Michigan grads to help with writing and editing (“Two junior,” 1934).

The League distributed a manual to Michigan municipalities for uniform public works records and administration (Smith, 1933f) and provided an in-depth review and reorganization study of a nearby small city as a kind of real-life lab experiment in management improvement (“Government experts,” 1933). Further, its information service expanded both a retail approach with more one-on-one inquiries and its wholesale strategy of more publications with practical information (“Answering questions,” 1936).

Smith hired a financial officer to provide accounting and auditing services to its members (“League offers,” 1934). In part, improving municipal accounting was intended to forestall state government arrogating for itself the power to supervise and regulate these local activities. At the same time, Smith pointedly said that accounting services provided to cities by for-profit accounting firms were often “of doubtful value” because their client base was mostly from the corporate sector. For them, governmental accounting was merely a sideline. Smith emphasized that “municipal accounting is a specialty quite unlike other accounting and can best be handled by those who specialize in this field” (Smith, 1935b, p. 16).

Demonstrating its growth and stability despite the Great Depression, by 1935 the League had outgrown the office space on campus that the university had been providing. It bought and remodeled a residence near campus to become the first state league to have its own headquarters building. Taking advantage of one of the New Deal programs, the labor costs of project were covered by a grant from the Federal Emergency Relief Administration (FERA), and—based on the program’s requirements—the League only had to pay for the construction materials (Smith, 1935b, p. 20).
By now, the League had gotten so big and Smith’s national commitments so extensive that he had to let go of some of the tight reins he held over its operations. For example, as the long-time editor of MMR, he controlled its content and format. Similarly, he either wrote all editorials or closely supervised them. In late 1935, new editorial staffers were arguing for upgrading and expanding the Review with a new layout, logo, quality paper, more color, and more photos. In a light-hearted editorial for the first issue in the new format, Smith said he had agreed to the changes “with considerable reluctance.” He recalled producing the initial issues in 1928 as a one-person job. He did everything from writing to layout to selling advertising to getting printing bids to mailing. “These memories linger in the mind of the editor after eight years since the first issue. But sentiment must be brushed aside in favor of progress” (Review goes,” 1936). His unsentimental attitude about the need for continuous improvement in management could well be seen as a motto for his entire career.

**Purchasing Service**

The success of the cooperative purchasing service in 1929–32 prompted the program to shift into higher gear. It began offering additional products, including salvage covers (to cover gaps in a structure after a fire), push brooms, and a specific kind of street sign that qualified for WPA funding. A year later, it added streetlamps, traffic paint, water meters, traffic signs, and fire sirens (Ridley & Nolting, 1938, p. 227). The service also became higher-profile and more marketing-oriented, with promotional advertising in MMR with a harder sell aimed at recruiting new customers.

The purchasing service also became a national model for other leagues to follow. AMA created the Committee on Co-operative Purchasing, chaired by Smith, to give momentum to an effort to expand the program to other state leagues. As part of that effort, in 1936, AMA published two brochures as a “Purchasing Series” on procedures and forms (AMA Committee, 1936a; 1936b). The Illinois Municipal League invited Smith to address its annual conference on cooperative purchasing (“League activities,” 1935). MML’s purchasing service also gained national academic attention. An article in a scholarly journal prominently mentioned Smith’s initiative (MacCorkle, 1938).

**Good Government**

Locally, Smith continued his commitment to the broader agenda of the good government movement that went beyond matters directly affecting MML’s membership. In 1936, the Detroit chapter of the League of Women Voters organized an event for the national organization’s Public Personnel Day. Its focus was the importance of training for government service and reducing patronage jobs. Smith addressed the meeting in supporting such reforms (“Public service,” 1936). That year, he served on a committee of Michigan Merit System Association pushing for expanding the classified service in state government (AP, 1936b). He also was a member of the advisory committee to the state’s Civil Service Study Commission (1936, p. 89), which recommended that all state and county personnel funded by the federal emergency relief program must pass civil service merit tests or be laid off (AP, 1936c). Seeking to keep the momentum going, in November a nonpartisan commission he chaired recommended to governor-elect Frank Murphy to expand the civil service system to all state employees (“Fight brewing,” 1936).

Increasingly visible as a good government reformer nationally, Smith joined GRA in 1934, instead of merely attending annual conferences.6 He was invited to be a panelist at its 1935 conference. The session’s subject was a central one: Should the tactics and strategies that good government research bureaus used for enactment of reforms focus mostly on cooperation or militancy (“Tentative outline,” 1935)? Similarly, he attended annual conferences of NML in 1934 and the Civil Service Assembly in 1935. He also wrote short updates on Michigan news developments for ICMA’s monthly Public Management (1933a; 1935a; 1935c).
On the National Stage

While he actively supported good government efforts, most of Smith’s national involvements related more closely to the interests of municipal government and public administration. He was elected AMA president for 1934–35. Even though AMA was a relatively small group (the staff director of each state municipal league), Smith’s quick ascent was impressive. In late 1927, he had participated in the AMA conference as MML’s incoming director. Seven years later, he was its president. As AMA president and a kind of personal embodiment of America’s city governments, Smith was invited to serve in many high visibility activities. The Committee on Civic Education by Radio sponsored several themed talks on public affairs on a national radio network. For its series on “Reviving Local Government,” Smith gave a talk in April 1934 on “Local Government and the New Deal” (1934a). In October, for a series on “Trends of Government,” he spoke about the role of municipal leagues (1934c).

Smith’s AMA role also led to his appointment by the US State Department to the American delegation to another international conference, the sixth annual meeting of the International Union of Local Authorities, in Lyon, France, in 1934. The conference’s goal was “the development of a municipal science and instruction in matters of municipal interest” (U.S. Department of State, 1936, p. 8).

In 1933, Brownlow, chair of the Rockefeller-funded Committee on Public Administration of Social Science Research Council, appointed Smith to the committee. In part, this would broaden the committee membership beyond academics. As a practitioner, Smith would add credibility to the effort to establish public administration as both an academic and practitioner profession. The purpose of the committee was to foster and underwrite quality research that would help create academically credible literature. He was not particularly vocal at meetings, playing modest but constructive roles with suggestions and comments that contributed to consensus decision-making.7

These activities also gave Smith standing as a practitioner interested in the academic and research side of the developing profession and who was comfortable working closely with faculty. For example, in December 1934, Smith was on a panel at the annual conference of the American Political Science Association. He spoke on the changing financial status of American cities during the Depression (Ogg, 1935, p. 108).

Another academic organization, the American Academy of Political and Social Science, invited him to review a book on local government finance in Minnesota by Professor William Anderson. Smith praised the book because “It is not often that something of striking character is added to the literature of local government.” He also praised its effectiveness in communication. “The text is very readable. ... There are no long, tiresome tables to be hurdles. Such charts as are used are significant and attractive” (1936b). However, Smith did not disclose that he knew Anderson well from other professional activities. From a twenty-first century perspective, academic ethical guidelines would require this disclosure because of the possibility that a reviewer was not a wholly disinterested observer. To be certain, such disclosures were not the norm at the time, and Smith deserves to be seen through contemporaneous standards.

Another indication of Smith’s rising national profile was appointment to serve on a research committee of Roosevelt’s National Resources Council (later renamed National Resources Planning Board). In 1935, Smith was appointed to the Council’s Committee on Urbanism Research. He explained to a local newspaper that the committee would study, research, and recommend “changes necessary to remove the undesirable effects of future city growth trends; to declare what constitutes minimum essentials of a well-ordered city, and advise how to accomplish these essentials in meeting such problems as housing, recreation, unemployment, health, water and land use, communication and finances.”8 He wrote a chapter in the
committee’s report to the council (Smith, 1939), which Bromage called “the most original segment” of the report (1941, p. 147).

**Winter 1936–1937: Promoting Good Government in Michigan, Particularly for MML Members**

Michigan had generally been a republican state, routinely electing republican governors. Then, like elsewhere, the Great Depression and FDR changed that. In November 1932, Democrat William Comstock defeated incumbent republican governor Wilber Brucker. Two years later, republican Frank Fitzgerald took back the governorship. In 1936, Fitzgerald was running for reelection, and his opponent was former Detroit mayor Frank Murphy.

Predictably, paying for welfare and relief was a political hot potato. In April 1936, seeking to depoliticize the policy controversy, Governor Fitzgerald appointed a welfare and relief commission to study welfare and relief in Michigan and to make recommendations to improve its operations, administration, and finance. He appointed Smith as chair (AP, 1936d). Selecting Smith signaled that the governor recognized the central role of municipalities vis-à-vis relief, Smith’s nonpolitical standing, and his record of supporting good government reforms. In midsummer, Smith confirmed that the group would probably recommend reorganizing state government to consolidate all agencies involved in welfare and relief (AP, 1936e). A university faculty member who was the commission’s secretary wrote that the work of the commission greatly benefited from “the skilful [sic] leadership of Mr. Smith” (Dunham, 1938, p. 420). However, to the media and the public, reorganization was a relatively boring inside-baseball story.

The November 1936 election results reflected the seesaw that Michigan politics had become in the FDR era. Murphy defeated Fitzgerald. The commission’s report was released in late December, days before the end of Fitzgerald’s term. It would be up to the incoming governor to decide on implementing any of its recommendations. Murphy promptly hired Smith as state budget director. Two years later, Fitzgerald beat Murphy and retained Smith. FDR quickly appointed Murphy attorney general. A few months after that, Roosevelt was seeking a new BOB director. Murphy (and Brownlow) recommended Smith. Smith started in April 1939 and gradually remade BOB into a powerhouse, kicking off its golden age (Lee, 2021).

**Summary and Conclusion**

Smith’s pre-BOB professional career has been largely unknown in the literature. Therefore, this examination of his preceding leadership of MML helps fill the gap in the literature. As such, it provides a prelude and foreshadowing of what he accomplished at BOB. It deepens our understanding of what shaped him and what he brought to BOB. This, in itself, is a contribution toward understanding him more deeply. However, his MML record also suggests the possibility of knowledge transfer from the management of a nonprofit to public sector administration and, separately, the possible relevance of his ability to grow an organization during the Great Depression to parallel difficulties of management during the COVID-19 pandemic (and subsequent economic contraction).

Smith’s success at reviving the Michigan Municipal League in the face of the Great Depression was an impressive accomplishment of nonprofit management. He succeeded in increasing revenues, broadening membership, expanding staffing, providing field services, establishing a monthly magazine, creating a joint purchasing coop, and increasing the public voice of the association. By the time he stepped down in 1937, MML was a large and sustainable nonprofit encompassing nearly all of the state’s municipalities. Smith molded MML into a cohesive organization, so that its voice was unified in advocating public policies to the governor and
legislature. As part of that role, he emerged as a high-profile spokesperson for the nonprofit, often quoted by reporters.

In part, Smith’s success appears to reflect the many personal leadership skills he brought to the organization. He was an effective in-house manager, his duties including oversight of staff, services, publications, and research. At the same time, he was equally comfortable with the out-of-house public-facing elements of nonprofit management, such as advocacy, public policy, coalition building, networking, speeches, and media relations.

A striking element of Smith’s career is that he was first a successful nonprofit manager and then a successful public administrator. Certainly, Smith’s laudable records in running a nonprofit and then a federal agency could be attributed largely to his impressive personal talents and workaholism. Yet these sequential successes also imply a different or at least supplementary lesson. A common theme in the discipline of public administration is that it is qualitatively different from business administration. As for claims that management in both sectors was a generic activity requiring similar skills, knowledge, and practice, Sayre quipped that “business and public administration are alike only in all unimportant respects” (1958, p. 245).

However, what about nonprofit management vis-à-vis public administration? In the twenty-first century, similarities between the two have been largely obscured by centrifugal professional and pedagogic impulses. More often than not, they are organized as separate degree programs in higher education (sometimes separate schools), have separate professional associations (whether for practitioners or academics), and have separate scholarly journals. Brooks has made the case that this orthodoxy is inherently misguided. He argued that nonprofit management is “a natural complement to public management” (2002, p. 264) and therefore that public administration can draw important lessons from nonprofit management. Similarly, this journal’s dual interest in public and nonprofit affairs also suggests its founders, editors, and contributors see commonalities and links between the two enterprises. Rephrasing Sayre, Smith’s serial successes in nonprofit and then public management present a case study that the two were alike in some important respects. In that case, Smith’s nonprofit leadership was a useful management prologue that contributed to his later BOB triumph.

Smith’s success at MML also suggests a different lesson. Besides presenting parallels between management in the two sectors, Smith’s record of successfully growing MML in the teeth of the Great Depression also suggests the possibility of lessons for contemporary times. The Great Depression was a seismic event, triggering long-term economic, political, and social change. As a singular event, it deflected the nation from the trends of its preceding history into a different direction. The same may be the case of the COVID-19 pandemic, which similarly triggered major disruptions in the economic and social trends of the era that had preceded it.

While it is too early to draw the final and definitive management lessons of the pandemic, it is not too early to begin examining history for hints of ways to adjust to the longer-term reality it created. Smith’s success in building MML during the Great Depression may well turn out to be valid for current times. He revitalized a nearly moribund organization through membership recruitment, tangible proof of the benefits of membership (publications, research, information service, consulting, lobbying, and a purchasing coop), extended the organization’s brand to ancillary professional silos, obtained new sources of revenue, used person-to-person communications to strengthen relationships, and used PR and the media to raise the profile and influence of the association. These historical examples may be relevant to the difficult task facing nonprofits in surviving and rebuilding in the post-COVID recovery era.
Notes

1. In 1932, Smith accepted appointment to a vacancy on the elected county board of Washtenaw County representing a ward in Ann Arbor. “H. D. Smith Ann Arbor Supervisor,” Detroit Free Press (DFP), November 9, 1932, 11.
2. The panel included Brownlow, John Blandford (later Smith’s deputy BOB director), Herman Finer, Dean of Syracuse’s Maxwell School William E. Mosher, Donald Stone, and Leonard D. White.
3. The inauguration date moved to January 20 in 1937.
4. Spelman was the maiden name of John D. Rockefeller Sr.’s late wife.
5. One was Mark W. Alger, who went on to a long career at BOB/OMB. In late 1972, he helped OMB Director Casper Weinberger plan a major reorganization of the federal executive branch for Nixon’s 2nd term.
6. During this period, GRA became more closely aligned with Brownlow’s Public Administration Clearing House. That may have influenced Smith’s decision to become active in it.
7. Source: Minutes of meetings of the Committee on Public Administration, Social Science Research Council, Rockefeller Archive Center, Sleepy Hollow, NY.
8. “Smith chosen on U.S. committee,” August 7 (?), 1935. The article in the clippings file of the University of Michigan’s alumni records does not identify the newspaper that published it. File: Smith, Harold Dewey, Necrology Files, Alumni Records, Bentley Historical Library.

Disclosure Statement

The author declares no conflicts of interest that relate to the research, authorship, or publication of this article.

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