



Photograph of Paul and Elizabeth Raushenbush courtesy of the Wisconsin Historical Society

PAUL & ELIZABETH RAUSHENBUSH (DECEASED)

ECONOMISTS WITH THE UNIVERSITY OF WISCONSIN

ACHIEVEMENT: Paul & Elizabeth Raushenbush were instrumental in the creation of the unemployment insurance program in Wisconsin in January 1932, three years prior to the enactment of the Social Security Act of 1935.

In 1930, then candidate for governor, Phillip LaFollette, asked Mr. Raushenbush to draft an unemployment insurance bill. Paul and Elizabeth worked with Harold Groves and were instrumental in the creation and adoption of the Groves Bill, which established the first unemployment compensation program in the nation.

The Groves Bill was intended to stabilize Wisconsin's economy by encouraging employers to find laid-off employees other work, and it helped workers by providing a rate of benefits based on their previous salary. This legislation was a starting point for the rest of the nation and was a model for the unemployment insurance provisions of the draft of the Social Security Act of 1935, contributed to by Mr. Raushenbush. The Raushenbushes were also involved with similar legislation in Massachusetts.

Mr. Raushenbush was the director of the Wisconsin Unemployment Compensation Division for 34 years, from 1934-1967. During his tenure, he was outspoken in his belief that unemployment insurance should not be federalized. He sought Federal legislation to make funds available to state programs when needed. In 1954, Congress set up a permanent no interest loan fund for state programs.

Elizabeth Brandeis Raushenbush taught at the University of Wisconsin for over forty years and worked on and researched many labor and social issues.